
CONSOLIDATED SUSTAINABILITY STATEMENT





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GENERAL INFORMATION

BASIS FOR PREPARATION

Basis for preparation

This document, the Consolidated Sustainability Statement (hereafter the “document”) is published by Piaggio & C. S.p.A. (hereafter “Piaggio” or the “Group”) in application of Legislative Decree 125 of 6 September 2024 (transposing the Corporate Sustainability Reporting Directive (CSRD - Directive 2022/2464/EU) of the European Parliament, amending Directive 2013/34/EU, concerning non-financial disclosure requirements for large companies).

Reporting Period

Financial year 2024 (1 January to 31 December 2024).

Reporting Scope

The scope of the information and data in the Sustainability Report comprises the Companies consolidated on a line-by-line basis in the Consolidated Financial Statements of the Piaggio Group.

This Consolidated Sustainability Statement encompasses the value chain, with respect to policies and actions concerning key impacts, risks, and opportunities, as well as figures for Scope 3 GHG²⁰ emissions.

The Group has not used the option to omit a specific piece of information corresponding to intellectual property know-how or the results of innovation. It has also not used the exemption from disclosure of impending developments or matters in the course of negotiation, as provided for in articles 19a (3) and 29a (3) of Directive 2013/34/EU.

Time horizons

Unless otherwise specified in the relevant section, the time horizons used in this document are in line with ESRs: i) Short-term: within 1 year; ii) Medium-term: within 5 years; iii) Long-term: over five years.

Metrics subject to a high level of uncertainty

Where metrics face significant measurement uncertainty, in the reference paragraph, we have clearly outlined the assumptions, proxies, and calculation methods in the relevant section. In this regard, it should be noted in particular that the Scope 3 GHG emissions indicator falls into this case.

The Group is assessing whether and how it is possible to retrieve and systematise the data currently being estimated.

20 GHG: Greenhouse gases.

Basis for preparation

Changes in reporting and presentation of information and reporting errors in previous periods

As stated, this document has been prepared for the first time in accordance with the European Sustainability Reporting Standard (ESRS). Figures for the year 2023, where available, are given for comparative purposes only. Any restatements of data from previous years with respect to published figures, due to improvements in the collection and reporting process, are clearly indicated as such. In some cases, data could be affected by rounding off defects due to the fact that figures are represented in thousands/millions; changes and percentages are calculated based on specific data.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

This sustainability report does not include any additional information arising from applicable legislation, with the exception of the information referred to in Article 8 of Regulation (EU) 2020/852 of the European Parliament included in the section "The European Taxonomy".

Materiality threshold of monetary amounts related to the actions

In accordance with the metrics applied in the ERM analysis and the materiality threshold determined as of 31 December 2024 for transactions involving related parties, the Group has recognised that transactions surpassing €10 million are of significant financial importance.

It should be noted that the only actions that exceed this threshold are some of those described within the chapters "Climate change" and "Pollution".



List of disclosure requirements included in the Sustainability Report

Basis for preparation

DISCLOSURE REQUIREMENT		PARAGRAPH
GENERAL DISCLOSURES		
ESRS 1 BP-1	General basis for preparation of sustainability statements	General information – Basis for preparation
ESRS 2 BP-2	Disclosures in relation to specific circumstances	General information – Basis for preparation
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	Governance - The role of the administrative, management and supervisory bodies
ESRS 2 GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Governance - The role of the administrative, management and supervisory bodies
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	Governance - Incentive Systems and Remuneration Policy for Members of the Administrative, Management and Supervisory Bodies
ESRS 2 GOV-4	Statement on due diligence	Governance - The system for responsible business management
ESRS 2 GOV-5	Risk management and internal controls over sustainability reporting	Governance - Risks and internal controls on sustainability reporting
ESRS 2 SBM-1	Strategy, business model and value chain	Strategy - The Business Model
ESRS 2 SBM-2	Interests and views of stakeholders	Strategy - Expectations and ways of involving stakeholders
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Strategy - Materiality Analysis
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Strategy - Materiality Analysis
ESRS 2 IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Strategy - Materiality Analysis
ESRS 2 MDR-P	Policies adopted to manage material sustainability matters	Please refer to the Topical Standard pages
ESRS 2 MDR-A	Actions and resources in relation to material sustainability matters	Please refer to the Topical Standard pages
ESRS 2 MDR-M	Metrics in relation to material sustainability matters	Please refer to the Topical Standard pages
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	Please refer to the Topical Standard pages
E1 CLIMATE CHANGE		
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	Governance - Incentive Systems and Remuneration Policy for Members of the Administrative, Management and Control Bodies
E1-1	Transition plan for climate change mitigation	Climate Change - Decarbonisation Plan
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Climate Change - Environmental management systems
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Climate Change - Environmental management systems
E1-2 - MDR-P	Policies related to climate change mitigation and adaptation	Climate Change - Environmental management systems
E1-3 - MDR-A	Actions and resources in relation to climate change policies	Climate Change - Decarbonisation Plan
E1-4 - MDR-T	Targets related to climate change mitigation and adaptation	Climate Change - Decarbonisation Plan
E1-5	Energy consumption and mix	Climate Change - Energy consumption
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Climate Change - GHG emissions
E1-7	GHG removals and GHG remediation projects financed through carbon credits	Climate Change - GHG removals and GHG mitigation projects
E1-8	Internal carbon pricing	Climate Change - Internal carbon pricing
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phase In

Basis for preparation

DISCLOSURE REQUIREMENT		PARAGRAPH
E2 POLLUTION		
ESRS 2 IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	Strategy - Materiality Analysis
E2-1 - MDR-P	Policies related to pollution	Pollution - Existing Policies
E2-2 - MDR-A	Actions and resources related to pollution	Pollution - Actions and resources related to pollutions
E2-3 - MDR-T	Targets related to pollution	Pollution - Pollution-related targets
E2-4	Pollution of air, water and soil	Pollution - Significant emissions
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	Phase In
E3 WATER AND MARINE RESOURCES		
ESRS 2 IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	Strategy - Materiality Analysis
E3-1 - MDR-P	Policies related to water and marine resources	Water and marine resources - Existing policies
E3-2 - MDR-A	Actions and resources related to water and marine resources	Water and marine resources - Actions related to efficient water use
E3-3 - MDR-T	Targets related to water and marine resources	Water and Marine Resources - Objectives related to water use
E3-4	Water consumption	Water and marine resources - Withdrawals, discharges and consumption
E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Phase In
E4 BIODIVERSITY AND ECOSYSTEMS		
ESRS 2 IRO-1	Description of the processes to identify and assess biodiversity and ecosystem related impacts, risks, dependencies and opportunities	Strategy - Materiality Analysis
E5 RESOURCE USE AND CIRCULAR ECONOMY		
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Strategy - Materiality Analysis
E5-1 - MDR-P	Policies related to resource use and circular economy	Circular Economy - Policies for the sustainable use of resources
E5-2 - MDR-A	Actions and resources related to resource use and circular economy	Circular economy - Actions and Targets
E5-3 - MDR-T	Targets related to resource use and circular economy	Circular economy - Actions and Targets
E5-4	Resource inflows	Circular Economy - Resource inflows
E5-5	Resource outflows	Circular Economy - Resource outflows
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Phase In

Basis for preparation

DISCLOSURE REQUIREMENT		PARAGRAPH
S1 OWN WORKFORCE		
ESRS 2 SBM-2	Interests and views of stakeholders	Strategy - Expectations and ways of involving stakeholders
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Strategy - Materiality Analysis
S1-1 - MDR-P	Policies related to own workforce	Own workforce - Personnel management policies
S1-2	Processes for engaging with own workforce and workers representatives about impacts	Own workforce - Involvement and dialogue with employees
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Own workforce - Processes to remedy negative impacts
S1-4 - MDR-A	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Own workforce - Actions
S1-5 - MDR-T	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Own workforce - Targets
S1-6	Characteristics of the Undertaking's Employees	Own workforce - Employees
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Own workforce - Non-employees
S1-8	Collective bargaining coverage and social dialogue	Own workforce - Working conditions
S1-9	Diversity metrics	Own workforce - Diversity and equal opportunities
S1-10	Adequate wages	Own workforce - Working conditions
S1-11	Social Protection	Phase In
S1-13	Training and skills development metrics	Own workforce - Training and skills development
S1-14	Health and safety metrics	Own workforce - Occupational health and safety
S1-15	Work-life balance metrics	Phase in
S1-16	Remuneration metrics (pay gap and total remuneration)	Own workforce - Diversity and Equal opportunities
S1-17	Incidents, complaints and severe human rights impacts	Own workforce - Protecting the human rights of employees
S2 - WORKERS IN THE VALUE CHAIN		
ESRS 2 SBM-2	Interests and views of stakeholders	Strategy - Expectations and ways of involving stakeholders
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Strategy - Materiality Analysis
S2-1 - MDR-P	Policies related to workers in the value chain	Workers in the value chain - Existing policies
S2-2	Processes for engaging with value chain workers about impacts	Workers in the Value Chain - Involvement Processes
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Workers in the value chain - Processes to remedy negative impacts
S2-4 - MDR-A	Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	Workers in the value chain - Actions and targets
S2-5 - MDR-T	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Workers in the value chain - Actions and targets

Basis for preparation

DISCLOSURE REQUIREMENT		PARAGRAPH
S3 - AFFECTED COMMUNITIES		
ESRS 2 SBM-2	Interests and views of stakeholders	Strategy - Expectations and ways of involving stakeholders
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Strategy - Materiality Analysis
S3-1 - MDR-P	Policies related to affected communities	Affected communities - Existing Policies
S3-2	Processes for engaging with affected communities about impacts	Affected Communities - Involvement Processes
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	Affected Communities - Processes to Remedy Negative Impacts
S3-4 - MDR-A	Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Affected Communities - Support for Local Communities
S3-5 - MDR-T	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Affected Communities - Support for Local Communities
S4 - CONSUMERS AND END-USERS		
ESRS 2 SBM-2	Interests and views of stakeholders	Strategy - Expectations and ways of involving stakeholders
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Strategy - Materiality Analysis
S4-1 - MDR-P	Policies related to consumers and end-users	Customers and end-users - Policies related to consumers and end-users
S4-2	Processes for engaging with consumers and end-users about impacts	Customers and End-Users - Involvement Processes
S4-3	Processes to remediate negative impacts and channels for consumers and end user to raise concerns	Customers and end-users - Processes to remedy negative impacts
S4-4 - MDR-A	Taking action on material impacts on consumers and end-users and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Customers and end-users - Action on major impacts
S4-5 - MDR-T	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Customers and end users - Targets
G1 - BUSINESS CONDUCT		
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	Governance - The role of the administrative, management and supervisory bodies
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Strategy - Materiality Analysis
G1-1 - MDR-P	Business conduct policies and corporate culture	Governance Information - Existing Policies
G1-2	Management of relationships with suppliers	Governance Information - Relations with Suppliers
G1-3	Prevention and detection of corruption and bribery	Governance Information - Anti-Corruption
G1-4	Incidents of corruption or bribery	Governance Information - Cases of corruption or bribery
G1-5	Political influence and lobbying activities	Governance Information - Piaggio Group Institutional Relations

Basis for preparation

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

DISCLOSURE REQUIREMENT AND RELATED DATA POINT	SFDR (1)	PILLAR 3 (2)	BENCHMARK REGULATION (3)	EU CLIMATE LAW (4)	DISCLOSURE
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816(5), Annex II		Governance - The role of the administrative, management and supervisory bodies
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Governance - The role of the administrative, management and supervisory bodies
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Governance - The system for responsible business management
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453(6) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk 2020/1816, Annex II	Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818(7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818(7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Climate Change - Decarbonisation Plan
ESRS E1-1 Undertakings excluded from Parisaligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Climate Change - Decarbonisation Plan

Basis for preparation

DISCLOSURE REQUIREMENT AND RELATED DATA POINT	SFDR (1)	PILLAR 3 (2)	BENCHMARK REGULATION (3)	EU CLIMATE LAW (4)	DISCLOSURE
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Ta- ble #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Climate Change - Decarbonisation Plan
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Ta- ble #1 and Indicator n. 5 Table #2 of Annex 1				Climate Change - Energy consumption
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Ta- ble #1 of Annex				Climate Change - Energy consumption
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Ta- ble #1 of Annex 1				Climate Change - Energy consumption
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Climate Change - GHG emissions
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Climate Change - GHG emissions
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Climate Change - GHG removals and GHG mitigation projects
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Piaggio has opted to utilise the phase-in option for 2024 and, as a result, will not make a disclosure

Basis for preparation

DISCLOSURE REQUIREMENT AND RELATED DATA POINT	SFDR (1)	PILLAR 3 (2)	BENCHMARK REGULATION (3)	EU CLIMATE LAW (4)	DISCLOSURE
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk			Piaggio has opted to utilise the phase-in option for 2024 and, as a result, will not make a disclosure
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Piaggio has opted to utilise the phase-in option for 2024 and, as a result, will not make a disclosure
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Piaggio has opted to utilise the phase-in option for 2024 and, as a result, will not make a disclosure
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Pollution - Significant Emissions
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Water and marine resources - Existing policies
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table #2 of Annex 1				Water and marine resources - Existing policies
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Water and marine resources - Existing policies
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Water and marine resources - With- drawals, discharges and consumption
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Water and marine resources - With- drawals, discharges and consumption
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material

Basis for preparation

DISCLOSURE REQUIREMENT AND RELATED DATA POINT	SFDR (1)	PILLAR 3 (2)	BENCHMARK REGULATION (3)	EU CLIMATE LAW (4)	DISCLOSURE
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Circular Economy - Resource outflows
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Circular Economy - Resource outflows
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Strategy - Materiality Analysis
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Strategy - Materiality Analysis
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Own workforce - Personnel management policies
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Own workforce - Personnel management policies
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Own workforce - Personnel management policies
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Own workforce - Personnel management policies
ESRS S1-3 grievance/ complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Own workforce - Processes to remedy negative impacts
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Own workforce - Occupational health and safety

Basis for preparation

DISCLOSURE REQUIREMENT AND RELATED DATA POINT	SFDR (1)	PILLAR 3 (2)	BENCHMARK REGULATION (3)	EU CLIMATE LAW (4)	DISCLOSURE
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Own workforce - Occupational health and safety
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Own workforce - Diversity and Equal opportunities
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Own workforce - Diversity and Equal opportunities
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Own workforce - Protecting the human rights of employees
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Own workforce - Protecting the human rights of employees
ESRS 2- SBM3 - S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Strategy - Materiality Analysis
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Workers in the value chain - Existing policies
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Workers in the value chain - Existing policies
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Workers in the value chain - Existing policies
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Workers in the value chain - Existing policies
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Workers in the value chain - Actions and targets
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Affected communities - Existing Policies

Basis for preparation

DISCLOSURE REQUIREMENT AND RELATED DATA POINT	SFDR (1)	PILLAR 3 (2)	BENCHMARK REGULATION (3)	EU CLIMATE LAW (4)	DISCLOSURE
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Affected communities - Existing Policies
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Affected Communities - Support for Local Communities
ESRS S4-1 Policies related to consumers and end- users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Customers and end- users - Policies related to consumers and end-users
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1 Delegated Regula- tion (EU) 2020/1816, Annex II		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Customers and end- users - Policies related to consumers and end-users
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Customers and end- users - Action on major impacts
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Governance information - Existing policies
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Governance information - Existing policies
ESRS G1-4 Fines for violation of anti-corruption and anti- bribery laws paragraph 24 (a)	Indicator no. 17 Table #3 of Annex 1		CDR (EU) 2020/1816, Annex II)		Governance Information - Anti-Corruption
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Governance Information - Anti-Corruption

- (1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).
- (2) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).
- (3) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).
- (4) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9.7.2021, p. 1).
- (5) Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplements Regulation (EU) 2020 of the European Parliament and of the Council by detailing how environmental, social, and governance (ESG) factors are incorporated within each benchmark statement provided and published (Official Journal L 2016, 1011 December 2020, page 406, 3.12.2020).
- (6) Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022, which amends the implementing technical standards set out in Implementing Regulation (EU) 2022 concerning the disclosure of environmental, social, and governance (ESG) risks, as published in the Official Journal (OJ) L 2021 on 637 December 2022, page 324, 19.12.2022.
- (7) Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020, supplementing Regulation (EU) 2020 of the European Parliament and of the Council, concerns minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (Official Journal L 2016, 1011 December 2020, page 406, 3.12.2020).

Governance

GOVERNANCE

The role of the administrative, management and supervisory bodies

The Board of Directors of Piaggio & C. S.p.A, appointed during the Shareholders' Meeting on 17 April 2024, will serve until the Shareholders' Meeting convened to ratify the financial statements for the year ending on 31 December 2026. The composition of the Board is as follows:

- Matteo Colaninno (Executive Chairman, with responsibility for institutional relations at national and international level);
- Michele Colaninno (Chief Executive Officer - CEO);
- Alessandro Lai (independent director, meeting the criteria outlined in Article 25 of the Articles of Association for serving as a member of the Management Control Committee and also registered as an Auditor);
- Graziano Gianmichele Visentin (independent director, meeting the criteria outlined in Article 25 of the Articles of Association for serving as a member of the Management Control Committee and also registered as an Auditor);
- Carlo Zanetti;
- Andrea Formica (independent director);
- Ugo Ottaviano Zanello (independent director, meeting the criteria outlined in Article 25 of the Articles of Association for serving as a member of the Management Control Committee and also registered as an Auditor);
- Micaela Vescia (independent director, meeting the criteria outlined in Article 25 of the Articles of Association for serving as a member of the Management Control Committee);
- Paola Mignani (independent director, meeting the criteria outlined in Article 25 of the Articles of Association for serving as a member of the Management Control Committee and also registered as an Auditor);
- Patrizia Albano (independent director, who meets the requirements of Article 25 of the Articles of Association for appointment as a member of Management and Control Committee);
- Rita Ciccone (independent director);
- Raffaella Annamaria Pagani (independent director, meeting the criteria outlined in Article 25 of the Articles of Association for serving as a member of the Management Control Committee and also registered as an Auditor);

The current Board of Directors consists of 12 members, 2 of whom are executive and 5 are women (42%). It is also in the majority (9 out of 12; 75%) are independent directors in line with Article 13 of the Articles of Association, Article 148(3)(b) and (c) of Legislative Decree 58/1998 (the "TUF"), Article 16 of the Market Regulations set by Consob Resolution No. 20249 of 2017, and Article 2 of the Corporate Governance Code established by the Corporate Governance Committee.

The Council does not include employee or other worker representatives among its members.

The Board of Directors also passed resolutions on corporate governance, providing:

- the appointment of the independent director Alessandro Lai as Lead Independent Director;
- the establishment of a Related Party Transactions Committee, with the tasks and functions provided for by Consob Regulation No. 17221/2010 and the "Related Party Transactions" procedure adopted by the Company, composed of the independent directors: Rita Ciccone, as Chairman, Andrea Formica and Micaela Vescia;
- the formation of a Appointment Proposal and Remuneration Committee, which will outline its roles and responsibilities regarding pay and appointments in line with the Corporate Governance Code, consisting of independent directors: Graziano Gianmichele Visentin as chairman, with Rita Ciccone and Alessandro Lai.
- the appointment of the Managing Director, Michele Colaninno, as Chief Executive Officer responsible for establishing and overseeing the internal control and risk management system. He is assigned all the relevant duties outlined in the Code, especially those mentioned in Article 6, Recommendation 34;
- the formation of a Risk and Sustainability Control Committee, outlining its duties in line with Article 6, Recommendations 32 and 35 of the Corporate Governance Code, and entrusting it with sustainability-related responsibilities. The committee consists of independent directors, with Graziano Gianmichele Visentin serving as Chair, alongside Alessandro Lai and Paola Mignani.

In accordance with Article 13.2 of the updated Articles of Association, taking up the role of Director requires meeting the criteria set by law, the Articles of Association, and any other relevant regulations. No person

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may be appointed to the office of Director of the Company and, if appointed, shall be disqualified from office, who has not acquired a total of at least three years' experience in the exercise of:

- a. administration and control activities or management tasks in corporations with a capital of not less than €2 million; or
- b. Professional activities or permanent university teaching in law, economics, finance, and technical-scientific subjects directly linked to the Company's operations; or
- c. management roles in public entities or administrations active in the banking, finance, and insurance industries, or in any closely related sectors to the company's business.

The Board of Directors, following the "one-tier" system of governance and oversight the Company has adopted according to the Italian Civil Code, Articles 2409-sexiesdecies onwards, and effective from 18 April 2024, has also established a Management Control Committee. This Committee, tasked with statutory and constitutional oversight, comprises three members serving from 2024 to 2026. Raffaella Annamaria Pagani will chair the committee, with Alessandro Lai and Paola Mignani as members. All appointees fulfil the legal and constitutional criteria for their roles, as confirmed by the Board before their appointments.

All members of the Board of Directors possess professional experience in managerial or supervisory roles within complex corporate environments influenced by ESG matters pertinent to Piaggio. Their expertise ensures they have the necessary skills for the proper management of the company, encompassing governance, risk management, and ethical business practices. Some of them also acquired knowledge useful for supervising impacts, risks and opportunities in the field of sustainability.

In this regard, in relation to the roles and responsibilities of directors with regard to the above issues, the following should be noted:

The Board of Directors, as outlined in the Corporate Governance Report, advocates for the incorporation of sustainability considerations into its corporate governance framework and remuneration policies. As stated in the Board Regulations, in particular, the Board: (i) leads the Company by pursuing its sustainable success; (ii) defines the strategies of the Company and its parent group and monitors their implementation; (iii) defines the corporate governance system; (iv) promotes, in the most appropriate forms, dialogue with shareholders and other relevant stakeholders of the Company;

it also monitors, on a regular basis, the implementation of the business plan and assesses the general trend of operations, periodically comparing the results achieved with those planned; also defining the nature and level of risk compatible with the Company's strategic objectives, including in its assessments all elements that may be relevant to sustainable success. In particular, the Board of Directors, as per the Sustainability Reporting Manual, entrusts the Executive in Charge of Sustainability Reporting with the preparation of the Sustainability Report, ensuring that the Officer has adequate powers and the means to perform the tasks assigned; the Board also, examines and approves the materiality analysis previously conducted (after sharing this with the Internal Control, Risk Management and Sustainability Committee) and examines and approves the Sustainability Report, which, as an integral part of the Group's Consolidated Financial Statements, is submitted to the Shareholders' Meeting.

In 2024, the Board of Directors approved the development of a new line of electric motors dedicated to next-generation zero-emission vehicles and five industrial research and experimental development projects, aimed at the development of components and systems for electric-powered vehicles, as well as the development of solutions in the digital area, covering safety and vehicle status monitoring, advanced driver assistance systems and complete cybersecurity systems.

The Internal Control, Risk Management and Sustainability Committee, as outlined in the Corporate Governance Report, not only aids the Board of Directors in evaluating and making decisions regarding the internal control and risk management system but also performs the following roles in the realm of sustainability:

- a. examines and assesses sustainability issues related to business operations and the dynamics of interaction with stakeholders;
- b. examines and evaluates the sustainability plan;
- c. reviews and evaluates the system for collecting and consolidating data for Sustainability Reporting;
- d. examines the Sustainability Report in advance, formulating an opinion for approval by the Board of Directors;
- e. monitoring the Company's positioning on sustainability issues, with particular reference to its placement in ethical sustainability indices;
- f. examines and evaluates the possible impacts of ESG issues on the business in terms of risks and opportunities and the dynamics of interaction with stakeholders;
- g. expressing opinions on any further sustainability issues at the request of the Board of Directors.

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Throughout the financial year, the Internal Control, Risk Management and Sustainability Committee conducted ongoing monitoring of the internal control, risk management system, and sustainability practices. In the current year, the Internal Control, Risk Management and Sustainability Committee has convened eight times up to the Report Date, with the majority of these meetings focusing, among other things, on a detailed analysis of the requirements associated with the new CSRD sustainability reporting. Additionally, during the same time frame, the Internal Control, Risk Management and Sustainability Committee closely reviewed the internal policies formulated for the new sustainability reporting. The committee provided a positive assessment, recommending their adoption by the Board of Directors. The committee also played a key role in developing the double materiality analysis, which it subsequently validated in preparation for the forthcoming Sustainability Report.

The Executive in Charge of Sustainability Reporting prepares the Sustainability Report with the support of the CSR Manager, who first shares it with the Ethics Committee and the Audit, Risk and Sustainability Committee, before submitting it to the Board of Directors for approval. The Executive in charge of Financial Reporting personally updates the Internal Control, Risk Management and Sustainability Committee members on the outcomes and measures to be taken for sustainability matters at least biannually, during the endorsement of the materiality analysis and the Sustainability Report, and as required. The same Committee is also reported to by the HR Director on issues related to his own workforce and in particular to health and safety.

On behalf of the Executive in Charge of Financial Reporting, the CSR Manager oversees the "Consolidated Financial Statements and Sustainability" function, which involves preparing sustainability reports, coordinating the process of gathering sustainability information from subsidiaries and corporate contacts, and managing relations with international bodies on the subject. These tasks are formalised in the Sustainability Reporting Manual.

The Ethics Committee aims to develop organisational rules and conduct strategies in line with international best practices in the field of Corporate Social Responsibility and, with specific regard to sustainability governance, examines in advance the "Consolidated Sustainability Statement" referred to in Legislative Decree 125 of 6 September 2024.

All direct reports to the Chief Executive Officer are accountable for managing and overseeing the impacts, risks, and opportunities within their respective areas of responsibility, utilising suitable frameworks in place within those areas.

INDUCTION PROGRAMME

In accordance with the guidelines of the Corporate Governance Code regarding the diligent and informed execution of duties by each Director, the Chairman facilitates the training of Directors about the company's status and market conditions, as well as significant legislative and regulatory developments impacting the Issuer and its Group.

During the financial year, the matters outlined in Article 3, Recommendation 12, paragraph d) of the Corporate Governance Code were thoroughly examined. These matters include detailed analyses of the industry in which the Issuer operates, insights into company dynamics and their progression towards sustainable success, principles of proper risk management, and the relevant regulatory and self-regulatory frameworks. The Internal Control, Risk Management and Sustainability Committee regularly discussed these topics in their meetings and later presented their findings to the Board of Directors.

The Chairman and Chief Executive Officer of the Company also ensured that the Directors received comprehensive information and explanations about the activities and projects of the group led by the Issuer. This was achieved by organising dedicated meetings between the Company's senior management and the Directors, providing them with a thorough understanding of the relevant regulatory and self-regulatory frameworks.

In particular, the following induction sessions were held in 2024, which were considered particularly useful and therefore appreciated by the Board members:

- on 18 January 2024, an induction session dedicated to the topic of sustainability, titled "Sustainability and its Reporting", was conducted by Prof. Alessandro Lai. Prof. Lai is a member of the Management Control Committee and a Professor of Business Economics at the University of Verona. He also serves as the President of the O.I.B.R. (Organismo Italiano di Business Reporting) Foundation and is the Scientific

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Coordinator of the CNDCEC Observatory on Sustainability. The session was attended by members of the corporate bodies who were in office at that time from Piaggio and its parent company, Immsi S.p.A.. In the session, Prof. Lai outlined the history of sustainability reporting and various reporting frameworks, with an emphasis on the recent CSRD (Corporate Sustainability Reporting Directive) released in December 2022. The new ESRS guidelines and the concept of double materiality were clarified;

- on 29 July 2024, there will be an induction session focused on a detailed examination of the Group's target markets, featuring Dr. Mario Di Maria, Head of the Two-Wheeler Market for Italy, EMEA, and the Americas;
- on 8 November 2024, there will be an induction session focused on a detailed examination of production activities in Italy, featuring Carlo Coppola, the Head of Product Manufacturing Management.

Throughout the year, the directors had the opportunity to enhance their understanding of the automotive industry (i) by participating in board meetings. These meetings provided a platform for thorough discussions on matters pertaining to the company's operations and their progression, including sessions where investment decisions were made; as well as (ii) the relevant legal, regulatory and self-regulatory framework. The directors were thoroughly briefed on the amendments brought about by Legislative Decree no. 125/2024, which enacts the Corporate Sustainability Reporting Directive (CSRD). This included a focus on the broadened remit of sustainability reporting requirements and the new mandate, applicable from the current financial year, to compile a Sustainability Report. This report must be incorporated into the Report on Operations and be prepared in accordance with uniform standards established across the European Union. Additionally, the directors were informed of the requirement to have the Sustainability Report audited to obtain a certificate verifying its adherence to the European Sustainability Reporting Standards (ESRS).

At the meeting on 22 January 2025, the Board of Directors reviewed the recommendations for 2025 proposed by Dr. Massimo Tononi, the Chairman of the Corporate Governance Committee, which were based on the conclusions of the Annual Report 2024 regarding the implementation of the Corporate Governance Code.

The Company's management also kept in constant contact with the corporate bodies for appropriate information flows and/or updates on issues of interest.



Governance

Incentive Systems and Remuneration Policy for Members of the Administrative, Management and Supervisory Bodies

The remuneration of directors is defined in such a way as to ensure an overall remuneration structure capable of recognising the professional value of the individuals involved and to allow for an adequate balance of fixed and variable components, with the aim of creating sustainable value in the medium and long term and to ensure a direct link between remuneration and specific performance objectives.

Piaggio's Remuneration Policy was drafted in accordance with the guidelines of the Corporate Governance Code for listed companies, which the Corporate Governance Committee approved in January 2020.

Within the Board of Directors it is possible to distinguish between:

- I. Non-executive directors: Directors.
- II. Executive directors:
 - Executive Chairman Matteo Colaninno;
 - Chief Executive Officer Michele Colaninno;

All non-executive directors receive a set yearly fee, as determined by the Shareholders' Meeting. The directors invited to join the Internal Control, Risk Management and Sustainability Committee and the Appointment Proposal and Remuneration Committee, both of which are all independent in line with the Corporate Governance Code, receive an extra fixed fee for their increased dedication. The Board of Directors retains the right to grant extra fixed pay to members of any supplementary internal committees set up following current regulations or the Corporate Governance Code's recommendations, always considering the increased dedication needed for these roles.

Independent directors do not receive specific remuneration, except for those serving on the aforementioned committees and the Control Management Committee.

Independent directors do not receive performance-based pay and are not part of remuneration schemes tied to financial instruments.

Additionally, the Company reimburses Directors for expenses they incur while carrying out their duties.

Non-executive directors also have insurance cover for civil liability related to acts carried out in their duties, except in cases of deliberate wrongdoing or serious negligence.

The Remuneration Policy does not allow for non-cash benefits for non-executive directors.

The remuneration of executive directors consists of:

- with a fixed yearly amount, substantial enough to match the role and required dedication, and at all times adequate to compensate for performance should the variable part not be granted due to unmet objectives outlined below;
- a variable component linked to meeting goals set out in the Company's strategic plans and the annual budget, which the Company approves, aligns with the aim of generating value for shareholders over the medium to long term and adheres to sound risk management practices. The amount of the variable component, which in any case envisages a maximum limit (up to a maximum of 30% of the amount established for the fixed compensation), is determined and paid annually by the Board of Directors with reference to objectives and results at an individual and/or consolidated Group level, identified by the Board of Directors, upon the proposal of the Committee and after hearing the opinion of the Management Control Committee, in relation to the annual budget or the results of the previous year, chosen from among:
 - a. EBITDA, up to 50%,
 - b. net financial position, up to 40%, and
 - c. sustainability targets (considering the Decarbonisation Plan) up to 10%.

These were determined as follows for 2024:

- Decarbonisation - installation of new photovoltaic systems for self-generation of electricity;
- Climate change and Water - maintaining CDP 2023 ratings;
- Climate change - presentation of the new NP6 electric.

Governance

The incentive each person receives depends on the number of targets and outcomes they actually strive for and how well they achieve them, as confirmed by the Board of Directors following consultation with the Committee; to pay the variable portion, there is indeed a minimum number of goals to surpass. Additionally, there is a calculation method that considers any shortfall from the set targets and outcomes, up to a limit of 10% of the reference parameter.

The variable component is thus paid yearly, tied to medium and long-term goals outlined in the three-year Strategic Plan and the annual budget.

Under the existing framework of delegated authority, the Executive Chairman and the Chief Executive Officer are eligible for performance-based variable pay. This is subject to the same performance criteria and proportion of variable to fixed annual salary.

Executive Directors have "Directors and Officers" liability insurance for acts carried out in their duties, except in cases of deliberate misconduct and serious negligence.

The Remuneration Policy does not allow for non-monetary benefits for executive directors. Taking into account the remuneration structure for executive directors and their responsibilities, the Company currently finds it unnecessary to implement "clawback" clauses on the variable part of their pay. This is because the Company's interests are already safeguarded by existing legal and regulatory provisions in case of any breaches.

REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BODY

When selecting the Board of Directors, the Ordinary Shareholders' Meeting sets a precise extra fee for the Management Control Committee members. This fee is a set and equal sum for each member, with an additional raise for the Chair.

Additionally, the company reimburses the Management Control Committee members for expenses they incur while carrying out their duties.

The same individuals may receive extra pay for serving on the Supervisory Board or internal committees.

Governance

The system for responsible business management

CORE ELEMENTS OF DUE DILIGENCE	DISCLOSURE RE-QUIREMENT	PARAGRAPH
Embedding due diligence in governance, strategy and business model	<ul style="list-style-type: none"> - ESRS 2 GOV-2; - ESRS 2 GOV-3; - ESRS 2 SBM-3; 	<ul style="list-style-type: none"> - Governance - The role of the administrative, management and supervisory bodies - Governance - Incentive Systems and Remuneration Policy for Members of the Administrative, Management and Supervisory Bodies - Climate Change - Environmental management system
Engaging with affected stakeholders in all key steps of the due diligence	<ul style="list-style-type: none"> - ESRS 2 GOV-2; - ii. ESRS 2 SBM-2; - iii. ESRS 2 IRO-1; - iv. ESRS 2 DC-P; - S1-2 - S3-2 - S4-2 - G1-2 	<ul style="list-style-type: none"> - Strategy - Expectations and ways of involving stakeholders - Strategy - Materiality analysis - Own workforce - Personnel management policies - Affected Communities - Involvement Processes - Customers and End-Users - Involvement Processes - Governance Information - Relations with Suppliers
Identifying and assessing adverse impacts	<ul style="list-style-type: none"> - ESRS 2 IRO-1 - ii. ESRS 2 SBM-3; 	<ul style="list-style-type: none"> - Strategy - Materiality Analysis - Climate Change - Environmental management systems
Taking actions to address those adverse impacts	<ul style="list-style-type: none"> - ESRS 2 DC-A; - E1-1 	<ul style="list-style-type: none"> - Climate Change - Decarbonisation Plan
Tracking the effectiveness of these efforts and communicating	<ul style="list-style-type: none"> - ESRS 2 DC-M; - ESRS 2 DC-T; - E1-4 - S1-5 	<ul style="list-style-type: none"> - Climate Change - Decarbonisation Plan - Own workforce - Target

Due diligence is a continuous process that affects strategy, business model, and value chain. The actions outlined above mark the beginning of an ESG due diligence process that will grow in the coming years.

ESRS 2 GOV-5

Risk management
and internal controls
over sustainability
reporting

Risks and internal controls on sustainability reporting

In February 2025, the Piaggio Group adopted a Sustainability Reporting Manual. This manual was first presented to the Risk and Sustainability Control Committee and the Management Control Committee, and was subsequently approved by the Board of Directors on 26 February 2025. It has been drafted by updating the previous DNF Reporting Manual and incorporating the regulatory changes that have taken place. This methodological tool, also available on the company intranet, was taken as a reference for drafting this sustainability report. The Manual briefly describes the roles, responsibilities and information flows related to the reporting process and regulates, inter alia:

- the responsibilities, resources and powers assigned to the Board of Directors in order to enable it to perform the functions assigned to it by law;
- the rules of conduct to be observed, as well as the roles and responsibilities attributed to the company Departments/Functions involved, in various capacities, in activities to prepare, distribute and verify market disclosure;
- the guidelines that must be applied within Group companies and the responsibilities attributed to the managers of main subsidiaries that transmit sustainability information to Piaggio, since this is a consolidated Group report;
- audit activities.

Governance

According to the above Manual, the sustainability reporting process involves various individuals, including:

- those responsible for collecting, verifying and processing the relevant KPIs, identified within the structures involved in the reporting process;
- the CSR Manager oversees the entire process of gathering and processing quantitative indicators, consolidating outcomes, and drafting the Group Sustainability Report;
- the Internal Audit Department, which has been tasked by the Executive in Charge of Sustainability Reporting with overseeing the adherence of the Sustainability Report to regulatory standards, as well as the accuracy of the quantitative indicators provided;
- the designated auditor is responsible for promptly checking that the Sustainability Report meets the relevant regulations and ESRS standards.

At present, the Group has therefore set up a control process carried out by Internal Audit that consists of:

- analysis and independent verification of compliance with the Sustainability Reporting Manual;
- verification activities, on a sample basis, on the process for drafting the Sustainability Report;
- reporting on the results of the checks carried out to the Executive in Charge of Sustainability Reporting and to the corporate control bodies, as far as they are concerned.

From 2025, the Group will gradually introduce a structured internal control system for sustainability reporting, which will include an examination of the particular risks related to this process.



STRATEGY

Strategy

Expectations and ways of involving stakeholders

The Piaggio Group has always paid considerable attention to engaging with stakeholders, i.e. all entities inside and outside the organisation whose activities have an impact on company operations or are influenced by Piaggio. In fact stakeholders are defined as having an interest in or various expectations (social, economic, professional, human) of the Company.

Based on this definition, the Group has identified categories of stakeholders in relation to its operations.



In shaping its business model and strategy, Piaggio considers the needs and expectations of all stakeholders, especially customers, staff, business partners, local communities, and investors.

Strategy

All actions outlined below, which Piaggio undertakes in its external relations, are coordinated with the relevant departments and approved by the Chief Executive Officer, who is regularly updated on their results. Piaggio has consistently shown interest in the community of motorbike brand enthusiasts and, to support its brands, organises rallies and events. Please refer to the section on "Supporting local communities" for further details.

Piaggio has engaged in dialogue with local bodies in the areas where it operates and has consistently supported initiatives that enhance the region and the well-being of its residents. Please refer to the section on "Supporting local communities" for further details.

We promote regular engagement with the financial community through roadshows and conference calls to discuss quarterly results.

The company's website is regularly and swiftly updated with key information about the Group and essential corporate documents, available in both Italian and English.

The Group's success relies on its employees' involvement, who are crucial in facing global challenges in a dynamic and competitive environment.

Piaggio views its suppliers as crucial for boosting competitiveness and aims to establish a stable, transparent partnership that allows for the development of their skills and expertise. For more information, please see section "Relations with Suppliers".

Additionally, Piaggio maintains active collaborations and research ties with universities and research centres, fostering constant innovation.

In 2024, Piaggio's strategy and business model remained unchanged.

Materiality analysis

Piaggio annually updates its materiality analysis to pinpoint and rank the most pressing sustainability matters for the Group and its stakeholders, focusing on economic, environmental, and social concerns, which encompass human rights respect. The topics found to be material as a result of this process are crucial for Piaggio and its operations, serving as a vital instrument in shaping corporate strategy and forging an unbreakable bond between business and sustainability goals.

Starting this year, to meet the new European Directive 2022/2464 (Corporate Sustainability Reporting Directive), Piaggio has broadened its assessments by initiating a Double Materiality analysis. This process follows the European Sustainability Reporting Standards (ESRS) issued by EFRAG, as well as the "EFRAG IG 1 Materiality Assessment Implementation Guidance". Under these methods, a sustainability issue qualifies as material if it matters in terms of impact materiality (the inside-out perspective) or financial materiality (the outside-in perspective), or both.

On the basis of the aforementioned relevant new legislation on sustainability reporting, Piaggio therefore conducted an analysis to determine impacts, risks and opportunities according to the double materiality principle that took the following perspectives into account:

- the "inside-out" perspective assesses the company's current and potential impacts on people and the environment, related to its operations and the entire value chain, both upstream and downstream;
- the financial perspective or "outside-in" logic that assesses the risks or opportunities that have a material influence, or could reasonably be expected to have a material influence, on the undertaking's development, financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium- or long-term.

Strategy

The Group's materiality analysis process was coordinated by the CSR Manager (Finance Department) with the support of the Group's Consolidated Reporting and Sustainability Function, and was divided into three main phases:

1. Understanding the Group's internal and external context ("Step A" of the Guidelines);
2. Identification of Impacts, Risks and Opportunities (IROs) related to sustainability issues ("Step B" of the Guidelines);
3. Assessment and determination of relevant IROs ("Step C" of the Guidelines).

UNDERSTANDING THE GROUP'S INTERNAL AND EXTERNAL CONTEXT

The process to identify the Group's relevant impacts, risks, and opportunities started with an analysis of the internal and external context. It considered best practices, the industry, and Piaggio's business model. To carry out these analyses, we consulted several external sources, such as the UNEP FI Impact Mappings and Indicator Library, Standard & Poor's, The Sustainability Year Book 2024, the Sustainability Accounting Standards Board, the World Economic Forum, the OECD, and others, and a benchmark analysis was carried out against a panel of companies in the sector.

To pinpoint risks and opportunities, we analysed the pertinent and accessible Enterprise Risk Management documents. This was done to align with the methods used for identifying and evaluating company risks. This stage also involved identifying the Group's main stakeholders and business relationships within the value chain.

IDENTIFICATION OF IROS RELATED TO SUSTAINABILITY ISSUES - IMPACT & FINANCIAL MATERIALITY

The mapping of impacts, risks, and opportunities (impact materiality) was developed following an analysis of the Group's internal and external context, considering the Topics, Sub-topics, and Sub-sub-topics outlined by the ESRS.

To identify risks and opportunities, we particularly considered their relation to the positive and negative impacts outlined in the impact materiality, as well as any dependencies.

This led to a preliminary comprehensive list, categorising impacts as either positive or negative, and actual or potential, and pinpointing their occurrence along the value chain stages (Upstream, Company, Downstream).

ASSESSMENT AND DETERMINATION OF RELEVANT IROS

After identification, top management assessed the IROs' importance through targeted interviews with 33 process owners. Additionally, a select group of external stakeholders, including suppliers, consultants, and financial counterparts, evaluated these impacts via a questionnaire. This process aimed to determine their significance and establish priorities.²¹ Ultimately, the Risk and Sustainability Control Committee, serving as an advisory group on matters of Group risk management and sustainability, became involved in this process.

For each IRO, it was identified the most relevant time frame as either short-term, medium-term, or long-term, as previously defined. Moreover, it's important to note that IROs were evaluated using a "gross" approach, that is, before considering mitigation measures and safeguards.

21 Consultations with affected communities specifically addressing environmental issues (emissions, pollution, water, biodiversity, waste) were not included in this process.

Strategy

The significance of a current impact was determined on the basis of its severity, defined according to three factors:

- scale: how bad the negative impact is or how beneficial the positive impact is;
- scope: how widespread it is and can be measured in terms of impacted stakeholders;
- irremediable character: how difficult it is to remediate the damage generated by the impact, only for negative impacts.

The potential impact's significance was determined by its severity and likelihood.

Each severity assessment factor received a score between 1 and 5. The average of these scores determined the overall impact severity rating.

The metric used instead for the definition of probability is structured on a scale with five levels (rare, unlikely, possible, likely, very likely).

The final assessment of impacts was obtained by multiplying severity by probability. Impacts with potential human rights consequences were also identified as part of the assessment process; in these instances, assessing the severity of the impact took precedence over its likelihood.

The assessment of the identified risks and opportunities' importance was grounded on a combination of their likelihood and the financial outcomes. The probability metrics employed are identical to those for assessing impact materiality, while the economic-financial metrics mirror those used in ERM risk analysis. If we cannot measure a risk or opportunity's financial impact, we follow EFRAG Guidelines and use a qualitative approach to assess its effect on our reputation. This can influence our key stakeholders, such as lenders, investors, and customers, potentially affecting fund availability or capital costs, and thus having financial significance. The sustainability risk mapping and assessment was conducted seamlessly and in line with the company's overall risk assessment (ERM process). Likewise, the process of mapping and evaluating opportunities is part of the Group's Business Plan.

After evaluating, we set a materiality threshold²² and compared the list of significant and non-significant IROs with the views of external stakeholders to ensure their priorities were considered.

Ultimately, impacts, risks, and opportunities that surpassed the materiality threshold in either the impact or financial assessments were deemed material. The material IROs identified through this analysis are as follows: 37 impacts and 25 risks and opportunities.

²² Defined as above 3 on a scale of 1 to 5.

Strategy

IMPACT MATERIALITY

MATERIAL TOPIC	TYPE OF IMPACT	IMPACT	TIME HORIZON	GROUP INVOLVEMENT	PERIMETER	IMPACT DESCRIPTION
ENVIRONMENTAL IMPACTS						
Climate change	Actual Negative	Scope 1 green-house gas emissions (from fuels and refrigerant gases used during the production process) and Scope 2 (from energy use)		Caused by the Group	Entire Group	Key factors in the automotive industry's impact on climate change include the direct emission of greenhouse gases, primarily CO ₂ . In 2023, the Group released a decarbonisation strategy to progressively reshape Piaggio's business model, aiming to cut its carbon footprint (Scope 1 and 2).
		Scope 3 green-house gas emissions from upstream and downstream activities in the value chain		Related to the Group through its business relations	Upstream & Downstream	In conducting its operations, the Group depends on a global supply chain and sales network. Key factors concerning the automotive industry's impact on climate change include indirect greenhouse gas emissions, primarily CO ₂ , arising from the value chain both upstream and downstream.
		Scope 3 green-house gas emissions from vehicles produced		Caused by the Group and related to the Group through its business relations	Entire Group and End Customers	Key factors in the climate impact of car manufacturers include emissions from the use of their vehicles. The Group plans to expand the range of electric vehicles available on the market in order to reduce its carbon footprint (Scope 3).
Pollution	Actual Negative	Microplastic pollution linked to vehicle use (e.g. tyre wear)		Related to the Group through its business relations	End customers	Recently, the automotive sector has been facing a growing debate on the subject of microplastics. Recent studies, including those by EMPA and wst21 scientists, have revealed that tyre wear from motor vehicles is a major source of microplastics released into the environment.
	Actual Negative	Air pollution linked to the emission of pollutants in the production process (e.g. SOx (sulphur oxides) and VOCs (Volatile Organic Compounds) from industrial and painting activities)		Caused by the Group	Manufacturing companies	Based on the analysis of the activities carried out by the production sites, the most important aspects of air pollution include Volatile Organic Compounds (VOCs), released by solvents used in painting activities, and SOx. The Group regularly undertakes work on its production facilities to consistently cut emissions.
	Actual Negative	Air pollution related to the emission of pollutants by suppliers		Related to the Group through its business relations	Upstream	In carrying out its operations, the Group sources semi-finished products and components from a number of suppliers. Although a detailed analysis of the pollution caused by the Group's supply chain has not been carried out, given the type of products the Group sources, their production activities cause the emission of pollutants. To mitigate this impact, Piaggio requires compliance with local environmental legislation in force by signing the Code of Ethics.

Strategy

MATERIAL TOPIC	TYPE OF IMPACT	IMPACT	TIME HORIZON	GROUP INVOLVEMENT	PERIMETER	IMPACT DESCRIPTION
ENVIRONMENTAL IMPACTS						
Water and marine resources	Actual Negative	Water withdrawal and utilisation within the production process	<div><div></div><div></div><div></div></div>	Caused by the Group	Manufacturing companies	Water is a natural resource essential to the Group's business operations, primarily used in the painting process. Also, the Pontedera and Baramati plants are located in areas of high-water stress.
	Actual Negative	Water withdrawal and use within the supply chain	<div><div></div><div></div><div></div></div>	Related to the Group through its business relations	Upstream	In its operations, the Group relies on various suppliers for semifinished goods and components, some of which are in areas facing water shortages. The production activities of these entities require the use of water resources, particularly for all components that arrive already painted.
Circular economy	Actual Negative	Use of resources for vehicle production (i.e. components derived from the use of non-renewable resources such as metals, oil, minerals)	<div><div></div><div></div><div></div></div>	Caused by the Group	Manufacturing companies	In its operations, the Group relies on components from non-renewable resources that currently cannot be substituted.
	Actual Negative	Generation of hazardous and non-hazardous waste attributable to manufacturing and packaging activities	<div><div></div><div></div><div></div></div>	Caused by the Group	Manufacturing companies	The Group's manufacture and sale of vehicles inevitably generate waste during component delivery, production, and product packaging. Piaggio strictly complies with the regulations in force in the various countries in which it operates.
	Potential negative	Negative impacts caused by inadequate waste management along the value chain, in terms of production and lack of focus on recovery and recycling operations	<div><div></div><div></div><div></div></div>	Related to the Group through its business relations	Upstream & Downstream	In carrying out its operations, the Group sources semi-finished products and components from a number of suppliers. Their production inevitably creates waste that, if not managed correctly, could harm the environment. To avoid creating problems, Piaggio insists that everyone adheres to the law by signing its Code of Ethics.
	Potential negative	Reduced recyclability/recoverability of end-of-life vehicles	<div><div></div><div></div><div></div></div>	Caused by the Group	Entire Group and End Customers	Despite not being mandated by current type approval standards for 2/3-wheel vehicles, Piaggio has long been dedicated, as stated in its Code of Ethics, to reducing the environmental impact of its vehicles over their entire life cycle. Thus, from the very start of vehicle design and material selection, Piaggio considers their recyclability at the end of their lifespan. For four-wheel vehicles, the standard has set the required recyclability targets.

Strategy

MATERIAL TOPIC	TYPE OF IMPACT	IMPACT	TIME HORIZON	GROUP INVOLVEMENT	PERIMETER	IMPACT DESCRIPTION
SOCIAL IMPACTS						
Own workforce	Potential negative	Accidents and/or occupational diseases during the course of work with regard to employees	<div><div></div><div></div><div></div></div>	Caused by the Group	Entire Group	The Group employs around 5700 people. Given the industrial nature of the production process, employees may be at risk of accidents or occupational diseases during their work. To reduce this risk, Piaggio has maintained an ISO 45001-certified management system at its production sites for many years. It also organises health and safety courses well in excess of the legal requirements. Lastly, it has been honoured several times with H&S awards.
	Potential negative	Injuries/accidents during the course of work with regard to testers	<div><div></div><div></div><div></div></div>	Caused by the Group	Entire Group	In Piaggio's operations, testers are the job group most at risk of injury. Therefore, the Group has offered a tailored set of training courses to ensure their safety.
	Positive Actual	Improving employee welfare conditions through the promotion of corporate welfare policies	<div><div></div><div></div><div></div></div>	Caused by the Group	Entire Group	The Group is committed to offering its employees a benefits package designed to improve their personal and family well-being, both financially and socially.
	Potential negative	Poor/lack of attention to the mental and physical well-being of Group employees (i.e. work-life balance etc.)	<div><div></div><div></div><div></div></div>	Caused by the Group	Entire Group	Piaggio operates globally, employing staff encompassing a broad range of ages and genders across Europe, America, India, and Asia Pacific, within diverse labour laws and cultural contexts.
	Potential negative	Unmet expectations for personal and professional development of employees	<div><div></div><div></div><div></div></div>	Caused by the Group	Entire Group	Technological innovations are making the business and external environment highly dynamic, influencing the skills demanded by the labour market, which evolve in response; in this situation, the Group might struggle to train its staff effectively for professional development. To lessen this effect, Piaggio has introduced a system for assessing employee performance and creates yearly training plans tailored to the outcomes of these assessments.
	Potential Negative	Neglecting to ensure equitable working conditions for employees, which encompasses the right to unionise, just compensation, safe-guarding of human rights, and adherence to national collective employment contracts.	<div><div></div><div></div><div></div></div>	Caused by the Group	Entire Group	Piaggio operates globally, engaging with diverse cultures and laws on workers' rights, human rights and working conditions. The Group operates fairly towards its employees in every country where it is active, honouring contracts and working conditions that comply with local laws.
	Potential negative	Incidents of violence/harassment against workers	<div><div></div><div></div><div></div></div>	Caused by the Group	Entire Group	The Group operates globally, employing staff across diverse cultures and regions with varying laws on workers' rights. Despite company guidelines designed to prevent violence, harassment, and violations of workers' rights, employee misconduct can still happen, which the internal control system might fail to detect.
	Potential negative	Failure to respect the values of diversity and inclusion or equal opportunities	<div><div></div><div></div><div></div></div>	Caused by the Group	Entire Group	Moreover, the car industry, given its industrial character, might face challenges related to diversity and inclusion. Considering the unique aspects of work environments in certain countries, Piaggio has established particular protections. For instance, in its Indian subsidiary, a clear policy is in place: the Policy on Prevention of Sexual Harassment of Women at Work, aimed at preventing sexual harassment incidents in the factory.
	Potential negative	Compromise of confidentiality/ integrity/ availability of employees' personal data	<div><div></div><div></div><div></div></div>	Caused by the Group	Entire Group	The Group handles the personal data of employees, suppliers and customers. For this reason, it has taken appropriate security measures to ensure efficient operation in connection with the performance of data processing activities. The company has also seen fit to appoint a Data Protection Officer (DPO). As outlined in Articles 37-39 of the GDPR, the DPO's role is to guide the company on privacy matters and oversee the handling of personal data.













Strategy

MATERIAL TOPIC	TYPE OF IMPACT	IMPACT	TIME HORIZON	GROUP INVOLVEMENT	PERIMETER	IMPACT DESCRIPTION
SOCIAL IMPACTS						
Workers in the value chain	Potential negative	Accidents and/or occupational diseases during work activities for workers in the supply chain		Related to the Group through its business relations	Upstream	The Group relies on various suppliers for semi-finished goods and components. These suppliers might not adhere to health and safety rules or adequately safeguard their workers' health and safety. To lessen this impact, Piaggio insists that its suppliers, by signing its Code of Ethics, adhere to all relevant regulations and its own health and safety principles.
	Potential negative	Infringements upon the rights of workers within the supply chain, including breaches of the right to freedom of association, failure to provide equitable remuneration, detriment to the psychological and physical health of employees, and lack of job security.		Related to the Group through its business relations	Upstream	Owing to its business model and global scope, the Group sources from suppliers in diverse regions with varying cultures and labour rights laws; thus, firms based there might act unjustly towards their staff, breaching human and workers' rights. To help mitigate this impact, Piaggio insists that its suppliers, by signing its Code of Ethics, adhere to all relevant regulations and its own principles in terms of the workers' rights and treatment of workers.
	Potential negative	Violations of human rights and fundamental labour rights by suppliers with particular reference to the phenomena of forced labour and child labour		Related to the Group through its business relations	Upstream	
	Potential negative	Failure to respect the principles of equal opportunities, diversity and inclusion along the supply chain		Related to the Group through its business relations	Upstream	
	Potential negative	Compromise of confidentiality/integrity/availability of workers' personal data in the value chain		Related to the Group through its business relations	Upstream & Downstream	In carrying out its operations, the Group sources semi-finished products and components from a number of suppliers: they process the personal data of their employees, suppliers and customers. To lessen this impact, Piaggio insists that its suppliers, by signing its Code of Ethics, adhere to all relevant regulations on processing of personal data.
Affected communities	Positive Actual	Group support for local communities by fostering the growth and improvement of the local area		Consumers and end-users	Entire Group	The Group has consistently responded to the needs of the various local communities where it works. For instance, during the Covid period, it funded the creation of health centres. In Pontedera, the Museum and Foundation serve as a key hub for local cultural engagement and promotion. Charity work benefits local communities in Italy, India, and Vietnam.
	Positive Actual	Positive impact on the local communities of Pontedera in which the Foundation and the Piaggio Museum act as a hub and cultural reference point for the area		Caused by the Group	Entire Group	By establishing the Piaggio Foundation and Museum, the Group aims to foster significant connections with the local area and its cultural, artistic, scientific, technological, industrial, and tourism sectors. The two organisations have grown their activities, firmly establishing themselves as some of the most dynamic socio-cultural forces in Tuscany and across the country. For years, the Piaggio Foundation has set itself the goal of becoming an important centre of aggregation and cultural promotion, and the prestigious awards it has received testify to the validity of its activities.
	Positive Actual	Direct and indirect job generation		Caused by the Group	Entire Group	The Group operates globally with industrial hubs in four countries across multiple continents. Piaggio employs more than 5,700 individuals and is a key source of jobs in the regions where it operates.










Strategy

MATERIAL TOPIC	TYPE OF IMPACT	IMPACT	TIME HORIZON	GROUP INVOLVEMENT	PERIMETER	IMPACT DESCRIPTION
SOCIAL IMPACTS						
Consumers and end-users	Potential negative	Damage to consumers (e.g. accident, vehicle breakdown, etc.) due to the defectiveness of the product due to errors/ defects attributable to the production phase	<div><div></div><div></div><div></div></div>	Caused by the Group	Manufacturing companies	Considering the products the Group sells, any defects from substandard quality and safety could create the risk of accidents for customers. To avoid this adverse effect, Piaggio has introduced a Quality Control system that conducts product tests at various stages of the manufacturing process. The quality provided by the Group is also guaranteed by obtaining and maintaining global quality management system certification (ISO 9001). The Group has also defined plans to manage recall events and has taken out insurance to protect the Group against events attributable to product defects.
	Potential Negative	Sourcing of materials and products from third parties that do not meet the required quality standards with potential impact on customers due to product defects	<div><div></div><div></div><div></div></div>	Related to the Group through its business relations	Upstream	Any product defect due to non-compliant quality and safety levels could generate the possibility of accidents for customers. To avoid this adverse effect, Piaggio has put in place a Quality Control system and meticulously chooses its suppliers according to technical and professional criteria.
	Potential negative	Dissemination of unclear/incomplete information with regard to the sustainability characteristics of products (e.g. possible greenwashing with regard to % recycled materials, battery consumption, etc.)	<div><div></div><div></div><div></div></div>	Caused by the Group	Entire Group	The Group shares details of its vehicles on its commercial and institutional websites, as well as through campaigns and promotional materials. Should the sustainability details of products turn out to be incomplete or false, the Group's customers might make poorly informed buying choices. To reduce this impact, all external communications are first reviewed by the relevant departments.
	Potential negative	Compromise of the confidentiality/integrity/availability of customers'/consumers' personal data due to factors attributable to inadequate data processing by dealers	<div><div></div><div></div><div></div></div>	Related to the Group through its business relations	Downstream	In carrying out its activities, the Group makes use of a dealer network: they process the personal data of their employees, suppliers and customers.

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MATERIAL TOPIC	TYPE OF IMPACT	IMPACT	TIME HORIZON	GROUP INVOLVEMENT	PERIMETER	IMPACT DESCRIPTION
GOVERNANCE IMPACTS						
Business conduct	Positive Actual	Protection of persons who report misconduct (i.e. protection of whistleblowers) in order to strengthen the ability of all stakeholders to report cases of breaches of ethical standards without fear of retaliation	  	Caused by the Group	Entire Group	Piaggio's policies require individuals to report any non-compliant actions or behaviour they become aware of. Reports can be made anonymously in line with the Whistleblowing Policy, available at www.piaggiogroup.com , which ensures confidentiality and protection of whistleblowers against retaliation.
	Positive Actual	Spreading an ethical and transparent corporate culture to all Piaggio Group subsidiaries	  	Caused by the Group	Entire Group	Piaggio has always exported its corporate culture and values to all the countries in which it operates.
	Potential negative	Practices of corruption, fraud and money laundering in relations that Piaggio, through its employees, has with entities and public authorities	  	Caused by the Group	Entire Group	The Group participates in tenders for the sale of vehicles to public companies. Instances of corruption or bribery could occur in the bargaining activities between the parties. To prevent this risk, Piaggio's Code of Conduct states that, in participating in public tenders or competitions called by the Public Administration, as well as in any negotiation or contractual relationship stipulated/conducted both with the Public Administration and with private third parties, all parties involved must behave in good faith and in compliance with the laws, correct business practice and regulations in force, as well as with relevant company procedures, avoiding any situation that may result in a violation of laws and/or principles of fairness and transparency in the negotiations.
	Potential negative	Group lobbying against community and customer interests	  	Caused by the Group	Entire Group	Given its expertise, strategy, and know-how, the Group collaborates with and significantly contributes to institutions during consultations before decisions are made.

Legend:

-    Short term (up to 1 year)
-    Medium term (2-5 years)
-    Long term (> 5 years)

Strategy

FINANCIAL MATERIALITY

MATERIAL TOPIC	TYPE OF RISK OR OPPORTUNITY	RISK/OPPORTUNITY	TIME HORIZON	RISK/OPPORTUNITY DESCRIPTION
ENVIRONMENTAL RISKS/OPPORTUNITIES				
Climate Change	Risk	Disruption of business continuity / damage to the plant as a result of acute climatic events		The Group operates through industrial plants located in Italy, India, Vietnam and Indonesia. These plants face natural disasters like earthquakes, typhoons, floods, and other calamities, linked to the global issue of climate change and GHG emissions from industrial activities; such events can harm plants and may also slow down or halt production and sales activities. With help from a top consultancy, the Piaggio Group regularly reviews climate-related physical risks at its plants in Pontedera, Baramati, Vinh Phuc and Jakarta. Potential impacts related to climate change are managed by the Group through the continuous renovation of facilities, as well as by taking out specific insurance coverage for the various sites, based on their relative importance. This analysis confirmed that both analysed sites are highly resilient, with no significant problems linked to climate factors.
	Risk	Negative brand perception as a result of the implementation of production practices that are not in line with stated commitments under the Decarbonisation Plan		In order to mitigate its impact related to greenhouse gas emissions, the Group published a Decarbonisation Plan in 2023 to reduce its emission footprint to 2030. If it doesn't meet its goals, it could face a damaging blow to its reputation. This risk is mitigated by monitoring and reporting on the progress of the actions described in the Plan.
	Opportunities	Increased market share resulting from the ability to develop new vehicles that seize the opportunities of emerging trends related to sustainable mobility		The European Union's aim to reach climate neutrality by 2050 presents the Group with an opportunity for transition, which includes gaining new market shares, aided by targeted incentive policies for the purchase of electric vehicles. The Group, having long established an internal eMobility department, is seizing this opportunity by investing in and researching electric mobility. It has already had a few models with such an engine on its list for some years. A shift in customer preferences towards electric engines may benefit the Group over its rivals.
	Risk	Issuance of regulations preventing or restricting the circulation of certain types of vehicles with tight deadlines for compliance		The push towards a sustainable economy, in accordance with the Paris Agreement, exposes the Group to risks associated with the shift away from current practices, as Piaggio's products must adhere to many national and international rules and regulations concerning greenhouse gas emissions and pollutants. Unfavourable changes in the regulatory and/or legal framework at a local, national and international level could mean that products can no longer be sold on the market, forcing manufacturers to invest to renew their product ranges and/or renovate/upgrade production plants. To deal with these risks, the Group has invested in research and development into innovative products, anticipating any restrictions on current regulations.
	Risk	Issue of regulations preventing or restricting the circulation of certain types of 2W vehicles in some major Asian cities (e.g. Hanoi, Ho Chi Minh City and Da Nang)		
	Risk	Issue of regulations on emissions (including those generated by production activities) that impact Piaggio's business (e.g. impacts on vehicle traffic)		

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MATERIAL TOPIC	TYPE OF RISK OR OPPORTUNITY	RISK/OPPORTUNITY	TIME HORIZON	RISK/OPPORTUNITY DESCRIPTION
ENVIRONMENTAL RISKS/OPPORTUNITIES				
Pollution	Risk	Compromise of the Group's reputation related to the environmental impact of its supply chain		The Group engages with multiple suppliers for semi-finished goods and components, whose production processes for these materials/products may result in environmental impacts associated with pollution. However, in this initial year of reporting, these impacts have not been quantified in detail. If not well managed by suppliers, this impact could damage the Group's reputation. To mitigate this risk, Piaggio requires all suppliers to operate in compliance with current environmental legislation by signing its Code of Ethics.
	Risk	Negative brand perception as a result of water withdrawal/consumption and related discharges at the plant		Water is a natural resource essential to the Group's business operations, primarily used in the painting process. Also, the Pontedera and Baramati plants are located in areas of high-water stress. The use and extraction of water in production significantly affects the environment. Thus, mismanaging this resource could risk the Group's reputation. To reduce this risk, the Group's manufacturing firms have adopted environmental management systems certified to ISO 14001.
Water and marine resources	Risk	Compromise of the Group's reputation related to the environmental impact (water use and related withdrawals and discharges) of its supply chain		The extraction and use of water in the supply chain significantly affect the environment. The Group relies on multiple suppliers for parts and semi-finished goods, some of which operate in regions with water scarcity. Hence, suppliers misusing this resource could harm the Group's reputation. To mitigate this risk, Piaggio requires all suppliers to operate in compliance with current environmental legislation by signing its Code of Ethics.
	Risk	Compromise of the Group's reputation related to the generation of hazardous and non-hazardous waste attributable to manufacturing and packaging activities		The Group inevitably generates waste in its business operations, with 13% being hazardous. Poor handling of this waste could harm the Group's reputation. Piaggio strictly complies with the regulations in force in the various countries in which it operates. To reduce this risk, the Group's manufacturing firms have adopted environmental management systems certified to ISO 14001.
Circular economy	Risk	Compromise of the Group's reputation related to the environmental impact (waste generation) of its supply chain		In its operations, the Group relies on various suppliers for semi-finished goods and components, whose manufacturing processes inevitably produce waste. If suppliers don't manage waste properly, they risk damaging Piaggio's reputation. To mitigate this risk, Piaggio requires all suppliers to operate in strict compliance with current legislation by signing its Code of Ethics.
	Risk	Issue of regulations on electric vehicle batteries that impact Piaggio's business (e.g. impacts on vehicle traffic)		Given the swiftly evolving regulations for electric vehicle batteries at local, national, and international levels, the Group faces the aforementioned risk of transition. For example, in Vietnam, legislation (Decree 08/2022/ND-CP) requires manufacturers and importers to recycle vehicle batteries. Piaggio, together with Honda, Yamaha and KTM has created the Swappable Batteries Motorcycle Consortium (SBMC) with the aim of developing an international standard for exchangeable and swappable scooter and motorcycle batteries. This innovative technology aims to improve the sustainability of the battery life cycle, reduce costs and cut recharging times, meeting key consumer needs. Around 30 companies are now members of the Consortium, which includes global players in the automotive, component and battery manufacturing sectors, ready to pool their know-how for the definition of common open standards for the benefit of the consumer.
	Risk	Issue of regulations on the use of materials for vehicle production that impact Piaggio's business (e.g. impacts on vehicle traffic)		Piaggio must comply with many national and international standards and regulations concerning safety, noise, material use and importation. Adverse shifts in domestic and global regulations could necessitate alterations in vehicle materials or manufacturing processes due to factors like heightened requirements for recycling or recovering end-of-life vehicles, potentially affecting profit margins.

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MATERIAL TOPIC	TYPE OF RISK OR OPPORTUNITY	RISK/OPPORTUNITY	TIME HORIZON	RISK/OPPORTUNITY DESCRIPTION
SOCIAL RISKS/OPPORTUNITIES				
Own workforce	Risk	Compromise of the Group's reputation linked to the occurrence of tensions in the Group's relations with trade union representatives, with possible interruptions / slowdowns in business activities, as well as reputational impact (i.e. perception of reduced / non-promotion of appropriate working conditions and working hours)	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Due to the industrial nature of the Group's production, Piaggio works in an environment with a significant presence of trade unions, especially in Europe. The company could face the risk of strikes and production halts if workers are affected negatively, such as not receiving fair working conditions in line with the laws of the countries where the factories are situated. To avoid the risk of interruptions to production activities, as far as possible, the Group bases its relations with trade union organisations on dialogue.
	Risk	Damage to the reputation of the Group as a result of violence/harassment against workers	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Any improper behaviour by Piaggio Group staff, such as violence or harassment towards fellow employees, could harm the Group's reputation. To mitigate these risks, the Group has implemented a Code of Ethics that outlines the principles and values guiding the entire organisation. Additionally, a whistleblowing platform has been established, allowing individuals to report serious misconduct. Based on the relevance and specific aspects of the Indian market, the following are in force at the local subsidiary: the Code of Business Conduct & Ethics, the Whistle Blower Policy and the Policy on the Prevention of Sexual Harassment of women at the workplace, to prevent incidents of sexual harassment within the plant.
	Risk	Sanctions by the Privacy Authority arising from incidents of data breaches and/or failure to respect data subjects' rights (e.g. requests for erasure/ rectification/ withdrawal of consent/ access to data)	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	The Group handles the personal data of employees, suppliers and customers. If the confidentiality, integrity, or availability of employees', customers', and end consumers' personal data is compromised, the Group could face penalties such as fines from the Privacy Authority and damage to its reputation. For this reason, it has taken appropriate security measures to ensure efficient operation in connection with the performance of data processing activities. The company has also seen fit to appoint a Data Protection Officer (DPO). As outlined in Articles 37-39 of the GDPR, the DPO's role is to guide the company on privacy matters and oversee the handling of personal data.

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MATERIAL TOPIC	TYPE OF RISK OR OPPORTUNITY	RISK/OPPORTUNITY	TIME HORIZON	RISK/OPPORTUNITY DESCRIPTION
SOCIAL RISKS/OPPORTUNITIES				
Workers along the value chain	Risk	Compromise of the Group's reputation linked to the perception by external stakeholders of inadequate management of "social" issues related to respect for human and labour rights by its supply chain	<div><div></div><div></div><div></div></div>	In carrying out its operations, the Group sources semi-finished products and components from a number of suppliers. Their misconduct, particularly if it leads to significant consequences and breaches health and safety rules, human and labour rights, or the principles of diversity, inclusion, and equal opportunities, could damage the Group's reputation. To reduce these risks, Piaggio insists that all suppliers, by signing its Code of Ethics, adhere to its social principles and comply with existing laws.
	Risk	Compromise of the Group's reputation linked to the perception by external stakeholders of inadequate management of "social" occupational health and safety issues by its supply chain	<div><div></div><div></div><div></div></div>	
	Risk	The Group's reputation could be compromised due to external stakeholders perceiving a lack of proper management of social issues within its supply chain, specifically concerning adherence to the principles of diversity, inclusion, and equal opportunities.	<div><div></div><div></div><div></div></div>	
	Risk	Sanctions by the Privacy Authority arising from incidents of data breaches and/or failure to respect data subjects' rights (e.g. requests for erasure/ rectification/ withdrawal of consent/ access to data)	<div><div></div><div></div><div></div></div>	The Group handles the personal data of employees, suppliers and customers. If the confidentiality, integrity, or availability of employees', customers', and end consumers' personal data is compromised, the Group could face penalties such as fines from the Privacy Authority and damage to its reputation. For this reason, it has taken appropriate security measures to ensure efficient operation in connection with the performance of data processing activities. The company has also seen fit to appoint a Data Protection Officer (DPO). As outlined in Articles 37-39 of the GDPR, the DPO's role is to guide the company on privacy matters and oversee the handling of personal data.

Strategy

MATERIAL TOPIC	TYPE OF RISK OR OPPORTUNITY	RISK/OPPORTUNITY	TIME HORIZON	RISK/OPPORTUNITY DESCRIPTION
SOCIAL RISKS/OPPORTUNITIES				
Consumers and end-users	Risk	Negative perception of the Piaggio brand as a result of episodes of dissemination of unclear/incomplete information on the sustainability characteristics of products (e.g. possible episodes of greenwashing regarding % recycled materials, battery consumption, etc.)	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	The Group faces the risk that information provided to third parties may be false or unreliable due to major errors or missing key facts, potentially leading to false expectations among stakeholders. Should this happen, the Group's image could be damaged. To reduce this risk, all external communications are first reviewed by the relevant departments.
	Risk	Sanctions by the Privacy Authority arising from incidents of data breaches and/or failure to respect data subjects' rights (e.g. requests for erasure/rectification/ withdrawal of consent/ access to data)	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	The Group handles the personal data of employees, suppliers and customers. If the confidentiality, integrity, or availability of employees', customers', and end consumers' personal data is compromised, the Group could face penalties such as fines from the Privacy Authority and damage to its reputation. For this reason, it has taken appropriate security measures to ensure efficient operation in connection with the performance of data processing activities. The company has also seen fit to appoint a Data Protection Officer (DPO). As outlined in Articles 37-39 of the GDPR, the DPO's role is to guide the company on privacy matters and oversee the handling of personal data.
	Risk	Compromise of the Group's reputation as a result of accidents/ impacts on the consumer due to the defectiveness of the product developed	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Should there be any negative impact on the health and safety of end consumers due to product defects as a result of errors/failures attributable to the production stage and/or the sourcing of materials and products from third parties that are not in line with the required standards, this would expose the Group to: campaign management costs, vehicle replacement costs, possible damage claims and, if not handled properly and/or if repeated over time, reputational damage. To mitigate these risks, Piaggio has established a Quality Control system, it tests products during various stages of the production process and carefully sources its suppliers based on technical/professional standards. The quality provided by the Group is also guaranteed by obtaining and maintaining global quality management system certification (ISO 9001). The Group has also defined plans to manage recall events and has taken out insurance to protect the Group against events attributable to product defects.
	Risk	Damage to the Group's reputation as a result of product defectiveness for reasons attributable to the supplier (e.g. failure to meet agreed quality standards)	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	

Strategy

MATERIAL TOPIC	TYPE OF RISK OR OPPORTUNITY	RISK/OPPORTUNITY	TIME HORIZON	RISK/OPPORTUNITY DESCRIPTION
GOVERNANCE RISKS/OPPORTUNITIES				
Business conduct	Risk	Compromise of the Group's reputation related to the failure to assess the supply chain according to specific ESG parameters	<div><div></div><div></div><div></div></div>	In carrying out its operations, the Group sources semi-finished products and components from a number of suppliers. Misconduct in ESG areas could negatively affect the Group's reputation. To reduce these risks, Piaggio insists that all suppliers, by signing its Code of Ethics, adhere to its social and environmental principles and comply with existing laws. The selection of suppliers is driven by quality and cost-efficiency.

Legend:

 Short term (up to 1 year)

 Medium term (2-5 years)

 Long term (> 5 years)

The Group's main production sites are not located in or near biodiversity-sensitive areas, with the exception of the Pontedera site, which is located near a protected area, albeit outside the municipality and the Scorzè site, which, although located in an industrial area, discharges waste water into the drainage basin of the Venice Lagoon and must therefore comply with the limits regulated by specific legislation.

Piaggio made an initial screening of impacts, risks or opportunities related to biodiversity and ecosystems at its sites and assessed them as part of the double materiality analysis. Considering the distance from the protected sites and compliance with the environmental reference limits, Piaggio concluded that its activities do not cause significant impacts on the above-mentioned protected areas and therefore considered biodiversity to be non-material.

The Group has not conducted a detailed assessment of its dependencies on biodiversity and ecosystem services, nor of the transition and physical risks and opportunities related to biodiversity, including its value chain. Furthermore, the Group has not conducted consultations with affected communities on sustainability assessments of shared biological resources and ecosystems.

Piaggio continues to monitor regulatory developments and stakeholder expectations in this area and will assess the need for further evaluation in the future.

Strategy

During 2024, there were no significant financial effects related to material risks and opportunities. Moreover, the Group is of the opinion that there is no significant risk of a material adjustment to the carrying amounts of assets and liabilities within the next annual reporting period in relation to significant risks and opportunities.

Besides the brief summaries of impacts, risks, and opportunities in the table above, please see the relevant chapters for a detailed account of how the Group addresses and manages these issues, its capacity to handle them, and the resilience of its business model.

It should be noted that all significant impacts, risks, and opportunities are covered by the ESRS Disclosure Requirement, and the Group has not used entity-specific disclosures.

The 2024 materiality analysis was reviewed by the Audit, Risk and Sustainability Committee in its meeting of 10 February 2025 and approved by the Board of Directors of Piaggio & C. S.p.A. on 26 February 2025.





THE BUSINESS MODEL

About us

The Piaggio Group has been involved in mobility since its foundation in 1884, always with an innovative focus. As early as the beginning of the 20th century, Rinaldo Piaggio aimed to expand the company into the aeronautical sector, when this also symbolically represented the cutting edge of technology.

In 140 years²³, Piaggio has designed and built every means of transport: aircraft (single, twin and four-engine), seaplanes, engines for their own planes, trains, trucks, buses, trailers, cable cars, funiculars, speedboats, outboard motors, small cars; and, of course, perhaps the most innovative product in its history: the Vespa.

The Piaggio Group has therefore always been structured to respond to changes in the scenario, both technical and social, and ready for those of the near future. It pioneered both electric mobility (1970's) and hybrid mobility (2009) and is ready for the challenges of the future. Currently, the Group stands alone in the industry for its skill in handling a diverse portfolio that includes everything from mopeds and superbikes to 4-wheelers.

Now more than ever, mobility is strongly directed by regulations, for example through the limits on CO₂ and other polluting gases (HC, NOx, etc.) that regulate the type approval of new models and limit the usage of vehicles already on the road (e.g. access to urban areas)²⁴.

There is also a constant change in customer preferences, as they are increasingly inclined towards the personal use of electric vehicles rather than those powered by combustion engines, and also more open to new solutions, such as sharing.

The Group sees its ability to combine industry-specific expertise, robotics and proprietary software generation as the key to improving future mobility systems in cities; furthermore through its capabilities in the production of electric vehicles and the management of related infrastructure, the Group intends confirming its leadership in the revolution which is taking place.

Piaggio today has three distinct core segments:

- two-wheelers, scooters and motorcycles from 50cc to 1,100cc flanked by the Fashion division, set up following the launch in January 2024 of the Fashion & Apparel project, created to create a Vespa collective that unites art, fashion and culture;
- light commercial vehicles, 3- and 4-wheelers;
- the robotics division with Piaggio Fast Forward, the Group's research centre on the mobility of the future based in Boston.

ORGANISATIONAL STRUCTURE

The Piaggio Group is structured into and operates within geographic segments (EMEA and Americas, India and Asia Pacific), for the development, manufacture and distribution of two-wheeler and commercial vehicles, as well as new mobility solutions.

Each geographic segment is equipped with production facilities and a sales network specifically dedicated to customers in this region.

The Group boasts an agile and flexible production capacity, enabling it to adapt quickly to the needs of the market.

No significant changes in either the corporate structure or the chain of control occurred in 2024.

²³ Rinaldo Piaggio founded his company in 1884 in Sestri Levante: <http://www.imprese.san.beniculturali.it/web/imprese/enterprise/dettaglio-soggetto-produttore?id=1275&codiSan=-san.cat.sogP.1275>.

²⁴ The evolution of the Euro 3 (01/2006), Euro 4 (01/2014) and Euro 5 regulations in particular (01/2020) has seen a huge reduction in pollutant gas emissions; for example, in the transition from Euro 3 to Euro 5 on the Vespa GTS 300, CO₂ decreased by 77.8%, HC by 85.5% and NOx by 79.4% (comparison of official type approval values). Piaggio category L vehicles now meet the new Euro 5+ standard, imposing tougher measures to cut air pollution. This includes enhanced on-board diagnostics (OBD 2), more rigorous durability tests, and additional noise reduction.

Strategy

CUSTOMERS

Group vehicles are sold in over 100 countries. End users of Piaggio vehicles can be either natural persons or companies that manage fleets.

Two-wheelers can be grouped mainly into two product segments: scooters and motorcycles.

In the global two-wheeler market, two macro-areas can be identified, distinctly different in terms of characteristics and scale of demand: the area of economically advanced countries (Europe, United States, Japan) and of developing countries (Asia Pacific, China, India, Latin America).

In the first macro area, which is a minority segment in terms of volumes, the Piaggio Group has a historical presence, with scooters meeting the need for mobility in urban areas and motorcycles for recreational purposes. In the second macro area, which in terms of sales, accounts for most of the world market and is the Group's target for expanding operations, two-wheeler vehicles are the primary mode of transport.

The Commercial Vehicles category includes three- and four-wheelers with a maximum mass below 3.5 tons (category N1 in Europe) designed for commercial and private use.

In 2024, there were no significant changes in customer types or served markets.

A UNIQUE PORTFOLIO OF BRANDS

The Piaggio Group sells two-wheeler vehicles under the **Piaggio**, **Vespa**, **Aprilia** and **Moto Guzzi** brands, and commercial vehicles under the **Ape** and **Porter** brands. Some of the Piaggio Group brands are the most prestigious and historic in the world of motorcycle racing. **Moto Guzzi** celebrated its centenary in 2021. One hundred years of stunning motorcycles, of victories, of adventures, of extraordinary characters who have created the myth of the "Brand of the Eagle". **Aprilia** has made a name for itself as one of the world's most successful manufacturers participating in the World Speed and Superbike Championships. In the scooter sector, the legendary **Vespa brand** has been synonymous with two-wheel mobility since 1946, and with nearly 20 million units produced to date, it represents a commercial success story of incredible longevity, as well as being one of the most recognisable icons of Italian style and technology the world over.

PRODUCT RANGE

The Piaggio Group's main objective is to meet the most advanced mobility needs, deeply understanding people and their habits, seeking to minimise the environmental impact and consumption of the vehicles it produces, and guaranteeing excellence in performance. In striving to ensure the sustainability of its products, the Piaggio Group considers their entire life cycle, which includes design, the acquisition of raw materials, production, use of the goods by the Customer up to decommissioning, consisting of end-of-life dismantling and disposal and/or recycling of components and raw materials.

The Piaggio Group's product range includes scooters and motorcycles from 50cc to 1,100cc, also with electric engines, three- and four-wheeler light commercial vehicles. In addition, only in the US, starting from November 2019, an intelligent robot powered by an electric motor, equipped with sensors and cameras that allow it to follow people and avoid obstacles and capable of carrying a load of up to 40 pounds (Gita), has been marketed by the US affiliate Piaggio Fast Forward.

In a society which is increasingly aware of sustainability, creating products with a low environmental impact, in factories that are safe, non-polluting and do not waste resources, is becoming vital for survival.

A constant focus is placed on research into vehicles that are at the cutting edge in terms of:

- **Ecology and ability to contribute to Climate Change mitigation:** products that can avoid or, in any case, reduce emissions of polluting gases and greenhouse gases (CO₂eq) both in urban and extra-urban use; this is achieved by introducing electric engines and further developing traditional engine technologies (increasingly sophisticated internal combustion engines).
- **Reliability and safety:** vehicles that enable a greater number of users to move easily in urban centres, helping to reduce traffic congestion and guaranteeing a high level of active, passive and preventive safety;
- **Recyclability:** products that minimise environmental impact at the end of their useful life;
- **Cost-effectiveness:** vehicles with reduced maintenance and running costs per kilometre.

The Group's vehicles comply with the current approval standards in the various markets where they are sold.

Results

Strategy

You can find the revenue breakdown by geographic region and product category in the 2024 Consolidated Financial Statements, specifically in Note 4, "Net Revenues".

VEHICLES PRODUCED

2W VEHICLES (NO.)	EMEA AND AMERICAS			INDIA	ASIA PACIFIC 2W		TOTAL
	PONTERERA	NOALE AND SCORZE'	MANDELLO DEL LARIO		VINH PHUC	JAKARTA	
2024	114,210	20,290	12,720	58,520	140,721	7,320	353,781
2023	124,785	21,069	16,985	54,112	188,452	6,956	412,359
Delta 2024-2023	(10,575)	(779)	(4,265)	4,408	(47,731)	364	(58,578)
Delta %	-8.5%	-3.7%	-25.1%	8.1%	-25.3%	5.2%	-14.2%

COMMERCIAL VEHICLES (NO.)	EMEA AND AMERICAS	INDIA	TOTAL
	PONTERERA	BARAMATI 3-4W	
2024	5,714	115,777	121,491
2023	9,073	112,838	121,911
Delta 2024-2023	(3,359)	2,939	(420)
Delta %	-37.0%	2.6%	-0.3%

ENGINES N.	EMEA AND AMERICAS			INDIA	ASIA PACIFIC 2W	TOTAL
	PONTERERA	NOALE AND SCORZE'	MANDELLO DEL LARIO			
2024	97,028	13,945	18,254	93,614	164,110	386,951
2023	104,883	18,648	17,327	89,211	206,944	437,013
Delta 2024-2023	(7,855)	(4,703)	927	4,403	(42,834)	(50,062)
Delta %	-7.5%	-25.2%	5.4%	4.9%	-20.7%	-11.5%

PIAGGIO GROUP (NO.)	2W VEHICLES			COMMERCIAL VEHICLES			% ELECTRIC VEHICLES		
	COMBU- STION ENGINE	ELECTRIC ENGINE	TOTAL	COMBU- STION ENGINE	ELECTRIC ENGINE	TOTAL	2W VEHICLES	COM- MERCIAL VEHICLES	TOTAL
2024	351,953	1,828	353,781	100,049	21,442	121,491	0.5%	17.6%	4.9%
2023	409,334	3,025	412,359	97,880	24,031	121,911	0.7%	19.7%	5.1%
Delta 2024-2023	(57,381)	(1,197)	(58,578)	2,169	(2,589)	(420)	-0.2%	-2.1%	-0.2%
Delta %	-14.0%	-39.6%	-14.2%	2.2%	-10.8%	-0.3%			

Strategy

CERTIFICATION

The Piaggio Group has excellent environmental, quality and occupational management systems in place at all its production sites.

All of the Group's sites have been certified for several years for **Quality** (ISO 9001), **Environment** (ISO 14001) and **Health and Safety** (ISO 45001).

As regards certification of Occupational Health and Safety Management Systems, before switching to ISO 45001 certification, the Group had previously obtained BS OHSAS 18001 certification for all operational sites.

		PONTEDERA	NOALE AND SCORZÈ	MANDELLO DEL LARIO	BARAMATI ENGINE PLANT	BARAMATI TWO-WHEELER PLANT	BARAMATI COMMERCIAL VEHICLES PLANT	VINH PHUC	JAKARTA
Certification	ISO 9001 - Quality Management Systems	• since 1995	• since 2006	• since 2010	• since 2018	• since 2013	• since 2018	• since 2009	• since 2023
	ISO 14001 - Environmental Management Systems	• since 2008	• since 2008	• since 2010	• since 2015	• since 2013	• since 2015	• since 2011	• since 2023
	ISO 45001 - Occupational health and safety management systems	• since 2019	• since 2019	• since 2019	• since 2021	• since 2021	• since 2021	• since 2019	• since 2023

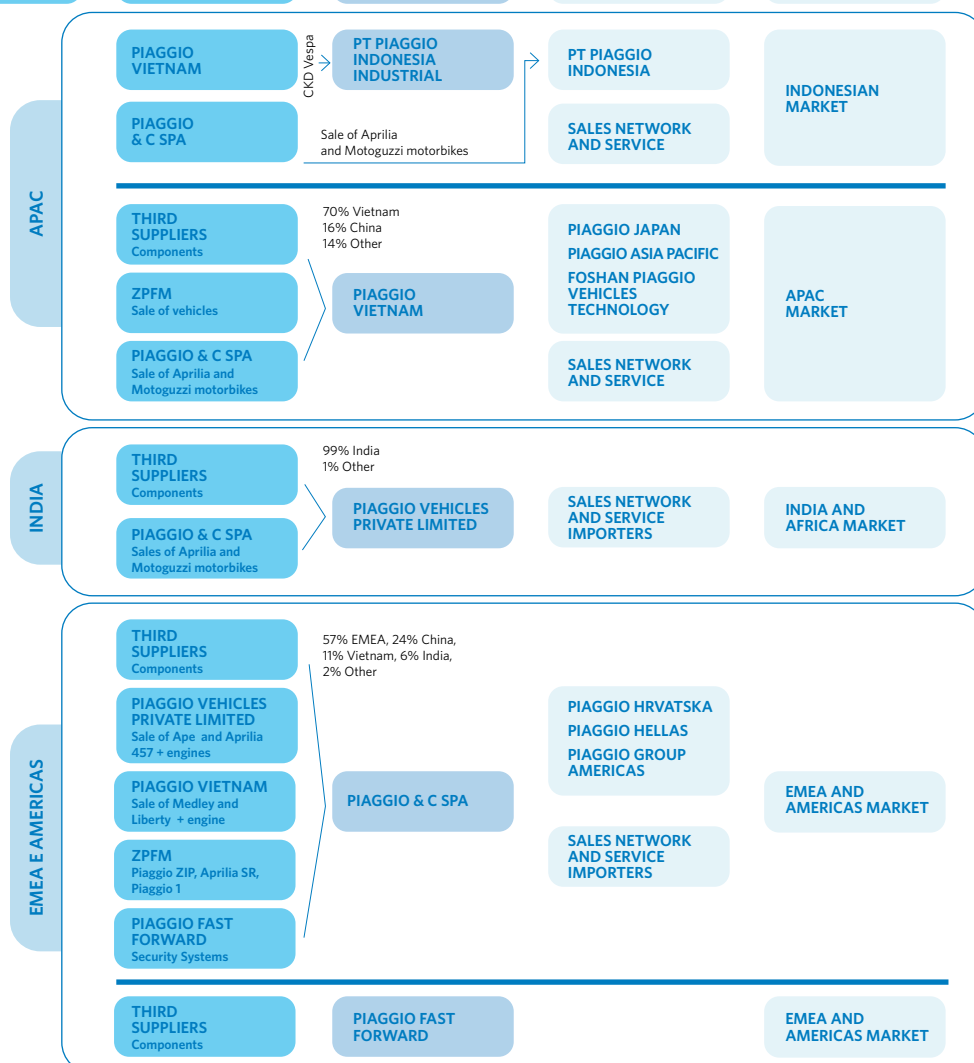
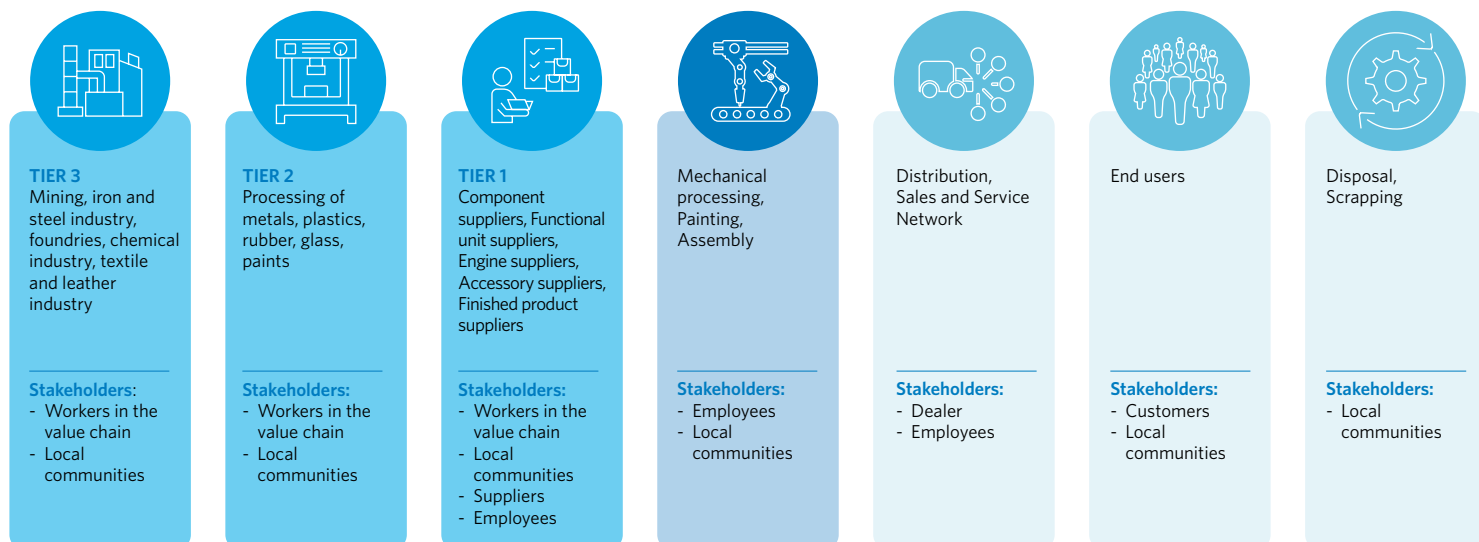
The annual audits conducted by the certification body demonstrate the Company's commitment to its Quality, Health and Safety and Environmental policies established by Top Management and are proof of the reliability of the Management Systems which are adopted with the contribution of managers and staff from all departments.

Finally, the Vietnamese plant obtained FAMA²⁵ certification in October 2023 to be able produce vehicles with the "Walt Disney" logo.

25 FAMA Facility And Merchandise Authorisation.

Value chain

Strategy





Strategy

PIAGGIO DESIGNS ITS VEHICLES IN-HOUSE

Piaggio has a wealth of expertise, skills and knowledge acquired over the years, thanks in part to the exchange of knowledge and ideas and the synergies between its research and development centres, external research environments and its own industrial environment.

Moreover, since 2015, with the establishment of the Piaggio Fast Forward company, the Piaggio Group has developed a new way of doing research, to interpret the signs of change and find intelligent solutions to problems and new needs that will arise.

Piaggio Fast Forward aims to help the Piaggio Group, in cooperation with its Research and Development Centres around the world, to develop increasingly technological and innovative products that meet the changing needs of consumers.

PIAGGIO OPERATES THROUGH PRODUCTION PLANTS LOCATED IN SEVERAL COUNTRIES

The Piaggio Group manufactures vehicles sold under its own brands in its own factories in the various world markets. The only exception is vehicles purchased by the Chinese affiliate Zongshen Piaggio Foshan and mopeds purchased from third parties (9,797 units in 2024, equal to 2% of vehicles sold).

The Piaggio Group's plants are located in:

- **Pontedera (Pisa)**, the Group's main technical headquarter where two-wheeler vehicles under the Piaggio and Vespa brands, light transport vehicles for the European market and engines for scooters, motorbikes and Ape are manufactured;
- **Noale (Venice)**, the technical centre for the development of motorcycles for the entire Group and headquarter of Aprilia Racing;
- **Scorzè (Venice)**, the site for the production of two-wheeler vehicles under the Aprilia trademark;
- **Mandello del Lario (Lecco)**, the Moto Guzzi motorcycle and engine production plant;
- **Baramati (India, in the state of Maharashtra)**, with sites dedicated to the production of three-wheeler commercial vehicles, two-wheelers under the Vespa and Aprilia brands, and engines;
- **Vinh Phuc (Vietnam)** for the production of Vespa and Piaggio scooters and engines;
- **Jakarta (Indonesia)** for the assembly of Vespa scooters.

As mentioned above, the Piaggio Group also operates with a joint venture company in **China** (Zongshen Piaggio Foshan Motorcycles, in **Foshan**, in the province of Guangdong), 45% owned by Piaggio (and therefore not included in the line-by-line consolidation of the Group).

Piaggio is a leader in engine technology and produces engines in its own factories both for internal production and to meet the demands of other manufacturers.

All other components that make up a vehicle are purchased externally and assembled internally.

SUPPLY CHAIN

Some components are purchased externally according to a global sourcing model that guarantees the quality of the supply and its cost-effectiveness.

Generally, Piaggio doesn't purchase raw materials directly. Instead, it acquires functional assemblies like mufflers, forks, radiators, CVTs, headlamps, instruments, and electronic control units, along with other components and accessories, from external suppliers.

The purchases of production sites²⁶ for goods and spare parts are indicated below. Any purchases by trading companies and research centres are not considered, as they are residual and insignificant.

²⁶ The values displayed for all production sites do not include purchases from Group companies.

Strategy

Italian sites

In 2024, Italian plants purchased goods and spare parts for a total value of €508 million from 630 suppliers. The top ten suppliers accounted for 20% of total purchases.

GEOGRAPHICAL LOCATION OF ITALIAN PLANT SUPPLIERS²⁷

GEOGRAPHIC SEGMENT	2024	2023
Italy	48.6%	48.0%
Europe	7.9%	8.6%
China+Taiwan	24.6%	28.4%
Vietnam	11.0%	8.7%
India	5.9%	5.2%
Japan	0.7%	0.4%
Others	1.3%	0.7%

Indian sites

In 2024, Indian plants purchased components, goods and spare parts for a total value of €291 million from 570 suppliers. The top ten suppliers accounted for 35% of total purchases.

GEOGRAPHICAL LOCATION OF INDIAN PLANT SUPPLIERS

GEOGRAPHIC SEGMENT	2024	2023
India	99.1%	99.4%
Other	0.9%	0.6%

Vietnamese sites

In 2024, Vietnamese plants purchased components, goods and spare parts for a total value of €201 million from 298 suppliers. The top ten suppliers accounted for 37% of total purchases.

GEOGRAPHICAL LOCATION OF VIETNAMESE FACTORY SUPPLIERS

GEOGRAPHIC SEGMENT	2024	2023
Vietnam	70.2%	69.9%
China+Taiwan	16.4%	16.3%
EMEA	4.7%	6.1%
India	2.9%	2.9%
Others	5.8%	4.8%

27 To calculate the percentages, goods' receipts were taken into account.

Strategy

Indonesian site

The main supplier of the Indonesian plant is the affiliate Piaggio Vietnam from which it receives Vespa components for assembly. In 2024, components, goods and spare parts worth a total of €657 thousands were purchased from 30 suppliers.
The top ten suppliers accounted for 98.8% of total purchases.

GEOGRAPHICAL LOCATION OF THE INDONESIAN PLANT'S SUPPLIERS

GEOGRAPHIC SEGMENT	2024	2023
Indonesia	100%	100%

The Group's relations with suppliers are based on fairness, impartiality and respect for equal opportunities for all those involved.

The Group requires its suppliers to sign the Group's general terms and conditions of supply, which include the "Code of Ethics and Business Conduct".

The supply chain saw no significant changes in the 2024 financial year.

THE DISTRIBUTION NETWORK

The Piaggio Group has a direct sales presence in the main countries of Europe, in the USA, Canada, India, Vietnam, Indonesia, Singapore, China and Japan, while it operates through importers in other markets of the Middle East, Africa, Central and Latin America and Asia Pacific.

Piaggio, which distributes its products in more than 100 countries, has an extensive distribution and sales network of qualified and reliable partners.

Since the right location is essential in order to enable each brand to express its values, for a number of years Piaggio has been using a new distribution format called "Motoplex" across the globe. The Motoplex concept revolves around the idea of a "brand island" display, capable of immersing the customer in the real experience of the brand represented.



Strategy

FOCUS: RESEARCH, DEVELOPMENT AND INNOVATION GUIDELINES

Technical trends in mobility are described internationally with the suggestive acronym ACES, whose letters stand for **A**utonomous, **C**onected, **E**lectrified and **S**mart (Mobility). These designations also describe the Piaggio Group's research priorities, in the continuous study of technologically advanced solutions conducted in Research Centres around the world. Added to these is the fifth letter, **D**ecarbonisation, which is the activity of reducing GHG emissions from both product and process. Due to their nature, 2-wheeler vehicles can make a major contribution to decarbonisation, compared to cars, due to their low energy requirements for production, savings in materials and low emissions in their use²⁸.

ACES for Two-Wheelers (PTWs)

A

TECHNOLOGY
FOR AUTONOMOUS
VEHICLES

These are the automated systems with sensors, computing power and analytical capabilities that can react according to the data they collect. In the field of two-wheelers, because of their specific dynamic behaviour, intervention must be calibrated to be effective. In addition to technical capabilities, this requires the vast experience the Piaggio Group has gained in over 75 years in the industry. Leveraging the knowledge of its subsidiary Piaggio Fast Forward (PFF) in Boston, which specialises in robotics, Piaggio has equipped some of its models²⁹ with ARAS systems³⁰ based on Radar technology and named "PFF Rider Assistance Solution"³¹. It has also experimented with "By Wire" clutch and gearbox systems, and implemented electronic gear change aids on the flagship models of its motorcycle brands³². A new generation of adaptive/predictive performance control systems which assist the rider in improving their skills has been introduced for the RSV4³³. Piaggio also has "By Wire" braking systems in its portfolio, which at the moment are not considered strategic compared to the high quality of the ABS adopted.

Driving assistance software aimed at reducing energy consumption has also been developed for both ICE³⁴ and electric vehicles, while driving style analysis systems are being studied with the aim of increasing dynamic safety by intervening on the rider's awareness.

C

TECHNOLOGIES
FOR CONNECTED
VEHICLES

Connectivity made its debut on a Piaggio vehicle with the Beverly scooter in 2012, the first to adopt the Mia system that allows a smartphone to be integrated into the vehicle's electronic system. Since then, the evolution has been strong, involving Piaggio Fast Forward in the development of the dedicated app. It is in fact a two-way V2I connectivity that not only allows data exchange with the parent company, but also responds to the customer's needs (maps, weather, places of interest, display of more vehicle parameters, music, telephone, etc.) and possible distress calls (iCall).

Added to this is the possibility, on some models, to have alerts for attempted theft, battery status etc. up to fleet management. Obviously, the connectivity of vehicles, as well as of any device, requires great attention to security, the so-called cybersecurity, for which Piaggio is ready, ahead of future regulations R155³⁵.

Mia is also the gateway to eCommerce and "in-app" shopping³⁶, already present and set to grow in importance and value in the coming years.

28 The entire two-wheeler sector accounts for 1.3% of European transport CO₂ emissions (Source: European Environment Agency 2022) and 0.31% of global emissions (Source: European Commission eu-action/transport/road-transport-reducing-co2-emissions-vehicles).

29 Piaggio Mp3 530, Moto Guzzi V100 Mandello, Moto Guzzi Stelvio V100.

30 ARAS: Advanced Rider Assistance System.

31 The system uses 4D Imaging Radar technology to provide reliable monitoring independent of environmental conditions. It includes: FCW (Forward Collision Warning), which uses the front radar to prevent potential collisions with objects and vehicles, alerting the driver through signals on the display; FCC (Following Cruise Control), which enhances cruise control by intervening on the engine brake depending on the behaviour of vehicles ahead; BLIS (Blind Spot Information System), which detects vehicles entering the blind spot within a 30-metre radius and alerts the rider via signals on the display and in the rear-view mirrors; LCA (Lane Change Assist), which warns of potential collisions with vehicles coming from behind or from the side on the display and in the rear-view mirrors when changing lanes.

32 Aprilia RSV4 and Tuono V4; Aprilia RS660 and Tuono 660; Moto Guzzi V100 and V85.

33 The predictive component of the algorithm analyses vehicle data such as speed, lean angle, gear, throttle position, and more, in real time. It anticipates and plans a smooth, precise response based on the adaptive software's understanding of the driver's style.

34 ICE: Internal Combustion Engine.

35 R155 requirements are already incorporated into Piaggio's processes and certified for the development, production, and upkeep of NP6 vehicles.

36 In-app purchases allow you to buy additional services and features, from within an application such as Mia.

Strategy

E

ELECTRIFICATION
TECHNOLOGIES

Even though Electrification comes third in the ACES acronym, in reality the effort to make Mobility sustainable is the most challenging. To prepare for the 2030 objective, Piaggio has decided to embark on a path based above all on electric technology³⁷, pursuing its idea of Sustainable Mobility even more strongly. "To achieve this goal, it is necessary to promote the large-scale adoption of electric vehicles, such as motorcycles, scooters and light commercial vehicles equipped with battery swap or plug-in technology, fostering more sustainable battery life cycle management and greater respect for the environment."³⁸

The strategy starts in Pontedera, where Piaggio set up its new eMobility department in 2021, dedicated to the development of two-, three- and four-wheeler vehicles and components for Electric Mobility³⁹. In 2024, the Piaggio Group and the Ministry of Enterprise and Made in Italy signed a Development Contract to strengthen this strategy. The plan involves investing to create and advance a new line of electric motors for zero-emission vehicles, develop components and systems for electric vehicles, and create digital solutions for safety, vehicle monitoring, driver assistance, and cybersecurity. The investments will bolster the eMobility departments in Pontedera, already home to 50 software and digital manufacturing experts.

Piaggio's electric product range is evolving rapidly, not only for the EMEA market but for the whole world. It already includes the Group's flagship product, the Vespa Elettrica (moped and motorbike version), of which other versions dedicated to various markets will be produced, as well as the Piaggio 1 scooter (moped and scooter version). Ape Elettrica, specifically designed for the Indian market, also enjoys commercial success and perfectly represents how an iconic and evergreen vehicle can be electrified.

The near future will see more models for other segments, all equipped with lithium-ion (Li-Ion) batteries with BMS and remote control, with a focus on standardisation and end-of-life recovery. Prominent among these projects is the Porter Electric, the Zero Emission Version (ZEV) of the classic but very modern four-wheeler soon to be released to the market. Other projects will result from the agreement between the Piaggio Group and the Chinese giant Foton Motor Group "for the development of a new range of four-wheeler light commercial electric vehicles"⁴⁰. Moreover, Piaggio has never stopped researching hybrid propulsion, the system that combines the advantages of electric motors and ICE to improve performance and fuel consumption. Building on the experience gained since 2009 with the Piaggio Mp3 Hybrid, the world's first Parallel Hybrid scooter, the Group is continuing its research in the field of Mild Hybrids. In addition to the main research strand of eMobility, Piaggio is also keeping a close eye on alternative energy vectors, such as Hydrogen with Fuel Cells (HEV), which has already been tested in the past⁴¹ and other renewable fuels, which could bring the classic ICEs up to date in applications where they are difficult to replace.

S

SMART,
INTELLIGENT
MOBILITY
SOLUTIONS

In this field, Piaggio's ongoing commitment is to ensure that its vehicles are ready to be part of the intelligent mobility chain. This means being electric, connected, remotely manageable, easy to use, equipped with exchangeable batteries: all qualities that Piaggio electric vehicles have and will have.

37 Guideline outlined by Roberto Colaninno, former Chairman and CEO of the Piaggio Group.

38 Statement by Michele Colaninno, CEO of the Piaggio Group.

39 The future of Electric Mobility requires a change in pace in infrastructure, primarily for charging vehicles.

40 19/10/2023 - The CEO of Piaggio & C. S.p.A., Michele Colaninno, and the Vice President of Foton Motor Group, Ma Rentao, signed a contract in Beijing, updating the previous contracts from 2022, for the joint development of a new range of electric-powered Porter. Piaggio's range of commercial vehicles will thus be expanded with two new four-wheeler electrically powered variants, manufactured at the Piaggio Group's Pontedera plant.

41 Piaggio has built a prototype FCEV (Fuel Cells Electric Vehicle) scooter powered by compressed hydrogen.

Strategy

D

DECARBONISATION

As anticipated, the game of the future will be played with five ACES: the fifth, a fundamental theme for research at Piaggio is

This is a process that involves the entire production chain of the Group⁴², but even when limited to R&D alone, it translates into concrete actions: a new design philosophy⁴³, choice of materials and, in general, fostering a culture of "circularity". The Group's medium-term objective is to succeed in reducing the demand for raw materials, particularly those that are scarce or have a polluting production cycle (e.g. energy-intensive, high GHG emissions), by favouring the RRS (**Recycle, Reuse, Save**) production philosophy:

Recycling: through the use of recyclable materials, the foundations are laid for a Product suitable for being part of Circularity⁴⁴.

Reuse: an example of possible (direct) reuse is lithium batteries. These usually have a longer life than the vehicle; so they can be reused, provided they can be easily separated and standardised⁴⁵. The Piaggio 1 batteries, for example, are designed with this in mind: they are removable, made of recyclable materials and are also of a dimensional standard for future Piaggio electric vehicles in the same range.

Saving: another example of attention to the use of resources is the elimination of rare earths from electric motors, as well as other precious and hardly reusable materials usually found in electronic components.

Alternative fuels: decarbonisation is also and above all about Products and is the main driver for research in Sustainable Mobility. The Piaggio Group wholeheartedly pursues electrification, but believes that this alone cannot solve all problems. Other approaches to **decarbonisation** exist, and are needed: for example, the use of alternative, non-fossil fuels in combustion engines⁴⁶, alongside the direct electrification of vehicles. The Piaggio Group's attention is also focused on synthetic and biofuels, which will solve the problems of autonomy and architecture, typical of electric engines in the motorcycle sector⁴⁷. The use of these fuels will make it possible to **reuse** a large part of existing ICE vehicles, making them Zero Emission Vehicles (ZEVs) through a change of fuel and related technology.

This is one of the reasons why the Piaggio Group is also continuing research into conventional engines in order to make them increasingly efficient. The strong technical and economic effort being made to adapt production to the Euro5+ standard, which is stricter than the previous one, will also have a positive impact on the future use of synthetic and biofuels. Green hydrogen comes under this category and is used for electric vehicles with fuel cells (FCEV)⁴⁸, as it is not cost-effective for internal combustion engines.

42 The Piaggio Group adheres to REACH and ELV - N1.

43 Example: Design aimed at reducing the number of parts in a vehicle. The elimination of a body part, through its integration with an adjacent one, generates a cascade of benefits: a reduction in the moulds to be built with consequent material and energy savings throughout their production process; the elimination of material waste; a reduction in moulding energy; a reduction in the number of packages; a reduction in the energy needed for transport; reduced time and energy for assembly of the finished product; streamlining of warehouse management and spare parts management. All this is achieved without having changed the content of the Product, but only having steered the design in this direction.

44 Piaggio's commitment in this field includes a close relationship with the University of Florence aimed at optimising the design of new vehicles in RRS terms, in place since 2011 when the first survey of this kind was conducted on a scooter (Piaggio Mp3 Hybrid). In 2023, the survey focused on the Vespa GTS 300 and highlighted the substantial and design quality of the product, which was found to be 89.7% recyclable.

45 The Piaggio Group, HONDA Motor Co., Ltd., KTM F&E GmbH, and YAMAHA Motor Co, Ltd. established the Swappable Batteries Motorcycle Consortium (SBMC), in order to promote the widespread use of light electric vehicles such as motorised mopeds, scooters, motorcycles, tricycles and quadricycles, and to encourage a more sustainable management of the life cycle of batteries, in keeping with international climate policies.

46 Synthetic and biological fuels, as well as electricity, must be produced from and with renewable energy to be truly carbon footprint-free.

47 Apart from city or intercity scooters, there is an important market segment of two-wheeler vehicles whose physical and functional characteristics do not allow for their electrification; these products could be safeguarded, on the same level as decarbonisation, through the use of synthetic and biofuels.

48 As we have already seen, FCEV stands for Fuel Cells Electric Vehicle, and BEV stands for Battery Electric Vehicle. Hydrogen stored in a cylinder plus an FC that converts it into electrical energy is the equivalent of a charged battery.



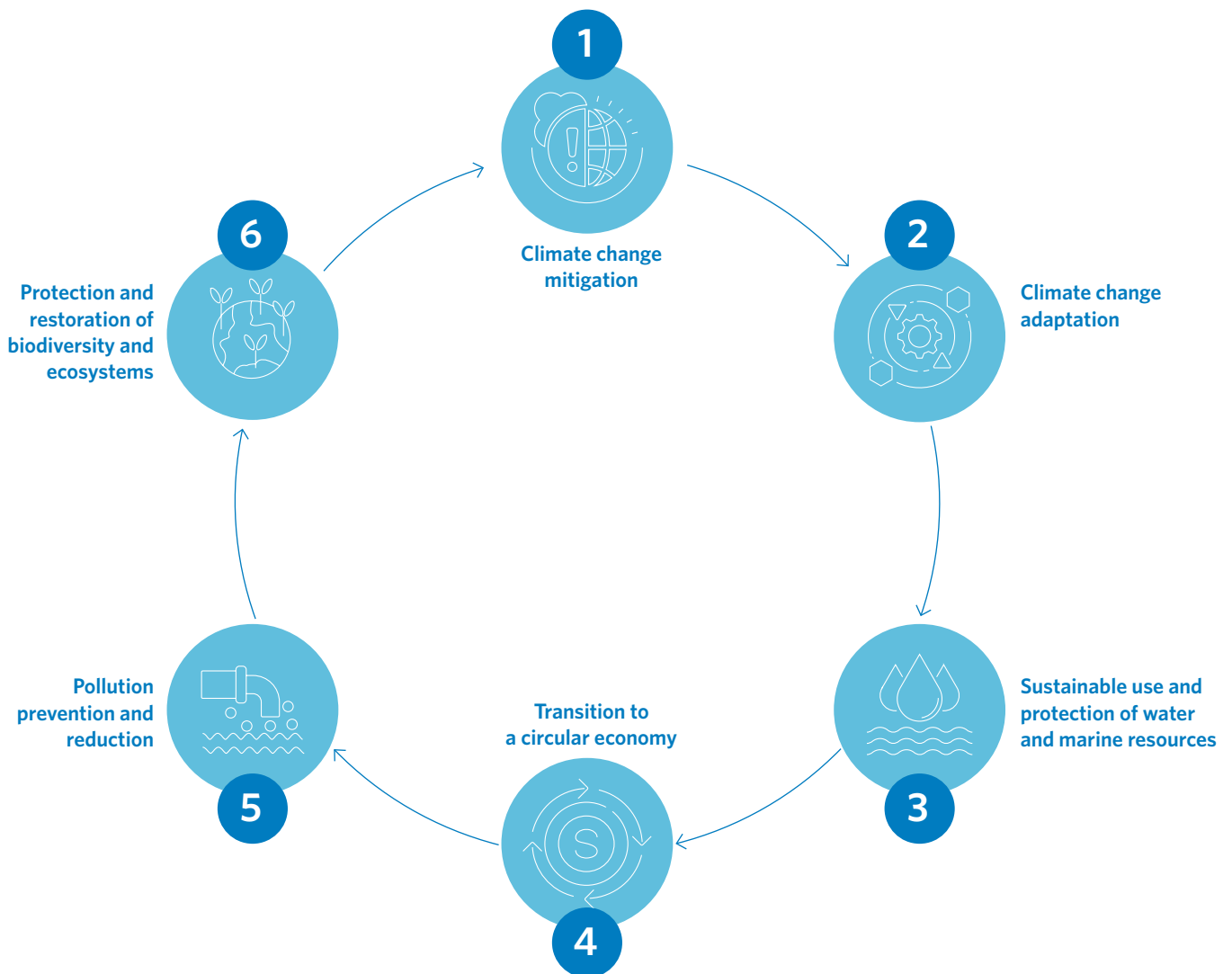
The European
Taxonomy

ENVIRONMENTAL INFORMATION

THE EUROPEAN TAXONOMY

Introduction to European Taxonomy

The European Union, in line with the contents of the 2015 Paris Climate Agreement and the 17 Sustainable Development Goals of the UN 2030 Agenda, has developed an ambitious strategy towards more sustainable economic models for achieving the 2050 climate neutrality target. To achieve these targets, the EU intends to promote investment in sustainable assets and activities through the use of public and private resources. In this context, within the action plan on sustainable finance adopted in 2018 by the European Commission, the classification system or "taxonomy" of sustainable activities was established, set out in Regulation (EU) 2020/852 (hereinafter "the Regulation"), in which the criteria are defined to determine whether an economic activity can be considered as environmentally sustainable, reducing the risk of greenwashing, and guaranteeing financial institutions and investors greater comparability regarding the degree of eco-sustainability of an associated investment. In particular, the Regulation classifies the economic activities that can potentially be aligned with the 6 environmental objectives defined by the European Union:



The European Taxonomy

The Regulation and subsequent legislation classifies economic activities in such a way as to be potentially eligible under the Taxonomy and thus "Eligible" for all 6 of the aforementioned environmental objectives and eco-sustainable and thus "Aligned" in relation to them.

In order to understand whether own "Eligible" activities can also be considered as "Aligned", compliance with two types of criteria must be met:

- technical screening criteria described in the Delegated Regulations which ascertain whether the activities considered make a substantial contribution to adaptation and mitigation to climate change;
- "DNSH" (Do No Significant Harm) criteria, which ascertain whether the activities under consideration cause significant harm to any of the other environmental objectives.

In addition to these specific technical requirements, the Regulation also requires that an economic activity, to be considered ecosustainable (i.e. "Aligned"), is carried out in compliance with the minimum safeguard guarantees ("Social Minimum Safeguards"). In this context, the organisation must demonstrate through the procedures implemented its compliance with the OECD Guidelines for Multinational Enterprises, as well as the United Nations Guiding Principles on Business and Human Rights. This includes respect for the principles and rights outlined in the eight fundamental conventions identified in the International Labor Organization's declaration on fundamental principles and rights at work and in the International Bill of Human Rights.

Article 8 of Regulation (EU) 2020/852 defines the taxonomy reporting obligation, which are applicable to non-financial companies and, in July 2021, Regulation (EU) 2021/2178 further supplemented the content of the Regulation to clarify how the Taxonomy disclosure should be calculated and presented.

Since 1 January 2022, with regard to data for the 2021 financial year, companies have reported the information necessary to meet the requirements of the Regulation in their non-financial statement. In particular, the information that the Taxonomy requires non-financial undertakings to report refers to the following indicators:

- a. the proportion of turnover from products or services associated with economic activities considered by the Taxonomy;
- b. the proportion of capital expenditure and the proportion of operating expenditure related to activities or processes associated with economic activities considered by the Taxonomy.

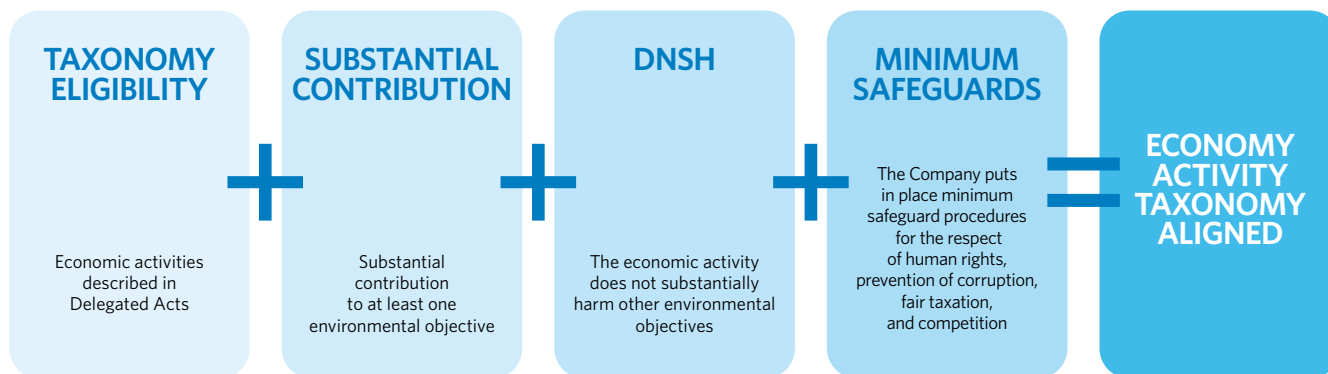
Following the first-time adoption of the Regulation for the 2021 financial year, non-financial companies were requested to report on their proportion of own turnover, investments (Capex) and operating costs (Opex) (as defined by Commission Delegated Regulation (EU) 2021/2178) related to eligible economic activities, within the meaning of the Taxonomy. Starting from 1 January 2023, in relation to data for the 2022 financial year, non-financial companies are required to report the above parameters relating not only to the share of "Eligible" activities, but also to environmentally sustainable activities (so-called "Aligned").

Furthermore, for publications occurring in the period 1 January - 31 December 2024, in addition to the disclosure applicable for the 2022 financial year, non-financial entities are required to provide disclosure of the same KPIs in relation to eligible activities with reference to environmental objectives (referred to in EU Delegated Regulation 2023/2486) and to the additional activities identified for the climate objectives by EU Delegated Regulation 2023/2485. For publications covering the period from 1 January to 31 December 2025, it is mandatory to disclose the specified KPIs in connection with activities that are "Aligned" with environmental objectives.

In this context, the Piaggio Group, in order to comply with the requirements of the legislation, has continued the analyses of its activities already identified as "Eligible" and "Aligned" with reference to the objective of Mitigation of climate change (as identified mainly as most suitable in relation to the types of economic activities carried out by the Group) in the disclosure relating to the 2024.

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Methodological Approach



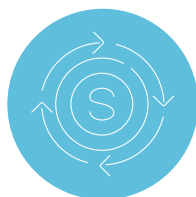
TECHNICAL SCREENING CRITERIA

Following the analysis described above, in its 2024 Sustainability Report, the following economic activities related to the Piaggio Group's "core business" were identified as Taxonomy-Eligible:



Climate change mitigation

- 3.3 "Manufacture of low-carbon technologies for transport", concerning the production and marketing of vehicles;
- 3.18 "Production of Automotive and Mobility Components", concerning the production and marketing of spare parts;
- 6.4 "Management of Personal Mobility Devices, Cycling", in connection with the sale of Mopeds;
- 7.6 "Installation, maintenance and repair of renewable energy technologies, concerning the installation of photovoltaic panels";



Transition to a circular economy

- 2.3 "Collection and transport of non-hazardous and hazardous waste";



Sustainable use and protection of water and marine resources

- 2.2 "Urban waste water treatment", concerning water discharge facilities;



Pollution prevention and reduction

- 2.4 "Remediation of contaminated sites and areas".

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Regarding the Group's activities eligible for the climate change mitigation goal, we analysed the specific technical screening criteria. We identified activities 3.3 and 6.4 as potentially assessable for alignment. This applies solely to vehicles with zero GHG emissions and the production of car components, personal mobility, and cycling devices (note that for activity 3.18, it is only considered eligible).

MINIMUM SAFEGUARDS AND DNSH

The above activities were carried out at the same time as assessing compliance with the Minimum Safeguards in the areas of human rights, corruption, fair competition and taxation, as defined in the EU Taxonomy Regulation, also with reference to the suggestions put forward in the Platform on Sustainable Finance's "Final Report on Minimum Safeguards" published in October 2022. In this context, we have seen how the Code of Ethics and, in general, the policies and practices adopted by the Piaggio Group in conducting its business, establish the principles and standards applicable to the protection of human rights, fundamental rights and, in general, rules of correct and ethical conduct in doing business, and require their compliance by all stakeholders to whom they are addressed (employees, external staff, suppliers, distributors and other business partners). Moreover, there were no final convictions against the Piaggio Group with reference to the other areas covered by the Minimum Safeguards; tax disputes are still pending, which, however, have an economic and reputational impact risk assessment of no greater than "low", as the Piaggio Group is not reasonably expected to lose the case.

The Company's management reviewed the Group's organisational framework and the year's events, considering the details in the "Protecting the human rights of employees" section relating to the subsidiary Piaggio Vehicles Limited ("PVPL"). Despite the assessment to date showing no signs of labour or health and safety breaches, racial discrimination, modern slavery, or workplace harassment, we are still working on enhancing our policies, internal controls, and mitigation measures. These efforts are part of the broader Due Diligence expansion outlined in the "Statement on Due Diligence" section.

Given this, despite no signs of failing to meet the Minimum Safeguards at the time of writing, the Group has cautiously chosen not to classify the assets as "Taxonomy Aligned" for 2024 until the process is complete. The Group will update the DNSH analysis for the purpose of alignment calculation in the next financial year.

Methodological Approach to KPI Calculation

IDENTIFICATION OF "ELIGIBLE" (TAXONOMY-ELIGIBLE) AND "ENVIRONMENTALLY SUSTAINABLE" (TAXONOMY-ALIGNED) ACTIVITIES

The first stage of the process made it possible to identify, through an analysis of the activities included in the Delegated Regulations, those applicable to the Piaggio Group's business in view of the description provided by the annexes to them.

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Based on the above analysis, the Piaggio Group's activities that can contribute to achieving the listed objectives are:

	ACTIVITY DESCRIPTION TAXONOMY-ELIGIBLE	KPI APPLICABLE	REFERENCE CONSOLIDATED BALANCE SHEET ITEM
		Turnover	Net Revenues - Sale of 2, 3 and 4-wheeler motor vehicles and GITA robots
3.3	Manufacture of low-carbon technologies for transport	CapEx	Property, Plant and Equipment, Intangible Assets and Rights of Use
		OpEx	External maintenance and cleaning costs
3.18	Production of automotive and mobility components	Turnover	Net Revenues - spare parts
		CapEx	R&D, Property, plant and equipment - investments to provide technical specifications to spare parts suppliers
6.4	Management of personal mobility devices, cycling	Turnover	Net revenues - sale of mopeds and Wi Bikes
2.4	Remediation of contaminated sites and areas	CapEx	Land and Buildings - investments in remediation work at the Mandello site and for the asbestos roofing on building 45 at Pontedera
7.6	Installation, maintenance and repair of renewable energy technologies	CapEx	Property, plant and equipment - investments in solar panels - Piaggio Vehicles Pvt Limited
2.3	Collection and transport of non-hazardous and hazardous waste	OpEx	Operating expenses - waste treatment plant maintenance - Piaggio Vietnam
2.2	Urban waste water treatment	OpEx	Operating expenses - urban waste water treatment plant maintenance - Piaggio Vietnam and Piaggio Vehicles Pvt Limited

The analyses were carried out on the basis of the interpretations of the taxonomy regulations available to date, as well as taking into account, where possible, the clarifications officially provided by the EU Commission regarding the practical application of the regulations, as well as the preparation of the relevant disclosures. In this context, consistent with evolving interpretations and regulatory requirements, the information presented in this chapter may be subject to further updates and revisions.

DEFINING THE PERIMETER

Based on the requirements of the Regulation, the calculation of the percentages of "eligible" activities was also carried out for 2024 and includes all companies of the Piaggio Group consolidated on a line-by-line basis.

CALCULATING THE KPIS

Based on the Group's Consolidated Financial Statements for the year ended 31.12.2024 (hereinafter also referred to as the "Financial Statements"), the percentage of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) in relation to respective total values was calculated for each identified "eligible" activity.

The European
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The share of the Turnover referred to in Article 8(2)(a) of Regulation (EU) 2020/852 is to be calculated as the part of net revenue obtained from products or services, including intangible products or services, associated with economic activities aligned with the taxonomy (numerator), divided by net revenue (denominator) in accordance with Article 2(5) of Directive 2013/34/EU.

For the 2024 financial year, the Piaggio Group carried out the following activities for the production of taxonomy-eligible goods or services:

- activity **"3.3 Manufacture of low-carbon technologies for transport"** with specific reference to the sale of 2-, 3- and 4-wheeler motor vehicles and GITA robots;
- activity **"3.18 Production of automotive and mobility components"** with specific reference to the production and sale of spare parts;
- activity **"6.4 Management of personal mobility devices, cycling"** with specific reference to the sale of wi-bikes and personal mobility devices.

Starting from Net Revenues, in order to identify the portion considered Taxonomy-eligible, the portions of revenues related to "Accessories and other revenues" were subtracted, as they were deemed not applicable for eligibility purposes.

The percentage eligible for taxonomy was 97.1%. This was determined by comparing the total turnover, excluding accessory sales and other income, with the total turnover achieved.

CALCULATION OF THE PROPORTION OF CAPITAL EXPENDITURE (CAPEX)

The share of the capital expenditure referred to in Article 8(2)(b) of Regulation (EU) 2020/852 is to be calculated as the numerator defined in point 1.1.2.2 of Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 divided by the denominator defined in point 1.1.2.1 of the same Delegated Regulation.

Specifically, the numerator for the calculation of CapEx is represented by the additions to property, plant and equipment and intangible assets and "Eligible" rights of use that occurred during the year, before amortisation, depreciation, any revaluations and excluding changes due to fair value.

The denominator, on the other hand, includes total capital expenditure and increases in rights of use, before amortisation, depreciation, any revaluations and excluding changes due to fair value.

For the 2024 financial year, the Piaggio Group incurred the following taxonomy-eligible capitalised costs:

- activity **"3.3 Manufacture of low-carbon technologies for transport"** at all the Group's production sites, with specific reference to investments in the design and manufacture of zero-emission vehicles (with the sole exclusion of those made for Racing).
- activity **"3.18 Production of automotive and mobility components"** with specific reference to investments to provide technical specifications to parts suppliers;
- activity **"7.6. Installation, maintenance and repair of renewable energy technologies"** with specific reference to investments in plants that produce energy through the installation of photovoltaic panels;
- activity **"2.4. Remediation of contaminated sites and areas"** with specific reference to the remediation of production sites;

The taxonomy-eligible percentage for the share of capital expenditure was 93.99%.

The European
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The share of operating expenditure referred to in Article 8(2)(b) of Regulation (EU) 2020/852 is to be calculated as the numerator defined in point 1.1.3.2 of Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 divided by the denominator defined in point 1.1.3.1 of the same Delegated Regulation.

Specifically, the numerator for the calculation of OpEx is the total value of non-capitalised indirect research and development costs and any other direct expenditure related to the ordinary maintenance and repair of property, plant and equipment necessary to ensure the continuous and effective operation of such assets. The denominator, on the other hand, is the total value of these costs.

For the 2024 financial year, the Piaggio Group incurred the following taxonomy-eligible operating costs:

- activity **"3.3 Manufacture of low-carbon technologies for transport"** with specific reference to maintenance and repair costs, both of buildings and of plant and equipment, relating to production facilities where zero-emission vehicles are produced;
- activity **"2.3. Collection and transport of non-hazardous and hazardous waste"** with specific reference to the activities of waste classification, registration and management according to the national laws of each establishment;
- activity **"2.2. Urban Waste Water Treatment"** with specific reference to urban waste water treatment activities.

The taxonomy-eligible percentage for the share of operating expenses was 97.9%.



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Table pursuant to Regulation (EU) 2020/852

PROPORTION OF TURNOVER DERIVED FROM PRODUCTS AND SERVICES ASSOCIATED WITH
ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY - DISCLOSURE FOR THE YEAR 2024

ECONOMIC ACTIVITIES (1)				CRITERIA FOR SUBSTANTIAL CONTRIBUTION						DNSH CRITERIA (“DO NO SIGNIFICANT HARM”)																									
	CODE(S) (2)	NET REVENUES (3)	% PROPORTION OF NET REVENUES 2024 (4)	CLIMATE CHANGE MITIGATION (5)		CLIMATE CHANGE ADAPTATION (6)		WATER AND MARINE RESOURCES (7)		CIRCULAR ECONOMY (8)		POLLUTION (9)		BIODIVERSITY AND ECOSYSTEMS (10)		CLIMATE CHANGE MITIGATION (11)		CLIMATE CHANGE ADAPTATION (12)		WATER AND MARINE RESOURCES (13)		CIRCULAR ECONOMY (14)		POLLUTION (15)		BIODIVERSITY AND ECOSYSTEMS (16)		MINIMUM SAFEGUARDS (17)		SHARE OF TAXONOMY-ALIGNED (A.1) OR TAXONOMY-ELIGIBLE (A.2) REVENUES, 2023 (18)		CATEGORY (ENABLING ACTIVITY) (19)		CATEGORY (TRANSITIONAL ACTIVITY) (20)	
				Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T													
A. TAXONOMY-ELIGIBLE ACTIVITIES																																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																																			
Activity 1: Manufacture of low-carbon technologies for transport	CCM 3.3	0	0%																										6.26%	E					
Activity 3: Management of personal mobility devices, cycling	CCM 6.4	0	0%																										0.00%						
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%																										6.27%						
Of which enabling		0	0%																										6.26%	E					
Of which transitional		0	0%																										0.00%		T				
A.2 Activities eligible for the taxonomy but not environmentally sustainable (activities not taxonomy-aligned)																																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL																										
Activity 1: Manufacture of low-carbon technologies for transport	CCM 3.3	1482.0	871%	EL	N/EL	N/EL	N/EL	N/EL	N/EL																					82.75%					
Activity 2: Production of automotive and mobility components	CCM 3.18	170.2	10.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL																					0.46%					
Activity 3: Management of personal mobility devices, cycling	CCM 6.4	0.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL																					-					
Turnover from activities eligible for the taxonomy but not environmentally sustainable (activities not taxonomy-aligned) (A.2)		1,652.3	971%	971%	0.00%	0.00%	0.00%	0.00%	0.00%																					83.21%					
Turnover from taxonomy eligible activities (A.1 + A.2)		1,652.3	971%	971%	0.00%	0.00%	0.00%	0.00%	0.00%																					89.47%					
A. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																																			
Turnover from activities not eligible for the taxonomy		49.0	2.9%																																
TOTAL		1,701.3	100%																																

	PROPORTION OF NET REVENUES/TOTAL NET REVENUES	
	TAXONOMY-ALIGNED BY OBJECTIVE	TAXONOMY-ELIGIBLE BY OBJECTIVE
CCM Climate change mitigation	0.0%	97.1%
CCA Climate change adaptation	0.0%	0.0%
WTR Sustainable use and protection of water and marine resources	0.0%	0.0%
CE Transition to a circular economy	0.0%	0.0%
PPC Pollution prevention and reduction	0.0%	0.0%
BIO Protection and restoration of biodiversity and ecosystems	0.0%	0.0%

The European
TaxonomyPROPORTION OF CAPITAL EXPENDITURE FROM PRODUCTS AND SERVICES ASSOCIATED WITH
ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY - DISCLOSURE FOR THE YEAR 2024

ECONOMIC ACTIVITIES (1)			CRITERIA FOR SUBSTANTIAL CONTRIBUTION							DNSH CRITERIA ("DO NO SIGNIFICANT HARM")								
CODE(S) (2)	CAPITAL EXPENDITURE (3)	PROPORTION OF CAPITAL EXPENDITURE 2024 (4)	CLIMATE CHANGE MITIGATION (5)	CLIMATE CHANGE ADAPTATION (6)	WATER AND MARINE RESOURCES (7)	CIRCULAR ECONOMY (8)	POLLUTION (9)	BIODIVERSITY AND ECOSYSTEMS (10)	CLIMATE CHANGE MITIGATION (11)	CLIMATE CHANGE ADAPTATION (12)	WATER AND MARINE RESOURCES (13)	CIRCULAR ECONOMY (14)	POLLUTION (15)	BIODIVERSITY AND ECOSYSTEMS (16)	MINIMUM SAFEGUARDS (17)	SHARE OF CAPITAL EXPENDITURE ALIGNED WITH (A.1) OR ELIGIBLE FOR (A.2) THE TAXONOMY, YEAR 2023 (18)	CATEGORY (ENABLING ACTIVITY) (19)	CATEGORY (TRANSITIONAL ACTIVITY) (20)
MLN €	%	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY

A.1 Environmentally sustainable activities (taxonomy-aligned)

Activity 1: Manufacture of low-carbon technologies for transport	CCM 3.3	0	0%														15.46%	E	
Activity 3: Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0	0%															E	
Capital expenditures of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%														15.46%		
Of which enabling		0	0%														15.46%	E	
Of which transitional		0	0%														0.00%		T

A.2 Activities eligible for the taxonomy but not environmentally sustainable (activities not taxonomy-aligned)

				EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL										
Activity 1: Manufacture of low-carbon technologies for transport	CCM 3.3	177.11	93.47%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								77.12%		
Activity 2: Production of automotive and mobility components	CCM 3.18	-	-	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.01%		
Activity 3: Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.96	0.51%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.01%		
Activity 4: Collection and transport of non-hazardous and hazardous waste	CE 2.3	-	-	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.02%		
Activity 5: Remediation of contaminated sites and areas	PPC 2.4	0.02	0.01%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.25%		
Activity 6: Urban waste water treatment	WTR 2.2	-	-	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0.07%		
Capital expenditures of activities eligible for the taxonomy but not environmentally sustainable (activities not aligned with the taxonomy) (A.2)		178.09	93.99%	93.98%	0.00%	0.00%	0.00%	0.01%	0.00%								77.47%		
Capex of taxonomy eligible activities (A1+A.2)		178.09	93.99%	93.98%	0.00%	0.00%	0.00%	0.01%	0.00%								92.93%		

A. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY

Capital Expenditure of activities not eligible for the taxonomy	11.39	6.01%
TOTAL	189.48	100%

	PROPORTION OF CAPITAL EXPENDITURE/TOTAL CAPITAL EXPENDITURE	
	TAXONOMY-ALIGNED BY OBJECTIVE	TAXONOMY-ELIGIBLE BY OBJECTIVE
CCM Climate change mitigation	0.0%	93.98%
CCA Climate change adaptation	0.0%	0.0%
WTR Sustainable use and protection of water and marine resources	0.0%	0.0%
CE Transition to a circular economy	0.0%	0.0%
PPC Pollution prevention and reduction	0.0%	0.01%
BIO Protection and restoration of biodiversity and ecosystems	0.0%	0.0%

The European
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ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY - DISCLOSURE FOR THE YEAR 2024

ECONOMIC ACTIVITIES (1)				CRITERIA FOR SUBSTANTIAL CONTRIBUTION							DNSH CRITERIA (“DO NO SIGNIFICANT HARM”)								
CODE(S) (2)	OPERATING EXPENSES (3)	PROPORTION OF OPERATING EXPENDITURE 2024 (4)		CLIMATE CHANGE MITIGATION (5)	CLIMATE CHANGE ADAPTATION (6)	WATER AND MARINE RESOURCES (7)	CIRCULAR ECONOMY (8)	POLLUTION (9)	BIODIVERSITY AND ECOSYSTEMS (10)	CLIMATE CHANGE MITIGATION (11)	CLIMATE CHANGE ADAPTATION (12)	WATER AND MARINE RESOURCES (13)	CIRCULAR ECONOMY (14)	POLLUTION (15)	BIODIVERSITY AND ECOSYSTEMS (16)	MINIMUM SAFEGUARDS (17)	SHARE OF TAXONOMY-ALIGNED (A.1) OR TAXONOMY-ELIGIBLE (A.2) OPERATING EXPENSES, 2023 (18)	CATEGORY (ENABLING ACTIVITY) (19)	CATEGORY (TRANSITIONAL ACTIVITY) (20)
		MLN €	%																
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Activity 1: Manufacture of low-carbon technologies for transport	CCM 3.3	0	0%														5.35%	E	
Operating expenditure of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%														5.35%		
Of which aligned		0	0%														5.35%	E	
Of which transitional		0	0%														0.00%		T
A.2 Activities eligible for the taxonomy but not environmentally sustainable (activities not taxonomy-aligned)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Activity 1: Manufacture of low-carbon technologies for transport	CCM 3.3	27.48	97.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								93.29%		
Activity 2: Collection and transport of non-hazardous and hazardous waste	CE 2.3	0.10	0.4%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								-		
Activity 3: Urban waste water treatment	WTR 2.2	0.08	0.3%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								-		
Operating expenditure of activities not eligible for the taxonomy (A.2)		27.66	97.9%	97.2%	0.0%	0.3%	0.4%	0.0%	0.0%								93.29%		
Operating expenditure of taxonomy-eligible activities (A1+A2)		27.66	97.9%	97.2%	0.0%	0.3%	0.4%	0.0%	0.0%								98.64%		
Operating expenditure of activities not eligible for the taxonomy		0.60	2.1%																
TOTAL		28.26	100%																

	PROPORTION OF OPEX/TOTAL OPEX	
	TAXONOMY-ALIGNED BY OBJECTIVE	TAXONOMY-ELIGIBLE BY OBJECTIVE
CCM Climate change mitigation	0.0%	97.2%
CCA Climate change adaptation	0.0%	0.0%
WTR Sustainable use and protection of water and marine resources	0.0%	0.3%
CE Transition to a circular economy	0.0%	0.4%
PPC Pollution prevention and reduction	0.0%	0.0%
BIO Protection and restoration of biodiversity and ecosystems	0.0%	0.0%

The European
Taxonomy**Reporting under Annex XII DDA EU Delegated Regulation 2021/2178**

If financial or non-financial firms do not engage in, finance or are not exposed to an activity listed in rows 1 to 6 of Template 1 of Annex XII to the DDA, they must enter "No" to the questions in the following template. Furthermore, by answering "No" to all questions, this implies the possibility of omitting to complete and provide disclosure for Templates 2 to 5 of that Annex for the respective applicable KPIs.

TEMPLATE 1 - NUCLEAR AND FOSSIL GAS ACTIVITIES

ROW NUCLEAR ENERGY RELATED ACTIVITIES		
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
FOSSIL GAS RELATED ACTIVITIES		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO



Climate Change

CLIMATE CHANGE

The phases of a vehicle's life cycle that determine the greatest environmental impacts can be summarised as follows:

- In the raw materials/components procurement phase, the main impact derives from production and distribution, which involves direct and indirect GHG and other emissions.
- In the production phase, the greatest impacts are related to the consumption of electricity and natural gas which results in direct and indirect GHG and other emissions, water consumption mainly related to painting, and the amount of waste produced. All these impacts are monitored and reported on in the following pages.
- In the distribution phase, the impact stems from the fuel consumption of vehicles used to transport finished products, spare parts and accessories.
- In the customer use phase, the impact derives from the fuel consumption of vehicles and the eventual disposal of consumables and worn components.
- Finally, in the decommissioning phase, the impact derives from the activity of dismantling the various components for recovery or disposal. All vehicles are designed for effective end-of-life disposal. Group vehicles have a particularly long life. The Vespa maintains a high second-hand value and is collected by a large group of enthusiasts.

Environmental Management System

For several years now, the Piaggio Group has been implementing an environmental management system at all its production sites that complies with the UNI EN ISO 14001 international standard. Certification audits were successfully completed in 2024.

The Piaggio Group has defined a specific organisational structure to pursue environmental sustainability objectives at its production sites.

For sites located in Italy, the responsibilities and roles of the Environmental Management System (EMS) with the Organisational Units/Functions involved are indicated in the Quality, Environmental, Health and Safety Management Systems Manual.

THE ENVIRONMENTAL ORGANISATIONAL STRUCTURE OF THE PIAGGIO GROUP'S ITALIAN SITES

ENVIRONMENTAL MANAGEMENT SYSTEM	
Management Representative	Quality System Manager
Management System Manager	General Plant Manager
Coordination and control	Environmental Manager
Audit	Process Auditor (Internal Auditor)

The Environmental Management System Manager reports to the Processes Quality System & Cost Engineering Management Representative on the performance of the Management System and any needs for improvement. The Head of the Environmental Management System - the General Plant Manager, has a notarised power of attorney to oversee relevant obligations, while the Environmental Managers are selected by the Head of the Environmental Management System and appointed by the latter after obtaining a favourable opinion of the Head of the Department to which the appointee belongs.

The subsidiaries in Vietnam, Indonesia and India (PVPL) have EHS (Environment Health and Safety) teams dedicated full-time to environment, health and safety, with well-defined roles and responsibilities. The EHS team at Piaggio Vietnam is led by the Technology and Maintenance Manager, who reports to the Director of Operations, and a full-time resource oversees the management of environmental issues.

Climate Change

Piaggio Indonesia's EHS team, coordinated by the Human Resources Manager and supported by technical resources from the Operations Department, ensures compliance and awareness of the importance of EHS issues.

PVPL's environmental team, consisting of managers, engineers and operators, is within the Maintenance function and reports to the Director of Operations.

ENVIRONMENTAL POLICY

Piaggio's strategy firmly includes protecting the environment and natural resources, tackling climate change, and fostering sustainable economic growth.

At the start of 2025, the Board of Directors formalised and approved an Environmental Policy⁴⁹ that is applicable to all companies within the Group⁵⁰. The Executive in Charge of Financial Reporting bears responsibility for its implementation. The document outlines Piaggio's aim to reduce its environmental footprint and the sustainable growth strategy the Group adopts to constantly enhance environmental performance.

Piaggio's commitment to environmental issues is based on the following fundamental principles:

- safeguard the environment by analysing, assessing, and managing risks to prevent impacts and seize opportunities;
- commit to mitigating the effects of climate change;
- establish goals to guarantee and assess actions that prevent, lessen, or minimise effects on land and water ecosystems, allocate the required resources, and revise goals for the ongoing enhancement of processes and performance;
- improve and promote the environmental sustainability of its products;
- meet regulatory requirements and voluntary pledges by ensuring operational activities comply with the laws and rules of different countries.

Piaggio's Environmental Policy pursues the following Strategic Objectives:

- implement globally recognised Environmental Management Systems across the organisation, guided by the principle of ongoing enhancement and the use of indicators to gauge environmental performance;
- ensure the implementation of ISO 14001 certification and its extension to the entire scope of the Group's activities;
- identify roles and responsibilities of management and employees in the implementation of environmental management processes;
- manage environmental risks, especially in preventing pollution and handling emergencies, by taking suitable and sufficient measures to control and minimise any potential effects on people and the environment;
- minimise environmental impacts by using the best technologies and practices available. In striving to ensure the sustainability of its products, the Piaggio Group considers their entire life cycle, which includes design, the acquisition of raw materials, production, use of the goods by the Customer up to decommissioning, consisting of end-of-life dismantling and disposal and/or recycling of components and raw materials;
- analysing, assessing and reducing the environmental and social impacts from building new facilities and infrastructure, their operation, or major redevelopment, with an emphasis on enhancing site sustainability and material management efficiency;

49 The policy is written in accordance with the Code of Ethics and the following international sustainability regulations and initiatives: The UN Global Compact, the International Labour Organization's "Declaration on Fundamental Principles and Rights at Work", the "Rio Declaration on Environment and Development", and the European Union's new growth strategy, referred to as the "Green Deal"; numerous global agreements aim to safeguard human health and the environment, including the "Stockholm Convention on Persistent Organic Pollutants", the "Minamata Convention on Mercury", and the "Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal".

50 The Environmental Policy is published on the company intranet.

Climate Change

- building plants and infrastructure while protecting the land and biodiversity;
- encourage actions to combat climate change that align with the goals of the 2015 Paris Climate Agreement, which aims to limit global temperature rise to 1.5°C above pre-industrial levels, speed up the shift to zero-emission energy, and boost the resilience of businesses to climate impacts;
- encourage actions to mitigate climate change by cutting both direct and indirect greenhouse gas emissions through the study and implementation of energy-saving measures, while taking advantage of the possibilities that arise from new technological advancements;
- preserve water, air and soil and optimise water management. Efficient management of water resources for industrial purposes, particularly in areas experiencing "water stress", involves reducing water consumption, minimising the withdrawal of freshwater, and enhancing the rate of wastewater recovery;
- preventing and controlling air and soil pollution, minimising their impact on ecosystems and implementing restoration actions where necessary;
- optimising waste management by adopting a waste management plan that prioritises re-use, recycling and other forms of recovery over disposal;
- replace and minimise the use of potentially harmful substances and phasing out the most dangerous ones;
- promoting the circular economy approach and initiatives;
- encourage the use of secondary raw materials for efficient resource management;
- communicating the Group's environmental performance to stakeholders.

In particular, Piaggio is committed to reducing the environmental impact of its industrial activities through careful definition of product design, the technological processing cycle and the use of the best technologies and most modern production methods. The pursuit of these eco-friendly objectives generates a path of continuous improvement in environmental performance that is not limited to the production phase, but embraces the entire product life cycle.

CLIMATE RISK ANALYSIS

Piaggio, in the context of its Enterprise Risk Management and Double Materiality processes, conducted a resilience analysis on the effects of climate change. Piaggio has outlined a range of actions to adapt to and mitigate climate change, enhancing the resilience of its business model and strategy against climate-related impacts. These measures address both substantial physical and transitional risks.

Climate Change

Physical risks

Piaggio carried out an assessment of both chronic and acute physical climate risks for its plants in Pontedera, Baramati, Vinh Phuc, and Jakarta, adopting a current and forward-looking approach. This involved medium to long-term scenario analysis over a 30-year period, projecting to 2050, and took into account historical incidents and patterns in climate variables, where data was accessible. The analysis considered both the immediate and long-term climate risks outlined in Appendix A of Delegated Regulation 2021/2139, as well as the nature and location of the facilities being examined.

	TEMPERATURE-RELATED	WIND-RELATED	WATER-RELATED	SOLID MASS- RELATED
Chronic Physical Risks	<ul style="list-style-type: none"> - Temperature change - Heat stress - Temperature variability - Permafrost thawing 	<ul style="list-style-type: none"> - Changing wind patterns 	<ul style="list-style-type: none"> - Changing precipitation patterns and types (rain, hail, snow/ice) - Precipitation or hydrological variability - Ocean acidification - Saline intrusion - Sea level rise - Water stress 	<ul style="list-style-type: none"> - Coastal erosion - Soil degradation - Soil erosion - Solifluction
Acute Physical Risks	<ul style="list-style-type: none"> - Heat wave - Cold wave/frost - Wildfire 	<ul style="list-style-type: none"> - Cyclone, hurricane, typhoon - Storms (including blizzards, dust, and sandstorms) - Tornado 	<ul style="list-style-type: none"> - Drought - Heavy rainfall - Flood - Glacial lake outburst 	<ul style="list-style-type: none"> - Avalanche - Landslide - Subsidence

Concerning the climate-related risks identified, Piaggio conducted an initial evaluation of their significance for the selected assets. In this initial stage, we considered severe weather events that might lead to droughts, fires, heatwaves, landslides, downpours, and floods, among others. These observations laid the groundwork for a further evaluation to confirm the practical relevance of the initially identified climate risks.

In order to determine the impacts of chronic and acute physical risks on the Group's activities, an analysis was developed to assess their effects from a current and prospective perspective, such as

- machinery failures
- compromising the efficiency of operational processes;
- production stoppage;
- increased costs for repair work;
- compromise of staff health and safety.

The current assessment is based on reports of extreme weather and data on climate patterns in the relevant regions so far. The forward-looking assessment spanned up to 2050 and focused on the most severe emission climate scenario (RCP 8.5) to determine the climate impact on key assets and aid in adding further safeguards to those in place. In accordance with the Intergovernmental Panel on Climate Change (IPCC) guidelines, the analysis employed high-resolution regional climate data to properly evaluate the local impacts of climate change for the upcoming period.

Risks were evaluated using the same assessment criteria as those used for Enterprise Risk Management (ERM) and double materiality analysis, considering both the likelihood of occurrence and the severity of the identified impacts.

The activity engaged the senior management of the Group's plants, aiming to identify, share, and formalise key risk responses already in place or to be implemented. This is to protect against and/or lessen the impact of risky weather events, such as:

- investments to consolidate asset resilience;
- back-up equipment to reduce the impacts caused by possible production downtime;
- preparation of plans for securing buildings;
- evacuation plans and first aid stations equipped to handle incidents;
- steps to shift any harm caused by physical weather events to the insurance sector.

Climate Change

The double materiality analysis has consequently determined that the risk of "Disruption of business continuity/damage to the plant due to acute climate events" is material. The Group manages the potential impacts of this risk through ongoing facility upgrades and by securing specific insurance policies tailored to the significance of each site. Based on the mitigation measures both implemented and proposed by the Group, the production sites have demonstrated a high degree of resilience, with no significant problems arising from climatic factors.

Transition risks

The automotive sector is facing a significant transition to a low-carbon economy.

Piaggio, through a dedicated department, monitors developments in the regulatory environment in the various markets in which it operates. Considering this context, Piaggio has recognised climate-related risks and opportunities in line with TCFD (Task Force on Climate-related Financial Disclosures) recommendations, which include regulatory, technological, market, and reputational risks. The company has determined that the primary risks are associated with the intensification of regulations concerning direct and indirect emissions. Such regulations could potentially prohibit or limit the use of certain vehicle types⁵¹. These restrictions not only have a substantial impact on consumer behaviour but may also necessitate considerable investment and recurrent expenses to technologically adapt and modernise the Group's product portfolio. Regarding opportunities, the key ones involve meeting the technological and market challenges in developing new sustainable mobility products.

Risks were evaluated using the same assessment criteria as those used for Enterprise Risk Management (ERM) and double materiality analysis, considering both the likelihood of occurrence and the severity of the identified impacts. To address the material transition risks identified in this analysis, including regulatory and reputational risks, as well as to capitalise on the significant opportunities associated with expanding market share in the zero-emission vehicle sector, Piaggio has developed and initiated a range of adaptation and mitigation measures. These key initiatives are outlined in its Decarbonisation Plan.

Piaggio has outlined a range of goals focused on cutting Scope 1 and 2 emissions, primarily through initiatives that enhance process efficiency and the adoption of renewable energy, both purchased and produced in-house.

Regarding indirect emissions, Piaggio is dedicated to manufacturing vehicles that aid in the decarbonisation of transport, aiming for the EU's Net Zero target by 2050. This is achieved by constantly enhancing the efficiency of two-wheeler combustion engines (via new technologies, design, and the use of e-fuels) and by increasing the models of electric vehicles in the market.

Should the Group fail to achieve the targets stated in the above-mentioned Plan, it could incur a reputational risk. This risk is mitigated by monitoring and reporting on the progress of the actions described in the Plan.

⁵¹ For more details, please refer to the "Regulatory Context" section of the Report on Operations. It is important to note that these analyses take into account the present and anticipated regulatory landscape, but they explicitly exclude the evaluation of a climate scenario that aligns with the limitation of global warming to 1.5°C.



Climate Change

Decarbonisation Plan

At the end of December 2023, Piaggio defined, in agreement with the European Investment Bank (EIB), a Decarbonisation Plan to reduce its emission footprint to 2030. The Plan, created using the PATH framework from the European Investment Bank (EIB) and a scientific method aligned with the Paris Agreement goals, received Board approval on 15 December 2023. The Decarbonisation Plan does not meet the criteria for a climate change mitigation transition plan as defined by ESRS E1⁵².

By 2030, the Group commits to a 42% reduction in emissions associated with production activities (Scope 1 and Scope 2 market-based). Emission reduction targets are calculated with respect to 2022⁵³.

This ambitious goal will be achieved through numerous initiatives, including:

- the restructuring of the Mandello del Lario production site according to sustainability criteria;
- the installation of photovoltaic systems at the Pontedera and Mandello del Lario plants;
- the installation of a new painting system in Vietnam that will also allow for diesel to be replaced with LPG;
- the purchase of green energy for plants in Italy, India, Vietnam and Indonesia;
- the replacement of company cars with more energy-efficient models.

Furthermore, the range of electric vehicles will be expanded, with a target of 18% of the total two-wheelers sold by 2030. For commercial vehicles, the Group is aiming for 30% of electric vehicles sold in both India and Europe by the same period⁵⁴.

Piaggio has already presented new products on the market that are representative of this commitment, such as the electric powered Vespa Primavera and Vespa Sprint, and the electric Porter NP6.

The Piaggio Group also aims to further reduce emissions generated by the use of its vehicles by customers through improvements to engines, changes in product design and the use of new-generation fuels called e-fuel and biofuels, for the use of which the engines currently fitted on Piaggio vehicles are already prepared.

The technical feasibility of using recycled materials in vehicle manufacture will also be investigated.

Although the structure of the Group's production sites is designed on the basis of power sources that use energy from fossil fuels, Piaggio nevertheless tends to optimise the management of existing plants in order to reduce consumption. The Group's policy is to optimise plant management and minimise energy waste. In more complex activities, in particular, having an extensive monitoring network for the main energy vectors is a decisive factor in achieving noticeable results; this is the case at the Pontedera plant, where a decisive step was already taken in 2016 to research and reduce energy waste thanks to the implementation of the Smart Metering system, which makes the consumption measured by more than 90 meters in the area usable, observable, comparable in almost real time (with a 3-hour delay) and analysable.

52 Piaggio is included in the EU Climate Transition Benchmarks and the EU Paris-aligned Benchmarks.

53 In 2022, total Scope 1 + Scope 2 market-based emissions were 64,657 tCO₂eq.

54 For the 2024 revenues share of electric vehicles, please refer to the Report on Operations, section "Results by Product Type".

Climate Change

WHERE WE ARE TODAY

To cut reliance on outside sources, and to lower both costs and GHG emissions, Piaggio has recently invested in installing solar panels to partly satisfy its energy requirements. Piaggio currently generates its own electricity using solar panels at its manufacturing facilities in India and Vietnam.

The following initiatives were implemented during 2024:

- The Group has invested around €28 million in electric mobility in 2024⁵⁵; in this regard, the electric version of the Porter NP6 was presented on 5 November 2024 and is scheduled to be marketed during 2025. Part of this investment is part of the Development Contract 2022-2025 proposed by the Piaggio Group and approved on 15 April 2024 by the Ministry of Enterprise and Made in Italy, which envisages a total investment plan of around €112 million to expand production at the plant in Pontedera, in the province of Pisa. The industrial development programme, called "E-Mobility", includes the introduction and development of a new line of electric motors dedicated to next-generation zero-emission vehicles and five industrial research and experimental development projects, aimed at the development of components and systems for electric-powered vehicles, as well as the development of solutions in the digital area, covering safety and vehicle status monitoring, advanced driver assistance systems and complete cybersecurity systems (partly related to the "transition to electric vehicles" macro lever);
- all two-wheelers in the European range have adopted EURO5+ engines, well ahead of legal requirements;
- work began on the renovation of the Moto Guzzi factory in Mandello del Lario using the most modern and sustainable construction techniques (expected cost of €37⁵⁶ million - "process efficiency" macro lever);
- in 2024, the Indian facility increased its self-generated electricity capacity through the expansion of its solar power plant (+329 MWh per year "green energy" macro lever).



⁵⁵ The values constitute a portion of the Tangible and Intangible Assets listed under the Assets in the Balance Sheet and are also included in the aggregate eligible for Capex 2024 in relation to the Taxonomy.

⁵⁶ The values are part of the Property, plant and equipment recorded in the Balance Sheet Assets.

Climate Change

PLANNED ACTIONS

The Group has planned measures to ensure the achievement of the targets set out in the Decarbonisation Plan presented at the end of 2023.

The Group is exploring the development of new solar power facilities to supply some of the energy requirements for its Pontedera sites (set to begin operation in the latter half of 2025, producing 2,850 MWh annually) and Mandello del Lario. It also plans to enlarge the current Baramati plant by roughly 1,500 MWh between 2026 and 2027.

By mid-2025, we will finish upgrading the new Mandello del Lario production plant, aiming to boost its output to 40,000 motorbikes annually. Meanwhile, work on another section of the Moto Guzzi factory will carry on until 2026. This area will include amenities for fans of the brand, a museum, a restaurant, and the company's offices. It will be a special factory, a blend of modernity and history oriented towards environmental sustainability. The new buildings will be built to match the original volume, with a thoughtful selection of materials and efficient energy management using solar panels and sustainable materials.

By 2027, the new paint shop in the Vietnamese factory is scheduled to be built, estimated to cost around €26 million.

	MACRO-LEVERS	TARGET OBJECTIVE (BASE YEAR 2022)	PLANNED ACTIONS	TIMING	EMISSION REDUCTION TARGET (tCO ₂ eq)
Objectives Scope 1 & 2	Process efficiency	-10% to 2030	New painting plant in Vietnam Hybrid company cars	By 2027 By 2027	-1,386 -43
	Green energy (purchased/ self-produced)	-32% to 2030	Photovoltaic system installation in Pontedera	By 2025	-1,120
			Renovation of Mandello del Lario and installation of photovoltaic system	By 2025	-1,071
			100% renewable energy in Italy, 30% in India, Vietnam, Indonesia	By 2026 in Italy, by 2030 for foreign plants	-18,510

The actions listed above are part of the Business Plan approved by the Board of Directors on 26 February 2025.

The Group will offer updates on the progress of the initiatives outlined in the Plan and their impacts in the forthcoming Sustainability Report, as the initial actions are set to commence from 2025 onwards.

Energy consumption

The Piaggio Group comprises manufacturing firms, sales entities, and research facilities.

The energy use of production centres is measured and invoiced promptly. Regarding trading companies and research centres, their consumption was collected for the first time in the financial year, and for comparison, the previous year's consumption was also recorded.

PIAGGIO GROUP ENERGY CONSUMPTION⁵⁷

Climate Change

MWH		PONTEDERA	NOALE AND SCORZE'	MANDELLO DEL LARIO	BARAMATI	VINH PHUC	JAKARTA	TOTAL FACTORIES	TOTAL COMMERCIAL	TOTAL
Electricity	2024	25,865	3,806	851	16,773	13,678	378	61,351	710	62,061
	2023	28,143	3,857	587	16,405	15,287	347	64,626	712	65,338
Petrol	2024	1,150	1,190	284	1,427	1,156	27	5,234	1,210	6,444
	2023	1,094	1,083	362	1,151	1,119	26	4,835	976	5,811
Methane/ Natural Gas	2024	31,433	2,525	1,360				35,318	89	35,407
	2023	36,970	2,758	1,702				41,430	86	41,515
GPL	2024	5			12,619	337		12,961		12,961
	2023	19			13,112	246		13,377		13,377
Diesel	2024	1,366	310	104	1,194	5,361		8,335	451	8,786
	2023	1,282	321	111	1,307	5,683		8,704	455	9,159
CNG	2024				2,448			2,448		2,448
	2023				85			85		85
Total consumption	2024	59,819	7,830	2,600	34,460	20,533	406	125,647	2,459	128,106
	2023	67,509	8,019	2,762	32,060	22,335	372	133,057	2,228	135,285
	Change	-11.4%	-2.4%	-5.9%	7.5%	-8.1%	8.9%	-5.6%	10.4%	-5.3%

MWH	2024		2023		CHANGE	
	TOTAL FACTORIES	TOTAL COMMERCIAL	TOTAL FACTORIES	TOTAL COMMERCIAL	TOTAL FACTORIES	TOTAL COMMERCIAL
Non-renewable electricity	59,543	683	63,150	685	(3,607)	(2)
Petrol	5,234	1,210	4,835	976	399	234
Methane/Natural Gas	35,318	89	41,430	86	(6,112)	3
GPL	12,961	0	13,377	0	(416)	0
Diesel	8,335	451	8,704	455	(369)	(4)
CNG	2,448	0	85	0	2,363	0
Total energy consumption from fossil sources	123,839	2,432	131,581	2,201	(7,742)	231
Share of fossil sources in total energy consumption	98.6%	98.9%	98.9%	98.8%		
Self-generated renewable electricity	1,808	14	1,476	0	332	14
Purchased renewable electricity		13		27	0	(14)
Total energy consumption from renewable sources	1,808	27	1,476	27	332	0
Share of renewable sources in total energy consumption	1.4%	1.1%	1.1%	1.2%		
Total energy consumption	125,647	2,459	133,057	2,228	(7,410)	231

In 2024, the Group's total consumption was 128,106 MWH, of which 1,835 MWH from renewable sources, compared to 135,285 MWH the previous year.

The reduction in overall consumption (-5.3%) was facilitated by the reduction in vehicles produced and benefited from the implementation of the actions described above.

⁵⁷ The values for fuel used by company cars are an estimate based on employees' expense reports and the average annual reference price of the same. It is specified that the Group did not purchase energy from renewable sources certified through guarantees of origin.

Climate Change

CONSUMPTION INTENSITY

The reduction in business volumes did not allow for the economies of scale achieved in 2023.

	CONSUMPTION	NET REVENUES	CONSUMPTION/NET REVENUES
	MWH	MILLION EUROS	MWH/MILLION EUROS
2024	128,106	1,701	75
2023	135,285	1,985	68
delta	(7,179)	(284)	7
delta %	-5.3%	-14.3%	10.5%

GHG emissions

Among the most dangerous substances for air pollution generated by automotive operators are greenhouse gas emissions (mainly CO₂).

As discussed in the section on the Decarbonisation Plan, the Group is committed to reducing Scope 1 and Scope 2 market-based emissions. The targets were set using the SBTi's Net Zero criteria (Science Based Targets initiative) to keep the global temperature rise under 1.5°C. Piaggio has no current plans to offset its GHG emissions.

Considering the entire value chain, GHG emissions can be of three types:

SCOPE 1

Climate-altering emissions generated directly by Piaggio: are from directly operated plants, assets and vehicles. Emissions from the combustion of fossil fuels, leakage of refrigerant gases in air conditioning systems and the use of fossil fuels in the company fleet fall into this category.

SCOPE 2

Piaggio's indirect greenhouse gas emissions from purchased electricity generation.

SCOPE 3

Emissions not included in the previous categories, but related to Piaggio's value chain. This includes, but is not limited to, emissions resulting from the distribution and handling between plants and to customers of vehicles, accessories and spare parts, those generated by suppliers for the production of components and the provision of services required by the Group, and those caused by personnel travelling between home and work or on business trips.

Climate Change

The direct GHG emissions from the combustion of methane, natural gas, diesel and LPG used by the Group are shown below.

DIRECT GHG EMISSIONS⁵⁸

TONS	PONTEDERA	NOALE AND SCORZE'	MANDELLO DEL LARIO	BARAMATI	VINH PHUC	INDONESIA	TOTAL FACTORIES	TOTAL COMMERCIAL	TOTAL
2024	7,289	916	383	4,207	2,127	6	14,929	418	15,347
2023	8,475	932	471	3,746	2,740	6	16,369	365	16,734
Delta 2024-2023	-14.0%	-1.7%	-18.6%	12.3%	-22.3%	5.5%	-8.8%	14.5%	-8.3%

TONS	2024		2023		DELTA	
	TOTAL FACTORIES	TOTAL COMMERCIAL	TOTAL FACTORIES	TOTAL COMMERCIAL	TOTAL FACTORIES	TOTAL COMMERCIAL
Factories and offices	11,691	92	13,087	86	(1,397)	6
Company cars and test vehicles	2,564	326	2,150	279	413	47
F-GAS	675	0	1,132	0	(457)	0
Total	14,929	418	16,369	365	(1,440)	53

With reference to GHG emissions, the Pontedera industrial plant falls within the scope of the "Emission Trading" Directive (Directive 2003/87/EC), an instrument implementing the Kyoto Protocol. The site belongs to "Group A", relating to plants or establishments emitting the lowest level of GHG identified by the Directive.

The direct GHG emissions are almost entirely attributable to the combustion of methane and marginally to the combustion of diesel fuel in the emergency generators.

The monitoring and reporting of GHG emissions related to the Pontedera plant are regulated by a specific Group procedure which is periodically subject to an internal audit, and are also certified by an audit body accredited by the National Competent Authority (NCA) in March of each year.

Overall, the Group's direct emissions in 2024 came to 15,347 tonnes (16,734 tonnes in 2023).

As previously mentioned, the reduction in CO₂ emissions in 2024 was facilitated by a decrease in production volumes and the implementation of various improvements across the Group's plants.

Piaggio is planning to install photovoltaic systems in some of its factories in order to reduce its direct GHG emissions.

The initial phase of this design involves setting up a photovoltaic facility at the Pontedera site by 2025, which will produce 2,850 MWh annually.

SCOPE 2 INDIRECT EMISSIONS⁵⁹ OF GHGs**Location based**

TONS	PONTEDERA	NOALE AND SCORZE'	MANDELLO DEL LARIO	BARAMATI	VINH PHUC	INDONESIA	TOTAL FACTORIES	TOTAL COMMERCIAL	TOTAL
2024	7,948	1,169	262	10,881	9,253	337	29,850	203	30,053
2023	7,540	1,033	157	10,691	12,290	277	31,989	224	32,213
Delta 2024-2023	5.4%	13.2%	66.3%	1.8%	-24.7%	21.4%	-6.7%	-9.4%	-6.7%

TONS	2024		2023		DELTA	
	TOTAL FACTORIES	TOTAL COMMERCIAL	TOTAL FACTORIES	TOTAL COMMERCIAL	TOTAL FACTORIES	TOTAL COMMERCIAL
Location Based	29,850	203	31,989	224	(2,139)	(21)
Market Based	35,749	239	38,151	248	(2,402)	(9)

58 For the calculation of Scope 1 emissions, the following were considered: for Italian factories, the emission factors published by ISPRA in the National Standard Parameters document; ii) for foreign factories, the emissions factors of the Department for Environmental Food & Rural Affairs (DEFRA).

59 Please note that Scope 2 emissions are expressed in tonnes of GHG; however, the proportion of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO₂eq), as may be inferred from the relevant technical literature.

Climate Change

Under the location-based method, for the production sites the average emission factors for domestic power generation for the different countries of operation published by national government bodies were used. In particular: for Italian plants, reference was made to the ISPRA publication "Emission Factors for Electricity Production and Consumption in Italy"; the emission data for Indian plants were determined by applying the coefficients from "The Central Electricity Authority CO₂ Baseline Database for the Indian power sector"; plant data for Vietnam were calculated using coefficients established by the "Department of Meteorology, Hydrology and Climate Change - Ministry of Natural Resources and Environment Vietnam"; the Indonesian plant data were calculated using coefficients set by the Ministry of Energy and Mineral Resources Indonesia. For trading companies, we used the factors listed in the Residual Total Supplier Mix Results, except for those in the USA (US EPA), Singapore and China (IGES), and Japan (Terna). For the market-based approach, we used the factor from the "Residual Mix Results" document by the Association of Issuing Bodies (AIB) for Italian plants and commercial sites. This excludes sites in the USA (US EPA), Singapore, China (IGES), and Japan (Terna). For the other production sites, we applied the same criteria as the location-based method because market-based emission factors were unobtainable.

SCOPE 3 INDIRECT EMISSIONS OF GHGs

The Greenhouse Gas Protocol splits Scope 3 emissions into upstream and downstream categories, organising them into 15 groups. Not all categories are applicable or significant for Piaggio.

Throughout 2024, Piaggio, aiming for ongoing enhancement and compliance with regulatory standards, for the first time estimated calculations for certain previously unmonitored categories.

tCO ₂ eq		2024
Cat. 1	Purchase of goods and services	547,538
Cat. 2	Capital goods	40,664
Cat. 3	Fuel and energy-related activities	4,918
Cat. 4	Upstream transportation and distribution	11,147
Cat. 5	Waste generated in operations	42,338
Cat. 6	Business travelling	5,731
Cat. 7	Employee commuting	8,309
Cat. 9	Downstream transportation	10,432
Cat. 11	Use of sold products	4,041,587
Total		4,712,664

It is important to acknowledge that for categories 5, 6, and 7 of Scope 3 greenhouse gas (GHG) emissions, we have had to rely on estimates and assumptions that carry a moderate level of uncertainty. This uncertainty primarily stems from the emission factors applied in quantifying Category 5 emissions, and from the activity data utilised for Categories 6 and 7. For the other categories, the resulting degree of uncertainty is low.

Scope 3 category 1

For the category "goods and services purchased", the associated emissions were calculated by taking into account the expenses reported in the Piaggio Group's Consolidated Financial Statements (please refer to the tables under Note 5, "Costs for materials," and Note 6, "Costs for services and use of third-party assets," in the Notes to the Consolidated Financial Statements) and applying the EU EEIO Eurostat emission factors.

Scope 3 category 2

For the "capital goods" category, we estimated emissions based on the capital costs in Piaggio Group's consolidated financial statements, leaving out internal capitalised labour costs (since they're counted in Scope 1 and Scope 2 emissions). We used emission factors from the EU EEIO Eurostat.

Scope 3 category 3

For the category "fuel and energy-related activities", the calculation is limited to network losses related to electricity and natural gas. The factors applied are "WTT-UK electricity (generation)" for electricity, and "WTT natural gas - heat & steam (generation)" and "WTT district heat & steam (distribution)" for natural gas.

Climate Change

Scope 3 category 4

For the "Upstream transportation and distribution" category, emissions were calculated by taking into account the weight and distance covered by goods transported (transportation costs paid by the Group) to and from the Group's facilities. DEFRA's 2024 emission factors were then applied to these figures, based on the mode of transportation utilised.

Scope 3 category 5

Emissions associated with the waste management category were calculated by applying DEFRA's 2024 coefficients to the various types of waste and their respective disposal methods.

Scope 3 category 6

For the "business travelling" category, we estimated the associated emissions by multiplying the costs of travel and accommodation by the US EEIO coefficients.

Scope 3 category 7

For the "employee commuting" category, emissions were calculated using data on company-provided transport shuttles and the average distance employees travel between home and work, assessed with DEFRA 2024 coefficients.

Scope 3 category 8

The Group has some leased plants whose GHG emissions are already calculated within Scope 1 and 2, in line with the principle of the financial control approach. Therefore, to avoid double counting, this category is not applicable.

Scope 3 category 9

For the "Downstream transportation" category, emissions were calculated by considering the weight and distance of outbound freight. DEFRA's 2024 emission factors were then applied, corresponding to the mode of transport utilised.

Scope 3 category 10

The "processing of sold products" category does not apply to the Piaggio Group.

Scope 3 category 11

For the "use of sold products" category, emissions were calculated by taking into account the emissions from the Well-to-Tank (WTT) phase of the fuel utilised by the vehicles, their operational lifespan, and by applying the DEFRA 2024 emission factors alongside the parameters set out in the International Energy Agency's Mobility Model (MoMo) 2025 scenario.

Scope 3 category 12

The category "end-of-life treatment of products sold" has been deemed insignificant following a significance analysis that encompasses criteria such as relevance, consistency, completeness, accuracy, and data transparency. In addition, the current type-approval standards do not require analyses on recyclability and recoverability at the end of life for 2- and 3-wheel vehicles.

Scope 3 category 13

The "Leased Asset Concessions" category does not apply to the Piaggio Group.

Scope 3 category 14

The category "franchising" is not applicable to the Piaggio Group.

Scope 3 category 15

The category "investments" is not applicable to the Piaggio Group.

Climate Change

TOTAL GHG EMISSIONS

tCO ₂ eq	BASE YEAR 2022	2023	2024	DELTA %	2030	TARGET % / BASE YEAR
Gross Scope 1 GHG emissions (tCO₂eq)	19,035	16,734	15,347	-8.3%	19,087	0.27%
Percentage of Scope 1 GHG from regulated emissions trading schemes (%)		45.0%	42.4%			
Scope 2 GHG emissions						
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)		32,213	30,053	-6.7%		
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	45,574	38,399	35,988	-6.3%	17,493	-61.62%
Significant Scope 3 GHG emissions						
1 Purchased goods and service		533,218	547,538	2.7%		
2 Capital goods			40,664			
3 Fuel and energy-related activities			4,918			
4 Upstream transportation and distribution			11,147			
5 Waste generated in operations			42,338			
6 Business travelling			5,731			
7 Employee commuting			8,309			
9 Downstream transportation			10,432			
11 Use of sold products	5,152,081	4,555,597	4,041,587	-11.3%	4,440,065	-13.82%
Total GHG emissions						
Total GHG emissions (location based) (tCO ₂ eq)			4,758,065			
Total GHG emissions (market based) (tCO ₂ eq)			4,763,999			

GHG EMISSION INTENSITY

Emission Intensity (Scope 1 + Scope 2 Location-Based + Scope 3)

	SCOPE 1 + SCOPE 2 LOCATION BASED + SCOPE 3 EMISSIONS	NET REVENUES	EMISSIONS/NET REVENUES
	tCO ₂ eq	MILLION EUROS	tCO ₂ eq/MILLION EUROS
2024	4,758,065	1,701	2,797

Emissive intensity (Scope 1 + Scope 2 market-based + Scope 3)

	SCOPE 1 + SCOPE 2 MARKET BASED + SCOPE 3 EMISSIONS	NET REVENUES	EMISSIONS/NET REVENUES
	tCO ₂ eq	MILLION EUROS	tCO ₂ eq/MILLION EUROS
2024	4,763,999	1,701	2,800

GHG REMOVALS AND GHG MITIGATION PROJECTS

During the reporting period, Piaggio did not develop or support any projects to reduce or capture greenhouse gases, either directly or within its value chain, nor did it buy or intend to buy carbon credits.

INTERNAL CARBON PRICING

During the reporting period, no internal carbon pricing schemes were used or implemented.

POLLUTION

Pollution

Existing policies

The Group's environmental policy seeks to control environmental risks, prioritising pollution prevention. To achieve this, we promote effective measures to oversee and lessen any possible effects on people and the ecosystem. For further information on the Piaggio Group's "Environmental Management System", please refer to the Climate Change section.

Actions and resources related to pollution

Piaggio has developed suitable plans to monitor its emissions, aiming to limit those produced by its manufacturing processes to the technological minimum and strictly respecting the legal parameters of the countries where it operates.

Among the air pollutants produced by automotive companies are sulphur oxides (SOx), which are emitted during machining processes, and Volatile Organic Compounds (VOCs), which are released by the solvents used in painting activities. The emission levels of these pollutants are regulated by local laws and are regularly monitored and analysed by the Group.

Piaggio also regularly undertakes work on its production facilities to consistently cut emissions; the development of the new paint facility in Vietnam, as per the timings and investments described in the paragraph on the Decarbonisation Plan, will further decrease volatile organic compound (VOC) emissions. Regarding the supply chain, it is important to note that to reduce the potential impact arising from associated production activities and the consequent risk to reputation, Piaggio mandates adherence to current local environmental regulations through the signing of the Code of Ethics.

Pollution-related targets

To date, the Group has not defined any specific objectives with delineated time horizons with reference to these issues.

Significant emissions

OTHER SIGNIFICANT EMISSIONS FROM PIAGGIO GROUP PRODUCTION SITES

		PONTEDERA	BARAMATI	VINH PHUC	JAKARTA	TOTAL
VOCs (Ton.) ⁶⁰	2024	21.1	321.7	1.8		344.7
	2023	19.2	342.9	0.3		362.5
	Delta 2024-2023	9.9%	-6.2%	490.0%		-4.9%
		PONTEDERA	BARAMATI	VINH PHUC	JAKARTA	TOTAL
SOX (Ton.) ⁶¹	2024			0.268		0.268
	2023			0.305		0.305
	Delta 2024-2023			-12.1%		-12.1%

In 2024, as in previous years, Piaggio plants were not affected by spills or polluting events of particular significance.

60 For Italian and Vietnamese factories, the data reported were processed considering the VOC emission in terms of hourly mass flow, based on periodic monitoring, and the number of operating hours of the plants in the reporting year.

The indicator considers VOCs (Volatile Organic Compounds) released by solvents used in painting activities.

For the Indian facilities, the figure was derived by estimating the volatility of the paint based on its chemical properties, and that of the thinner, which was assumed to be completely volatile.

61 SOx emissions were calculated by multiplying the diesel consumption by the emission factor provided by the supplier.

Pollution

Recently, the automotive industry has faced increasing debate over microplastics, which are plastic pieces smaller than 5 millimetres. These come in various shapes, such as threads, beads, flakes, foam (tiny soft beads, typically polystyrene) and pellets⁶². Recent studies, including those by EMPA and wst21⁶³ scientists, have revealed that tyre wear from motor vehicles is a major source of microplastics released into the environment. The study shows that tyre wear is affected by factors like tyre traits, driving habits, vehicle mass, and road conditions.

It is estimated that each person contributes to the release of about 1.4 kilograms of microplastics from tyre wear annually. However, most current measurements rely on studies from the 1970s. Given technological progress, it's essential to update this data.

This study also reports that the generation of microplastics depends on tyre size and vehicle size, as well as the driving behaviour: a lighter vehicle, proper tyre pressure, and well-aligned axles are factors that minimise tyre wear. Yet, to date, these considerations lack scientific confirmation.

Thus, it is essential to devise a standard method to measure tyre wear, enabling comparison of various studies' results and the setting of threshold values. Talks are underway at the UNECE ("United Nations Economic Commission for Europe"), with expectations that, within the next five years, Europe will adopt test methods and set limits to more effectively tackle tyre wear.

Regarding Piaggio, it is currently hard to gauge the precise effect of its vehicles on microplastic production. The company is dedicated to keeping track of regulatory changes and ongoing research into this matter.



62 "CHEMICALS - ENVIRONMENT & HEALTH - REACH and other chemicals legislation newsletter: Microplastics", Ministry of Ecological Transition, December 2021.

63 "Tyre Wear as a Key Source of Microplastics - Steps to Minimise It", Empa, September 2022.

Water and marine
resources

WATER AND MARINE RESOURCES

Existing policies

The plants in Pontedera, Baramati and Jakarta, as well as sales companies in Spain, Greece, the UK and Pasadena (USA), are located in areas of high-water stress (Source: Aqueduct Water Risk Atlas). Thus, cutting water use is a key goal Piaggio has consistently strived for in all its facilities. As stated in the Piaggio Environmental Policy, Piaggio aims at the preservation and efficient use of water. For further information on the Piaggio Group's "Environmental Policy", please refer to the paragraph "Environmental Management System" in the Climate Change section; the Policy addresses, among other issues, the efficient management of water resources, excluding matters concerning the prevention and reduction of water pollution.

Water consumption is one of the main aspects on which Piaggio acts and has acted to put into practice what is stated in its Code of Ethics, i.e. to seek a "reduction in the consumption of energy and natural resources".

Actions related to efficient water use

Among the measures the Group has identified to manage water resources correctly and efficiently, as well as to mitigate the associated reputational risk that could stem from their mismanagement, are:

- maintaining a certified management system (ISO 14001) in all its production facilities;
- the re-use of part of the water withdrawn for production and/or irrigation in the India and Vietnam plants;
- upgrades to facility equipment (such as inverters on well pumps) and the substitution of underperforming systems with state-of-the-art technologies (such as the new 2W paint system and new cataphoresis processes) are also intended to decrease the extraction of well water at the Pontedera site.

Regarding the supply chain, it is important to note that to reduce the potential impact arising from associated production activities and the consequent risk to reputation, Piaggio mandates adherence to current local environmental regulations through the signing of the Code of Ethics.

Objectives related to water use

To date, the Group has not defined any specific objectives with delineated time horizons with reference to these issues.

Withdrawals, Discharges and Consumption

WATER WITHDRAWAL

m3	BY SOURCE	PONTERA	NOALE AND SCORZÈ	MANDELLO DEL LARIO	INDIA	VIETNAM	INDONESIA	TOTAL ⁶⁴ COMMERCIAL COMPANIES	TOTAL	OF WHICH WATER- STRESSED AREAS
2024	Surface water							0	0	0
	Groundwater	70,545	7,084					0	77,629	70,545
	Third-party water resources	40,828	14,798	2,073	230,970	113,625	1,454	882	404,630	273,733
	Total	111,373	21,882	2,073	230,970	113,625	1,454	882	482,259	344,278
2023	Surface water							0	0	0
	Groundwater	125,413	5,149					0	130,562	125,413
	Third-party water resources	52,643	14,332	842	251,000	111,814	1,499	847	432,977	304,094
	Total	178,056	19,481	842	251,000	111,814	1,499	847	563,539	429,507
Change	Surface water							0	0	0
	Groundwater	(54,868)	1,935					0	(52,933)	(54,868)
	Third-party water resources	(11,815)	466	1,231	(20,030)	1,811	(45)	35	(28,347)	(31,815)
	Total	(66,683)	2,401	1,231	(20,030)	1,811	(45)	35	(81,280)	(86,683)
	Change %	-37.5%	12.3%	146.2%	-8.0%	1.6%	-3%	4%	-14.4%	-20.2%

64 Estimate obtained on the basis of occupied areas.

Water and marine
resources

In 2024, the decrease in water withdrawals is mainly a consequence of the decrease in activity volumes. The increase recorded in Mandello del Lario is related to the renovation work in progress.

Well water usage at the Pontedera plant has been more than halved in a decade. This reduction was made possible by plant engineering measures (e.g. inverters on well pumps) and more recently with the replacement of less performing systems with latest generation technologies (e.g. new 2W paint and new cataphoresis).

WATER DISCHARGES⁶⁵

m3	BY DESTINATION	PONTERA	NOALE AND SCORZÈ	MANDELLO DEL LARIO	INDIA	VIETNAM	INDONESIA	TOTAL COMMERCIAL COMPANIES	TOTAL	OF WHICH WATER- STRESSED AREAS
2024	Surface water							0	0	0
	Groundwater		7,084					0	7,084	0
	Third-party water resources	111,373	14,798	2,073		90,900	1,236	826	221,206	113,090
	Total	111,373	21,882	2,073	0	90,900	1,236	826	228,290	113,090
2023	Surface water							0	0	0
	Groundwater							0	0	0
	Third-party water resources	178,056	19,481	842		89,451	1,297	792	289,919	178,507
	Total	178,056	19,481	842	0	89,451	1,297	792	289,919	178,507
Change	Surface water							0	0	0
	Groundwater		7,084					0	7,084	0
	Third-party water resources	(66,683)	(4,683)	1,231		1,449	(61)	34	(68,713)	(66,653)
	Total	(66,683)	2,401	1,231	0	1,449	(61)	34	(61,629)	(66,653)
	Change %	-37.5%	12.3%	146.2%	N.A.	1.6%	-4.7%	4%	-21.3%	-37.3%

As regards waste water, respect for the environment is based on attention paid to the treatment and purification processes of discharged water. The minimum standards for the quality of discharged water correspond to those imposed by the reference standards of the countries where Piaggio operates and by the specific environmental authorisations of each plant. It should be noted that no cases of non-compliance occurred during the year.

The destination of waste water, broken down by production site, is summarised below:

- **Pontedera:** the plant's drainage system is divided into two separate networks:

- one that collects "industrial" waste water, originating from the painting plants, the water preparation plant and the temporary waste storage areas that could result in the discharge of potentially polluted stormwater runoff;
- the other collects "civil" type waste water (toilets, canteens and unpolluted rainwater).

The two networks are separate and both discharge into a purification site outside the plant, where the wastewater undergoes chemical and physical treatment, after which it is discharged into an open bed. A small part, originating from the toilets in two areas of the plant, flows directly into the public sewage system, which connects directly to the biological plant of the integrated water service. From the tables above, it is assumed that all the water withdrawn is discharged into the sewage system, a part into the industrial network (about 100,000 m3) and the remainder into the civil network;

- **Noale:** the buildings are all connected to the public sewage system; waste water is only from civil use (coming from the plant's toilets and canteen);
- **Scorzè:** the plant is not served by a public sewage system, so waste water, after a biological purification process within the site, flows into the local Rio Desolino;
- **Mandello Del Lario:** the plant discharges part of its waste water directly into the public sewage system (civil waste, from canteens, etc.), while the water used in the cooling plants discharges into surface water (the Valletta stream);

⁶⁵ The water discharges of the Vietnamese factory are estimated as 80% of the water withdrawals. For Italian sites, the water discharges are estimated as 100% of the water withdrawals.

Water and marine
resources

- **Baramati:** waste water is treated and reused for internal use and irrigation. In 2024, the recovery of waste water amounted to 147,960 m³ or 64.1% of the water withdrawn;
- **Vinh Phuc:** the plant is equipped with a chemical-physical purification plant for waste water from the painting pre-treatment before discharge into the public sewage system, where all other waste water (civil) from the plant is also conveyed. Final discharge is into the public sewage system. Part of the withdrawn water is reused. In 2024, the recovery of waste water amounted to 14,287 m³ or 12.6% of the water withdrawn;
- **Jakarta:** the factory is connected to the public sewage system; waste water is only civil (from the toilets and canteen);
- **Commercial companies:** the buildings are all connected to the public sewage system; waste water is only civil (from the toilets).

WATER CONSUMPTION⁶⁶

The factories in Baramati and Vinh Phuc, also with a view to reducing supplies of the resource, reuse part of the water they withdraw.

m3	PONTEDERA	NOALE AND SCORZÈ	MANDELLO DEL LARIO	INDIA	VIETNAM	INDONESIA	COMMERCIAL COMPANIES	TOTAL	OF WHICH WATER- STRESSED AREAS
2024				230,970	22,725	218	56	253,969	231,188
2023				251,000	22,363	202	55	273,620	251,000
Change				(20,030)	362	16	1	(19,651)	(19,812)
Change %				-8.0%	1.6%	8.0%	1.8%	-7.2%	-7.9%

For Italian factories, consumption is estimated to be zero as water withdrawn after its use is returned to the environment.

The Group's Asian factories have water tanks. The following table shows the inventories and the change between the 2 financial years.

m3	INDIA	VIETNAM	INDONESIA	TOTAL
2024	3,311	900	149	4,360
2023	3,281	900	149	4,330
Change	30	-	-	30
Change %	0.9%	0.0%	0.0%	0.7%

Water consumption intensity

The Group tracks its success in using water efficiently.

The table below shows the results achieved:

	CONSUMPTION	NET REVENUES	CONSUMPTION/ NET REVENUES
	m3	MILLION EUROS	m3/ MILLION EUROS
2024	253,969	1,701	149.31
2023	273,620	1,985	137.84
delta	-19,651	-284	11.46
delta %	-7.2%	-14.3%	8.3%

The reduction in business volumes did not allow for the economies of scale achieved in 2023.

Looking ahead, the Group aims to sustain and, if possible, enhance the outcomes reached in 2024.

⁶⁶ Water consumption is calculated as the difference between withdrawals and discharges.

CIRCULAR ECONOMY

Policies for the sustainable use of resources

To support the United Nations' global goals (SDGs), Piaggio formalised an "Environmental Policy" in 2025, outlining the Group's strategies for sustainable development; the Group strives to foster circular economy initiatives, where operationally and economically feasible and compatible, by advocating for the use of secondary raw materials to manage resources efficiently. For more details on the Piaggio Group's Environmental Policy, please see the "Environmental Management System" in the section on Climate Change. In keeping with this commitment, a "Responsible Supply Policy" was established, applying to all Piaggio Group companies. This policy aims to prioritise suppliers with a certified Environmental Management System wherever feasible. For more details on Piaggio Group's "Responsible Sourcing Policy", see the "Workers in the Value Chain" section.

Actions and targets

In its operations, the Group relies on components from non-renewable resources that currently cannot be substituted.

However, it is important to highlight that the Group's premier product is the Vespa, which features a body constructed from aluminium. This material is not only recyclable but is also partly sourced as secondary aluminium, aligning with the commitments outlined in the aforementioned Environmental Policy.

For information on existing mitigation measures concerning the reduced recyclability and recoverability of end-of-life vehicles, please consult the sections titled "Product Range" and "Disposal of End-of-Life Vehicles".

See also the section "Focus: Research, Development and Innovation guidelines". Piaggio is implementing a new design philosophy⁶⁷, choice of materials through the dissemination of the culture of "circularity". The Group's medium-term objective is to succeed in reducing the demand for raw materials, particularly those that are scarce or have a polluting production cycle (e.g. energy-intensive, high GHG emissions), by favouring the RRS (**Recycle, Reuse, Save**) production philosophy:

Recycling: through the use of recyclable materials, the foundations are laid for a Product suitable for being part of Circularity⁶⁸.

Reuse: an example of possible (direct) reuse is lithium batteries. These usually have a longer life than the vehicle; so they can be reused, provided they can be easily separated and standardised⁶⁹. The Piaggio 1 batteries, for example, are designed with this in mind: they are removable, made of recyclable materials and are also of a dimensional standard for future Piaggio electric vehicles in the same range.

Saving: another example of attention to the use of resources is the elimination of rare earths from electric motors, as well as other precious and hardly reusable materials usually found in electronic components.

67 Example: Design aimed at reducing the number of parts in a vehicle. The elimination of a body part, through its integration with an adjacent one, generates a cascade of benefits: a reduction in the moulds to be built with consequent material and energy savings throughout their production process; the elimination of material waste; a reduction in moulding energy; a reduction in the number of packages; a reduction in the energy needed for transport; reduced time and energy for assembly of the finished product; streamlining of warehouse management and spare parts management. All this is achieved without having changed the content of the Product, but only having steered the design in this direction.

68 Piaggio's commitment in this field includes a close relationship with the University of Florence aimed at optimising the design of new vehicles in RRS terms, in place since 2011 when the first survey of this kind was conducted on a scooter (Piaggio Mp3 Hybrid). In 2023, the survey focused on the Vespa GTS 300 and highlighted the substantial and design quality of the product, which was found to be 89.7% recyclable.

69 The Piaggio Group, HONDA Motor Co., Ltd., KTM F&E GmbH, and YAMAHA Motor Co, Ltd. established the Swappable Batteries Motorcycle Consortium (SBMC), in order to promote the widespread use of light electric vehicles such as motorised mopeds, scooters, motorcycles, tricycles and quadricycles, and to encourage a more sustainable management of the life cycle of batteries, in keeping with international climate policies.

Circular economy

Regarding the risks associated with establishing standards for electric vehicle batteries and the selection of materials used in vehicle production that could affect Piaggio's operations, it is important to highlight that Piaggio has established the Swappable Batteries Motorcycle Consortium (SBMC) in collaboration with Honda, Yamaha, and KTM. The consortium's objective is to develop a global standard that will enable the interoperability and exchangeability of batteries in scooters and motorcycles. This innovative technology aims to improve the sustainability of the battery life cycle, reduce costs and cut recharging times, meeting key consumer needs. Around 30 companies are now members of the Consortium, which includes global players in the automotive, component and battery manufacturing sectors, ready to pool their know-how for the definition of common open standards for the benefit of the consumer.

Additionally, the Group keeps a close watch on changes within the regulatory environment of pertinent markets and engages in discussions with authorities and institutions, bolstered by the backing of trade associations such as ACEM.

Regarding the impacts and risks associated with waste generation and management by the Group, Piaggio adheres strictly to the regulations in force within the various countries where it operates. Furthermore, Piaggio has implemented an ISO 14001-certified environmental management system across all production sites and has established clear operating procedures for waste management.

Concerning the repercussions of poor waste management throughout the value chain and the associated risk to reputation, it is important to highlight that Piaggio mandates adherence to the prevailing local environmental laws through the endorsement of the Code of Ethics.

To date, the Group has not defined any specific objectives with delineated time horizons with reference to these issues.

Resource inflows

Group purchases mainly concern functional assemblies, such as mufflers, forks, radiators, CVTs, headlamps, instruments and electronic control units, and components and accessories. The Group has retrieved the weight of goods purchased by its production companies for the year 2024 from its accounting systems, associating each commodity class with the most significant materials. This analysis reveals that total purchases amount to 103,302 tonnes of technical products and materials, alongside 2,385 tonnes of biological materials⁷⁰ (which make up 2.3% of all input materials) Secondary components⁷¹ purchased amounted to 2,940 tons, equivalent to 2.8% of total purchases.

Certain components, like catalytic converters, contain valuable metals including platinum, palladium, and rhodium.

⁷⁰ The percentage of certified biological materials could not be determined.

⁷¹ To date the figure includes only secondary aluminium purchases.

Circular economy

Disposal of end-of-life vehicles

Piaggio's concern for the environment is reflected in its commitment, starting from the design stage, to ensure the eco-compatibility of its vehicles even at the end of their useful life.

2-WHEELERS

Although no regulations on recyclability are currently in force or envisaged for two-wheeler vehicles, the Piaggio Group has moved ahead in this direction. Since the debut of the Sfera 50 (1990), the technologies and materials used in the design and construction of the Group's scooters and motorbikes have in fact been aimed at environmental compatibility and effective end-of-life disposal. Moreover, since 2008, Piaggio has changed the cartouches of drawings and the information provided in the bill of materials, in order to make it possible to control the materials used to build vehicles and optimise disassembly activities for an easier disposal process.

An analysis of the recyclability characteristics of the Vespa Gts 300 Abs E5 according to ISO 22628 was carried out with the collaboration of Unifi. This was done by dismantling a real example of the vehicle and taking a census of all its components.

The recyclability and recoverability values for the Vespa GTS 300 ABS E5 are reported below.

VESPA GTS 300 ABS E5	
Recyclability (Rcyc)	89.7%
Recoverability (RCOV)	97.9%

4-WHEELERS

Over the years, Piaggio has embarked on a challenging strategy to ensure a high level of recyclability of its vehicles, culminating in the production of a manual for end-of-life vehicle dismantling.

Piaggio constantly monitors the recyclability and recoverability rates of its vehicles according to an internal procedure that is consistent with the requirements of Directive 2000/53/EC in relation to the four-wheeler sector, keeping these two indicators always above the permitted thresholds.

The indicators are calculated and supplied to the Approval Bodies in an ISO 22628 format, according to the tables of the European Commission. Starting from the production list of the complete vehicle, it is possible to trace the datasheet of each component kit with an indication of the relevant materials with codes and recycling and recoverability percentages.

The analyses carried out have also enabled the creation of a database, which keeps the material composition of vehicles and their recyclability and recoverability rates up to date, from the design stage onwards.

Circular economy

Below are the Recyclability and Recoverability values of the new Porter NP6 (calculated for the heaviest variant).

NEW PORTER NP6 SW LPG SR 2,12T	
Recyclability (Rcyc)	87.8%
Recoverability (RCOV)	98.9%

Piaggio used the following methodology to estimate the recyclability rate of vehicles sold during the year:

- the analysis results for the two aforementioned vehicles were applied to all other versions of the same models, accounting for 44% of sales volumes;
- for other vehicles (Piaggio Liberty, Piaggio Medley, Aprilia RS, Aprilia SR, Moto Guzzi V7, Aprilia Tuono, and Ape), with available bills of materials, we've identified the materials that make up about 80% of the vehicle, mainly aluminium, steel, and polymers for the 2Ws;
- by analysing statistical literature, we identified disposal rates for key regions (Asia and Europe) based on sales volumes. If disposal rates for the reference area were unavailable, a similar figure for the material in question was used. Thus, we increased the product scope coverage by an additional 47%, reaching a total coverage of 91%, using primary input data excluding geographies;
- finally, the population was redistributed to account for the missing 9% of the perimeter, ensuring complete coverage.

The analysis shows that 74.63% of vehicles sold in 2024 could be recycled.

Waste management and recovery

The Company's desire to minimise the environmental impact of its industrial activities through careful calibration of the technological processing cycle and the use of the best technologies and most up-to-date production methods, as set out in its Policy, is also, and above all, expressed through waste management and recovery. Within the Management System based on the ISO 14001 standard, each plant has specific procedures that regulate waste management, guaranteeing above all the necessary compliance with the regulations, but above all the continuous improvement of performance aimed at reducing the quantity of waste produced and ensuring it is recycled.

The management activities consist of separate collection of the different types of waste, their correct categorisation through product classification or chemical analysis, internal handling without the possibility of accidental spillage, storage in suitable temporary storage areas, the definition of contracts with companies specialised in recovery/disposal, and the management of all formalities, including paperwork, to ensure traceability of the waste until it reaches the final recipient.

The waste analyses only concern the production plants. Office waste from commercial businesses is domestic and unregulated.

In 2024, waste generation fell by 19.5%, partly due to lower production volumes.

The percentage of non-recycled waste at Group level is 22.5%.

It should be noted that for Italian and Indian plants, the percentage of waste sent for recovery equals 95% of the waste produced.

The division between hazardous and non-hazardous waste, as well as the possibility of sending waste for recovery, can change from one country to another and is affected and influenced by local regulations.

WASTE PRODUCED

Circular economy

TONS.	ITALY			INDIA			ASIA PACIFIC			TOTAL		
2024	DISPOSAL	RECYCLING	TOTAL	DISPOSAL	RECYCLING	TOTAL	DISPOSAL	RECYCLING	TOTAL	DISPOSAL	RECYCLING	TOTAL
Hazardous	343	398	740	51	88	139	789	-	789	1,183	485	1,668
Non-hazardous	35	6,337	6,372	71	2,222	2,293	1,546	701	2,247	1,652	9,260	10,912
Total	377	6,735	7,112	122	2,310	2,431	2,335	701	3,036	2,834	9,745	12,580
2023												
Hazardous	677	284	961	32	118	149	1,538	-	1,538	2,247	402	2,649
Non-hazardous	78	8,271	8,349	276	1,794	2,070	2,092	469	2,561	2,446	10,534	12,981
Total	754	8,555	9,310	308	1,912	2,220	3,631	469	4,100	4,693	10,936	15,629
DELTA 2024-2023												
Hazardous	(334)	113	(221)	19	(30)	(11)	(749)	0	(749)	(1,064)	83	(981)
Non-hazardous	(43)	(1,934)	(1,977)	(205)	428	222	(546)	232	(314)	(795)	(1,274)	(2,069)
Total	(377)	(1,820)	(2,198)	(186)	398	212	(1,295)	232	(1,064)	(1,859)	(1,191)	(3,050)



Circular economy

TONS	ITALY			INDIA			ASIA PACIFIC			TOTAL		
2024	DISPOSAL	RECYCLING	TOTAL	DISPOSAL	RECYCLING	TOTAL	DISPOSAL	RECYCLING	TOTAL	DISPOSAL	RECYCLING	TOTAL
Textile, leather and fur industry waste	-	3	3	-	-	-	-	-	-	-	3	3
Inorganic waste from chemical processes	0	-	0	-	-	-	-	-	-	0	-	0
Paints, varnishes and glazes, enamels, adhesives, sealants and inks	32	29	61	71	60	131	431	-	431	534	89	623
Wastes from chemical surface treatment and coating of metals and other	-	-	-	49	-	49	-	-	-	49	-	49
Wastes from shaping and physical and mechanical surface treatment of metals and plastics	266	205	472	-	85	85	89	-	89	355	290	645
Waste from oil and liquid fuels	-	37	37	-	5	5	1	-	1	1	42	43
Waste from organic solvents, refrigerants and propellants	2	122	125	-	-	-	-	-	-	2	122	125
Waste from packaging, sanitary protection, cloth towels, filtering and protective materials not otherwise specified	-	5,580	5,580	-	1,400	1,400	51	610	661	51	7,590	7,641
Other waste not otherwise specified	38	472	511	1	62	64	2	15	17	42	549	591
Construction and demolition waste	36	217	253	-	490	490	-	8	8	36	715	752
Waste from health care	0	-	0	-	-	-	0	-	0	0	-	0
Waste from waste management facilities, off-site sewage treatment plants and preparation of water for human consumption and water for industrial use	1	-	1	-	-	-	240	-	240	241	-	241
Municipal waste	-	70	70	0	207	208	1,522	67	1,589	1,522	344	1,866
Total	377	6,735	7,112	122	2,310	2,431	2,335	701	3,036	2,834	9,745	12,580

The analysis by type of waste produced shows the predominance of packaging waste (cardboard, wood etc.).

At present, the Group does not have the most detailed information to categorise the types of waste treatment.



Own workforce

SOCIAL INFORMATION

OWN WORKFORCE

Human resources, with their skills, capabilities and passion, are the cornerstone of Piaggio's competitiveness and growth.

A strategic vision, strong focus on results, constant pursuit of customer satisfaction, drive towards innovation and attention to future market scenarios are the main drivers that guide every action, both individual and collective, aimed at creating value for all stakeholders. People are the key element that enables us to meet challenges in an increasingly dynamic and competitive international scenario.

For these reasons, Piaggio places people at the centre of its organisation, ensuring their respect and protection in every Group company.

Personnel management policies

Article 8 of the Code of Ethics asserts that Piaggio acknowledges the primary role of human resources, in the belief that the main factor of success of any enterprise is the professional contribution of the people working there, in a context of mutual trust and respect. The Company protects health and safety in the workplace, and in carrying out its operations it believes that the respect of workers' rights is fundamental. The management of working relations is aimed at guaranteeing equal opportunities and at promoting everyone's professional growth. For more details on the Piaggio Group's Code of Ethics, please see the "Code of Ethics" section under "Governance Information".

To safeguard these social goals and handle its impacts, risks, and opportunities, Piaggio established specific policies at the start of 2025⁷², applicable across all Group companies, for which the Executive in Charge of Sustainability Reporting is responsible.

To put the Policies into practice, we need the active backing of every employee in the Group, at every level, and all those acting for or in Piaggio's interest. This must be done following our internal guidelines and using the resources Piaggio provides.

Anyone who learns of credible misconduct must report it in good faith through the proper internal channels, as outlined in the Whistleblowing Policy, available at www.piaggiogroup.com. Piaggio ensures strict confidentiality in managing whistleblowing and does not tolerate retaliation against those who report wrongdoing.

HEALTH AND SAFETY POLICY

Safeguarding the workforce's health and safety is a fundamental aspect of Piaggio's business approach. Meeting legal obligations and following relevant rules are essential for ensuring safe and healthy work environments.

To ensure a healthy and safe work environment for employees and other parties involved, Piaggio has established robust prevention measures, thorough hazard identification, and accurate evaluation of opportunities and risks, ensuring ongoing enhancement of working conditions.

The main goal of preventing work-related accidents or illnesses can be met by the whole company sharing responsibility for putting in place, maintaining, and enhancing the Occupational Health and Safety Management System. Everyone can contribute to this according to their roles and skills.

⁷² The Policies are published on the company intranet.

Own workforce

Piaggio's commitment to health and safety is based on the following fundamental principles:

- Health and safety, both individual and collective, are essential requirements: individual behaviour and corporate decisions are oriented towards this end.
- Worker risk prevention is ensured by properly managing processes and promptly maintaining and checking facilities.
- Proper use of machinery and adopting best practices or seeking improvement opportunities are key to prevention.
- Piaggio equips, educates, and inspires its employees to work safely by engaging every level of the organisation in ongoing training and information initiatives. These efforts aim to foster a culture of workplace health and safety and guarantee that the company's responsibilities and procedures in these domains are kept current, clearly communicated, and comprehended.
- Training and information are essential for conveying to employees the principles, guidelines, and methods of implementing the Occupational Health and Safety Management System.
- Every worker must look after their own health and safety, as well as that of others in the workplace, in line with the training provided.
- Piaggio considers worker consultation and participation, or that of their representatives, essential for the ongoing enhancement of health and safety.

The Policy is established within a framework of internal regulations that govern the Group's conduct and ethical principles. It aligns with the UNI EN ISO 45001 standard for "Occupational Health and Safety Management Systems", which Piaggio is committed to upholding across all its manufacturing facilities.

HUMAN RIGHTS POLICY

For Piaggio, upholding universally recognised human rights is an essential and non-negotiable aspect of its corporate ethos and strategy. Piaggio is dedicated to managing and minimising the risk of human rights abuses, despite the inherent challenges posed by its global, multi-ethnic, and varied social and economic environment. It also promotes the following principles:

- **Non-discrimination** - Piaggio stands against all forms of discrimination, whether direct or indirect, on the grounds of gender, sexual orientation, marital or pregnancy status, parenthood, age, disability (mental or physical), skin colour, ethnicity, nationality, religion, socio-economic or cultural background, trade union membership, political beliefs or any other opinion. The company is dedicated to preventing discrimination in every aspect of work.
- **Freedom of Association** - Piaggio acknowledges its workers' right to freely join trade unions and engage in collective bargaining. To support this, it maintains an open and constructive dialogue with recognised trade union representatives.
- **Rejection of forced labour** - Piaggio opposes all worker exploitation, including child, forced, or mandatory labour, and any psychological or physical mistreatment or coercion of its employees and those in its supply chain. It also firmly denounces human trafficking and exploitation in every form.
- **Child labour** - Piaggio adheres to minimum age requirements for employment as stipulated by ILO Convention 138 and forbids hiring individuals under 18 for roles involving dangerous tasks, in line with ILO Convention 182.
- **Decent working conditions** - Piaggio fosters a work environment rooted in trust, dialogue, and mutual respect, safeguarding employee well-being and work-life balance.
- **Fair and decent wages** - Piaggio guarantees fair and decent wages wherever it operates. In addition to following local laws and contracts, pay must cover employees' basic needs and provide them and their families with a decent standard of living. Piaggio furnishes all staff with written employment contracts and accurate payslips, ensuring clear and transparent details.
- **Equal pay for equal work** - Piaggio strongly believes in remunerating work of the same value equally, irrespective of gender. Employee career progression decisions are based solely on their skills, experience, professional potential, and achievements.
- **Fair Working Hours** - Piaggio ensures reasonable working hours and pays properly for overtime, in line with relevant laws, regulations, and, where relevant, collective agreements.

Own workforce

The Human Rights Policy is in line with the laws and regulations of the individual countries in which it operates and applicable international standards, including:

- the United Nations International Bill of Human Rights encompasses the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social, and Cultural Rights;
- the United Nations Convention on the Rights of the Child;
- the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO) and its applicable conventions;
- the European Convention on Human Rights;
- the United Nations Convention against Corruption.

Piaggio champions human rights and compliance with international standards among its partners and stakeholders. It demands that suppliers agree to general supply terms incorporating its Code of Ethics' principles.

Piaggio does not use workers below the minimum age thresholds defined by different countries, nor forced labour, and respects the main international laws, such as the UN Convention on the Rights of the Child (UNCRC) and The Human Rights Act of 1998.

Taking into account that Piaggio adheres to its distinct behavioural values, which are encapsulated in the Code of Ethics established in 2004 and extensively shared across all subsidiaries, there is no risk to its workforce regarding involvement in operations with a significant danger of forced or child labour.

POLICY ON GENDER EQUALITY, NON-DISCRIMINATION AND INCLUSION

Piaggio offers equal opportunities in every aspect of working life, from the recruitment phase to all decisions concerning pay, job allocation, training and career development. In particular, Piaggio firmly believes that work of equal value should be paid equally, for example, between women and men, and is actively working to promote gender equality. Decisions regarding the career advancement of employees are made exclusively on the basis of the skills, experience and professional potential of individuals and their achievements, without regard to gender, sexual orientation, marital status, pregnancy status, parental or care-giving status, age, disability (mental or physical), colour, ethnic origin, nationality, religious belief, socio-economic and/or cultural background, trade union affiliation, political or other opinion.

Piaggio consistently strives to ensure that everyone connected with its operations – be they employees, suppliers, customers, temporary staff, trainees, or others – experiences a workplace and business environment where dignity and respect are mutual, and where all are free from harassment, whether verbal, psychological, or physical (sexual or otherwise), abuse, coercion, violence, or any kind of discrimination.

Piaggio has always fostered an inclusive culture that values individuals and their sense of belonging to the company community. Dialogue, trust, and participation are always seen as key to organisational well-being, helping individuals reach their full potential and engage fully in company activities.

Piaggio has designed management models and processes so that:

- decisions concerning the employment and development of people are free from all forms of discrimination and harassment;
- equal pay for work of equal value, such as between genders, is guaranteed under fair meritocratic conditions. Any disparities are identified and systematically addressed;
- maintain a high level of attention and awareness regarding Gender Equality, Diversity, and Inclusion to prevent potential prejudice;
- Piaggio maintains an inclusive and respectful work environment, both internally and in dealings with external stakeholders, free from any form of sexual and non-sexual discrimination and harassment;
- people's motivation is fostered through conversation, involvement, services, and initiatives that promote mental and physical health and work-life balance, including flexible working arrangements, promoting a culture of shared family responsibilities, health support programmes, and assistance with parenting.

Own workforce

Based on the relevance and specific aspects of the Indian market, the following are in force at the local subsidiary: the Code of Business Conduct & Ethics, the Whistle Blower Policy and the Policy on the Prevention of Sexual Harassment of women at the workplace, to prevent incidents of sexual harassment within the plant.

POLICY ON GLOBAL INFORMATION SECURITY

To ensure the confidentiality and integrity of employees' personal data, in 2025 the Group formalised the "Global Information Security Policy", applicable to all Group companies. For more details on the Policy, please see the "Privacy" section in the Governance Information chapter.

The Group is committed to offering its employees a benefits package designed to improve their personal and family well-being, both financially and socially. To this end, a number of company procedures are in place instead covering the following IROs: "Enhancing staff well-being by promoting company welfare policies", "Neglect of the Group employees' mental and physical health (e.g., work-life balance etc.)". Regarding the impact on training, the Group has initiated a process to enhance the skills and career opportunities of its employees, as outlined in the section "Training and Skills Development".

Involvement and engagement with employees

The Piaggio Group, as reported in the section "Expectations and ways of involving stakeholders - General information", involves its employees through various methods: Company intranet (PiaggioNet), webmail service, performance evaluation system, Wide Piaggio Group Magazine, and meetings with employee representatives and trade unions. The PiaggioNet intranet portal provides employees in Italy and overseas with key information about the Group, procedures, company updates, and new product lines, all available in English.

Piaggio adopts a proactive approach to employee engagement, ensuring staff receive and share information, and are invited to offer feedback and suggestions for improvement during critical times, such as in training and resource development initiatives. Furthermore, the Piaggio Group's internal communication guidelines aim to inform employees about the performance and prospects of the business and to bring them closer to the strategies of top management. The HR managers of Group companies ensure that involvement takes place and that the results guide the Group's approach.

Piaggio is dedicated to addressing the needs of vulnerable and marginalised employees that have been brought to its attention. However, as of now, no formal processes have been established to collect information regarding their specific requirements.

Processes to remedy negative impacts

The Group is dedicated to promptly addressing any confirmed instances where it has caused or contributed to adverse effects on the workforce. Human resource managers across the Group's companies handle significant adverse effects on the workforce identified during the materiality process. For a discussion of these processes, please refer to the individual sections dealing with the relevant issues. For more details of the reporting process, please refer to the section "Whistleblowing Channels - Governance Information".

Actions

Own workforce

Over time, the Group has established a comprehensive management system, along with a series of processes and measures, to reduce potential adverse effects on the health and safety of employees. Among others, they include:

- implementation and maintenance of the ISO 45001 certified management system in all production facilities;
- monitoring the effectiveness of the system and periodic internal audits;
- training, health and safety courses even beyond the legal limits with specific training packages for testers, who are a particularly exposed category;
- appointment of Safety Ambassadors in production plants;
- medical facility.

For more details, please refer to the section on "Occupational health and safety".

In terms of enhancing the positive impact of "improving employee welfare conditions through the promotion of corporate welfare policies", the Group is committed to promoting corporate welfare policies. The objective is to offer employees a suite of benefits tailored to boost their personal and familial well-being, both economically and socially. For details refer to the paragraph "Reward System and Corporate Welfare".

In addressing potential negative impacts on employees' psychological and physical well-being, as well as the lack of acknowledgement of fair working conditions (which encompasses the right to freedom of association), the Group enforces contractual terms that align with the best practices in the industry. To substantiate this, in 2024, the Indian subsidiary was acknowledged as a "Great Place to Work" by the organisation of the same name, whereas the Vietnamese subsidiary received the "HR Asia Best Company to Work For (Vietnam Edition)" award from Business Media International (BMI).

Furthermore, the Group sustains a continuous dialogue with trade unions to minimise the potential risk of reputational harm linked to the emergence of industrial relations tensions. Such tensions could result in disruptions or decelerations in business operations and might project an image of inadequate support for proper working conditions and hours. The actions are more detailed in the section "Working Conditions".

Regarding the adverse effects associated with the potential unmet expectations for personal and professional development among staff, the Group undertakes the following measures, many of which are continuous:

- it has defined a managerial competency model;
- it carries out annual skills gap analyses to set up development and training plans;
- it applies job rotation;
- it implements a talent development programme;
- in 2024 it launched a pilot programme dedicated to strengthening strategic management skills.

The actions are further detailed in the section "Training and Skills Development".

In response to the detrimental effects of failing to uphold the principles of diversity and inclusion, as well as equal opportunities, and the associated risk of possible harassment incidents, the Group implemented policies on human rights and equal opportunities at the beginning of 2025.

Additionally, initiatives were promoted to enhance employee awareness as part of Women's Day celebrations, particularly in India and Vietnam, along with the delivery of training programmes in India focused on preventing sexual harassment.

Further details can be found in the relevant sections on "Diversity and equal opportunities" and "Protecting the human rights employees".

Own workforce

Regarding the potential adverse effects on the confidentiality, integrity, and availability of employee personal data, and the associated risks, the following mitigation measures are outlined: implementation of an IT system for access management and role segregation, backed up by regular cybersecurity refresher courses. For more details, please refer to the section "Governance Information - Privacy".

Targets

In accordance with the Health and Safety Policy for the upcoming two financial years, the Group plans to enhance the per capita non-compulsory training hours in health and safety by 2% annually (resulting in a 2% increase in 2025 compared to 2024, and a further 2% increase in 2026 compared to 2025). This initiative is aimed at elevating the safety standards for its employees. Despite being established without the direct participation of the workforce, the goal aligns with the overarching strategy of the Group. For enhanced protection, the Group deems it prudent to extend the safety training of its employees beyond the minimum legal requirements. The Group will provide information on the progress of the stated target with the next Sustainability Report.

Employees

Over the years, the Group has always paid attention to continuously adapting its organisational structure to international best practices. In 2024, Piaggio continued to adopt organisational initiatives to support its commercial, innovation and new product development objectives, while maintaining a focus on efficiency and productivity targets.

At 31 December 2024, the Group had 5,721 employees, an overall decrease of 3.4% compared to 31 December 2023.

COMPANY POPULATION BY COUNTRY AND GENDER AS AT 31 DECEMBER⁷³

NO. OF PEOPLE	2024			2023			CHANGE		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
ITALY	2,068	952	3,020	2,057	950	3,007	11	2	13
EMEA	127	32	159	124	33	157	3	(1)	2
USA	82	20	102	93	21	114	(11)	(1)	(12)
EMEA and AMERICAS	2,277	1,004	3,281	2,274	1,004	3,278	3	0	3
VIETNAM	717	179	896	802	178	980	(85)	1	(84)
INDONESIA	78	17	95	90	15	105	(12)	2	(10)
OTHER APAC	24	9	33	26	9	35	(2)	0	(2)
CHINA	42	32	74	50	35	85	(8)	(3)	(11)
ASIA PACIFIC	861	237	1,098	968	237	1,205	(107)	0	(107)
INDIA	1,310	32	1,342	1,403	39	1,442	(93)	(7)	(100)
GROUP TOTAL	4,448	1,273	5,721	4,645	1,280	5,925	(197)	(7)	(204)

Please note that both the Report on Operations and the Notes to the Financial Statements include the headcount figures both as at 31 December and as an annual average.

⁷³ The methodology used for counting employees is the headcount. No employees belonging to a third gender were recorded.

Own workforce

COMPANY POPULATION BY CONTRACT TYPE, GENDER AND GEOGRAPHIC SEGMENT AS OF 31 DECEMBER 2024

NO. OF PEOPLE	FIXED-TERM CONTRACT			OPEN-ENDED CONTRACT		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
EMEA and Americas	5	2	7	2,272	1,002	3,274
<i>of which Italy</i>	4	2	6	2,064	950	3,014
India	182	4	186	1,128	28	1,156
Asia Pacific 2W	156	54	210	705	183	888
Total	343	60	403	4,105	1,213	5,318

COMPANY POPULATION BY PROFESSIONAL TYPE, GENDER AND GEOGRAPHIC SEGMENT AS OF 31 DECEMBER 2024

NO. OF PEOPLE	FULL TIME			PART TIME		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
EMEA and Americas	2,263	839	3,102	14	165	179
<i>of which Italy</i>	2,056	789	2,845	12	163	175
India	1,310	32	1,342	0	0	0
Asia Pacific 2W	861	237	1,098	0	0	0
Total	4,434	1,108	5,542	14	165	179

The company does not make use of occasional on-call contracts.

During 2024, the Group recorded a voluntary and involuntary turnover rate of 7.4% (excluding fixed-term resources).

TURNOVER OF THE GROUP'S CORPORATE POPULATION AT 31 DECEMBER 2024⁷⁴

NO. OF PEOPLE	TOTAL			% TURNOVER		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
EMEA and Americas	122	48	170	5.4%	4.8%	5.2%
India	149	6	155	11.4%	18.8%	11.5%
Asia Pacific 2W	85	12	97	9.9%	5.1%	8.8%
Total	356	66	422			
% Turnover	8.0%	5.2%	7.4%			

The total number of terminations within the Group, which includes the conclusion of fixed-term contracts to maintain the required flexibility in labour utilisation, reached 1,947, accounting for a turnover rate of 34% of the workforce.

⁷⁴ Turnover determined as the ratio of employees leaving during the year (excluding fixed-term contracts and intra-group movements) to the number of employees at 31.12.

Own workforce

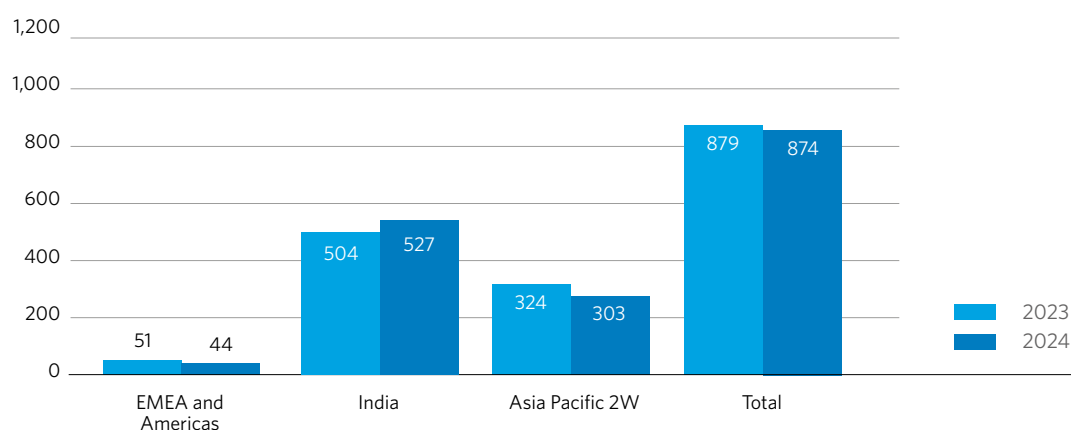
Non-employees

The use of external workers within the Group is essentially limited to the Indian and Vietnamese plants and is linked to the need to cope with temporary peaks in demand, so external workers, mainly agency workers, are sought and hired during these periods.

Additionally, internships and partnerships facilitate the progressive integration of recent graduates into the company, enhancing their education while considering the unique characteristics and local laws of each country. As of 31 December 2024, there were 874 external workers, a negligible decrease of 0.5% from the 879 recorded in 2023, reflecting changes in production volumes.

AS OF 31 DECEMBER 2024	EMEA AND AMERICAS	INDIA	ASIA PACIFIC	TOTAL
Agency workers	0	448	200	648
Internships and external collaborators	44	79	103	226
Total	44	527	303	874

NON-EMPLOYEES AT 31 DECEMBER (HEADCOUNT)



Own workforce

Working conditions

COLLECTIVE BARGAINING AND SOCIAL DIALOGUE

COVERAGE RATE	COLLECTIVE BARGAINING COVERAGE		SOCIAL DIALOGUE
	EMPLOYEES - EEA	EMPLOYEES - NON-EEA	EMPLOYEES - EEA
0-19%		USA - Indonesia - Other Asia Pacific	
20-39%		India	Italy - EMEA
40-59%			
60-79%	EMEA		
80-100%	Italy	Vietnam - China	

The Piaggio Group recognises the role of trade union organisations and workers' representatives and is committed to establishing relations with them focused on attention, engagement and a common understanding. Ongoing comparison and discussion are in fact considered fundamental elements for finding the best solutions to specific company needs.

The Group's policy is to involve workers and their representatives in the pursuit of corporate objectives and to establish an ongoing dialogue with them. The solutions and behaviour adopted in the various countries in which the Group operates are in tune with the social and institutional context, but always consistent with the Group's underlying principles and overall needs.

Piaggio respects labour legislation in the various countries where it operates and applies collective bargaining when the law requires it. In particular, around 80% of the Company's workforce is covered by a sector, territorial or company collective bargaining system, depending on the historical, regulatory and cultural differences in the various national contexts. In situations where there is no collective bargaining agreement, however, Piaggio operates in full compliance with Group policies, local regulations and freedom of association.

In addition, around 22% of the corporate population is represented by trade unions.

The Group has not signed a Global Framework Agreements (GFAs) in relation to human rights.

Italy

In Italy, Piaggio engages in a system of industrial relations marked by ongoing dialogue with trade unions and workers' representatives. In an international setting rife with growing geopolitical strains and doubts about economic outlooks, this method has allowed us to tackle even exceptional circumstances efficiently and swiftly.

Close negotiation with trade unions has allowed us to tailor rules and contracts to individual company requirements, while also ensuring the needed flexibility in employing fixed-term staff. Specifically, the Neighbourhood Trade Union Agreements dated 19 January 2024 for the Pontedera (PI) site and 13 September 2023 for the Mandello del Lario (LC) site enabled us to address the seasonal production peaks by efficiently rehiring trained staff on fixed-term contracts.

Regarding employment, about 40 temporary contracts at the Pontedera unit became permanent in 2024. Additionally, 38 individuals secured permanent part-time contracts at the Mandello del Lario facility.

Negotiations for renewing the company's second-tier collective agreement continued throughout 2024. During the meetings, we discussed the key aspects of the regulatory section of the Supplementary Agreement outlined in the trade unions' proposal. The company confirms the application of the National Collective Labour Agreement (CCNL) for workers in the private metalworking and plant installation industry throughout the country has also been confirmed.

In production, we minimally used the Ordinary Wage Supplementation Fund (CIGO) in 2024 to manage temporary drops in market demand.

Own workforce

Regarding the Mandello facility, a significant investment to overhaul the entire production site necessitated temporary use of the extraordinary wage supplementation fund. Likewise, a solidarity agreement was implemented at the Pontedera Commercial Vehicles plant to facilitate the adaptation of production lines for assembling new vehicle models that comply with the latest European directives on safety and emissions.

India

In India, trade unions are structured on two levels, a company level and a territorial/area level; this structure is replicated in the Indian subsidiary, where the trade union system includes a company trade union committee of Piaggio employee representatives and a central trade union committee. The latter is the highest level, with members appointed by the trade union. The works council is made up of five members chosen each year by the employees.

In 2023, the new four-year collective agreement with the trade unions took effect.

Consistent with past years, the ongoing, constructive talks with union reps in 2024 helped adjust production to the shifting market demands, aiming to boost productivity.

In 2024, efforts were made to not only fully comply with labour laws but also to maintain a cooperative relationship with workers and trade unions. These efforts aimed to engage employees to enhance the company atmosphere and, as a result, boost their motivation. In line with this approach, Piaggio has carried out numerous activities including: various initiatives for disease control and prevention, awareness-raising on both "Prevention of Sexual Harassment" and health and safety issues, and support for employees' children.

Vietnam

In Vietnam, the functions of company-level trade union representatives (identified within the framework of a Company Trade Union Committee) are to protect employees, assist their understanding of certain aspects of labour regulations and company policies, and support certain company initiatives in economic terms for employees.

In particular, the Trade Union Committee elected for the 2023-2028 period and consisting of 15 members, assisted and supported together with the Company a series of events, aimed at improving employee motivation, e.g. through participation in company events.

Indonesia

During 2024, production processes at the Indonesian plant were consolidated in line with Group standards. In compliance with local regulations and practices, the Bipartite Forum of Cooperation and Communication (LKS) was established, consisting equally of company and employee representatives, which meets monthly to ensure a constructive and balanced discussion.

Own workforce

Adequate wages

All Piaggio Group employees receive an adequate salary. In countries where the law does not stipulate a minimum wage, the appropriate remuneration is determined by the Collective Bargaining Agreements in the various nations where the Group conducts its operations. Piaggio respects labour legislation in the countries where it operates and applies collective bargaining when the law requires it. As mentioned above, around 80% of the Company's workforce is covered by a sector, territorial or company collective bargaining system, depending on the historical, regulatory and cultural differences in the various national contexts. In environments where a collective agreement is absent, Piaggio nonetheless ensures fair compensation by providing its new hires and employees with a remuneration package that aligns with the best market standards. This is why it has adopted such a comprehensive salary review process:

- comparison of remuneration with market benchmarks, taking into account both the positioning of the company as a whole and the evaluation of individual organisational positions periodically reviewed, carried out using internationally recognised methodologies and with the support of specialised companies and industry leaders;
- definition of guidelines for salary review interventions, consistent with company results and based on criteria of meritocracy, competitiveness, internal fairness and sustainability;
- specific identification of fixed and variable remuneration interventions, consistent with defined guidelines, with meritocracy logics and with the retention needs of strategic resources for the business, also with a view to the development of roles defined through the succession planning process.

Diversity and equal opportunities

Human resources management processes are applied according to the same principles of meritocracy, fairness and transparency in all countries where the Group operates, with an emphasis on aspects relevant to the local culture.

Women in the workplace

Women at Piaggio play a fundamental role at every level of the organisational structure. Females account for 22.3%, up on the previous year in all professional categories.

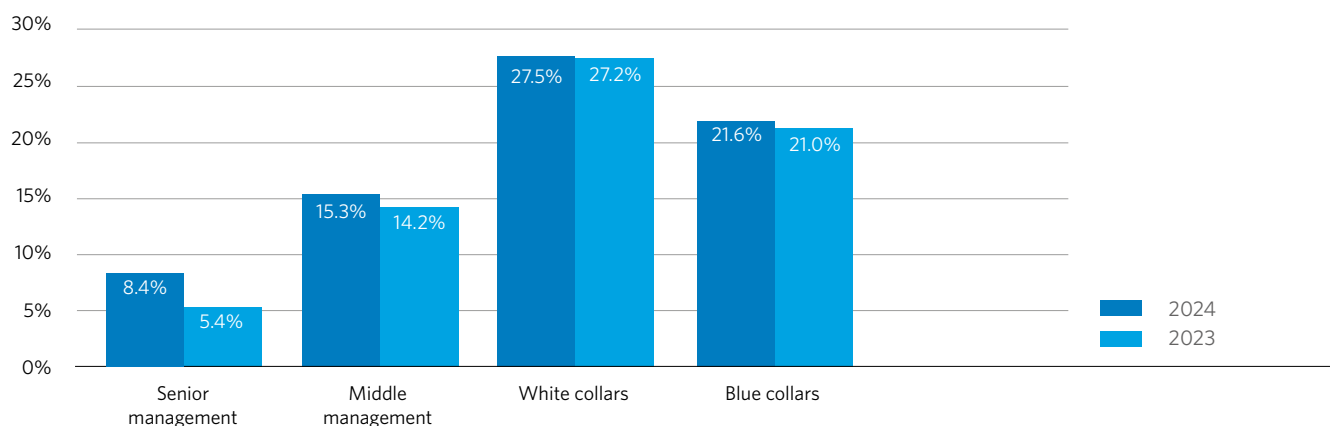
In this regard, we would like to mention the adoption of Female Advocacy initiatives aimed at facilitating the entry of women in the company at the Indian affiliate (e.g. ad-hoc selection activities at technical training institutes and awareness-raising training activities) and the Vietnamese affiliate (e.g. celebration of Vietnamese Women's Day).

COMPANY POPULATION BY GENDER AND GEOGRAPHIC SEGMENT AREA AS OF 31 DECEMBER

	2024				2023			
	MEN NO.	%	WOMEN NO.	%	MEN NO.	%	WOMEN NO.	%
EMEA and Americas	2,277	69.4%	1,004	30.6%	2,274	69.4%	1,004	30.6%
of which Italy	2,068	68.5%	952	31.5%	2,057	68.4%	950	31.6%
India	1,310	97.6%	32	2.4%	1,403	97.3%	39	2.7%
Asia Pacific 2W	861	78.4%	237	21.6%	968	80.3%	237	19.7%
Total	4,448	77.7%	1,273	22.3%	4,645	78.4%	1,280	21.6%

WOMEN AS A PERCENTAGE OF THE WORKFORCE AT 31 DECEMBER

Own workforce



Equal opportunities are offered to employees of both genders, with concrete initiatives to facilitate management of the work-life balance, such as the introduction of contract types other than full-time.

COMPANY POPULATION BY PROFESSIONAL CATEGORY AND AGE GROUP AT 31 DECEMBER

NO. OF PEOPLE		< 30	30-50	> 50	TOTAL
2024	Senior management	0	38	81	119
	Middle management	4	430	241	675
	White collars	217	916	475	1,608
	Blue collars	501	1,612	1,206	3,319
	Total	722	2,996	2,003	5,721
	%	13%	52%	35%	100%
2023	Senior management	0	35	77	112
	Middle management	3	441	248	692
	White collars	210	939	478	1,627
	Blue collars	650	1,658	1,186	3,494
	Total	863	3,073	1,989	5,925
	%	15%	52%	34%	100%

Within the Group, the corporate population is largest in the 30-50 age group.

The generational mix is fundamental for the knowledge and dissemination of know-how among young people by the most experienced workers, who are able to set an example and pass on the skills and abilities they have acquired over time.

Own workforce

COMPANY POPULATION UP TO 30 YEARS OF AGE BY GEOGRAPHIC SEGMENT AS OF 31 DECEMBER 2024**Remuneration metrics**

The ratio of the annual total remuneration of the highest paid person to the median of the annual total remuneration of all Group employees excluding the aforementioned person is 34.1.

The same ratio calculated last year was 57.7.

The change stems from the failure to recognise variable pay in 2024, which is tied to meeting budget targets.

Internal analyses carried out at country level did not reveal any significant differences between the basic salary and remuneration of men and that of women for the same category, experience and assigned tasks.

	AVERAGE HOURLY PAY FOR MEN	AVERAGE HOURLY PAY FOR WOMEN	RATE
Group total	16.1	15.5	3.8

Own workforce

Training and skills development

TRAINING

Training is one of the tools used to consolidate and develop the skills of resources and strengthen their motivation. In particular, the Piaggio Group's training system is based on four main clusters: managerial, technical-professional, linguistic and Health & Safety (H&S).

Training is managed with the support of an IT tool that includes the following steps:

- annual analysis of training needs with line Managers, HR Managers and H&S (for safety aspects) taking into account the gaps emerging from performance appraisals, development and career plans and specific business projects;
- design of training activities consistent with the Piaggio competencies model;
- planning and delivery of courses with participant satisfaction surveys.

The analysis of training needs on occupational health and safety issues is carried out in cooperation with the Health & Safety function with the aim of fulfilling legal obligations, company procedures introduced to reinforce awareness and knowledge of specific risks and, particularly in the last three years, to consolidate aspects relating to the Culture of Safety.

TRAINING HOURS⁷⁵ BY AREA OF FOCUS AND GEOGRAPHICAL AREA FOR EMPLOYEES AND NON-EMPLOYEES

THEMATIC AREA	2024				2023			
	EMEA AMERICAS	INDIA	ASIA PACIFIC 2W	TOTAL	EMEA AMERICAS	INDIA	ASIA PACIFIC 2W	TOTAL
Management training	7,674	22,391	3,109	33,173	8,088	17,084	1,434	26,605
Technical - professional training	2,483	4,584	2,177	9,244	2,972	8,686	1,512	13,169
Language training	6,168	0	0	6,168	9,438	1,530	3,983	14,951
Health and Safety Training	13,134	10,252	10,600	33,985	12,983	6,784	13,686	33,453
Total	29,458	37,226	15,886	82,570	33,481	34,083	20,615	88,178

The trend in health and safety training is closely tied to meeting regulatory deadlines, with a growing emphasis on safety culture matters. In Italy, new management training courses have been set up to support development paths with a coaching-oriented approach to support the growth of resources through the acquisition of behaviour and skills consistent with the organisation's objectives and changes.

Technical and professional training focused on ICT, supply chain and product development issues also through internal training activities aimed at sharing Piaggio's distinctive skills.

Various training programmes have been conducted in Asia covering a wide range of topics, including leadership development, communication skills and the acquisition of technical and industry-specific skills.

TRAINING HOURS BY GENDER AND PROFESSIONAL CATEGORY

	2024			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Senior management	1,571	318	1,889	1,126	94	1,219
Middle management	13,987	2,036	16,023	13,978	1,455	15,433
White collars	23,837	7,043	30,880	25,125	8,618	33,743
Blue collars	21,959	3,088	25,047	28,941	4,601	33,542
Tot. Piaggio	61,355	12,485	73,840	69,169	14,768	83,937
Non-employees	7,994	737	8,730	4,033	209	4,241
Total	69,348	13,222	82,570	73,202	14,976	88,178

⁷⁵ The figure does not include hours of on-the-job training.

Own workforce

PER-CAPITA HOURS OF TRAINING BY PROFESSIONAL CATEGORY (OUT OF AVERAGE WORKFORCE)

HOURS PER CAPITA	2024			2023		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Senior management	14.4	35.3	16.0	10.5	13.5	10.6
Middle management	24.2	20.4	23.6	23.7	15.1	22.5
White collars	20.3	15.7	19.0	21.1	19.2	20.6
Blue collars	7.7	3.8	6.8	9.7	5.7	8.8
Total	13.0	9.2	12.1	14.2	10.8	13.5

To calculate the training hours per capita, we used the average number of employees. Using the headcount data as at 31.12, the hours per capita would be 12.9 (13.8 for men and 9.8 for women).

COMPULSORY AND NON-COMPULSORY TRAINING HOURS

THEMATIC AREA	2024		2023
	COMPULSORY	NOT COMPULSORY	TOTALS
Management training	3,602	29,571	33,173
Technical - professional training	5,179	4,060	9,239
Language training	0	6,168	6,168
Health and Safety Training	19,116	6,144	25,260
Total	27,897	45,943	73,840
Total per capita	4.6	7.5	12.1

COMPULSORY AND NON-COMPULSORY HEALTH AND SAFETY TRAINING HOURS

HEALTH AND SAFETY	2024			2023		
	COMPULSORY	NOT COMPULSORY	TOTAL	COMPULSORY	NOT COMPULSORY	TOTAL
Piaggio employees	19,116	6,144	25,260	22,052	7,160	29,212
Total per capita	3.1	1.0	4.2	3.5	1.1	4.7

Own workforce

DEVELOPMENT AND CAREER

Development and career paths are mainly based on the assessment of managerial and technical skills, behaviour, performance and potential, with the aim of creating a pool of highly motivated resources to fill key positions.

The development of core competencies, required by business and market evolution, is a priority. For this reason, the Group's human resources development policies are focused on building, maintaining and developing the determining factors for competing in international and constantly evolving contexts.

The managerial and professional competencies model

Piaggio has identified a managerial competencies model, which comprises the set of behaviours to be put into practice on a day-to-day basis, to ensure the Group's global success.

At the same time, it has developed a reference model of professional skills, which represent the wealth of professionalism and know-how that are the real foundations and the only guarantee of continuity and quality of results.

During 2024, the periodic detailed gap analysis was carried out to set up development and training plans for continual professional development.

MANAGERIAL COMPETENCIES MODEL

Own workforce

Development paths

The development tools are aimed at building and increasing the managerial and professional skills envisaged by the respective models, while at the same time enhancing potential, evaluating and rewarding excellent performance and safeguarding specific technical know-how. In detail, the tools provided by Piaggio include:

- development plans, which reflect the growth actions planned for the employee;
- job rotation and participation in strategic or international projects;
- management and vocational training (see section "Training and skills development");
- talent management programme (see the section on "Talent management").

Talent Management: the Talent Development Programme

Young talent management programmes are among the main tools for development, attraction and retention. These programmes are aimed at employees worldwide who demonstrate high potential, a strong passion for their work and the courage to break new ground, in order to identify and guarantee a path to growth for the most deserving resources.

In general, such programmes provide talent with access to bespoke development paths, which consist of:

- development appraisal;
- coaching;
- workshops on core topics;
- customised training;
- strategic and international projects.

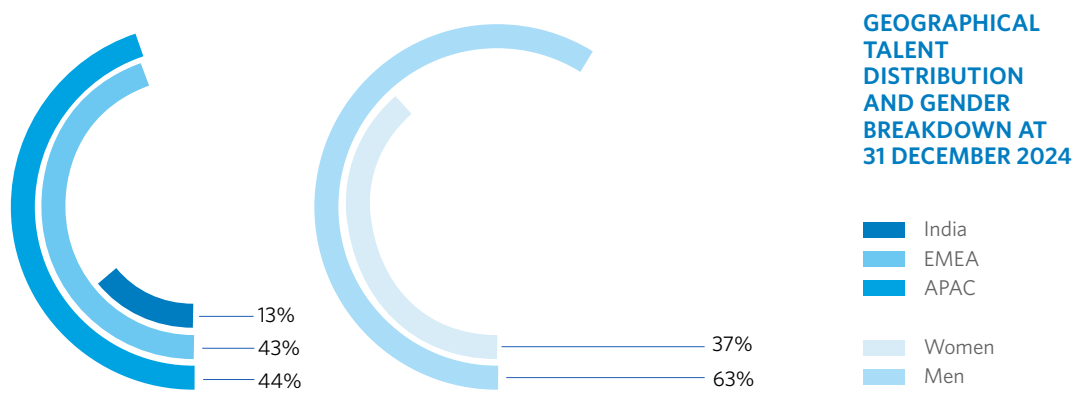
These programmes also include Piaggio Way, which involves under-35 employees from all Group geographical areas. In 2024, 32 young talents were actively engaged in the programme: 13 in EMEA, 4 in India, and 15 in APAC. Additionally, a community of 83 alumni, who have completed their development, continues to actively contribute to the programme.

Access to the programme is on a meritocratic basis and also includes an assessment by a third party to guarantee an appraisal that is impartial and objective.

A structured talent review process, led by close collaboration between HR managers, Training Managers, and Learning Managers, annually assesses the programme's progress, strengths, areas for improvement, and the engagement and motivation of the participating talents.

In 2023, the inaugural "Managerial Empowerment" pilot programme was initiated, engaging 11 employees across EMEA. This two-year initiative is set to be reintroduced in 2025 with enhancements to its framework and substance, informed by the outcomes of the evaluation conducted on the programme's impact.

A pilot programme dedicated to strengthening strategic management skills was launched in 2024, for which 9 Senior Managers were selected.



Own workforce

Career paths

Resources are encouraged to embark on a career path that leans in to continuous improvement through training and skills development, in order to successfully meet the changes and challenges of the near future. Performance appraisal and succession planning processes are built to develop the technical skills and managerial capabilities of resources in order to consolidate the Group's leadership role. Expatriation and job rotation, combined with talent development programmes, are the key tools to stimulate the growth of its resources and lay the foundations to build the managerial class of tomorrow. Piaggio, in keeping with market-recommended best practices, has adopted tools to oversee and handle succession planning for crucial group roles.

Appraisal

The Group is careful to make the criteria and the way in which people are appraised transparent:

- services provided,
- managerial, professional and language skills possessed,
- international mobility,
- potential,
- professional aspirations and goals,

in relation to specific roles and business needs.

The appraiser and appraised employee have the possibility to share the result of the performance and competence appraisal and to integrate it with proposals for the definition of tailor-made development and training paths with a defined timing through the dedicated SAP SuccessFactors IT platform.

Competencies are appraised based on a comparison between the competencies envisaged by the corporate model for the specific role and those found in the appraised employee, substantiated by concrete behavioural indicators observable in daily activities. The appraisal process is carried out in an integrated manner on a dedicated IT platform and provides information for the processes of Succession Planning, Management Review and Gap Analysis of professional skills, which are applied uniformly at Group level.

CORPORATE POPULATION THAT RECEIVED PERFORMANCE AND CAREER DEVELOPMENT APPRAISALS IN 2024

	SENIOR MANAGEMENT		MIDDLE MANAGEMENT		WHITE COLLARS		BLUE COLLARS				TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	TOTAL
Group total	80	5	507	87	996	392	-	-	1,583	484	2,067
Incidence on total	73.4%	50.0%	88.6%	84.5%	85.4%	88.7%			35.6%	38.0%	36.1%

The Group's procedure calls for assessing the company's workforce based on work performance over a minimum six-month period, excluding blue-collar workers. Consequently, the entire eligible population participated in the evaluation process.

Own workforce

Occupational Health and Safety

Worker health and safety is a common value for the entire Piaggio Group.

The complete implementation of this value also requires a commitment to ongoing improvement, not just meeting legal requirements, but as a constant process of evaluating performance, updating safety protocols, and seeking new opportunities for enhancement.

Strengthening a robust and entrenched safety culture is valuable; it can prevent accidents and protect health by fostering a work environment where safety is a common value across all organisational levels. To enhance safety awareness and education, we launched targeted training projects aimed at fostering a deep shift in attitudes towards safety standards.

Every level of the company takes part in carrying out occupational safety and health programmes, ensuring that specific actions are founded on a principle of synergy.

Prevention and protection activities to safeguard the health of workers in a complex industrial context like the Piaggio Group, both in Italy and abroad, can only be achieved effectively through an adequately structured organisation. The belief that prevention must steer behaviour and daily activities, at all levels, has led the Piaggio Group to adopt very similar safety management standards in all the countries where it operates, regardless of any regulatory constraints that are less stringent. From this perspective, the plants in Italy, India, Vietnam and Indonesia have an Occupational Health and Safety management system certified by a certification body accredited according to ISO 45001 standard (Occupational Health and Safety Management System). The ISO 45001 certified management system applies to 93% of all Piaggio Group employees worldwide. Certification audits take place every year and were also successful in 2024.

All company activities, including production and support, undergo a constant risk assessment process. This dynamic process is regularly reviewed with the most suitable methods and criteria, and we engage external experts when needed. The above is recorded in the specific Risk Assessment Documents.

The Occupational Health and Safety Management System implemented at Piaggio envisages a rather extensive document system which, starting from the H&S Policy issued by Management, is set out in the Manual and actually implemented in the Management Procedures (which involve the entire company organisation), in the Operating Procedures (which instead involve only some company structures) and in the Work Instructions, which specify the correct methods for performing individual operations.

Specific procedures are in place for change management, both with a view to risk prevention and to intercept opportunities for improvement (ergonomics, plant safety, etc.).

Own workforce

Change management is guaranteed by specific procedures designed to reinforce a risk prevention model and to identify opportunities for change and enhancement, especially through:

- The consolidation of an existing system of immediate reporting and analysis of accidents, injuries and near misses is consolidated, with standardised methods and defined working groups, in order to identify the root causes of such events and prevent the occurrence or recurrence of accidents
- The presence of a computerised "risk status reporting" system, available on the company intranet, through which company managers, as well as individual workers through the persons in charge, can identify and report any risk conditions present, initiating a system of assigning and evaluating preventive actions and monitoring their effectiveness, so as to ensure a complete and accurate management of actions to improve safety at work.

Managing "near misses" is crucial for preventing dangerous situations that could result in serious accidents.

Emergency management's importance is reaffirmed, seen as the response to critical situations resulting from potentially hazardous events that demand immediate and extraordinary measures to restore normality; this category covers emergencies linked to specific work tasks as well as general crises caused by events like severe weather or natural disasters (earthquakes, floods, tornadoes).

A plan has been prepared for each site, as required by current legislation, which includes an analysis of the main risks, the definition of the operating procedures to be adopted during the various types of emergency, the roles and actions to be implemented by designated, trained personnel and the communication protocols. Obviously, the efficiency of this organisational system is tested through numerous drills involving Piaggio's sites.

All workers, consultants and suppliers entering the Group's plants are obliged to comply with this management system, which provides for internal and external audits on compliance with the procedures adopted.

WORK-RELATED ACCIDENTS⁷⁶

2024	GROUP TOTAL
Hours worked	9,380,001
Lost working days due to work-related injuries and fatalities	710
No. of fatalities from work-related accidents	0
No. of recordable work-related accidents	34
Rate of recordable work-related accidents	3.62
Recordable occupational diseases	0

There were no injuries involving external workers under the operational control of the Group during the year, so the accident rates were 0.

⁷⁶ The rates for accident data, for all geographical areas, are calculated considering the hours worked by employees during the reporting year and the multiplication factor of 1,000,000.

Own workforce

Italy

In Italy, in line with applicable current laws, Piaggio has put in place a structured organisation, based on seven Employers corresponding to the different company areas, and consequently managers and supervisors who oversee the various organisational units and sites, with the support of Safety Department Managers and Company-appointed Doctors. In addition, the presence of Workers' Safety Representatives at all company sites is widespread and timely.

In 2024, as part of the strategy to continuously consolidate the Company's Safety Culture, the development of an international and interdisciplinary team of "Safety Ambassadors" continued: employees who, through the enhancement of skills and personal abilities, within their operating/management area, represent a reference point for the application of health and safety systems, for continuous improvement and for the involvement and awareness of colleagues.

In 2024, the training programme for all staff on Safety Culture, focusing on behaviour, engagement, and empowerment, was broadened.

In 2024, the Pontedera plant was awarded by the Presidency of the Region of Tuscany as one of the winners of the "Impresa più Sicura" (Safer Enterprise) competition for the project 'The Promotion of Safety Culture: Safety Ambassadors'. The project's theme is part of a broader evolution of the Safety concept, demanding more extensive and proactive involvement in prevention across all levels of the company through ongoing dialogue. In particular, fostering active engagement on the matter is a sensitive task, and introducing Safety Ambassadors has been a strategic method to accelerate the cultural shift.

WORK-RELATED ACCIDENTS IN ITALIAN FACTORIES

	PONTEDERA	NOALE AND SCORZÈ	MANDELLO
2024			
Hours worked	3,626,493	714,002	270,727
Lost working days due to work-related injuries and fatalities	577	106	27
No. of fatalities from work-related accidents	0	0	0
No. of recordable work-related accidents	27	4	2
Rate of recordable work-related accidents	7.4	5.6	7.4
Recordable occupational diseases	0	0	0

The aforementioned accidents refer only to Group employees and mainly concern bruises and cuts during the assembly of components or while using small work equipment.

Accidents at country level (Italy) have decreased both as an absolute number and as a frequency index also thanks to specific actions both of a technical and training nature.

Accidents are mostly attributable to behavioural causes such as distraction, inappropriate behaviour, failure to follow procedures.

Regarding external firms working at Piaggio's Italian manufacturing locations, there were no accidents in 2024.

There were no fatal accidents in Italy in 2024.

Own workforce

India

In order to ensure the highest standards of occupational health and safety, the Indian affiliate (PVPL) has an organisational structure that operationally involves the "Employer" – a single employer for the various production sites – who is assigned the responsibility of ensuring the health, safety and welfare of all employees in the workplace, Plant Managers and a 20-member Safety Committee that includes managers, middle managers and office workers. The Safety Committee meets regularly to plan, review and discuss the action plans necessary to establish and spread a culture of awareness and safety among employees in the workplace. The presence of a Health and Safety team ensures that the whole system can function effectively.

In line with the Group's approach, in recent years much has been invested in training as a key factor in increasing employee responsibility in relation to safety and promoting a proactive approach to safety issues (e.g. through the celebration of the Safety Day). The display of Safety information in English and in the local language also helps to create a real safety culture at all levels.

PVPL is committed to ensuring the safety and well-being of employees and their immediate family members, including through the organisation of specific events. For example, a 24/7 medical service is made available at all production sites and, when necessary, an ambulance first aid service is extended to the families of Baramati employees. Initiatives like Safety Week celebrations, workshops, and interactive sessions foster a culture of ongoing learning and involvement.

In 2024, there were no work-related injuries for employees or for external workers under the Group's operational control.

WORK-RELATED ACCIDENTS IN INDIA

	COMMERCIAL VEHICLES PLANT	TWO-WHEELER PLANT	ENGINES PLANT
2024			
Hours worked	1,478,500	246,551	306,695
Lost working days due to work-related injuries and fatalities	0	0	0
No. of fatalities from work-related accidents	0	0	0
No. of recordable work-related accidents	0	0	0
Rate of recordable work-related accidents	0	0	0
Recordable occupational diseases	0	0	0

Vietnam

Piaggio Vietnam has a Safety Committee that includes all company departments, led by the Operations Manager. Committee members must address any safety issues in their area and take appropriate corrective action. The committee meets quarterly to update statistics and oversee health and safety performance. Regular follow-up audits are planned to promptly inform the committee of any major safety issues or chances for improvement, ensuring swift corrective or preventive measures.

To enforce health and safety measures, we established a streamlined H&S programme featuring regular checks to bolster the improvements pinpointed by the Safety Committee.

All internal and external audits carried out in 2024 were successful. The August 2024 audit of the Ministry of Labour, Invalids and Social Affairs was completed successfully with no issues noted.

To foster a safety culture and highlight the significance of health and safety for the company, we delivered H&S training to all employees and external staff, amounting to over 9,000 hours in 2024.

Own workforce

A channel is available for all employees to promptly report hazards.

In 2024, there were no work-related injuries for employees or for external workers under the Group's operational control.

WORK-RELATED ACCIDENTS IN VIETNAM

2024	VIETNAM
Hours worked	1,790,848
Lost working days due to work-related injuries and fatalities	0
No. of fatalities from work-related accidents	0
No. of recordable work-related accidents	0
Rate of recordable work-related accidents	0
Recordable occupational diseases	0

Indonesia

During 2024, no accidents occurred at the Indonesian plant. In addition, the organisation of H&S activities was also consolidated through the dissemination of a safety culture to increase employee involvement, as well as ensure compliance with relevant regulations.

The commitment to Health and Safety in the Indonesian plant's operations is demonstrated by achieving zero accidents in the year and retaining ISO 45001 certification.

WORK-RELATED ACCIDENTS IN INDONESIA

2024	INDONESIA
Hours worked	143,128
Lost working days due to work-related injuries and fatalities	0
No. of fatalities from work-related accidents	0
No. of recordable work-related accidents	0
Rate of recordable work-related accidents	0
Recordable occupational diseases	0

Reward System and Corporate Welfare

REWARD SYSTEM

Reward policies aim to remunerate people and their contribution according to criteria of competitiveness, fairness and meritocracy, which are shared with transparency in the appraisal processes, in order to motivate and retain human resources that make important contributions to achieving company results.

The Group's reward system is differentiated according to the company population and includes a fixed remuneration component and variable incentive systems for objectives and benefits.

In Italy, since 2021, Piaggio employees have been able to use a digital platform to manage welfare services, where they can select the options provided for by their National Employment Contract and by supplementary company agreements.

Own workforce

TARGET-BASED INCENTIVE SYSTEMS

The achievement of targets set by the company is rewarded through variable incentive systems, focused on qualitative and quantitative objectives consistent with the business, as well as on the internal efficiency of each area of responsibility.

The entire process of assigning objectives and reporting results is shared with the employee according to objective criteria.

BENEFITS

Piaggio offers a benefits package in line with local market best practice and segmented according to organisational logics, which includes, for example:

- the welfare platform (in Italy);
- supplementary health care in Italy or medical check-up services in India and Vietnam;
- company medical/nursing centre in all production sites;
- agreements with local groups and facilities of interest for employees;
- promotion of employee volunteering initiatives (blood donation, participation in charities events).

WELFARE

In Italy, there is a detailed system to improve corporate welfare, offering benefits designed to boost the economic and social well-being of employees and their families. Employees may voluntarily convert their entire performance bonus, or a portion of it, into goods and services offered as welfare benefits.

All Italian factory employees are enrolled in the supplementary health care fund (Métasalute) provided for in the national collective bargaining agreement for the metalworking sector.

Employee health-related facilities/services are also available:

- at Pontedera, at the company medical centre, specialist doctors (ophthalmologist, orthopaedist, pulmonologist, dermatologist, ENT) are available to employees for specialist referrals;
- at Noale/Scorzè and Mandello del Lario, paid leave for specialist referrals outside the company is given to all employees, and a permanent medical/nursing centre is available on site;
- lastly, free flu vaccinations are available at all locations.

The plants in India, Vietnam and Indonesia also have medical/nursing centres on site. In India and Vietnam, medical check-ups are organised for employees and their families.

Own workforce

Protecting the human rights of employees

The Group acknowledges the significance of its responsibility in denouncing any breach of human rights and strives to prevent instances of violence and harassment within its sphere of influence. Piaggio continuously improves and adapts the policies and instrumental controls it has in place to prevent any potential violation that could affect the Group.

Group companies adhere to national and international laws and regulations and carry out their activities in line with the Code of Ethics.

Piaggio considers the proper practice of whistleblowing to be a key component in ensuring the effectiveness of its compliance programmes and is committed to ensuring that all of its activities are conducted ethically and with the highest integrity. All persons in contact with the organisation as part of their work activities play a key role in reporting and preventing violations of laws, procedures and internal policies and in maintaining the highest standards of ethical, moral and legal conduct. For this reason, the Company encourages its employees and anyone who has a working relationship with the organisation to report any suspicions of misconduct, with the guarantee of full confidentiality. No retaliatory measures against the reporting person or persons close to him/her will be tolerated.

During 2024, training on the prevention of sexual harassment was provided in the Indian subsidiary, within the context of compliance with the company's code of ethics.

In 2024, the Group received seven reports of discrimination incidents, including harassment and modern slavery. One of these reports, received through the whistleblowing channel, concerned Piaggio & C. S.p.A., while the others, sent through anonymous e-mails outside the aforementioned channel, referred to the subsidiary Piaggio Vehicles Private Limited ("PVPL"). In particular, five of the latter reports were addressed to Piaggio's top management, while a sixth was sent directly to the subsidiary.

All the abovementioned reports underwent thorough investigation and followed company procedures and regulations. Following these investigations, we found no evidence of labour law breaches, health and safety rule violations, racial discrimination, modern slavery, or workplace harassment.

Despite the assessment to date showing no signs of labour or health and safety breaches, racial discrimination, modern slavery, or workplace harassment, we are still working on enhancing our policies, internal controls, and mitigation measures. These efforts are part of the broader Due Diligence expansion outlined in the "System for responsible business management" section. It should be noted that there were no convictions and/or fines imposed related to serious human rights incidents in the reporting year.

Workers
in the value chain

WORKERS IN THE VALUE CHAIN

Existing policies

As shown, the Piaggio Group obtains components from a worldwide network, ensuring both quality and cost efficiency.

Using a double materiality analysis, the company pinpointed potential adverse effects on health and safety, alongside breaches of human and workers' rights within the value chain. These include the suppression of freedom of association, denial of fair wages, harm to well-being, and failure to uphold equal opportunity, diversity, and inclusion principles. Moreover, it was recognised that any instance of these impacts might harm the Group's reputation.

Piaggio has recognised that supply chain employees are the most likely to be impacted within the value chain. Generally, Piaggio doesn't purchase raw materials directly. Instead, it acquires functional assemblies like mufflers, forks, radiators, CVTs, headlamps, instruments, and electronic control units, along with other components and accessories, from external suppliers. Piaggio operates globally, with factories in Europe, America, and Asia. Each facility primarily sources goods and spare parts from local suppliers. The primary countries from which the production sites⁷⁷ procure goods were examined for human rights violation risks using the Global Rights Index 2024 (www.ituc-csi.org/global-rights-index), which is developed by the International Trade Union Confederation (ITUC). The tool used refers to numerous databases made available by major international organisations, which assign a risk level to each country. Among the states classified with high risk indices concerning the non-respect of human rights from which the Group sources its supplies are India, Vietnam, Indonesia and China. Piaggio is aware that any failure by its business partners to respect workers' rights could potentially have a negative reputational impact and that prolonged strikes in the upstream or downstream chain could cause a halt in production or sales activities. To deal with this risk, Piaggio requires its suppliers to sign general supply conditions that specifically refer to the Group's Code of Ethics (see the "Code of Ethics" section in the "Information on Governance" chapter) and requires an explicit commitment to comply with laws on the environment, pollution, health and safety and respect for workers' rights, so as to ensure compliance with its ethical values throughout the production and sales cycle of its products.

As set out in the Responsible Supply Policy approved at the beginning of 2025⁷⁸ and applicable to all Piaggio Group companies, Piaggio:

During selection, prioritises as much as possible suppliers:

- with a certified Environmental Management System;
- with an Occupational Health and Safety Management System;
- with a Social Accountability Management system.

It absolutely avoids, where known, dealings with suppliers:

- resident in nations banned by national and international political bodies;
- that do not respect human rights;
- that are discriminatory in any way;
- that fail to fully adhere to the laws and international treaties on workers' health and safety and environmental protection;
- that do not respect the applicable rules on the regulation of working time and the free association of their employees.

Responsibility for the implementation of this policy lies with the Executive in Charge of Sustainability Reporting.

⁷⁷ The analysis did not take into account the purchases of trading companies and research centres as they are residual.

⁷⁸ The Responsible Supply Policy is published on the company intranet.

Workers in the value chain

Involvement processes

The Group has not adopted a general process to involve supply chain workers.

Processes to remedy negative impacts

The Group is committed to fostering a culture of integrity among its suppliers. Workers in the value chain who flag potential misconduct or illegal activities are crucial in safeguarding the Group's operations and enhancing societal welfare. To this end, a reporting channel has been set up and is available on the Group website and described in the section "Whistleblowing Channels - Governance Information". The Piaggio Group currently has not got a structured process to assess whether employees in the value chain are aware of the existence of this channel.

Actions and targets

As described in the previous paragraph, Piaggio requires all its suppliers to sign its Code of Ethics, which calls for an explicit commitment to comply with laws on the environment, pollution, health and safety, and respect for workers' rights, so as to ensure compliance with its ethical values throughout the production and sale cycle of its products.

The Group is contemplating ways to enhance the evaluation and selection process for its suppliers, with particular consideration given to their social practices. Furthermore, as previously noted, it is assessing how to broaden its due diligence procedures.

The Group has not yet defined any measurable targets with delineated time horizons.

Affected communities

AFFECTED COMMUNITIES

Existing policies

For Piaggio, the impacted communities are those residing near its manufacturing facilities.

Piaggio has consistently fostered a close bond with its community, aiming to contribute not just economically and productively, but also socially, culturally, and educationally. It champions topics like art, design, culture, communication, and the spread of its core values, including innovation, creativity, ethics, and environmental awareness. Additionally, Piaggio has always been responsive to the needs of areas struck by emergencies, be they health-related or climatic.

The Marketing & Communication Department coordinates community support activities in Italy, whereas in other countries where Piaggio operates, the Area CEO is responsible.

The Group's relations with local communities are regulated in the Code of Ethics. The Group has not deemed it necessary to formulate a specific policy on this issue at present, also in relation to the human rights of local communities.

The Group has designated several contacts at the corporate office that third parties can ask in relation to any report.

Involvement processes

In line with Article 7 of the Code of Ethics, Piaggio aims to boost the economic health and development of the communities where it works by selling products and offering efficient, cutting-edge services. In line with these goals and duties to shareholders and investors, the Company recognises that research and innovation are essential for growth and success. The Company upholds relations with local, national, and supranational public bodies through complete and active cooperation and openness, adhering to current laws, respecting mutual independence, economic goals, and the values outlined in the Code of Ethics. The company values and, when needed, backs initiatives in social, cultural, and educational spheres that seek to enhance personal development and better living conditions.

The Piaggio Group, as reported in the section "Expectations and ways of involving stakeholders - General information", involves local communities through various activities: meetings, exhibitions and events, charity activities, job offers. To prioritise its stakeholders, Piaggio has adopted an approach that informs local communities without actively involving them, for instance, in conducting the double materiality analysis. The following paragraphs provide a more detailed description of the activities conducted with local communities. The Group will review its stakeholder engagement in the coming years, reaffirming or expanding the existing approach.

The Group creates job opportunities in the areas in which it operates. Historically, it has exported its business practices to every country where it operates plants. All Piaggio industrial facilities hold international certifications for quality, environment, health, and safety.

Processes to remedy negative impacts

As part of the double materiality analysis, the Group did not identify any material negative impacts related to the affected communities.

Affected communities

Supporting local communities

Although Piaggio has not defined specific targets, it has always been committed to initiatives that have a positive impact in the communities where it operates.

The Companies Act of 2013 enacted by the Government of India in 2013 stipulated that large companies operating in India must spend in each financial year, at least two percent of the average net profits of the last three years, in compliance with the company's Corporate Social Responsibility Policy and giving priority to local areas adjoining the production site. Schedule VII of the Companies Act 2013 lists the CSR activities that can be undertaken by companies in compliance with the Corporate Social Responsibility Policy: (i) eradicating hunger and extreme poverty; (ii) promoting education; (iii) promoting gender equality and empowerment of women; (iv) reducing child mortality and improving maternal health; (v) combating HIV, malaria and other diseases; (vi) ensuring environmental sustainability; (vii) promoting employment and improving professional skills; (viii) social entrepreneurship projects; (ix) contribution to the Prime Minister's National Relief Fund or any other fund established by the central or local governments for socio-economic development.

Piaggio Vehicles Private Limited (PVPL) has focused its commitment on social projects generally in the areas of water and sanitation, education, and women's empowerment, chosen on the basis of preliminary research carried out internally on the needs of the area surrounding the plant. A dedicated committee, comprising members of the company's Board of Directors, selects the projects for development.

FONDAZIONE PIAGGIO⁷⁹

In 2024, the Piaggio Foundation marked its 30th year. This significant milestone provided a chance to consider the journey so far and the attainment of objectives the Founding Members set in 1994, as well as those for the near future. Founded to show that business, land, and culture can coexist and create significant synergies, the Piaggio Foundation, through its Historical Archive and Museum, has over the years successfully honoured and celebrated not only Piaggio's history and the region that supported its growth but also the stories of the many individuals who devoted their careers to the firm. Over time, this function as a "historical and celebratory memory" has been complemented by an increasingly significant role as a hub for social gathering and cultural advancement. Today, the Piaggio Foundation stands as a key cultural beacon in Tuscany, known as a vital hub for education and a cradle of fresh ideas. It's a space where creativity thrives and where values and knowledge are imparted. A company and its surrounding area can grow through the cultural development of their workers and residents. This belief has guided the Piaggio Foundation's work over the years and will continue to shape its future efforts.

In the past year, the 30th anniversary of the Piaggio Foundation was joined by two other particularly important anniversaries: the Piaggio Group celebrates 140 years since its founding and marks a century of its presence in Pontedera. Pontedera was also the venue for an event of international significance: the Vespa World Days, a global assembly of Vespa Clubs, took place in Tuscany for the first time.

These anniversaries and events have greatly shaped the Piaggio Foundation's activity schedule, as the Piaggio Museum has become the symbolic and central venue for numerous rallies and festivities in the region. Despite this remarkable dedication, the Piaggio Foundation once again welcomed numerous conferences and debates on science and culture, arranged three exhibitions, upheld the music festival, the literary festival, the literary award, and the educational initiatives.

⁷⁹ It should be noted that information on the Piaggio Foundation, an entity not included in the Group's scope of consolidation, constitutes qualitative aspects that are useful for understanding the focus on the social context, even though this information is not included in the scope of consolidation.

Affected communities

PIAGGIO MUSEUM

In 2024, visitor numbers at the Piaggio Museum neared 90,000, far exceeding those before the pandemic. To this figures are added the virtual visits, estimated at about 10,000, consistent with the numbers from 2023. The Vespa World Days saw a significant turnout, attracting over 17,000 visitors in four days despite the entry restrictions enforced for safety.

In preparation for a steady rise in visitor numbers, additional funds will be allocated in 2024 to enhance the museum's galleries and make them more accessible.

Two new offices dedicated to the Vespa World Club and the Historical Vespa Registry were built, inaugurated on the occasion of the World Vespa Days, and the space outside the Museum was reorganised with improvements to the green areas and the decor of the forecourt.

PIAGGIO HISTORICAL ARCHIVE

In 2024, the Piaggio Historical Archive liaised with different Piaggio Group divisions, offering historical and iconographic guidance. The Historical Archive played a crucial role in the celebrations of the company's 140th anniversary, particularly in revamping the history section on the Piaggio Group website (<https://www.piaggiogroup.com/en/group/history>).

The selection of images for the Vespa World Days communications in Pontedera was equally vital, significantly engaging the Archives.

As far as external activities are concerned, the Archive collaborated on the selection of images for two important exhibitions organised by the Ministry of Enterprise and Made in Italy:

- "Identitalia, The Iconic Italian Brands" - Rome, Palazzo Piacentini, 13 February-6 April 2024: dedicated to the most important Italian historical brands on the occasion of the 140th anniversary of the Italian Patent and Trademark Office;
- "Innovating for the Future", set for the final days of October and early November, honours historic patents. This event coincides with the 140th anniversary of the Italian Patent and Trademark Office.

The Archive contributed texts and images to the following exhibitions:

- "Italy Sixties. Art, Fashion, and Design from Boom to Pop", organised by the Regional Entity for Cultural Heritage of Friuli Venezia Giulia (Gorizia, Attems Petzenstein Palace, 29 June-27 October 2024);
- "Italy, the Land of Blossom," showcased at the Italian Pavilion during the Shanghai EXPO, celebrates Italian design from 27 September 2024 to 25 February 2025.

The Archives worked together to choose images and write texts for the "La Vespa e il Cinema" exhibition. The Piaggio Foundation, in partnership with Promocinema, organised this event. It took place at the Rinascente on Via del Tritone during the Rome Film Festival, from 16 October to 5 November 2024.

As usual, the Archive also helped students, scholars and journalists writing of term papers, dissertations and publications in their research.

Affected communities

CULTURAL PROJECT

The Piaggio Foundation's Cultural Project was again a great success in 2024, making a decisive contribution to bringing the public to the Museum and attracting many new visitors, also thanks to the new features in the programme.



VESPA WORLD CLUB

In 2006, on the initiative of the Piaggio Group and the Piaggio Foundation, the Vespa World Club, a non-profit association, was founded; this organisation is a way for Piaggio to directly follow the management of Vespa Clubs in order to preserve the fleet of vintage Vespas still in circulation, to support collectors in researching and restoring these vintage vehicles and to continue to organise tourist rallies and exciting races in Europe and around the world, guaranteeing Vespa fans a high quality event.

The mission of the Vespa World Club is to:

- promote initiatives for the coordination of social, tourist, sporting and competitive activities;
- set up representative bodies of National Vespa Clubs at all national and international venues and organisations;
- organise trophies, rallies, competitions, exhibitions, congresses, conferences and meetings;
- look after and protect the interests of members;
- promote and implement safety, education, road traffic behaviour;
- promote studies and historical research on the relationship between the Vespa and local territory;
- assist interaction between the company and enthusiasts.

2024 was the year that confirmed the positive trend, with a packed events calendar. Among the events organised over the past year, we can highlight the most significant:

- **Aperigiro:** The event was a resounding success, with around fifty Apes boldly navigating the Apennines on 16-17 March and journeying along the scenic Cinque Terre route to La Spezia.
- **Vespa World Days Pontedera:** This year marked the inaugural Vespa Club World Gathering in Pontedera, coinciding with the company's 140th anniversary, the Pontedera plant's centenary, and the 70th year of the Club's meetings, which started as a Vespa criterium, evolved into EuroVespa, and are now known as Vespa World Days. A record-breaking edition featuring 56 countries, 8,300 participants, and over 15,000 daily attendees across the event's four days. The company is highly engaged, offering tours, a shop in the Vespa Village for test riding models, and an on-site workshop for customer service. A record-breaking Saturday morning parade, with its 19.7 km chain of Vespas, was met with joy by the people of Valdera.
- **VESPA TROPHY:** The Vespa Trophy is a touring trophy linked to the Vespa World Days. The event covers the whole of Europe. The 2024 Vespa World Days concluded in Pontedera, Italy.

Affected communities

- **The Gymkhana World Championship**, part of the Vespa World Days in Pontedera, revived the traditional 1950s and 1960s Gymkhana within the event's programme.
- **European Vespa Rally Championship**: Sixteen Vespa Clubs from Austria, Germany, Hungary, and Italy participated in the event.
- **EUROPEAN VESPISTI WEEK**: presence at the European Vespisti Week rally in Montegrotto Terme (PD). Tourist rally in the Euganean Hills organised by VC Italia.
- **APE ABC**: in collaboration with the Ape Club Italia Board, Piaggio Commercial arranged the inaugural Ape Historical Register Event over the weekend of 20-21 September. A, B, and C are actually the chassis prefixes denoting the first three models of the compact vehicle from Pontedera.

MOTO GUZZI WORLD CLUB

The Moto Guzzi World Club was established in 2002 with the aim of:

- promoting interest, knowledge and safeguarding the historical value of the Moto Guzzi trademark and the motorcycles it produces;
- creating and developing links among owners of Moto Guzzi motorcycles;
- organising events, meetings, conferences, competitions;
- disseminating national and international motoring tourism, enhancing and rediscovering local tourist itineraries thanks to the activities carried out and information exchanged among members;
- creating and developing links with non-profit organisations or other sports and non-profit associations that carry out social, humanitarian, environmental protection, etc. activities that can be helped by initiatives promoted by the association in the motorcycle industry or other sectors;
- developing relations with the parent company and coordinating its own and its members' activities with those of other national and international brand clubs.

Today, after over 20 years of operation, the Moto Guzzi World Club boasts not only direct members and affiliated clubs in Italy but also recognised clubs across Europe, America, Asia, and Australia.

Two rallies were organised directly by the MGWC:

- "Moto Guzzi World" (April/San Benedetto del Tronto);
- "Mediterranean Area" (June/Corfu).

We must highlight the traditional "Guzziata di Natale" (Christmas Guzzi) event, organised by the Moto Guzzi Club Capo di Leuca. This year marked its 15th occurrence, taking place from 13 to 15 December.

On this occasion, Guzzisti from Italy and Europe, in addition to the usual rally activities, take part in charity work. They support the Socio-Rehabilitation Community of the Trinitarian Fathers in Gagliano del Capo (LE), assisting more than 50 individuals with various disabilities.

The Moto Guzzi World Club also supports its members' track activities at events hosted by the FMI, known as "CIV Classic". The club has arranged for a pit box to be rented at each scheduled round.

MOTO GUZZI FAST ENDURANCE TROPHY

The sixth Moto Guzzi Fast Endurance Trophy took place from May to October 2024.

The event, organised by FMI, was dedicated to the Moto Guzzi V7 III (850cc), fitted out with a special kit created by Guareschi Moto, the long-established dealer considered a specialist in fitting out racing vehicles. The kit featured the windshield, side number plates, handlebar halves, raised floorboards, front mudguard, underpan, front suspensions, rear suspensions, control unit, brake pads and single seat.

The championship consisted of six races held at the main Italian motorbike circuits over four separate weekends.

The formula envisages teams of two riders taking turns every 15 minutes, with the duration of the races ranging from 60 to 90 minutes depending on the circuit.

A total of 22 crews participated.

Affected communities

MOTO GUZZI - OPEN HOUSE 2024

The Moto Guzzi Open House took place, following tradition, in Mandello del Lario from 12 to 15 September. Despite major expansion work at the construction site, the 30,000 attendees were assured the chance to visit the Museum and the Wind Gallery, and "The Clan" Community members could collect their gadgets. Thanks to the active cooperation of Mandello's local council, we managed to relocate many activities, previously held inside the factory, to external areas. The shop and its display were actually located in front of the red entrance gate. The railway station car park hosted vehicles and amenities for the Test Ride of the V100, Stelvio, V85, and V7, allowing over 1,200 enthusiasts to try out the different models.

APRILIA ALL STARS - 2024

On 8 June 2024 more than twenty thousand enthusiasts from all over Italy and Europe arrived in Misano to celebrate Aprilia, its bikes, its riders and its history. The 2024 Aprilia All Stars edition was a resounding success, outshining the impressive figures of past events. Numerous stars gathered to celebrate the most successful Italian and European MotoGP manufacturer, boasting 298 Grand Prix wins. Today's champions, Maverick Viñales, Aleix Espargaró, Miguel Oliveira, and Lorenzo Savadori, were accompanied by true legends like Max Biaggi, Loris Capirossi, Alex Gramigni, and Mattia Pasini. In the grand finale parade on the track, nearly every model from the Venetian maker was on display, ranging from the 1970s off-roaders to the iconic 125 sports cars of the 1980s, the twin-cylinder superbikes, motards, and up to the latest RSV4, Tuono V4, Tuareg, and the inaugural RS 457.

CHARITY ACTIVITIES

During 2024, the Group implemented Charity projects amounting to approximately 480 thousand euros.

An analysis of the projects funded in 2024 is given below:

- The collaboration between the Piaggio Group and (RED) - an association founded in 2006 by Bono and Bobby Shriver - continued. Thanks to the help of partners and supporters, the project generates funds to combat AIDS and pandemics (the contribution made by Piaggio in 2024 was \$200,000). In addition, during the Aprilia All Stars event, held every year at the "Simoncelli" circuit in Misano, five Aprilia scooters, autographed by MotoGP riders, were donated to (RED), which were then auctioned through the Charitystars platform;
- the Telethon project in funding biomedical research into rare genetic diseases was supported through the donation of a vehicle (Vespa Primavera 125) and a cash donation of €10,000;
- the IOM (Istituto Oncologico Mantovano) was supported in its mission of social solidarity with the donation of a Liberty 125 vehicle, providing support in health and social care for cancer patients and their families;
- an electric Vespa has been donated to the Laureus Foundation, which develops sports programmes to support children and young people in vulnerable social and economic conditions;
- the Carabinieri Corps Marshals and Brigadiers School was supported by donating a vehicle (Aprilia SXR 50 SPORT), which was the top prize in their Christmas raffle.

The Indian and Vietnamese subsidiaries have also always been active in social work, supporting and promoting charitable initiatives.

Affected communities

In particular, during Tet, Piaggio Vietnam donated 100 sets with basic necessities worth around €3,000 to as many needy people in Binh Xuyen district, where the factory is located, and provided support and assistance to 17 employees in need. The affiliate also takes care of more than 100 orphaned and disadvantaged children at the orphanage and delivers necessary goods worth €1,500. In addition, in 2024, Piaggio Vietnam organised a blood donation initiative for the first time, in which over 120 employees participated.

In 2024, Piaggio Vietnam engaged in numerous initiatives with universities to motivate and strengthen the youth. The company sought to equip young people with hands-on skills, career advice, and firsthand professional experience, inspiring them to forge a promising future through a sequence of impactful events. Among these efforts, Piaggio Vietnam successfully organised two interesting job interviews focused on providing students with perspectives on two highly relevant fields: human resource management and supply chain management. More than 600 students took part, turning these events into a priceless opportunity for learning and engaging with field experts. Piaggio Vietnam organised not only job interviews but also a factory tour for six groups of students, totalling over 200 individuals, from both national and international universities. These visits provided students with firsthand understanding of Piaggio's innovative methods, high standards, and professional setting, sparking their ambition for future careers at Piaggio.

Piaggio Vietnam supports employees who want to do voluntary work. The total number of working hours that employees devoted to organising and participating in voluntary activities for the community was more than 500.

Charity activities are carried out in India within the framework of the rules dictated by the Company Act of 2013 enacted by the Government of India, which has been fully disclosed in the preceding pages.

Piaggio Vehicles Private Limited (PVPL) has focused on skill development, education, community health, and environmental care to foster sustainable growth in the communities where it works. PVPL's structured and scientific approach to CSR is based on the following principles:

- empowering and equipping neighbouring communities with greater skills, knowledge and access to resources;
- identify projects based on needs, tackle local social issues, and address highly important and relevant causes using suitable tools like surveys or participatory assessments;
- involve stakeholders directly or through partners to design, develop and implement CSR programmes;
- work in tandem with government programmes in line with PVPL's CSR objectives;
- ensure the approach is project-based, with a clear end date and exit strategy.

The projects developed by the Indian affiliate during 2024 were as follows:

Skill development

a. Production of greeting cards:

the greeting card trade provides many benefits for rural schools. PVPL staff taught arts and crafts to all 35 pupils at ZPPS More Wadi School in Baramati. This craft workshop provided a valuable chance for volunteers to engage with rural school pupils, fostering creativity, excitement, self-expression, happiness, and the growth of crafting abilities.

b. Sporting event:

a Kabaddi sports event⁸⁰ was organised at a rural school in Baramati to bolster teamwork, foster goal-setting abilities, and sharpen memory, concentration, rapid focus, and decision-making. A total of 70 students, both boys and girls, took part in the Kabaddi event. PVPL staff played an active role in organising this sports event at ZPPS Medad School in Baramati.

c. Lantern-making workshop:

the goal is to foster an interest in education among rural students and encourage them through skill-building and artistic expression. Additionally, the workshop seeks to highlight the benefits of choosing eco-friendly products. Sixty-four students from ZP School Rui in Baramati took part with enthusiasm.

80 It is a team contact sport that is practised 7 against 7.

Affected communities

d. Food and clothing for the elderly:

sixty elderly residents at Swami Niwas retirement home were given vital food and clothes. This initiative gained support from the active participation of five committed employees who visited the nursing home. Their efforts not only met the basic needs of the elderly but also nurtured a sense of community and care among the residents. The supply of these essential needs has been instrumental in enhancing the quality of life for the elderly, showing that a communal endeavour can assist and uplift this susceptible portion of the population.

Education - scholarship programme

a. Project: "Shiksha Se Samriddhi":

PVPL set up 75 scholarships for the children of community rickshaw drivers.

b. DAAN UTSAV - The joy of giving:

Piaggio celebrated "Daan Utsav", India's festival of giving, held annually nationwide from 2 to 8 October. Sixty-one PVPL staff members joined the celebration, giving educational supplies to children in need.

Well-being of the community

a. Health field:

in collaboration with D.Y. Patil Hospital in Pune, a general medical check-up was held at the state school in Baramati. Paediatricians, ENT specialists, ophthalmologists, and gynaecologists examined 65 girls. The camp's goal is to raise health awareness among adolescent girls, who are the daughters of sex workers, and to offer them essential health services and medication.

b. Voluntary blood donation:

the partner for this initiative is the Gholap Blood Centre located in Pune. 51 employee volunteers generously stepped forward to donate blood. These employees' engagement shows a keen sense of social duty and a readiness to positively impact the community's health and well-being.

Environment

a. Planting trees:

With this initiative, PVPL aims to positively contribute to environmental protection and foster a sense of responsibility for nature. In partnership with the Swanand Jankalyan Pratishthan, we planted 10 trees in the Veer Baji Pasalkar Butterfly Garden, a place selected for its ecological importance, particularly because of the flowering plants that draw butterflies.

b. Wall painting in slums:

The Pune-based Swanand Jankalyan Pratishthan is spearheading a volunteer project where employees paint slum walls, especially in Annabhau Sathe Vasahat, Pune. The primary goal of this initiative is to enhance the vibrancy and overall mood of the slum community by turning decrepit walls into vibrant and significant art pieces. This artistic endeavour aims to foster pride and a sense of belonging in residents, especially children, who will enjoy a more attractive environment.

Customers
and end-users

CUSTOMERS AND END-USERS

Piaggio's direct customer is its distribution network. Piaggio has its own sales network in the main markets of Europe, America, India and Asia Pacific, while it operates through importers in the remaining areas of EMEA and Africa.

The sales network is the key to building and maintaining trust with customers in our primary markets. It serves as the main channel for customer relations and conveying the company's image.

Dealers are true partners for Piaggio, essential for growth and guaranteeing customer satisfaction. Dealer management relies on trust, fairness, transparency in contractual obligations, politeness, and collaboration. In addition, to ensure that the logic of customer centricity persists at all stages of the sales process, the network is guided in a two-fold manner: on one hand, we adhere to the principles outlined in our corporate procedures, the Code of Ethics, available on www.piaggiogroup.com, and on the other hand, we are committed to continually updating our knowledge and understanding of the Group's new offerings. This includes how we engage with customers and any changes in regulations or product details.

Policies related to consumers and end-users

As set forth in the Code of Ethics, Piaggio strives for excellence in the products and services it provides, with careful consideration of customer needs, and is dedicated to fulfilling their requests with the greatest level of attentiveness. The objective is to ensure a prompt, skilled, and proficient response to customer needs, aligning our conduct with the principles of integrity, politeness, and collaboration.

Within the framework of the ISO 9001-certified Quality Management System, which is in place across all Group locations, Piaggio has embraced a Quality, Environment, Occupational Health and Safety Management Systems Manual⁸¹. This manual directs the company's efforts towards enhancing the quality and reliability of its products. Such improvements are characterised by adherence to standards and specifications, user-friendliness, ease of maintenance, and the sustained performance and functionality over the product's lifespan. A review of the Management Systems is conducted periodically, taking into account the degree to which stakeholder expectations are being met. The application of the Manual is delegated to the Quality Systems Manager.

Piaggio oversees the quality of the distribution process to ensure reliability, transparency and continuity of service throughout the product life cycle. Innovation is a crucial driver here, leading to the streamlining of operational tasks and, more importantly, the launch of new services for dealers and customers. This is enabled by technological advances and an ongoing overhaul of interaction processes to ensure simplicity and transparency.

81 The Manual is published on the company intranet.

Customers and end-users

Our business partnership thus relies on a suite of tools like the Dealer Portal and the Marketing Portal, designed to ensure a steady and direct exchange of information from the Piaggio Group to the local area. Efforts to enhance dealers' knowledge and skills through frequent gatherings, such as Road Shows, Dealer Meetings, and technical training, should also be taken into account. The Code of Ethics mandates the duty to uphold the human rights of clients and to provide comprehensive and accurate information regarding both the inherent and additional qualities of the products supplied.

The Group shares details of its vehicles on its commercial and institutional websites, as well as through campaigns and promotional materials. The Group has established a stringent control system to guarantee the accuracy and comprehensiveness of information released to the public. This is to reduce the risk that any dissemination of partial or false details concerning the sustainability attributes of products – such as potential instances of greenwashing related to the percentage of recycled materials, battery usage, and so on – could lead to adverse effects on our reputation. Please refer to the section on "Privacy" in the "Governance Information" chapter for policies on respecting customers' right to privacy.

Involvement processes

The Piaggio Group, as reported in the section "Expectations and ways of involving stakeholders", has identified two categories of stakeholders in this downstream phase of the value chain: End-users; Dealers/Importers.

While direct customers and dealers are mainly involved via the Dealer Portal, end-users have multiple channels of involvement: – Contact center, Customer satisfaction surveys, Communication channels (websites, social media), Events, Motoplex. Piaggio has adopted a proactive approach to engaging stakeholders, whose contentment is essential for the company's success and ongoing expansion. This paragraph provides full details of the current activities.

Customer and end-user relations responsibilities are split based on expertise among Marketing and Communication, Product Development and Marketing, and Manufacturing.

DEALER PORTAL

The Dealer Portal serves as the daily link between the company and its dealers, maintaining contact beyond in-person or phone interactions.

For years, the Group has modernised the Dealer Portal, a key communication channel, to facilitate a two-way flow of information. This portal provides access to applications, data, and technical and commercial documents essential for market engagement, all in line with real-time, agreed standards and criteria. Access is tailored to the profile given to the licensee in the concession agreement.

In particular, the Dealer Portal allows the dealer to:

- find out about product promotions and sales tools;
- real-time access to technical, commercial and administrative documentation;
- know and train staff on how to maintain products and manage customers;
- disseminate institutional information, press releases, and current activities.

CUSTOMER RELATIONSHIP MANAGEMENT AND DIGITAL MARKETING

Piaggio has developed and refined a customer feedback platform, active in key markets where its products are sold, to grasp evolving customer expectations and evaluate the success of its initiatives.

The main listening activities are carried out through:

- We collect data on our brand websites when you fill out forms to book services like test rides and dealer visits, request quotes and finance, or ask for more details, such as brochures. Once we have completed the forms and received the data in our systems (CRM), we provide the services requested by Piaggio or the dealers. In certain markets, a Business Development Centre (BDC) brokers customer relationships, managing clients to enhance service;

Customers
and end-users

- Direct mailing activities: e-mails are sent to our customers or to individuals interested in our products or initiatives, either automatically or manually. These activities are carried out in compliance with the GDPR;
- Studies and market research: we interview our customers at our major events (EICMA, Moto Guzzi Open House, etc.) to gauge their appreciation for our products and brands. Other interviews are conducted using online or phone surveys to gauge satisfaction at different stages of the customer journey, such as visiting the dealership or taking a test ride.

The Business Development Centre (BDC) is the unit that manages prospective clients professionally, aiming to qualify them and enhance the "drive to store" process.

Customers visiting the Piaggio Group websites (Aprilia, Moto Guzzi, Piaggio, and Vespa) can pick their desired vehicle, find their closest dealer, and book an appointment by completing a form online. These requests feed into the Piaggio Group's Lead Management Platform system.

The BDC has dedicated access to this platform and can see all individual requests divided by channel: test rides, appointments, information, configurations, quotations, bookings. Piaggio's headquarters, markets, and dealerships all have access to the platform.

The BDC calls customers within 1-2 days of the arrival of the request. Attempt to contact the customer twice, on separate days and at varying times, to arrange an appointment or a test ride.

During the "welcome call", delivered in Italian, French, Spanish, German, English, Dutch and Flemish - depending on the markets involved in the project - the BDC first performs a customer profiling and then asks potential customers some questions about:

- Product engagement
- Specific needs for financial services
- Information on used vehicles (part-exchange)

Following this initial contact, all potential customers genuinely interested in our brands and/or products will be directly managed by the dealer, benefiting from the segmentation work performed by the BDC.

7-14 days after the in-store visit, the BDC rings customers for a follow-up to learn why they declined or to gather other feedback such as product design, cost, dealer satisfaction, test ride impressions, and so on.

All research reports are uploaded to a dedicated SharePoint portal to share the surveys within the company. Access the portal via a dedicated link with user-specific logins and passwords tailored to each organisational unit and relevant market.

MAIN INDICATORS USED BY PIAGGIO TO MONITOR THE CUSTOMER EXPERIENCE

	ANALYSIS SCOPE	
	BRAND/PRODUCT	SERVICE
Net Promoter Score Index	X	X
Loyalty - Willingness to repurchase/use the same office again	X	X
Net Satisfaction Score Index	X	X
Defect rate perceived by the customer	X	X

Processes to remedy negative impacts

The success of the company depends on its ability to respond to customer's needs.

Piaggio is committed to preventing product quality and safety issues by implementing a robust and structured quality management system, certified to ISO 9001 standards.

To mitigate the risk of product defects that could tarnish its reputation, the Group has established a dedicated structure for engaging with customers, addressing their needs and resolving their issues.

**Customers
and end-users****CUSTOMER SERVICE**

The Piaggio Group is dedicated to meeting the needs of its customers or prospective customers by ensuring a skilled and knowledgeable response, guided by the principles of integrity, politeness, and collaboration. The Piaggio Group Customer Service is in different markets via dedicated contact channels, typically found in the "contacts" section of its websites. The Piaggio Group acknowledges the importance of safeguarding personal data and is dedicated to preserving privacy by ensuring data protection in line with its privacy policy.

You can reach Piaggio Group Customer Service via the contact methods provided in the "contacts" section of the Group's website (<https://piaggiogroup.com/en/contacts>).

Customer service contact options vary by brand and by language or market. For the markets in Italy, France, Germany, the UK, Spain, Belgium, the Netherlands, and Luxembourg, customer service is provided in the local language from Italy. It can be accessed via toll-free numbers, which vary by brand, or through contact forms on the respective brand websites.

The Group provides customer service contact options for customers in China (<https://piaggio.cn/customer-care/>), North America (https://www.vespa.com/us_EN/customer-care/), Vietnam (https://www.piaggio.com/vn_EN/customer-care/), Indonesia (<https://piaggio.co.id/en/contact>), and India (<https://vespaindia.com/contact-us>). You can find these on the "contact" section of each website. In markets where an official importer sells the Group's products, that importer handles Customer Care management.

End-users are made aware of the aforementioned contact channels via the sales network and through the documentation provided at the time of purchase.

Most calls to contact centres are resolved instantly. Other requests are diverted by the contact centre directly to the network and/or to the relevant company functions.

Reports of product quality problems coming from the Market/Customers are directed to Technical Support, which will immediately inform the Product Development Department and, if necessary, Legal and Corporate Affairs.

The Product Development Department will carry out and coordinate a preliminary analysis and, if the reported quality problem raises concrete and relevant risks, will immediately convene the Committee to identify a timely action plan.

In other cases, quality problems that prove to be well-founded will be investigated and presented at the monthly Committee meeting.

DIGITAL PRESENCE

The introduction of new technologies has significantly altered the way consumers buy products. Digital channels play a crucial role, with market studies showing that most consumers visit dealerships after researching and gathering information about their preferred model online. Information provided from external sources, whether commercial or technical, is verified by the relevant departments for accuracy and completeness.

The Group oversees the quality of service delivered by its sales network through research conducted by expert third-party companies.

MARKETING PORTAL

The Marketing Portal keeps the Dealer regularly updated on marketing and communication resources and activities, ensuring consistent brand representation at the local level.

The tool, linked via a unique authentication system to the Dealer Portal and therefore with customised access according to the brands handled, allows the dealer to:

- access to promotional communication campaigns made available by the Group in line with company policy;
- customise these campaigns according to territorial needs, while maintaining consistency with company guidelines;

Customers and end-users

- access content for point-of-sale materials, product brochures, and stationery (such as letterheads and business cards), directly handling orders for the required quantities for their business;
- access to product details, including photos of the available selection, sales guides, and corporate and promotional videos.

Additionally, the Marketing Portal enables the company to track how dealers use these materials by providing straightforward access to real-time statistics and details on the platform.

Interventions on major impacts

DEALER MEETINGS AND TRAINING

Training and sales network meetings are a staple in the Group's activities. Examples include local dealer events (road shows), specialised workshops, pilot trials with dealer panels for new initiatives, and, importantly, technical training. These events are also an opportunity to inform the network of technical innovations, mainly in the areas of safety, emissions and performance, introduced on new models. The aim of these activities is to ensure that the Group and its dealers' initiatives effectively become customer management practices that build loyalty and boost the Group's market reputation.

The Group also champions responsible sales practices, ensuring transparency, thoroughness, and accuracy in the information given to customers throughout the relationship.

CUSTOMERS

The Piaggio Group has always prioritised customer needs and satisfaction. From this customer-focused viewpoint, our entire organisation strives to ensure that the Group's innovation, history, and tradition translate into delivering the finest products and services to end consumers.

The most effective tools for building a trusting and enduring relationship with customers are the Customer Opinion Survey and Customer Service initiatives.

Listening to customers, integrating their needs into the business, and steering the organisation towards meeting them is the role of the customer experience function. Quality and reliability are crucial for scooters, motorbikes, and commercial vehicles. They are key not only to customer satisfaction but also to safety.

The pursuit of continuous quality improvement of its own production systems and those of its suppliers and a careful audit of outgoing quality, combined with an effective product traceability system and components, are essential to guarantee the reliability of Piaggio vehicles.

In order to continuously improve the quality of its vehicles and perceived comfort, Piaggio has a detailed, precise, robust and binding product development process, a careful and scrupulous auditing of outgoing quality from a customer perspective and an effective product and component traceability system, constantly strives for excellence in the management of both internal and external production processes, and constantly monitors data from the service network on problems encountered by customers.

Additionally, the Group has functions committed to ensuring the reliability and safety of all products, both new and existing, from initial design through to their release. The tests go beyond laboratory work, encompassing on-road trials with various scenarios tailored to reflect how customers actually use the vehicles. During 2023, the Piaggio Group implemented an additional project on Italian plants aimed at digitising and capturing anomalies detected on the line and subsequent vehicle repair actions. The collection of information relating to the problem that has occurred contributes to the creation of a daily report and the creation of work teams aimed at attacking the anomalies detected in order to reach a 90% "good right away" percentage (vehicles that can be approved, i.e. that can be sent to the warehouse for shipment to the network).

The Group is confident that the measures implemented to uphold product quality, as well as to address any potential impacts and risks concerning customer and end-user safety, fully align with Piaggio's internal goals. Key performance indicators (KPIs) internally monitored concerning product defects, especially those related to safety components, demonstrate that we meet the highest quality standards in the market.

Regarding the impact and associated risks of potentially disseminating incomplete or unclear information about product characteristics, Piaggio aims to guarantee honest and transparent communication.

No human rights incidents related to customers and end users were reported.

Customers
and end-users

Targets

At present, the company has not set any public quantitative targets.



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GOVERNANCE INFORMATION

For an in-depth and detailed analysis of Piaggio & C.'s Corporate Governance system, please refer to the Report on Corporate Governance and Ownership Structure for the year ending 31 December 2024, available on the website www.piaggiogroup.com in the Governance section.

EXISTING POLICIES

The Parent Company Board of Directors plays a key role in the Company's organisation, overseeing functions and responsibility for its strategic and organisational guidelines, checking the existence of controls necessary to monitor the performance of the Group.

In accordance with Article 18.1 of the Articles of Association and the Board of Directors' Regulations ("**BoD Rules**"), the Board possesses full authority to manage the Company. To achieve this, it may adopt resolutions or carry out any actions it considers necessary or beneficial for realising the company's objectives, except for those matters that, by law or under the Articles of Association, are exclusively allocated to the General Meeting of Shareholders.

The Company does not make contributions, provide advantages or other benefits to political parties and workers' trade union organisations, nor to their representatives or candidates, subject to compliance with applicable legislation.

Code of Ethics

Since 2004, Piaggio & C. has implemented a Code of Ethics in accordance with the Organisational Model required by Legislative Decree 231/2001. The Director of Legal & Tax is responsible for its enforcement.

The Code of Ethics was last updated and approved by the Board of Directors in 2023 with the introduction of new articles dedicated to the following topics: antitrust and competition; protection of personal data; ESG; whistleblowing.

The Company is dedicated to acknowledging and upholding the principles that safeguard globally recognised human rights, as articulated in international treaties. These include the United Nations Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work, and the principles set forth by the International Labour Organisation: in particular respect for personal dignity, the rights of the person and the prohibition of all forms of discrimination.

These principles, already present in the company as they are a part of the Code of Ethics, have been made explicit, in order to bring the code into line with the social and ethical values inspiring the Piaggio Group's activities.

In addition, the Company annually issues a Modern Slavery statement, aimed at ensuring that the Group's activities comply with the regulations of the Modern Slavery Act 2015 enacted by the UK Parliament, compliance with which is required of all companies operating in the United Kingdom.

The Code of Ethics, available on the Company's website (www.piaggiogroup.com/Governance), is in force at all Group companies and clearly and transparently defines the principles and values inspiring the entire company organisation:

- compliance with the laws of the states where Piaggio operates;
- rejection and condemnation of unlawful and improper behaviour;
- prevention of violations of the law, a constant search for transparency and fairness in business management;
- the pursuit of excellence and market competitiveness;
- respect, protection and enhancement of human resources;
- the pursuit of sustainable development with respect for the environment and the rights of future generations.

The Group's Code of Ethics defines the ethical and social responsibilities of each member of the company's organisation. In particular, the ethical and social responsibilities of executives, middle managers and

Business conduct

employees, as well as suppliers, are stated, to prevent irresponsible or unlawful behaviour on the part of those acting in the name of and on behalf of Group companies.

The HR department provides all employees with the Code of Ethics upon recruitment to ensure adherence. Piaggio also requires its suppliers to sign general supply conditions that specifically refer to the Group's Code of Ethics or require an explicit commitment to comply with laws on the environment, pollution, health and safety and respect for workers' rights, so as to ensure compliance with its ethical values throughout the production and sales cycle of its products.

As of now, in relation to the effects of tackling both corruption and bribery, the Group has deemed the measures outlined in the aforementioned Code of Ethics to be suitable for its scale and circumstances. A specific policy consistent with the UN Convention against Corruption is being considered.

Whistleblowing channels

In line with its continuous dedication to enhancing corporate governance and to guarantee a transparent and inclusive work environment, the company offers its employees an internal whistleblowing channel, which can be accessed online at <https://www.piaggiogroup.com/en/governance/ethical-code> for a dedicated and secure whistleblowing channel. You can use it to report legal breaches, procedural and internal policy violations, or to flag potential risks. Each report is treated with the utmost confidentiality, ensuring the protection of the identities of the reporter and those involved throughout the process. The mechanism ensures a prompt analysis of the case and, if needed, the implementation of suitable corrective actions.

The company guarantees the transparent and efficient distribution of information about this tool via a comprehensive global corporate policy and a training programme, with the objective of encouraging responsible and secure reporting practices.

Additionally, an internal monitoring system has been set up to track the progress of reports and corrective measures, promoting continuous improvement and a company culture that values human rights and dignity. Under current law, it's important to note that the company's whistleblowing channel does not apply when the whistleblower acts solely for personal reasons or has complaints about their employment relationship with managers. In these situations, employees should contact the usual HR channels to have their concerns reviewed following the company's standard procedures.

Remember to report health, safety, and environmental issues through the proper internal channels. This is for specificity of subject matter and to ensure prompt feedback.

In line with the UK Modern Slavery Act 2015, the Group issues an annual report detailing actions to prevent modern slavery, forced labour, or human trafficking within the organisation and its supply chain.

The alternative internal channel is still active, whereby reports can be submitted by letter addressed to the competent Supervisory Board or the Whistleblowing Committee at the address: Viale Rinaldo Piaggio, 25 Pontedera (PI) 56025, Italy.

Based on the specific aspects and significance of India, the Indian subsidiary has already adopted the following, for a number of years:

- the Code of Business Conduct & Ethics;
- a "Policy on the Prevention of Sexual Harassment of Women at the Workplace" to prevent incidents of sexual harassment within the plant.

The Organisational model pursuant to Legislative Decree 231/2001

Piaggio & C.'s internal control and risk management system is completed by the Organisational, Management and Control Model for the prevention of offences pursuant to Legislative Decree 231/2001 (the "Model"), which Piaggio & C. has adopted since 2004 and, most recently updated on 30 October 2023 with a resolution approved by the Board of Directors.

In compliance with Legislative Decree 24 of 2023, the Model has been amended and integrated with the new reporting system, referred to in the Piaggio Group Whistleblowing Policy. The scope has been broadened and the protections provided for reporting cases have been strengthened. Reports may concern not only unlawful conduct relevant under Decree 231 and violations of the Model, but also violations of national law (administrative, accounting and criminal offences) and European law.

Business conduct

Within this framework, the role of the Supervisory Board has been defined, which remains the direct recipient of reports insofar as it is competent, as well as the recipient of information flows in accordance with the provisions of the Model and the dedicated company procedure.

The Model opens with the Code of Ethics, followed by the General Principles of Internal Control and the Guidelines of Conduct, and is divided into two parts.

The first, of a general nature, opens with an overview of the reference legislation, followed by an introductory part on the function of the Model and its operation within the Company; this is followed by the Disciplinary System and the description of the role, composition, functioning and tasks of the Supervisory Board.

The second part of the Model, called the "special" section, formalises specific decision-making protocols to guide the company's activities in accordance with indications in the model, in relation to the individual groups of crimes which this section is divided into.

The Model pursuant to Legislative Decree 231/2001, which is widely disseminated by e-mail to all Piaggio Group employees in Italy and published on the company intranet, is constantly monitored and periodically updated. The Group also organises e-learning training programmes for all employees excluding blue collar workers.

The general section of the Model is available on the institutional website (www.piaggiogroup.com) in the Governance/Governance System section.

ANTI-CORRUPTION

Piaggio has implemented a systematic set of procedures to prevent, detect, and handle any instances of corruption and bribery. This approach aligns with the Code of Ethics and the Organisation, Management, and Control Model under Legislative Decree 231/2001 (known as "Model 231").

The main measures taken include:

- **Code of Ethics**, which establishes the principles of integrity, transparency and fairness.
- **Model 231**, which regulates sensitive company processes and provides for control protocols.
- **Third-party due diligence procedures** to verify the reliability of suppliers and partners.
- **Training and awareness-raising programmes** for employees and managers.
- **Whistleblowing system**, for the reporting of unlawful conduct.
- **Disciplinary system** with proportionate sanctions for breaches of anti-corruption rules.

In order to ensure the independence and impartiality of internal investigations, Piaggio has taken the following measures:

- The **Supervisory Board ("SB")** oversees the enforcement of anti-corruption actions and manages all related reports.
- Investigations are conducted by people from outside the corporate function involved.
- In crucial instances, the investigative committee reports directly to the administrative and supervisory authorities.

The results of the surveys are communicated through:

- **Regular reports by the Supervisory Board** to the Board of Directors.
- **Immediate notification** of control bodies in case of significant violations.
- **Report on the results** of investigations and corrective actions taken.

As set out in the Code of Ethics, in pursuing its mission, the Group ensures, through the adoption of appropriate instruments, including organisational tools, an absolute prohibition on any practice of corruption, of requesting and/or granting favours, of any collusive behaviour, of solicitation, direct/indirect and/or through third parties, of personal advantages of any kind for oneself and/or others, of material benefits and/or any other advantage of any entity in favour of third parties, whether private or public, whether representatives of Italian or foreign governments.

Business conduct

In participating in public tenders or competitions called by the Public Administration, as well as in any negotiation or contractual relationship stipulated/conducted both with the Public Administration and with private third parties, all parties involved must behave in good faith and in compliance with the laws, correct business practice and regulations in force, as well as with relevant company procedures, avoiding any situation that may result in a violation of laws and/or principles of fairness and transparency in the negotiations. Such relations shall only be entertained by persons previously and expressly authorised to do so, in compliance with their roles and in accordance with company procedures; appropriate mechanisms for tracing information flows to the contracting party must also be in place. Any request for advantages, any intimidating and/or coercive conduct, or harassment by an officer of the Public Administration or the third party contractor, even if a person has only become aware of them, must be reported immediately.

Managers of functions, which have regular contact with the Public Administration, must:

- give their staff instructions on how to act and operate in formal and informal contacts with various public entities, according to the specific aspects of their activity, transferring knowledge of the rules and awareness of situations at risk of offences being committed;
- provide adequate traceability mechanisms for official information flows to the Public Administration;
- maintain and require from those who have relations with the Public Administration a conduct characterised by fairness, transparency, traceability and good faith, in compliance with the roles and responsibilities assigned; observe, and ensure strict compliance, also specifically regarding relations with the Public Administration, with corporate procedures aimed at identifying and outlining in the abstract the functions and positions that are competent and delegated to enter into contact with the Public Administration, in compliance with corporate roles;
- make truthful, clear, complete and traceable declarations to public authorities, and produce complete, truthful and unaltered documents and data;
- behave in a correct and clear manner so as not to even potentially mislead counterparts. All consultants, suppliers, customers and anyone who has relations with the Group are committed to compliance with the laws and regulations in force in all countries where the Group operates.

No relationship will be entered into or continued with anyone who does not intend to observe this principle. The appointment of such persons to act on behalf and/or in the interest of the Group in dealings with the Public Administration must be made in writing and include a specific clause binding them to comply with the ethics and principles of conduct adopted by the Group.

A conduct identical to that indicated with regard to relations with the Public Administration must also be maintained in relations with any private third party, such as suppliers, customers, competing companies, partners and/or any contractual counterparty.

When applying to the State or other public body or the European Union for contributions, subsidies or funding, all employees involved in such procedures must:

- behave in a fair and truthful manner, using and submitting complete statements and documents relating to the activities for which benefits may be legitimately claimed and obtained;
- Once you have received the requested funds, allocate them to their intended purposes. Those responsible for administrative/accounting functions must check that every operation and transaction is legitimate, consistent, appropriate, authorised, verifiable; correctly and adequately recorded so as to allow for the verification of the decision-making, authorisation and performance process; accompanied by correct/authentic documentary support suitable to allow, at any time, checks on the characteristics and reasons for the operation and the identification of the person who authorised, carried out, recorded, and verified it.

Business conduct

As part of the risk assessment analyses of Model 231, the parent company identified the following functions as being most at risk of corruption and bribery ⁸²:

- **Purchasing Department:** as part of the selection, qualification, evaluation and monitoring of suppliers, could be exposed to attempts at corruption and bribery.
- **Commercial:** in the context of participating in supply tenders, could be exposed to attempts at corruption and bribery.
- **Administration, Finance and Control:** in the context of participating in public tenders for financing (so-called subsidised finance), could be exposed to attempts at corruption and bribery.
- **Human Resources:** in the context of personnel selection, recruitment activities, and staff appraisal, there is a risk that decisions could be swayed to favour certain candidates in return for personal or corporate advantages.
- **Regulatory Affairs:** in interactions with public bodies and representatives of the P.A., it is exposed to corruption risks, especially when such interactions may lead to competitive advantages for the company.

Of the people employed in the functions most exposed to risk, 64% have been trained in anti-corruption issues.

It is important to note that Italian companies are periodically offered a dedicated training programme on Legislative Decree 231⁸³ for both employees and managers. This programme explains the concept of corporate administrative liability as set out in Legislative Decree 231, under which companies may be held responsible and, as a result, penalised for certain offences. These offences, whether committed or attempted by directors or employees, must be in the interest of or to the benefit of the company itself. The offences outlined in Decree 231 also encompass corporate crimes, such as private bribery and market abuse. During 2024, a whistleblowing course was held for all employees of the Italian companies and part of the European subsidiaries, which also covered anti-corruption issues.

The Indian subsidiary conducts an annual training course on the Code of Business Conduct & Ethics, which deals in detail with issues such as anti-money laundering, anti-corruption and anti-fraud. The course is delivered to all categories of employees and also administered in local languages (Hindi and Marathi). At the end of this course, a questionnaire for understanding the content is given out.

During 2024, no sessions on anti-corruption topics were held for members of the administration, management and control.

Incidents of corruption or bribery

During 2024, there were no convictions or fines for violation of anti-corruption and anti-bribery laws.

⁸² This analysis can also be extended to foreign companies.

⁸³ Reserved for employees of Italian companies.

Business conduct

PRIVACY

Processing of personal data - Legislative Decree 196 of 30 June 2003 - Regulation (EU) 679 of 27 April 2016 (GDPR - General Data Protection Regulation)

Following the entry into force of Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data (GDPR), the Company has completed the process to align with regulations. The Company is responsible by law, in its capacity as "Data Controller", for all personal data processing activities carried out by it and, in view of this, takes appropriate security measures in relation to risks to the rights and freedoms of natural persons. To guarantee efficient operations in relation to processing activities, it has identified a person on the Board of Directors who, in the name and on behalf of the Company, independently takes decisions concerning the purposes, methods of processing personal data and the instruments used, including the adoption and monitoring of security measures and their adequacy, and who supervises all personal data processing activities carried out by the Company.

The Company has also deemed it appropriate to appoint a Data Protection Officer (DPO), who, as provided for in Articles 37-39 of the GDPR, has the task of advising company functions on privacy matters and inspecting personal data management activities, acting as the point of reference within the company for everything concerning the processing of personal data and as the interface with the Data Protection Authority, as well as assisting the company in ensuring full compliance with the provisions of the legislation. In 2024, Piaggio reported no incidents of privacy breaches or personal data loss.

Policy on Global Information Security

To ensure the privacy of staff, employees, customers, and business partners' data, the parent company has established a "Global Information Security Policy" applicable to all group companies. This policy applies to everyone in the Group. They must safeguard the confidentiality of data they access through their roles and adhere to all GDPR requirements (EU Regulation 2016/679) and Piaggio's data protection guidelines for authorised processors.

The policy is established within a framework of internal rules that govern the Group's conduct and ethical principles. This includes several components, such as the Code of Ethics, the Delegation and Power of Attorney System, the Company Organisational Chart, and the Procedural System. Applying the Policy's principles ensures we develop an effective risk management model for company information and IT assets, safeguarding them against all threats, whether they come from inside or outside, or occur by design or by chance. The Policy is available on the company intranet, and senior management ensures its implementation, with support from the Information Security department.

RELATIONS WITH SUPPLIERS

Suppliers are a key element in improving Piaggio's competitiveness: the quality of components crucially affects the end product and, therefore, customer satisfaction.

Piaggio aims to establish a stable and transparent partnership with its suppliers to highlight their skills and expertise.

As part of the materiality analysis, the risk of the Group's reputation being compromised due to the supply chain not being assessed according to specific ESG parameters was found to be significant. As a risk mitigation action, the Group currently requires suppliers to sign its Code of Ethics through the General Conditions of Supply.

The evaluation and selection of suppliers is carried out according to uniform methodologies, based on objective and measurable parameters that do not currently include environmental or social criteria.

Piaggio is contemplating obtaining ESG ratings for its business partners from outside databases.

The guidelines to be adopted in the selection of suppliers are described in the chapter "Workers in the Value Chain" to which we refer.

Business conduct

Piaggio aims to build relationships with global suppliers who meet the distinct needs of different regions and excel in innovation, cost, service, and quality (aiming for zero defects) to guarantee the highest customer satisfaction.

Supply audits

The quality of Piaggio products is also a function of the quality of its own supplies. The Piaggio Group carries out intense scouting and audit activities to select and assess new suppliers, constantly monitor their quality level and give approval of processes for the development of new components. These activities are carried out through scheduled visits by Piaggio's supplier audit team.

New suppliers become part of Piaggio's "pool" only after an in-depth and positive evaluation of their production processes, their products and their certification linked to functional/dimensional and material characteristics described in the project specifications.

The audits, requested by the Procurement Department, are aimed at assessing the quality system of a potential supplier and its ability to produce the product for which it has been proposed or selected.

For suppliers that have previously been successfully evaluated and already belong to the qualified supplier pool, further process audits may be envisaged in the case of:

- the development of new products;
- the resolution of problems detected during mass production;
- reports of non-compliance occurring during the vehicle's warranty period.

In the case of new products, audits are planned to assess the supplier's ability to manage the processes required to manufacture the new product and to offer them, if and when deemed necessary/required, technical support for their definition and control.

In the case of well-established products, on the other hand, audits are carried out to resolve specific problems that have arisen during production, to verify the supplier's ability to keep the processes that contribute to product development under control, to periodically monitor improvement in performance in terms of returns/disruptions⁸⁴, to resolve problems that have arisen under warranty, and finally to verify the effectiveness of corrective actions defined by the suppliers to prevent the recurrence of non-conformities.

In line with the Group's guidelines, each year the Purchasing Unit seeks to improve the procurement process by promoting the technical skills of buyers and focusing on the management of the various goods categories.

Over the years, Piaggio Group Management has started a process of common development with its suppliers by setting up a specific department called "Vendor Assessment", as well as assigning the "Finance" Function to define and monitor possible risks areas involving financial and corporate issues, guaranteeing complete independence of corporate areas involved in the procurement processes, as well as meeting the needs of all stakeholders.

84 Items returned, reworked, selected, accepted as an exception.

Business conduct

Corporate Finance Area

The Finance Area is responsible for defining and overseeing the economic, financial, and corporate trustworthiness of key suppliers and principal business partners, including the distribution network and customers.

In 2024, the analysis and monitoring of Piaggio & C. Spa's Suppliers continued, as well as the identification of shareholders/controlling shareholders of strategic business partners. Furthermore, in the area of Compliance, the verification of the possible presence among suppliers of politically exposed persons and/or people included in anti-terrorism lists continued, in order to mitigate the "reputational risk" (Source: Grid Data by Moody's: risk database of adverse media, sanctions, watchlists, and PEPs.).

All possible corporate and financial changes, which may affect the perceived risk status, are presented to a Suppliers Committee (composed of the Purchasing Manager, the 3-4 Wheeler Product Development Department Manager, the 2-Wheeler R&D Department Manager, the Administration Manager, the Finance Manager and the Chief Financial Officer) during periodic meetings in order to identify possible corrective and improvement actions, should critical areas emerge.

The company's supplier evaluation process mandates that Finance sets and tracks the maximum limit of economic reliance for each supplier, calculated as a percentage of their turnover with Piaggio against their total reported turnover.

In 2024, we continued to analyse the financial stability and corporate trustworthiness of Aprilia Racing's key suppliers and principal sponsors. This was also to reduce potential risks to our reputation.

Piaggio is currently assessing the best method to evaluate the impact of its value chain on various ESG (Environmental, Social, and Governance) issues and to incorporate sustainability into its supplier selection criteria.

Vendor Assessment

With the strategic objective of creating a network of lasting and mutually satisfactory partnerships with highly qualified associates, the Vendor Assessment function, in addition to managing the Supplier Qualification Process, assesses supplier performance through Vendor Rating campaigns.

The relationship with suppliers is defined by precise company processes that comprise two fundamental phases: the qualification of new suppliers and periodic supplier assessment.

New supplier qualification is an interfunctional process based on specific standards that lead to a potential supplier being included in the Supplier List, for its chosen goods' category; after an initial documentary evaluation stage, a multidisciplinary, supplier qualification team is involved, with specific positions giving a technical, economic/financial and corporate rating on goods' categories.

Periodic supplier assessment is conducted at the Italian, Indian and Vietnamese plants through six-monthly Vendor Rating campaigns, in which supplies relating to the period are examined, based on the quality of the product supplied, technical/scientific collaboration, and compliance with delivery plans. Over 1,000 suppliers are involved, providing nearly all the supplies. This provides a reference framework for procurement strategies and actions concerning suppliers.

The process involves:

- the assignment of a Vendor Rating Index, which measures the supplier's performance with a weighted average of the ratings made by the corporate functions (for direct materials, the functions concerned are R&D, Quality, Manufacturing and Spare Parts);
- assignment of a Criticality Rating that takes into account the Quality function's assessment, to decide whether a supplier is "critical" for the purposes of granting new supply agreements (if negative, new supplies are put on hold).

Business conduct

Supplier Portal

For the effective and efficient management of supplier relations, the Supplier Portal, based on the SRM-SAP system, is active in Italy, India and Vietnam.

The "SRM - Suppliers Portal" system is an IT tool for the real-time exchange of information and documents between all company functions and suppliers, both for the purchase of materials and components, and for the purchase of equipment and services, thus guaranteeing correct and transparent management of all phases of the purchasing process: purchase requests, purchase orders, price lists and supply schedules, goods receipt, invoices, payment information.

In particular, the Portal ensures that the following objectives are achieved:

- increased collaboration with suppliers, through self-service tools, document and information sharing;
- increased efficiency of purchasing processes, through the implementation of automated tools and increased compliance with purchasing procedures;
- minimisation of manual activities;
- quality and correctness of information;
- reduction in time-consuming business processes and communication;
- low use of "paper" (including through the use of digital signatures);
- reduction in billing anomalies;
- visibility of the entire authorisation process, from purchase requests to orders.

PIAGGIO GROUP INSTITUTIONAL RELATIONS

In the realm of institutional relations and regulatory affairs, Piaggio primarily engages by actively monitoring regulations, thoroughly analysing the institutional landscape, and identifying key stakeholders.

Piaggio conducts its institutional relations in line with the laws and regulations of the countries where the Group operates.

As per the Code of Ethics: "The Company does not make contributions, provide advantages or other benefits to political parties and workers' trade union organisations, nor to their representatives or candidates, subject to compliance with applicable legislation".

The Chairman responsible for the supervision of lobbying activities; in particular, the following executive powers are vested in the Chairman:

- a. managing and representing the Company in business and institutional interactions with government authorities, parliament, political entities, diplomatic bodies, and other relevant organisations, both Italian and international. This includes dealings with supranational entities, public law institutions (such as public administrations at all levels, diplomatic and consular authorities, European Union institutions and agencies, security services, independent regulatory authorities, and other entities with regulatory or oversight responsibilities);
- b. overseeing the establishment of and engagement in, as well as represent the Company in dealings with associations, foundations, and other organisations or bodies - including those of a non-profit nature - active in the areas of human rights and environmental protection, or with other objectives considered aligned with the Company's interests;
- c. administering and representing the Company in dealings with associations, foundations, communities, and other bodies (such as environmental or consumer groups, local communities, and so on);
- d. representing the company in dealings with institutions, research centres, institutes, and universities, both domestically and internationally, regarding policies on environmental sustainability and energy transition, in coordination with the Chief Executive Officer;
- e. represent the Company in relations with Confindustria and business organisations; represent the Company with the Trade Unions, in coordination with the Chief Executive Officer;
- f. in agreement with the Chief Executive Officer propose the strategic plan and/or amendments or additions to it to the Board of Directors;
- g. liaise with the competent corporate structures and functions with reference to the matters delegated.

Please be informed that Chairman Matteo Colaninno has served as a Member of the Italian Parliament until October 2022.

Business conduct

The Piaggio Group upholds transparent, legitimate, and accountable dealings with institutions, ensuring openness in public disclosures and interactions with institutional stakeholders. This approach aligns with our Code of Ethics and Corporate Lobbying Policy. The goal is to encourage green transport and invest in technology that enhances user safety and protects the environment.

The Group is not only a member of Confindustria, but also of important national, European and international associations in the automotive sector, such as ACEM (chaired by Michele Colaninno), ANFIA and ANCMA, which represent and protect the economic, technical and regulatory interests of the automotive sector in institutional dimensions, and with the authorities and associations responsible, at national and international level, for industrial policy and the mobility of persons and goods.

Finally, Piaggio keeps track of regulatory changes at national, European, and international levels. With its expertise, and through clear and constructive collaboration with institutions, it plays a significant role in the consultations that precede the decision-making process.

The Piaggio Group is listed in the European Transparency Register (no. 285162034736-01), overseen by the European Parliament, the Council of the European Union, and the European Commission. The register contains details of those who influence EU policy-making. By joining the Register, Piaggio commits to adhering to the relevant code of conduct, which is part of the Interinstitutional Agreement. This code outlines ethical and behavioural standards that members must follow when engaging in interest representation activities with EU institutions.





CERTIFICATION OF SUSTAINABILITY REPORT PURSUANT TO ARTICLE 81-TER, PARAGRAPH 1, OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS AMENDED

1. The undersigned Michele Colaninno and Alessandra Simonotto, in their respective capacities as Chief Executive Officer and Executive in Charge of Sustainability Reporting of Piaggio & C. S.p.A., certify, pursuant to Article 154-bis, paragraph 5-ter, of Legislative Decree no. 58 of 24 February 1998, that the Sustainability Report included in the Report on Operations has been prepared:
 - a. in line with the reporting standards enforced under Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Legislative Decree No. 125 of 6 September 2024;
 - b. in line with the specifications set out under Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and Council of 18 June 2020.
3. No major issues emerged in this respect.

Milan, 4 March 2025

Signed/ Michele Colaninno

Signed/ Alessandra Simonotto

Michele Colaninno
Chief Executive Officer

Alessandra Simonotto
Executive in Charge of Sustainability Reporting

**INDEPENDENT AUDITOR'S
REPORT ON THE CONSOLIDATED
SUSTAINABILITY STATEMENT
PURSUANT TO ARTICLE 14-BIS
OF LEGISLATIVE DECREE NO. 39
OF JANUARY 27, 2010**



Deloitte & Touche S.p.A.
Via Pier Capponi, 24
50132 Firenze
Italia

Tel: +39 055 2671011
Fax: +39 055 282147
www.deloitte.it

**INDEPENDENT AUDITOR'S
REPORT ON THE CONSOLIDATED SUSTAINABILITY STATEMENT
PURSUANT TO ARTICLE 14-BIS OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010**

**To the Shareholders of
Piaggio & C. S.p.A.**

Conclusion

Pursuant to artt. 8 and 18, paragraph 1 of Legislative Decree no. 125 of September 6, 2024 (hereinafter also the "Decree"), we have carried out a limited assurance engagement on the consolidated sustainability statement of the Piaggio Group (hereinafter also the "Group") for the year ended on December 31, 2024, prepared pursuant to Art. 4 of the Decree, included in the specific section of the management report.

Based on the work performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of the Piaggio Group for the year ended on December 31, 2024 is not prepared, in all material respects, in accordance with the reporting principles adopted by the European Commission pursuant to the Directive (EU) 2013/34/EU (European Sustainability Reporting Standards, hereinafter also "ESRS");
- the information included in the paragraph "The European Taxonomy" of the consolidated sustainability statement is not prepared, in all material respects, in accordance with art. 8 of Regulation (EU) No. 852 of June 18, 2020 (hereinafter also the "Taxonomy Regulation").

Basis for conclusion

We conducted the limited assurance engagement in accordance with the assurance standard of the sustainability report - "Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia)". The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the level of assurance that would have been obtained had we performed a reasonable assurance engagement.

Our responsibilities pursuant to that standard are further described in the paragraph *Auditor's responsibilities for the limited assurance of the consolidated sustainability statement* of this report.

We are independent in accordance with the independence and other ethical requirements applicable under Italian law to the limited assurance engagement of the consolidated sustainability statement.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Santa Sofia, 28 - 20122 Milano | Capitale Sociale: Euro 10.688.930,00 i.v.
Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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Our firm applies International Standard on Quality Management (ISQM Italia) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

The comparative information for the year ended on December 31, 2023 presented in the consolidated sustainability statement has not been verified.

Responsibility of the Directors and the Management Control Committee of Piaggio S.p.A. for the consolidated sustainability statement

The Directors are responsible for developing and implementing the procedures performed to identify the information reported in the consolidated sustainability statement in accordance with the ESRS (hereinafter the “double materiality assessment process”) and for disclosing this process in “Strategy - Materiality Analysis” of the consolidated sustainability statement.

The Directors are also responsible for the preparation of the consolidated sustainability statement, which includes the information identified as part of the double materiality assessment process, in accordance with the requirements of Art. 4 of the Decree, including:

- compliance with ESRS;
- compliance of the information included in the paragraph “The European Taxonomy” with art. 8 of the Taxonomy Regulation.

Such responsibility involves designing, implementing and maintaining, within the terms established by the law, such internal control that the Directors determine necessary to enable the preparation of the consolidated sustainability statement in accordance with the requirements of the Art. 4 of the Decree that is free from material misstatements, whether due to fraud or error. Furthermore, the abovementioned responsibility involves the selection and application of appropriate methods in elaborating information and making assumptions and estimates about specific sustainability information that are reasonable in the circumstances.

The Management Control Committee is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

Inherent limitations in the preparation of the consolidated sustainability statement

In reporting forward looking information in accordance with ESRS, the Directors are required to prepare the forward looking information on the basis of assumptions, as described in the consolidated sustainability statement, regarding events that may occur in the future and possible future actions of the Group. Due to the inherent uncertainty regarding any future event, including whether these events will take place and their extent and timing, the variances between actual outcomes and forward looking information could be significant.



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The information provided by the Group regarding Scope 3 emissions is subject to greater inherent limitations compared to those related to Scope 1 and 2 emissions. This is due to the lower availability and relative accuracy of the data used to define the information on Scope 3 emissions, both quantitative and qualitative, in relation to the value chain, as indicated in the paragraph "Basis for preparation – Metrics subject to a high level of uncertainty".

Auditor's responsibilities for the limited assurance of the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatements, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, could influence the decisions of users taken on the basis of consolidated sustainability statement.

As part of the limited assurance engagement in accordance with the Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia), we exercise professional judgment and maintain professional skepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify and assess the disclosure where a material misstatement is likely to arise, either due to fraud or error;
- designing and performing procedures to verify disclosures in the sustainability statement where material misstatements are likely to arise. The risk of not detecting a material misstatement due to fraud is higher than the risk of not identifying a material misstatement due to error, as fraud may involve collusion, falsifications, intentional omissions, misrepresentations, or the override of internal control;
- the direction, supervision and performance of the limited assurance engagement of the consolidated sustainability statement. We remain solely responsible for the conclusion on the consolidated sustainability statement.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence as the basis for expressing our conclusion.

The procedures performed on the consolidated sustainability statement are based on our professional judgement and included inquiries, primarily with the personnel of the Group responsible for the preparation of information included in the consolidated sustainability statement, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we performed the following main procedures partly in a preliminary phase before year end and then in a final phase up to the the date of issuance of this report:

- understanding the business model, the Group's strategies and the context in which the Group operates with reference to sustainability matters;



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- understanding the processes underlying the generation, collection, and management of qualitative and quantitative information included in the consolidated sustainability statement, including an analysis of the reporting perimeter;
- understanding the process carried out by the Group for the identification and evaluation of material impacts, risks and opportunities, based on the principle of double materiality, with reference to sustainability matters;
- identification of the information where a risk of material misstatement is likely to arise, taking into considerations, among others, risk factors related to the generation and collection of the information, to the estimates and to the complexity of the calculation methods, as well as quantitative factors related to the nature of such information;
- design and performance of procedures, based on the professional judgment of the auditor of the consolidated sustainability report, to respond to identified risks of material misstatement also with the support of Deloitte specialists, with reference to specific environmental information;
- understanding of the process set up by the Group to identify eligible economic activities and determine their aligned nature according to the requirements of the Taxonomy Regulation, and verifying the related information included in the consolidated sustainability statement;
- comparison of the information reported in the consolidated sustainability statement with the information included in the consolidated financial statements pursuant to the applicable financial reporting framework, or with the accounting data used for the preparation of the financial statements, or with the management data accounting in nature;
- verification of the structure and presentation of the information included in the consolidated sustainability statement in accordance with ESRS, included the information related to the materiality assessment process;
- obtaining the representation letter.

DELOITTE & TOUCHE S.p.A.

Signed by
Gianni Massini
Partner

Florence, March 24, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.