



PIAGGIO & C. S.p.A.

**Compliance Programme
pursuant to Legislative Decree
231 of 8 June 2001**

Approved by the Board of Directors of Piaggio & C. S.p.A. on 9 May 2025

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GENERAL PRINCIPLES OF INTERNAL CONTROL

The Internal Control System represents the set of “tools” designed to provide reasonable assurance of achieving the objectives of operational efficiency and effectiveness; reliable financial and management information; compliance with laws and regulations, as well as safeguarding assets also against possible fraud.

The Internal Control System is a set of rules, procedures and organisational structures whose purpose is to monitor compliance with corporate strategies and which are applied at all the various levels of the organisation, regardless of how they are named (“**Operating Units**”).

The Compliance Programme is supplemented by specific control safeguards relating to individual business processes, drawn up by the respective organisational units.

The Piaggio Group regulatory framework consists of: Manuals or Policies, Management Procedures, Operating Procedures and Work Instructions.

These documents are issued by the various organisational areas and make up the Organisational System, the Quality Management System, the Safety Management System and the Environment Management System.

❖ **Scope of control**

Powers of representation must be conferred defining their limits in relation to the extent of inherent transactions and according to operating areas strictly related to assigned duties and the organisational structure.

Responsibilities must be defined and duly distributed, avoiding functional overlapping or operational allocations which focus critical activities on a single subject:

- no significant transaction of the Operating Unit can be originated/activated without adequate authorisation.

Operating systems¹ must be consistent with Company policies and the Code of Ethics:

- in particular, financial information must be prepared:
 - a) in compliance with laws and regulations, applicable accounting standards and international best practice;
 - b) in accordance with established administrative procedures;
 - c) as part of a complete and updated chart of accounts.

❖ **Risk assessment**

¹ Procedures, organisation, processes, information systems, etc.

The objectives of the Operating Unit must be adequately defined and communicated to all relevant levels, in order to clarify and share the general approach of the unit.

Risks associated with the achievement of objectives must be identified, periodically providing for adequate monitoring and updating:

- negative events, potentially capable of threatening business continuity as well as protection of the environment, must be subject to specific risk assessment and alignment of protection and control systems;
- innovation processes concerning products/services, organisations and systems must provide for adequate implementation risk assessment.

❖ **Control activities**

Operational processes must be defined providing for adequate documentary or system support to allow for constant traceability in terms of consistency, coherency and responsibility:

- the Company's operational processes must constantly ensure its compliance with applicable laws, rules and, in general, regulations in force in Italy and in all countries where it operates, and also with internal procedures and provisions adopted;
- operational decisions must be traceable in terms of characteristics and justification and those having authorised, executed and verified individual activities must be identifiable;
- the exchange of information between contiguous phases/processes must provide for mechanisms (reconciliations, balancing, etc.) to ensure integrity and completeness of the data managed;
- human resources must be selected, recruited and managed in a transparent manner and in accordance with ethical values and Company defined objectives;
- the know-how and professional skills available within the Operating Unit in terms of consistency with assigned objectives must be analysed at regular intervals;
- personnel must be educated and trained to perform the assigned duties;
- goods and services for Company operations must be purchased based on a needs analysis and from adequately selected and controlled sources;
- working conditions and environment must be periodically verified in order to ensure the safety and health of workers;
- the certified environmental management system must be constantly monitored in order to comply with the requirements of environmental legislation.

❖ **Information and Communication**

An adequate system of indicators by process/activity must be provided for, as well as relative periodic information flows to management.

Administrative and management Information Systems must be directed towards integration and standardisation.

Security mechanisms must ensure adequate protection/access to data and assets of the Operating Unit.

❖ **Check**

The control system is supervised on an ongoing basis for related periodic assessments and constant alignment.

CONDUCT GUIDELINES

This document is an integral part of the Compliance Programme and contains the rules of conduct that all Recipients (including third parties) are required to adopt in order to ensure that their conduct is inspired by principles of fairness, loyalty, transparency and cooperation and to avoid actions that constitute crimes and administrative offences (particularly those referred to in Legislative Decree 231/2001).

These Conduct Guidelines (**‘Conduct Guidelines’**) identify, albeit by way of example, conduct related to ‘do's’ and ‘don'ts’, specifying in operational terms the principles of the Code of Ethics adopted by the Company.

❖ ‘Do's’

All Recipients must commit themselves to respecting the laws and the regulations in force in all the countries where the Company operates.

The functional managers must make sure that:

- all employees are aware of the laws and of the resulting conduct to follow; when in doubt about the conduct to follow, they should be adequately advised;
- an adequate programme of constant formation and sensitisation on the issues related to the Company’s Code of Ethics should be carried out.

When participating in public tenders or competitions called by the Public Administration ("PA"), as well as in any negotiations or contracts entered into with both the PA and private entities, all those involved must behave according to good faith and in accordance with the law, correct commercial practice and current regulations, as well as with the corresponding company procedures, avoiding any situation from which violation of laws and/or principles of fairness and transparency in the conduct of negotiations may arise.

Such negotiations must be conducted only by those previously and expressly authorised to do so, respecting roles and in accordance with corporate procedures. Adequate mechanisms for the traceability of information flows to the contracting party must also be put in place.

Any request for advantages, any intimidating and/or constrictive or oppressive behaviour on the part of PA officials or third contracting parties, or which one has merely become aware of, must be immediately reported to the competent bodies.

The functional managers who are commonly in touch with the PA must:

- provide their staff with guidelines on the conduct to follow in formal and informal contacts with various public entities, according to the specific characteristics of their area of activity, sharing their knowledge of regulations and their awareness of situations liable to crime;
- ensure adequate tracing mechanisms as regards official information channels with the PA;

- maintain and request on the part of those having relations with the PA a conduct characterised by fairness, transparency, traceability and in good faith, respecting the roles and responsibilities attributed; strictly observe and enforce, also with specific reference to relations with the Public Administration, the company procedures aimed at abstractly identifying and tracking the functions and positions responsible and appointed for dealing with the Public Administration, in compliance therefore with corporate roles;
- make clear, truthful, complete and traceable statements to public authorities and exhibit complete, truthful and unaltered documents and data;
- maintain a correct and clear conduct such as to avoid inducing the counterparty into even potential error.

All consultants, suppliers, customers, and whoever is related to the Company, are committed to the observance of the laws and regulations in force in all the countries where the Company operates; No relation will be initiated or continued with those who do not intend to comply with such principles. Any appointment of these subjects to operate as representatives and/or in the interest of the Company towards PA, the mandate must be given in written form, with a specific binding clause to act in observance of the ethical-conduct principles adopted by the Company.

Identical conduct guidelines to those indicated for relations with the PA must also be adopted with regard to relations with any private third party, such as suppliers, customers, competitors, partners and/or any contractual counterparty.

When contributions, grants or financial support are requested from the State, public entities or the European Union, all Recipients involved in such procedures must:

- act fairly and be truthful when using and presenting documents and declarations that are complete and pertinent to the activities for which such benefits can be legitimately requested and obtained;
- use funding, once obtained, for the purposes for which it was requested and granted.

The people in charge of administrative/accounting functions must verify that each operation and transaction is:

- legitimate, consistent, congruous, authorised, verifiable;
- properly and adequately registered, so that the decision, authorisation and implementation process can be verified;
- supported by correct, authentic and appropriate documentation, to enable controls to be carried out at any time on the characteristics and reasons of the transaction, and the individuals authorising, carrying out, registering and checking the transaction to be identified.

All Recipients involved in preparing the financial statements or other similar documents (reports, prospectuses or other corporate disclosures addressed to shareholders, creditors or the public) must adopt appropriate conduct, provide the utmost collaboration, ensure completeness, transparency and

clarity of information provided, accuracy of data and calculations, in accordance with current legislation and internal procedures adopted by the Company.

Directors and their assistants must:

- depict the Company's economic, equity or financial situation truthfully, clearly and completely when drafting the financial statements, disclosures to the market or similar documents;
- comply with requests for information by the Management Control Committee and facilitate in every way the performance of control or audit activities legally attributed to shareholders, other corporate bodies or independent auditors;
- they must present the shareholders' meeting with complete acts and documents that match the accounting entries;
- provide the Supervisory Board with correct and complete information on the financial position and results.

Relations with the press - and in general with mass media - must be managed in accordance with principles of integrity, transparency, completeness and timeliness.

Only specifically authorised Recipients may communicate or disclose news concerning the Company, in compliance with the laws and regulations in force and with the internal procedures adopted by the Company concerning the management of price-sensitive information.

Employers, Senior Managers and Persons in charge, all employees and external service providers are required to apply and observe regulations on the protection of health and safety at work. In particular, in order to minimise potential risk of injury in the workplace, compliance with accident prevention regulations, as well as individual and collective preventive measures established and communicated by the Company through specific instructions, equipment and training programmes is required. In this context, employees must consider themselves responsible for an adequate management of safety and, therefore, must avoid exposing themselves or other workers to hazards which might cause injury or harm. Relations with any third party (suppliers, external contract workers, commercial/financial partners) must be managed in compliance with internal procedures and characterised by impartiality, independence and transparency.

In particular, adoption of the predetermined rules and mechanisms to be complied with in selection procedures, as well as an adequate verification and monitoring system concerning proper execution of the services provided must be guaranteed.

Before establishing any business relationship with such parties, there must be a proper assessment of the information available relating to the commercial reliability of such counterparties, in order to ascertain their competence and fitness to properly and precisely fulfil the contractual obligations and the assigned tasks, as well as to avoid any possible involvement of the Company in operations suitable for encouraging receiving of stolen goods or laundering and/or reusing money or benefits of illicit origin.

In the execution phase, the competent functions must verify the legitimate origin of the goods delivered, refraining from their reception in the presence of a mere suspicion of illicit origin, as well as verify the proper nature of payments, with reference to full correspondence between recipients/originators of the payments and counterparties effectively involved in the transaction.

Relations with customers (public or private) must be managed in full compliance with the criteria of honesty, courtesy, transparency and collaboration.

In particular, Recipients are required to:

- comply with all internal procedures to be implemented vis-à-vis customers envisaged by the Company;
- ensure customers are provided with complete and truthful information about the nature and intrinsic and extrinsic characteristics of the goods delivered.

More generally, all information provided in connection with any commercial, advertising and promotional activities for the presentation of the Company's products and services must be truthful and correspond to the characteristics and technical features of the products themselves.

All employees are required to comply with Company procedures for the correct use of assigned information technology equipment. Employees must comply with the physical/logical security configurations adopted by the Company, in particular for activities which:

- require the processing of data and information, the misuse of which can result in fraud against natural or legal persons (private organisations and, in particular, if the counterparty belongs to PA);
- require access to infrastructures and/or software, the use of which may give rise to fraudulent use.

With particular reference to the control/organisational aspects of crimes concerning the environment, the Company ensures:

- periodic monitoring of authorisations/licenses and in particular the scheduling of steps necessary to obtain and/or renew the same;
- a clear definition of roles, duties and responsibilities to ensure the necessary technical skills and powers for verifying, evaluating, managing, controlling and monitoring environmental risks;
- monitoring of compliance with laws and company regulations through the planning and execution of internal audits;
- precise compilation of compulsory registers and forms for waste management;
- monitoring to ensure the transport company has submitted waste identification forms within statutory deadlines.

Moreover, with specific reference to the Company activities in question, for the management of which the Company relies on third parties, personnel of entities involved are required, each within the scope of their powers and responsibilities, to:

- ensure that suppliers and other third parties (e.g. consultants), if required by rules and regulations, depending on the nature of the goods and services, provide evidence of compliance - on their part - with regulations concerning waste water discharges and waste management and environmental protection, in accordance with Company procedures and contractual provisions;
- periodically update the file of authorisations, registrations and disclosures acquired from third party suppliers and promptly report to the competent function any deviations found;
- ascertain, prior to initiating the relationship, the respectability and reliability of service providers involved in waste management, also by acquisition and verification of environmental disclosures, certifications and authorisations made by the same or acquired in accordance with law, also requesting the commitment - by the same - to maintain said authorisation certificates valid and effective for the entire duration of the contract.

With specific reference to plant, those involved are required to plan and/or carry out plant maintenance in line with the corresponding maintenance plans, verifying correct operation of the same and reporting any anomalies to the appropriate persons in charge.

In order to protect intellectual and industrial property, the Company requires all research, design and development activities relating to new products to be carried out in full compliance with current applicable national/international regulations, and with contractual commitments in place; In particular, it is necessary to verify in advance the previous existence of industrial property rights of third parties (registration of trademarks or other distinctive signs, inventions, industrial ornamental models, patents). Similarly, the Company requires appropriate controls on the origin of materials, components and products purchased in order to monitor and verify the absence of counterfeiting or alteration of trademarks and/or hallmarks.

Employees are expressly recommended to use only software, databases or intellectual property of others only after obtaining the relevant user licence or in any case in compliance with copyright legislation. It is also necessary to adopt preventive measures to protect and hold the Company harmless from any prejudicial consequences arising from claims by third parties concerning the alleged violation of intellectual property rights.

In the event of recruitment of nationals of third countries, the Company requires possession of a residence permit.

All Recipients (including members of the corporate bodies, senior managers, employees, external staff, partners, suppliers, consultants, etc.) are specifically reminded to report any violation or suspected violation of the Compliance Programme to the Supervisory Board.

The Supervisory Body protects whistleblowers from any detrimental effect that may derive from their reporting information. The Supervisory Body ensures confidentiality as regards the identity of such people, in observance of the laws in force.

The function managers must notify the Supervisory Board of the conducts that add to all crimes, concerning operative processes in their jurisdiction, that have come to their notice either directly or through notification from their partners.

In particular, in the case of the attempted extortion of an employee (or other staff) by a public officer, the following guidelines must be followed:

- the request must be ignored;
- the person in charge must be promptly notified;
- the person in charge must duly and formally notify the Supervisory Body.

❖ “Don'ts”

In relations with officers of the PA (this definition includes any officer or their representative, including managers, officials or employees of the State or of Public Bodies (“**Public Administration Employees**”) and persons in general exercising a public function²), whether in an institutional capacity or as a contractual counterparty, it is prohibited to:

- promise or offer (to them or to their relations, in-laws, friends, etc.) money, gifts or premiums, unless their value is moderate (trips, holidays and memberships in clubs, for example, are not considered of moderate value);
- examine or propose employment opportunities concerning such parties (or their relations, in-laws, friends, etc.), and/or commercial opportunities (or of any other kind) that may be advantageous to them;
- promise or offer them counselling of any kind and for any reason;
- make unjustified entertainment expenses or whose objectives are different from the mere promotion of the Company's image;
- promise or offer, also through other companies, jobs/services of personal utility (e.g. reconstruction works of buildings owned or used by them – or by relations, in-laws, friends, etc.);
- provide (or promise to provide), request or obtain information and/or classified documents, or data that may compromise the integrity or the reputation of either, or both parties;
- favour, in purchasing processes, suppliers and sub-suppliers that are recommended by such parties as a condition for the subsequent execution of activities (e.g. entrusting commissions, granting soft financing, or franchising).

Such actions and conduct are prohibited, whether they are carried out directly by the Company through its employees, or whether they are carried out indirectly through non-employees who act on behalf of the Company itself.

² For the concept of Public Administration, Public Official and Public Service Officer, see the introduction to the Special Section.

The same provisions must also be complied with in relations with any third party (suppliers, external staff, commercial/financial partners, customers, etc.). More generally, it is expressly prohibited to grant advantages of any kind and nature (also in the form, for example, of sponsorships, gifts, consulting appointments, awarding contracts, etc.) directly or indirectly in favour of those belonging to companies or private entities in order to unduly favour the interests of the Company (e.g. to obtain more favourable market conditions, disclosure of confidential information, award of a supply, etc.).

As regards the Public Administration it is also forbidden to:

- exhibit false or forged documents/data;
- subtract or omit to present authentic documents;
- behave deceptively, so as to lead the Public Administration astray in the technical/economic assessment of the products and the services that are offered/supplied;
- • omit due information, so as to unduly influence the decisions of PA;
- • behave so as to unduly influence the decisions of PA;
- be represented by consultants or 'third parties' when such a situation can create conflicts of interest;
- abuse one's position as civil servant in order to obtain benefits and advantages for oneself or for the Company.

In general, it is forbidden for the Company to employ former Public Administration officers (or their relations, in-laws, friends, etc.) who have personally and actively taken part in business transactions with the Company, or who have endorsed requests made by the Company to the Public Administration.

During civil, criminal or administrative proceedings, it is prohibited to undertake (directly or indirectly) any unlawful action that may favour or damage one of the parties in the proceedings.

It is also prohibited to induce - with violence or threat, or by promising or giving money - a person not to make statements before the judicial authorities or to make false statements in order to favour the interests of the Company.

When using computer or telematic systems, it is prohibited, unless authorised, to access computer systems used by the PA or to change in any way their functioning, or carry out operations in any way on data, information or programmes contained in a computer or telematic system or relevant to said, in order to unduly obtain and/or modify information to the benefit of the Company or third parties, or in any case to obtain undue benefits for the same.

It is also expressly forbidden to use assigned Company information technology equipment for purposes contrary to the law, public order and morality; to engage in any conduct that may damage, alter or impair Company information and communication equipment, as it is also forbidden to abusively enter information systems protected by security measures.

It is forbidden for Directors and their assistants to:

- a) return contributions to their shareholders, or release them from the obligation to carry them through, except in cases of legitimate reduction of the share capital, and reduce the share capital or merge with other Companies (or separate from them), in violation of the laws in defence of creditors;
- b) distribute profits, or advances on profits that have not been made, or that have been destined for reserve; or distribute reserve funds that cannot be legally distributed;
- c) acquire or underwrite stocks or capital share issued by the Company or by the parent company, when prohibited by the law;
- d) fictitiously set up or augment the Company's capital by means of illegal operations.

It is expressly forbidden to:

- a) allow access to price-sensitive information to persons other than those who need the same in order to exercise their functions or normal business activity;
- b) allow access to such information by interested parties without the same having been informed of the consequent duties and obligations, as well as the sanctions resulting from violation of such duties and obligations;
- c) buy, sell or perform other transactions on securities of the issuer, directly or indirectly, on one's own behalf or on that of third parties, using price-sensitive information (*insider trading*);
- d) disclose price-sensitive information to third parties outside the normal course of business (*tipping*);
- e) recommend or induce others, on the basis of price-sensitive information, to perform transactions on securities (*tuyantage*);
- f) disseminate, via the media, including the Internet or any other means, information, rumours or false or misleading information regarding financial instruments of the issuer (market information manipulation);
- g) put in place buying/selling transactions or orders which:
 - provide, or are susceptible to providing, false or misleading indications concerning the supply, demand or price of financial instruments;
 - allow, through the action of one or more persons acting in concert, fixing of the price of financial instruments at an abnormal or artificial level;
 - use artifices or any other form of deception or expedient;
- h) putting in place artifices capable of providing false or misleading signals concerning the supply, demand or price of financial instruments of the issuer;
- i) operating on treasury shares except within the scope of authorised programmes (e.g. treasury share repurchase transactions).

It is expressly forbidden for Recipients of the Programme to engage in situations and conduct that may compromise the safety and quality of the work environment, organised according to the ISO 9001, ISO

14001 and ISO 45001 certified integrated quality, environment and safety management system adopted by the Company.

The Company and its employees must avoid being involved or adopting a conduct which may constitute the crime of receiving stolen goods, money laundering or self-laundering, such as the acceptance or possession and/or reuse of proceeds (objects) deriving from illicit activities.

In general, it is expressly forbidden for Recipients to:

- accept and/or transfer for any reason, except via banks, electronic money institutions or Poste Italiane SpA, cash or bank or postal bearer passbooks or bearer securities in euros or in foreign currency, when the value of the transaction, even split, is in total greater than or equal to the limit prescribed by law;
- issue bank and postal cheques for amounts higher than those provided for by current legislation and which do not bear an indication of the name or company name of the beneficiary and the non-transferability clause;
- make payments to foreign current accounts of natural persons resident in Italy or of entities with registered offices in Italy;
- make payments to numbered current accounts or those at banks without a physical establishment;
- make payments to current accounts of banks operating in countries included in tax haven lists and in favour of offshore companies.

It is also expressly forbidden to purchase and/or receive goods of any kind and nature which are known or even only suspected of being of illegal origin.

The Company expressly forbids improper disclosure or violation of industrial and intellectual property rights and copyright, as well as its own and third-party trade secrets.

With reference to the principles of conduct regarding the environment, it is forbidden for Recipients of this Programme to:

- put in place conduct intended to violate the provisions concerning waste management, emission sources and discharges of industrial wastewater containing hazardous substances;
- falsify or alter the environmental disclosures to the Public Administration, including data and information relating to emissions into the atmosphere to be disclosed to the monitoring Authorities (e.g. ARPA, Provincial Administration);
- abandon or store waste in an uncontrolled manner and discharge the same, in solid or liquid state, in surface and underwater;
- conduct waste management activities in the absence of specific authorisation for disposal and recovery of the same, or in the event of revoked or suspended authorisation;
- mix different categories of hazardous waste (or hazardous with non-hazardous waste);
- violate the disclosure requirements, keeping of compulsory registers and forms for waste management;

- falsify/alter, and/or compile waste analysis certificates with incorrect and/or untruthful information concerning the nature, composition and physical-chemical characteristics of said waste, also with reference to the SISTRI - Handling Area;
- perform or participate in organised activities directed at illegal waste trafficking;
- prevent access to sites by control authorities;
- discharge industrial wastewater containing hazardous substances without authorisation or after the same has been suspended or revoked;
- violate the obligation to provide for, upon occurrence of a potential event which could contaminate the site, implementation of necessary preventive and remediation measures, providing timely notification to the competent authorities;
- violate the emission limit values or the provisions established by the authorisation in operating a plant as well as the air quality limit values provided for by current legislation;
- sell, buy, receive, transport, import, hold, transfer, abandon or unlawfully dispose of highly radioactive material.

❖ **Sanctions**

Conduct which does not comply with the provisions of the Code of Ethics and these Guidelines, regardless of any other type of criminal action taken against the offenders, will result in disciplinary measures being taken in accordance with laws in force and/or collective bargaining agreements in effect and the provisions of the Programme in the section dedicated to the Disciplinary System.

Violations of the provisions and rules of conduct contained in the Code of Ethics and Conduct Guidelines and any commission of the crimes provided for by Legislative Decree 231/2001, put in place by Third Parties which, although not belonging to the Company, act on behalf and/or in the interest of the same (such as outsourcers, consultants and service contractors) are sanctioned in accordance with the provisions of the specific contractual clauses included in their contracts. Such clauses may include, without limitation, the right to terminate the contract and/or the payment of penalties.

The imposition of sanctions may involve, in addition, the prohibition of establishing new contractual relations with the parties involved, unless the Board of Directors decides otherwise.

❖ **Reporting to the Compliance Committee**

To facilitate the notification of facts or circumstance concerning the Compliance Programme to the Supervisory Board, Piaggio has an internal reporting channel, which is available at: <https://piaggiogroup.integrityline.com/>.

COMPLIANCE PROGRAMME

PIAGGIO & C. S.P.A.



GENERAL SECTION

pursuant to Legislative Decree 231 of 8 June 2001

1. LEGISLATIVE DECREE 231 OF 8 JUNE 2001 ON THE ADMINISTRATIVE LIABILITY OF LEGAL PERSONS, COMPANIES AND ASSOCIATIONS, INCLUDING THOSE WITHOUT LEGAL PERSONALITY

1.1 THE ADMINISTRATIVE LIABILITY OF LEGAL PERSONS

Legislative Decree 231 of 8 June 2001, implementing Delegated Law 300 of 29 September 2000, introduced in Italy '*Regulations on the administrative liability of legal persons, companies and associations, including those without legal personality*' (hereinafter also referred to, for the sake of brevity, as '**Legislative Decree 231/2001**' or the '**Decree**'), which is part of a broad-ranging legislative process to combat corruption, and aligns Italian legislation on the liability of legal persons with certain international conventions previously undersigned by Italy.

Legislative Decree 231/2001 therefore establishes a system of administrative liability for legal persons³ (hereinafter, for the sake of brevity, referred to as the '**Entity**'), which is in addition to the liability of the natural person (better identified below) who is the actual perpetrator of the offence and which aims to involve, in the punishment, the entities in whose interest or advantage that offence was committed. This administrative liability exists only for the offences listed in Legislative Decree 231/2001.

Article 4 of the Decree also specifies that in certain cases and under the conditions laid down in Articles 7, 8, 9 and 10 of the Criminal Code, the administrative liability of Entities having their head office in the territory of the State for offences committed abroad by natural persons (as better identified below) exists, provided that the State of the place where the criminal act was committed does not proceed against such Entities.

1.2 PERSONS SUBJECT TO LEGISLATIVE DECREE 231/2001

The persons who, by committing a crime in the interest or to the advantage of the Entity, may result in its liability are listed below:

- a) individuals who hold senior positions (representatives, directors or managers of the Organisation or of one of its organisational units that have financial and functional independence, or individuals who are responsible for the management or control; hereinafter, for the sake of brevity, '**Senior Persons**'),
- b) natural persons subject to the management or supervision of one of the Senior Persons (hereinafter, for the sake of brevity, '**Subordinates**').

³ Article 1 of Legislative Decree. 231/2001 establishes Recipients of the legislation as '*entities with legal personality, companies and associations, including those without legal personality*'. In light of this, the Decree applies to:

- private entities, i.e. entities with legal personality and associations 'even without' legal personality;
- entities with public-sector status but without public powers ('public-sector financial entities');
- mixed public/private entities (so-called 'mixed companies').

On the other hand, the following are excluded from the list of Recipients: the State, territorial public bodies (Regions, Provinces, Municipalities and Mountain Communities), non-financial public bodies and, in general, all bodies that perform functions of constitutional importance (Chamber of Deputies and Senate of the Republic (Parliament), Constitutional Court, General Secretariat of the President of the Italian Republic, the CSM (High Council of the Judiciary, etc.).

In this regard, it should be noted that it is not necessary for the Subordinate Persons to have a subordinate employment relationship with the Entity, since this notion also includes '*workers who, while not being 'employees' of the entity, have a relationship with it that is such as to assume there is a supervisory obligation on the part of the Entity's management: for example, partners in joint-venture operations, so-called para-subordinates in general, distributors, suppliers, consultants, external staff*⁴.

In fact, prevailing doctrine extends the mandatory nature of the Compliance Programme (hereinafter, for the sake of brevity, the '**Programme**') also to external workers, other than subordinate and para-subordinate workers, who are required to perform a task under the direction or control of Senior Persons. However, it should be noted that the Entity is not liable, as specifically provided for by Law (Article 5, paragraph 2 of the Decree), if the aforementioned persons have acted exclusively in their own interest or in the interest of third parties. In any case, their conduct must be referable to the 'organic' relationship whereby the acts of the natural person can be attributed to the Entity.

1.3 THE CONCEPTS OF 'INTEREST' AND 'ADVANTAGE'

The concepts of 'interest' and 'advantage' were clarified in the report accompanying Legislative Decree. 231/2001 and confirmed by ongoing case law.

These concepts have two different meanings and are to be assessed at two different times with respect to the commission of the Predicate Offence. In fact, the aforementioned accompanying report gives the concept of interest a 'subjective' value, and the concept of advantage an 'objective' value. Specifically:

- a) interest expresses the intention of the offence and refers to the will of the natural person acting. For this reason, interest is assessed *ex ante*, i.e. before the commission of the offence, with reference to the perpetrator's intention;
- b) advantage, on the other hand, refers to the concrete benefit, also non-monetary, received by the Entity as a result of the offence committed. The advantage, therefore, is assessed *ex post*, by analysing what effects and benefits the offence brought to the Entity.

With regard to culpable offences, where the application of criteria relating to interest and advantage presents certain critical issues, case law, elaborating the 'criterion of compatibility', has affirmed the principle according to which the existence of interest and advantage is to be assessed not in relation to the event, but in relation to the conduct of the person who contributed to causing the event itself. The liability of the Entity for culpable offences, in fact, is linked to the culpable violation of the precautionary rules by the perpetrator, since it is from such a violation that an economically appreciable advantage for the Entity may arise.

⁴Excerpt from: Assonime Circular 68, dated 19 November 2002.

1.4 PREDICATE CRIMES

As at 15 November 2024, the Decree referred to the following categories of offences (hereinafter also referred to as '**predicate offences**' for the sake of brevity):

- offences against the Public Administration (Articles 24 and 25);
- computer crimes and unlawful data processing (Article 24 *bis*);
- offences of organised crime (Article 24 *ter*);
- offences relating to the counterfeiting of money, public credit cards, revenue stamps and identification instruments or signs (Article 25 *bis*);
- offences against industry and trade (Article 25 *bis.1*);
- corporate offences (Article 25 *ter*);
- offences for the purpose of terrorism or subversion of the democratic order (Article 25 *quater*);
- female genital mutilation practices (Article 25 *quater.1*);
- crimes against the individual (Article 25 *quinquies*);
- crimes of market abuse (Article 25 *sexies*);
- culpable homicide or grievous or very grievous bodily harm, committed in breach of the rules on the protection of health and safety at work (Article 25 *septies*);
- crimes of receiving, laundering and using money, goods or benefits of unlawful origin, as well as self-laundering (Article 25 *octies*);
- crimes relating to non-cash payment instruments and the fraudulent transfer of valuables (Article 25 *octies.1*);
- crimes of copyright infringement (Article 25 *novies*);
- the crime of inducement not to make statements or to make false statements to the judicial authorities (Article 25 *decies*);
- environmental offences (Article 25 *undecies*);
- the crime of employing illegally staying third-country nationals (Article 25 *duodecies*);
- crimes of racism and xenophobia (Article 25 *terdecies*);
- fraud in sporting competitions, unlawful gaming or betting and gambling using prohibited devices (Article 25 *quaterdecies*);
- tax crimes (Article 25 *quinquedecies*);
- smuggling crimes (Article 25 *sexiesdecies*);
- crimes against the cultural heritage (Article 25 *septiesdecies*);
- crimes of laundering cultural goods and devastation and looting of the cultural and landscape heritage (Article 25 *duodevicies*);
- liability of entities for administrative offences.

In creating the Piaggio Programme, bearing in mind the analysis of the company context, the activities carried out by the Company and the areas potentially subject to the risk of offences being committed, only Predicate Offences of individual Processes were considered relevant and therefore specifically examined in the Programme, i.e:

- a) offences against the Public Administration (Articles 24 and 25);
- b) computer crimes and unlawful data processing (Article 24 *bis*);
- c) offences of organised crime (Article 24 *ter*);
- d) offences relating to the counterfeiting of money, public credit cards, revenue stamps and identification instruments or signs (Article 25 *bis*);
- e) offences against industry and trade (Article 25 *bis*.1);
- f) corporate offences (Article 25 *ter*);
- g) crimes against the individual (Article 25 *quinquies*);
- h) crimes of market abuse (Article 25 *sexies*);
- i) culpable homicide or grievous or very grievous bodily harm, committed in breach of the rules on the protection of health and safety at work (Article 25 *septies*);
- j) crimes of receiving, laundering and using money, goods or benefits of unlawful origin, as well as self-laundering (Article 25 *octies*);
- k) crimes relating to non-cash payment instruments and the fraudulent transfer of valuables (Article 25 *octies*.1);
- l) crimes of copyright infringement (Article 25 *novies*);
- m) the crime of inducement not to make statements or to make false statements to the judicial authorities (Article 25 *decies*);
- n) environmental offences (Article 25 *undecies*);
- o) the crime of employing illegally staying third-country nationals (Article 25 *duodecies*);
- p) crimes of racism and xenophobia (Article 25 *terdecies*);
- q) tax crimes (Article 25 *quindecies*);
- r) smuggling crimes (Article 25 *sexiesdecies*).

1.5 SANCTIONS CONTEMPLATED BY THE DECREE

Legislative Decree 231/2001 provides for the following types of sanctions applicable to entities covered by the regulation:

- 1) fines;
- 2) bans;
- 3) the compulsory administration of the Entity;
- 4) confiscation of the price or profit of the crime;
- 5) publication of the conviction.

These sanctions are applied at the end of a complex administrative procedure. Bans may also be imposed as a precautionary measure, although never in conjunction with each other, on request made by the Public Prosecutor to the Judge, when both of the following conditions are met:

- there are serious indications that the Entity is liable under law;
- there are well-founded and specific indications that there is a real danger that offences of the same nature as the one being prosecuted may be committed.

In ordering precautionary measures, the Judge takes into account the specific suitability of each, in relation to the nature and degree of the precautionary requirements to be met in the case in question, and the necessary proportion between the extent of the offence and the penalty that is deemed likely to be applied to the Entity on a definitive basis.

Fines

Fines, governed by Articles 10 and following of the Decree, represent the main penalty to apply, paid by the Entity with its assets or with a common fund.

The Legislator has adopted an innovative criterion for proportioning the penalty, requiring the Judge to proceed with two different and subsequent evaluations. This entails a greater alignment of the penalty with the severity of the offence and the organisation's economic conditions.

The first evaluation requires the Judge to determine the number of units to be imposed (in any event not less than one hundred nor more than one thousand) taking into account:

- the severity of the fact;
- the degree of responsibility of the Entity;
- the activity carried out to eliminate or mitigate the consequences of the fact and to prevent the commission of further offences.

During the second evaluation, the Judge determines, within the minimum and maximum values predetermined in relation to the offences, the value of each unit, from a minimum of Euro 258.23 to a maximum of Euro 1,549.37. This amount is fixed 'on the basis of the economic conditions and assets of the entity for the purpose of ensuring the effectiveness of the penalty' (Articles 10 and 11, paragraph 2 of Legislative Decree 231/2001).

As stated in point 5.1 of the report accompanying the Decree, 'as regards the methods for ascertaining the entity's economic conditions and assets, the judge may refer to the financial statements or other records that are in any event suitable for giving an accurate picture of such conditions. In some cases, proof may also be determined by taking into account the size of the organisation and its position on the market. (...) The judge, assisted by consultants, therefore has to consider the company's situation, drawing on information relating to the company's economic solidity, and its financial position and performance'.

Article 12 of Legislative Decree 231/2001 lists a number of conditions which if occurring will reduce the fine by half, from one third to one half, or from one half to two thirds.

Bans

The following bans are envisaged in the Decree and apply, together with the fine, only in relation to the offences for which they are expressly provided:

- 1) a ban on doing business;
- 2) the suspension or withdrawal of authorisations, licences or concessions functional to the commission of the offence;
- 3) a ban on dealing with the Public Administration, except to obtain the performance of a public service;
- 4) exclusion from credit facilities, financing, contributions and subsidies and/or the withdrawal of those already granted;
- 5) a ban on advertising goods or services.

In order for bans to be imposed, at least one of the conditions in Article 13 of Legislative Decree 231/2001 must be met, and namely:

- *‘the entity has derived a significant profit from the offence and the offence was committed by persons in a senior position or by persons subject to the direction of others when, in this case, the commission of the offence was determined or facilitated by serious organisational deficiencies’; or*
- *‘in the event of repeated offences’.*

In addition, bans may also be requested by the Public Prosecutor and applied to the Entity by the Judge as a precautionary measure, when:

- there are serious indications that the Entity is liable for an administrative offence;
- there are well-founded and specific indications that there is a real danger that offences of the same nature as the one being prosecuted may be committed;
- the Entity made a significant profit.

In any case, bans will not be applied where the offence was committed in the predominant interest of the perpetrator or of third parties and the Entity obtained little or no advantage from it, or where the financial damage caused is particularly minor.

Another hypothesis preventing the application of bans is provided for in Article 17, Legislative Decree 231/2001 and is supplemented when the following conditions occur at the same time:

- *‘the entity has fully compensated the damage and has eliminated the harmful or dangerous consequences of the offence or has in any event taken effective steps to do so’;*
- *‘the entity has eliminated the organisational deficiencies that led to the offence by adopting and implementing compliance programmes capable of preventing offences of the kind committed’;*
- *‘the entity has made available the profit realised, for the purposes of confiscation’.*

Bans last for no less than three months and no more than two years, and the choice of the measure to be applied and relevant duration is made by the Judge on the basis of the criteria previously indicated for

the commensuration of the fine, *'taking into account the suitability of the individual sanctions to prevent offences of the type committed'* (Article 14, Legislative Decree 231/2001).

The ban on doing business is of a residual nature compared to other bans, as it can only be applied *'when the application of other bans proves inadequate'* (Article 14, paragraph 4 of Legislative Decree 231/2011).

Compulsory administration of the Entity

The purpose of compulsory administration is to protect mainly public interests.

In particular, compulsory administration covers the hypothesis where the ban is imposed on an Entity performing a public service or a service of public necessity.

Under Article 15 of Legislative Decree 231/2001, in the case where the circumstances exist for the application of a ban that interrupts the business activity, the Judge may order instead the continuation of the Entity's activity by an administrator for a period corresponding to the duration of the measure that may be imposed, where at least one of the two following conditions is met:

- the Entity performs a public service or a service of public necessity the interruption of which may cause serious harm to the community;
- given the size of the Entity and the economic conditions of the area in which it is located, the interruption of its activity may have a significant impact on employment.

The powers and duties of the administrator must be indicated by the Judge in the ruling ordering the continuation of the Entity's activity, taking into account the specific activity in which the offence was committed.

In the context of these indications, the administrator shall ensure the adoption and effective implementation, within the Entity, of Compliance Programmes suitable to prevent offences of the kind that have occurred.

In addition, the administrator may not perform acts of extraordinary administration without the consent of the Judge.

The above suggests that the functions carried out by the administrator are mostly executive, as all decision-making powers are overseen by the Judge, both as regards the definition of the administrator's tasks, and as regards the adoption of the Programmes, which is simply 'overseen' by the latter, and, finally, with reference to the need for authorisation to perform activities that go beyond ordinary administration. Lastly, the provision provides for the confiscation of the profit deriving from the continuation of the activity.

This provision reflects the nature of the measure (penalty) adopted by the Judge.

However, the continuation of the activity replaces a penalty: for this reason, the Organisation must not be placed in a position where it may derive a profit from the performance of an activity which, had it not been a public service, would have been discontinued.

Confiscation

Pursuant to Article 19, Legislative Decree 231/2001, confiscation of the price or profit is the principal and mandatory penalty: in fact, confiscation is always ordered in the ruling and concerns the price (money or other economic benefit given or promised to induce or cause another person to commit the offence) or profit (immediate economic benefit derived) from the offence, except for the part that can be returned to the injured party and without prejudice to the rights acquired by third parties in good faith. Where it is not possible to apply the reduction measure to the price or profit of the offence, it is permitted to proceed to apply this measure to sums of money, goods or other utilities of equivalent value to the price or profit of the crime.

Publication of the conviction

Publication of the conviction consists in the publication of the conviction once only, either as an excerpt or in full, by the clerk of the court, at the expense of the Entity, in one or more newspapers indicated by the Judge in the ruling, as well as by posting in the municipality where the Entity has its head office.

The publication of the conviction may be ordered when a ban is imposed on the Entity.

The application of the ban is optional and the choice is left to the Judge; this is because the measure in question may have serious consequences for the company, whose image may be irreparably damaged, even if it is not listed on a regulated market.

Therefore, this penalty may only be applied in the event that a ban is imposed on the Entity, i.e. in the most serious cases: in these cases, the interest of third parties to know the ruling imposed on the Entity is well founded.

1.6 ATTEMPTED CRIMES

In the event of the commission, even attempted, of the Predicate Offences referred to in the Decree, the fines (in terms of the amount) and bans (in terms of the time) are reduced by between one third and one half, while sanctions are not imposed where the Entity voluntarily prevents the performance of the action or the realisation of the event (Article 26 of Legislative Decree 231/2001).

1.7 EXEMPT CONDUCT

Articles 6 and 7 of Legislative Decree 231/2001 provide for specific forms of exemption from the Entity's administrative liability for offences committed in the interest or to the advantage of the Organisation by both Senior Management and Subordinates (as defined in paragraph 1.2 above).

In particular, in the case of offences committed by Senior Executives, Article 6 of the Decree provides for exemption from liability if the Entity proves that:

- 1) the management board adopted and effectively implemented the Programme before the act was committed;

2) the Entity's Supervisory Board, with autonomous powers of initiative and control, has been entrusted with the task of supervising the operation of and compliance with the Programme, as well as ensuring that it is updated;

3) the persons who committed the offence acted by fraudulently circumventing the Programme.

As far as Subordinates are concerned, Article 7 of the Decree provides for exemption from liability in the event that the Entity has adopted and effectively implemented, prior to the commission of the offence, a Programme capable of preventing offences of the kind committed.

However, the Entity's exemption from liability is not determined by the mere adoption of the Programme, but by its effective adoption to be achieved through the implementation of all the protocols and controls necessary to limit the risk of commission of the offences that the company intends to prevent.

In particular, with reference to the Programme's characteristics, the Decree expressly envisages, in Article 6, paragraph 2, the following preparatory phases for its proper implementation:

- identification of activities within the scope of which there is a possibility of offences being committed;
- provision of specific protocols to plan the formation and implementation of the Entity's decisions in relation to the offences to be prevented;
- identification of the methods of managing financial resources suitable for preventing the commission of such offences;
- provision of information obligations vis-à-vis the Supervisory Board;
- introduction of an appropriate disciplinary system to penalise failure to comply with the measures indicated in the Programme.

1.8 EVENTS MODIFYING THE COMPANY

The Decree provides that, in the event of a company's transformation, the transformed company is still liable for offences committed prior to the date when the transformation took effect.

In the event of a merger, including a merger by incorporation, the resulting company will be liable for the offences for which the companies involved in the merger are liable, as well as for the fines and bans that will be imposed on it for administrative offences resulting from such offences.

In the case of a demerger, a distinction must be made between:

- 1) a partial demerger, in which the demerged company is liable for offences committed before the date when the demerger took effect, jointly and severally with the beneficiary companies, whose liability is added to its own;
- 2) a full demerger, in which the company or entities benefiting from the demerger are jointly and severally liable for the fine for administrative offences committed, prior to the demerger, by the demerged company.

In the event of a demerger, whether total or partial, each company or Entity benefiting from the demerger is liable to the extent of the net assets transferred to it. The company or Entity to which the branch of activity within which the offence was committed was transferred, even in part, will be liable for the fine beyond the above limit only if necessary.

Bans relating to offences committed prior to the date when the demerger took effect apply only to those Entities to which the branch of activity in the context of which the offence was committed remained (hypothesis referring only to the partial demerger) or was transferred (hypothesis referring to all cases of a demerger), even only in part.

1.9 REPRESENTATION OF THE ENTITY IN COURT

Article 39 of Legislative Decree 231/2001 implements, together with the subsequent Articles 40, 41, 42 and 43, the provisions of Article 11, letter q) of Delegated Law 300/200, whereby the delegating legislator required that the *'effective participation and defence of entities in the various stages of criminal proceedings'* be ensured, in implementation of the principles of due process set out in Articles 24 and 111 of the Constitution. The provision, in paragraph 1, states that: *'the Entity participates in the criminal proceedings with its legal representative'*. Such a provision typifies the mandatory ways in which a legal entity may appear in court, consecrating the Entity's right to participate in proceedings through its legal representative, i.e. the person who has the power to express the Entity's will and to make all strategic and defensive choices, together with the company's decision-making bodies.

If the Entity wishes to enter an appearance in court, in order to be valid, it must file a statement with the clerk's office of the court, pursuant to the second paragraph of the aforementioned regulation. This statement must indicate:

- 1) the name of the Entity and the identity of its legal representative;
- 2) the first name and surname of the counsel for the defence and an indication of the power of attorney;
- 3) the signature of the counsel for the defence;
- 4) the declaration or election of the address for service.

It therefore follows, for the purposes of validly representing the Entity in legal proceedings, that the Entity must disclose in full its powers of representation, also indicating with the adoption of the Programme, the person in charge of making the fiduciary appointment of the counsel for the defence in cases of incompatibility due to a conflict of interest established *ex lege* by the legislator.

The Decree, in fact, expressly contemplates a case of incompatibility of the legal representative of the Entity. In particular, it makes an exception to the participation of the Entity in criminal proceedings through its legal representative if *'the representative is charged with the crime which the administrative offence refers to'*. The purpose of *this* prohibition is to avoid an obvious and irremediable conflict of interest within the organisational structure of the legal entity, since it may be assumed that the defence of the Entity and its

legal representative will clash. In fact, it appears evident that the right of defence of the legal person would be totally disregarded if representation in the proceedings of the entity were entrusted to a natural person having interests in conflict with those of the Entity, both from a substantive and procedural point of view.

In any case, in accordance with Article 40 of the Decree, if the Entity has failed to appoint a counsel for the defence or is without one, it will be assisted by a counsel for the defence.

2. THE COMPLIANCE PROGRAMME OF PIAGGIO & C. S.P.A.

2.1 THE COMPANY

Founded in 1884, Piaggio & C. S.p.a. designs, manufactures and sells motorised two-, three- and four-wheeler vehicles, ranking among the leading global manufacturers of two-wheeler.

The Company operates in the scooter, motorbike and moped sector, using the Piaggio, Aprilia and Moto Guzzi brands; it is also active in three- and four-wheel light transport.

The Company is listed on the Milan Stock Exchange and is controlled by the industrial holding IMMSI s.p.a., which in turn is listed on the Italian Stock Exchange.

It has its registered office in Pontedera.

Although Piaggio

- has never recorded any cases of administrative liability *pursuant to* Legislative Decree 231/2001,
- its specific activity carried out shows a low risk of exposure to the commission of Predicate Offences, with a view to a constant commitment to comply with the laws in force of the State and of the States in which it carries out its activities and with the ethical principles of common acceptance, as set out in the fundamental principles contained in the Code of Ethics,

it has decided to adopt this Programme in place of the existing one.

2.2 THE COMPANY'S GOVERNANCE STRUCTURE

Piaggio is organised according to the one-tier system of administration and control pursuant to Articles 2409 *sexiesdecies* and following of the Civil Code. Therefore, its structure consists of the Shareholders' Meeting, the Board of Directors and the Management Control Committee.

The company's organisational system aims to ensure the proper and responsible management of the company in order to promote trust between members, customers and employees. The governance of the Company is based on a coherent and integrated system that includes company powers of attorney and proxies that are periodically updated in the light of both regulatory changes and changes in the corporate organisational system. The system of delegated powers is documented and traceable so as to facilitate its reconstruction a posteriori.

The Chairman of the Board of Directors and the Chief Executive Officer, in addition to legal representation before third parties and in court and the power to sign on behalf of the Company, are vested with the power to supervise the management of the Company, as well as to implement the resolutions of the Shareholders' Meeting and the Board of Directors, with the exclusion of the powers reserved by law and/or by the Articles of Association to the Board of Directors.

The Board of Directors plays a central role in the organisation of the company and is responsible for the functions and responsibilities of the strategic and organisational guidelines, as well as for verifying the existence of necessary controls to monitor the company's performance. The Board of Directors is vested with all powers for the management of the Company and, to this end, may pass resolutions or perform all acts it deems necessary and/or useful for the implementation of the corporate purpose, with the exception of those reserved by law and/or the Articles of Association to the Shareholders' Meeting.

The Management Control Committee monitors the adequacy of the Company's organisational structure, the internal control system and the administrative and accounting system, as well as its suitability to correctly represent management events.

2.3 THE PROGRAMME

2.3.1 THE AIMS OF THE PROGRAMME

The Programme prepared by Piaggio is intended to supplement and complete the existing system of internal controls. By updating the Programme, Piaggio aims to pursue the following objectives:

- set up a prevention and control system aimed at reducing the risk of the commission of offences connected with the Company's activities;
- make all those who work in the name of and on behalf of Piaggio and in any case in the interest or to the advantage of Piaggio, and in particular persons engaged in so-called 'At-Risk Activities', aware that in the event of a violation of the provisions herein, they may incur an offence liable to criminal and administrative sanctions, not only against themselves, but also against the Company;
- inform all those who work with the Company that violation of the Programme's provisions will result in the application of appropriate sanctions;
- confirm that Piaggio does not tolerate unlawful conduct of any kind or for any purpose and that, in any case, such conduct (even if Piaggio were apparently in a position to benefit from it) is in any case contrary to the principles that inspire its activities.

2.3.2 THE CREATION OF THE PROGRAMME

On the basis also of indications inferable from industry best practices, the creation of the Programme (and subsequent drafting of this document) was divided into the steps described below:

- 1) a preliminary examination of the Company's context by analysing relevant documentation and conducting interviews with Piaggio's process owners based on the structure and activities carried

- out by the Company, in order to 'map' the organisation and the activities carried out by the various organisational units/functions, as well as the Processes into which the activities are divided and their actual and effective implementation;
- 2) the identification of the Processes and activities 'at risk' or 'instrumental' to the commission of the Predicate Offences, based on the above-mentioned preliminary examination of the Company context (hereinafter, for the sake of brevity, referred to as the '**Processes**' or '**At-Risk Activities**');
 - 3) the hypothetical definition of the main possible ways in which the Predicate Offences may be committed within the individual At-risk Activities;
 - 4) the detection and identification of the control system adopted by the Company in order to prevent the commission of Predicate Offences.

2.3.3 THE CONCEPT OF ACCEPTABLE RISK

In preparing the Programme, the concept of acceptable risk cannot be overlooked. It is, in fact, imperative to establish, for the purposes of compliance with the provisions introduced by Legislative Decree 231/2001, a threshold to limit the quantity and quality of preventive instruments that must be adopted in order to prevent the offence from being committed. With specific reference to the sanctions system introduced by the Decree, the threshold of acceptability, for the purposes of excluding the Entity's administrative liability, is represented by the effective implementation of an adequate preventive system which is such that it cannot be circumvented unless intentionally, i.e. where the persons who have committed the offence have acted by fraudulently circumventing the Programme and the controls adopted by the Company.

2.3.4 THE STRUCTURE OF THE PROGRAMME

The Programme has been drawn up taking into account the activities actually carried out by Piaggio and the nature and size of its organisation.

In particular, the Programme, in addition to containing the main principles of its approach, illustrates, in relation to each type of offence, assessed as abstractly relevant for Piaggio pursuant to the Decree, the Processes and Activities at risk, as well as the related rules of conduct that Recipients are required to observe.

With a view to creating the Programme, the offences that currently constitute grounds for the administrative liability of Entities under the Decree were assigned a risk level considering the possibility of the offence actually being committed in the context of the Processes.

Furthermore, it should be pointed out that the Programme, by impacting activities that are also considered at-risk in ESG terms, can contribute to the overall pursuit of many of the sustainability goals. With this in mind, the Company's Programme represents a significant starting point for governance that

supports the company in terms of sustainability and, at the same time, is a useful compliance tool to strengthen the implementation of corporate procedures from an ESG perspective.

2.3.5 UPDATING THE PROGRAMME

The Decree expressly provides for the need to update the Programme, in order to make it constantly aligned with the specific needs of the Company and its actual operations. Adaptation and/or the updating of the Programme will essentially be carried out on the occasion of:

- 1) legal changes;
- 2) violations of the Programme and/or negative outcomes of audits on its effectiveness;
- 3) changes in the Company's organisational structure;
- 4) unforeseeable external phenomena (natural catastrophes, health emergencies, other exogenous events) from which the need to further strengthen the control system to guard against compliance risks arises.

The updating of the Programme and, therefore, its supplementation and/or amendment, is guaranteed:

- by Company management, i.e. the heads of the various organisational units of the Company;
- by the Supervisory Board in exercising its powers of initiative and over the activities carried out by the individual organisational units in the at-risk areas.

In particular, it is the responsibility of company management, in cooperation with the Supervisory Board, to transmit awareness to own staff of situations at risk of crime, as well as to issue directives on the operating methods for carrying out the tasks entrusted to them, in accordance with the principles and provisions contained in this Programme and taking into account the particular aspects of their sphere of activity.

Proposals to amend and supplement the Programme, as well as its annexes, may be submitted by the Supervisory Board to the Board of Directors, after consulting the competent functions of the various organisational units.

The Board of Directors, in its decision-making autonomy, has the right to grant one of its members the power to make formal and non-substantial changes, should they become necessary over time, with the subsequent obligation for the director given this power to formally notify the Board of Directors of the changes made.

2.3.6 DOCUMENTS RELATED TO THE PROGRAMME

The following are an integral and substantial part of the Programme:

- the Code of Ethics;
- the General Principles of Internal Control;
- the Conduct Guidelines;
- the list of relevant crimes and administrative offences pursuant to Legislative Decree 231/2001,

- the list of sanctions provided for in Legislative Decree 231/2001,
- the power of attorney system, as well as all documents whose purpose is to describe and assign responsibilities and/or duties to those working within the Company in the performance of At-Risk Activities;
- the system of procedures and internal controls aimed at guaranteeing adequate transparency and awareness of the decision-making and financial processes, as well as of the conduct to be adopted by the Programme's Recipients;
- the Whistleblowing Policy.

It follows that the term 'Programme' means not only this document, but also all further documents and procedures that will be adopted and that will pursue the purposes indicated therein.

2.3.7 DISSEMINATION OF THE PROGRAMME

In view of Piaggio's operational reality, the Programme is a valid tool for raising awareness and providing information to Senior Management and Subordinates, so that

Recipients, in the performance of their activities, adopt a fair and transparent conduct in line with the ethical-social values that inspire the Company in the pursuit of its corporate purpose and that, in any case, are such as to prevent the risk of the commission of the Predicate Offences.

In any case, the heads of the various organisational units at the various levels ensure the implementation of the principles and rules of conduct contained in the adopted Programme and Code of Ethics.

The Programme is made available to:

- employees, external staff, managers and company representatives on the company intranet;
- all other Recipients, on the institutional website (<https://www.piaggiogroup.com/it>) and is constantly updated in relation to any changes in applicable legislation.

2.3.8 RECIPIENTS OF THE PROGRAMME

The following are considered to be Recipients of the Programme, and are therefore required to comply with the provisions therein:

- Senior Persons, when they perform, even de facto, tasks involving the representation, administration, management and control of the Company of one of its organisational units with financial and functional autonomy (for example directors, senior executives, site managers and everyone who performs these functions, de facto);
- Subordinates, even if seconded abroad or to other Group companies, i.e. subordinate workers, para-subordinate workers and external staff of the Company of any rank and under any type of contractual relationship, including project workers and staff on work placements.

The Recipients, as identified above, are required to comply with all the provisions contained in this Programme and the Code of Ethics, also in fulfilling duties of fairness and diligence arising from the legal relations established with the Company.

2.3.9 STAFF TRAINING AND INFORMATION

It is Piaggio's objective to ensure that Recipients are properly informed about the contents of the Decree and the obligations arising therefrom.

The Company, in fact, for the purposes of the effective implementation of the Programme, enhances the skills and capacities of each Recipient, also through the organisation of training and continual professional development activities. In particular, the personnel function prepares and implements, also based on the indications of the Supervisory Board, an annual training plan aimed at fostering awareness of the principles and ethical standards contained therein. Training initiatives are differentiated according to the role and responsibility of the individual, in the belief that an effective implementation of the Programme is also guaranteed by adequate training of its Recipients.

The annual training plan provides for:

- 1) basic training through e-learning for all personnel, which allows for the timely dissemination of common content - reference legislation (Legislative Decree 231/2001 and Predicate Offences), the Programme and its functioning, the contents of the Code of Ethics - enhanced by self-assessment and learning tests;
- 2) specific classroom initiatives for the heads of functions operating in at-risk Processes/Activities where the risk of unlawful conduct is higher, during which the control and conduct principles they must follow in carrying out their activities are explained;
- 3) insight modules in the case of updates to regulations or internal procedures.

Training courses (e-learning, classroom courses and any insight modules) are mandatory; breach of this obligation constitutes a disciplinary offence.

It is the duty of the Supervisory Board to promote and monitor all the training and information activities of the Recipients that it may deem necessary or appropriate to foster adequate knowledge and awareness of the Programme, in order to enhance the ethical values of the Company.

With specific reference to health and safety requirements in the workplace, the Company aims to constantly improve its performance by promptly aligning with the relevant regulations in force. In particular, the Company is committed to ensuring a safe, healthy and productive working environment, including through the dissemination of a culture of safety and risk awareness and the encouragement of responsible behaviour by its employees. The Company takes the necessary measures to protect the health and safety of workers, including occupational risk prevention, information and training activities.

2.3.10 INFORMATION TO THIRD PARTIES AND DISSEMINATION OF THE PROGRAMME

Piaggio also envisages the dissemination of the Programme to all individuals who have non-subordinate, consultancy or professional relationships with the Company, whether continuous or occasional (hereinafter referred to as '**Third Parties**' for the sake of brevity).

This category includes, but is not limited to:

- outsourcers;
- consultants;
- agents;
- suppliers and subcontractors;
- business partners.

In particular, the organisational units involved from time to time provide the third parties with whom they come into contact with appropriate information on Piaggio's adoption of the Programme.

Relevant contractual texts include specific clauses aimed at informing third parties of the adoption of the Programme and Code of Ethics by Piaggio, which they declare that they have read and are aware of the contents and of the consequences of failing to comply with the obligations contained in the Programme and Code of Ethics.

3. THE SUPERVISORY BOARD

3.1 THE ROLE OF THE SUPERVISORY BOARD

The Decree, by making the exclusion of the Entity's direct liability dependent on the adoption and effective implementation of a Compliance Programme suitable for preventing the commission of the criminal offences considered therein, has provided for the establishment of an internal Supervisory Board within the Entity, '*that has autonomous powers of initiative and control*', assigned the '*task of supervising the functioning of and compliance with the programme and ensuring that it is updated*'.

3.2 CHARACTERISTICS OF THE SUPERVISORY BOARD

According to the provisions of Legislative Decree 231/2001 (Articles 6 and 7), the characteristics of the Supervisory Board, guaranteeing an effective and efficient implementation of the Programme, must ensure:

- 1) autonomous decision-making and independence;
- 2) respectability and professionalism;
- 3) continuity of action.

Autonomous decision-making and independence

The requirements of autonomous decision-making and independence are fundamental, so that the Supervisory Board is not directly involved in the management activities that constitute the object of its activity and, therefore, is not influenced or interfered with by the management board.

These requirements can be achieved by guaranteeing the Supervisory Board a position on an equal footing with the management body, so that it can also exercise effective control over the latter, with freedom of self-determination and action, as well as decision-making autonomy in the performance of its audit functions, access to company information and documentation, and control, consultation and proposal functions. For the purposes of independence, it is also indispensable that the Supervisory Board's decisions on the effectiveness, operability and alignment with the Programme's provisions are unquestionable.

Respectability and professionalism

The Supervisory Board must have technical and professional skills appropriate to the functions it is called upon to perform. These characteristics, combined with independence, guarantee objectivity of judgement. As regards respectability, not only the requirements in Article 2399 of the Civil Code, which makes reference to Article 2382 of the same Civil Code, must be considered, but also the objective data represented by the absence of convictions in criminal proceedings, as supported by case law and doctrine on the subject.

Continuity of action

The Supervisory Board must:

- continuously carry out the activities necessary to supervise the Programme with an adequate commitment and the necessary powers of investigation;
- be a structure referable to the Company, so as to ensure continuity in supervisory activities.

To ensure that the requirements described above are effectively met, it is advisable that members of the Supervisory Board, in addition to the professional skills described above, meet the formal subjective requirements that further guarantee the autonomy and independence required by the task (e.g. reputation, absence of conflicts of interest and kinship relations with management bodies and top management, etc.).

3.3 IDENTIFICATION OF THE SUPERVISORY BOARD

Pursuant to Article 6, paragraph 1 letter b) of Legislative Decree 231/2001, the Company identifies the Supervisory Board as a collective body that reports to the management boards.

In particular, the Supervisory Board is appointed by the Board of Directors responsible for adopting the Programme, and is composed of:

- an external professional, with the necessary qualifications, who is assigned the position of Chairman;
- the manager of Piaggio, who is the *Head of Legal and Tax*, assigned the position of Member;

- an external professional, with the necessary requirements, who is assigned the position of Member;

The Piaggio Supervisory Board meets at least quarterly. Extraordinary meetings may also be convened by the Chairman as often as necessary in accordance with corporate situations.

The Supervisory Board has a *Regulation for its composition, structure and functioning*, which it approves, describing its functioning, internal organisation, supervisory activities and management of reports.

3.4 TERM OF OFFICE, REQUIREMENTS AND GROUNDS FOR INELIGIBILITY AND/OR INCOMPATIBILITY OF THE MEMBERS OF THE SUPERVISORY BOARD

The Supervisory Board remains in office until the approval of the financial statements for the third financial year following the year of its appointment and may be re-elected. Pending the appointment of new members of the Supervisory Board, the members must fulfil their mandate within the Supervisory Board for a further three months, after which the Board of Directors must appoint a new Supervisory Board without delay.

The members of the Supervisory Board may hold functions or offices within the Company, provided that these do not individually entail active management powers incompatible with the exercise of the Supervisory Board's functions.

They must meet at least the following requirements:

- an ability to perform the task, namely:
 - not be disqualified, incapacitated, bankrupt or sentenced to a penalty involving a ban, including a temporary ban, from public office or suspension from exercising executive functions in companies;
 - not being in one of the conditions of ineligibility or having received a ban provided for in Article 2382 of the Civil Code.
- respectability, namely:
 - enjoying full civil rights, having an irreproachable conduct, not having been convicted, even if not final, or received additional punishments for one of the Predicate Offences;
 - not being involved in a criminal trial concerning the commission of one of the Predicate Offences;
 - not being involved in any criminal or civil proceedings connected with an omission or insufficient vigilance, including negligence, as referred to in Legislative Decree 231/2001;
 - not having been convicted by final judgment, save for the effects of reinstatement:
 - ✓ to a prison sentence for one of the offences envisaged in laws governing banking, financial and insurance activities and in laws governing taxation and payment instruments;
 - ✓ to imprisonment for one of the offences provided for in Title XI of Book V of the Civil Code and in Royal Decree 267 of 16 March 1942;

- ✓ to imprisonment for a term of not less than six months for a crime against the public administration, public faith, property, public order and the public economy;
 - ✓ to imprisonment for a term of not less than one year for any crime committed with criminal intent;
 - ✓ for an offence which results in and has resulted in a conviction with a ban, including a temporary ban, from public office, or a temporary ban from the executive offices of legal persons and companies.
- not having been subjected, by final ruling, to the preventive measures of special surveillance of public security and the obligation to reside in the municipality of residence or habitual abode provided for by anti-mafia legislation;
 - not having incurred administrative sanctions due to a temporary loss of the requisites of respectability and a temporary inability to hold administration, management and control positions, as provided for in Article 187-quater of Legislative Decree 58/1998.
- independence from the Company's management, therefore not having:
 - economic relations and/or contractual relations, whether for a consideration or free of charge, with the Company, with subsidiaries and/or with their respective directors, of such a significance as to affect their autonomy of judgement, entertained directly, indirectly or on behalf of third parties, with the Company;
 - performed, at least in the three financial years preceding the assignment of the position, administration, management or control functions in undertakings subject to bankruptcy, compulsory administrative liquidation or similar proceedings or in undertakings operating in the credit, financial, securities or insurance sector subject to extraordinary administration proceedings;
 - worked in the last three years for the independent auditors of the Company or another company of the Group by taking part, in a capacity as statutory auditor or head of statutory auditing or in a management and supervisory capacity, in the auditing of the financial statements of the Company or another company of the Group;
 - the status as spouse, or cohabiting partner, relative or relative-in-law up to the fourth degree with members of the Board of Directors of the Company, as well as with the same members of other companies of the Group.

Candidates for the position of member of the Supervisory Board must declare that the conditions indicated in this paragraph do not apply to them, expressly undertaking to communicate any changes in the content of these declarations.

Without prejudice to the above provisions, the ongoing eligibility of members of the Supervisory Board will be ascertained each time by the Board of Directors at the time of appointment and will be verified

by the same body for the entire period during which the member of the Supervisory Board remains in office (e.g. through a periodic declaration made by the latter).

If a reason for a ban arises during the term of office, due to the subjective eligibility requirements described above no longer being met, the member concerned must immediately inform the other members of the Supervisory Board and the Board of Directors.

Individuals who have been convicted of one of the offences envisaged in Legislative Decree 231/2001 may not be appointed as members of the Supervisory Board, without prejudice to compliance with the other requirements.

3.5 CAUSES OF TERMINATION, REMOVAL FROM OFFICE AND RESIGNATION

The reasons for termination of the entire Supervisory Board must be kept separate from those affecting individual members.

The Supervisory Board's term in office may be ended for one of the following reasons:

- 1) end of the term;
- 2) resignation of the majority of the members of the Supervisory Board, formalised in a written notice sent to the Board of Directors;
- 3) removal from office of the Supervisory Board by the Board of Directors.

In the event of expiry, resignation or removal from office, the Board of Directors will appoint a new Supervisory Board without delay.

In order to guarantee the absolute independence of the Supervisory Board, removal from office may only take place if there is a justified reason, i.e. if one of the following circumstances occurs:

- 1) gross negligence in the performance of duties related to the assignment, including breach of confidentiality obligations;
- 2) a penalty imposed on the Company, even if not final, pursuant to Legislative Decree 231/2001, connected with an ascertained insufficient or omitted supervisory activity, also culpable, on the part of the Supervisory Board;
- 3) ownership, direct or indirect, of shares in the Company, such as to allow control or significant influence to be exercised or such as to compromise independence;
- 4) unjustified absence, during the financial year, from two consecutive meetings of the Supervisory Board.

Removal for just cause is ordered by resolution of the Board of Directors, after hearing the opinion of the Management Control Committee.

The termination of office of an individual member of the Supervisory Board, on the other hand, may occur:

- 1) if the office or corporate role held is abolished;

- 2) following resignation from the appointment, formalised by means of a written notice sent to the Board of Directors;
- 3) following removal from office by the Board of Directors;
- 4) if any of the causes of ineligibility and/or incompatibility referred to in Section 3.4 arise.

The Company may order the removal from office of an individual member of the Supervisory Board only for just cause, which occurs, in addition to the hypotheses envisaged above for the entire Supervisory Board, in the following cases:

- 1) breach of confidentiality obligations;
- 2) having acted with malice or gross negligence;
- 3) the occurrence of serious and established reasons compromising the autonomy or independence of judgement of the individual member;
- 4) the assignment of operational functions and responsibilities within the corporate organisation that are incompatible with the requirements of autonomy, independence and continuity of action of the Supervisory Board.

Also in this case, removal from office is ordered by resolution of the Board of Directors, after hearing the opinion of the Management Control Committee.

Members of the Supervisory Board may resign from their mandate at any time by notifying the Board of Directors in writing, together with the reasons for doing so.

In the event of resignation, removal from office, forfeiture or incompatibility of one of the internal members of the Supervisory Board, without the concurrent termination of the role or office held, the Board of Directors will redefine the composition of the Supervisory Board in order to allow for the appointment of a new member.

If an external member's term of office ends, they will remain in office until they are replaced, which is overseen by the Board of Directors.

In both cases, the term of office of the new member ends together with that of the other members of the Supervisory Board.

3.6 FUNCTIONS, TASKS AND POWERS OF THE SUPERVISORY BOARD

In accordance with the indications provided by the Decree, the function of the Supervisory Board is, in general, to supervise the operation of the Programme and compliance with it, and to ensure that it is updated.

In particular, the Supervisory Board is required by law to perform the following functions:

- promote the dissemination of knowledge and understanding of the Programme;
- supervise the operation of and compliance with the Programme implemented, with particular reference to the conduct of Senior Persons;

- periodically verify the adequacy of the Programme to prevent the commission of Predicate Offences;
- ensure the continuous updating of the Programme, by means of proposals for its adaptation and amendment to the Board of Directors, if one of the following circumstances occurs:
 - changes in activity at the same time as extraordinary management events;
 - the need for further investigation into the occurrence of or an increase in a specific risk - offence;
 - the identification of uncovered areas, malfunctions or behavioural violations;
 - the commission of a Predicate Offence;
 - legal developments of Legislative Decree 231/2001 or related regulations;
 - amendments to the Company's Articles of Association, Code of Ethics, organisational structure or governance.
- regularly monitor the implementation and functionality of the implemented control and risk management strategies;
- ensure the appropriate and effective application of the sanctions procedures described in the Programme.

Within the framework of the above-mentioned supervisory and control activities, the Supervisory Board will perform the following tasks:

- check the application of and compliance with the Programme through *ethical auditing* activities, consisting of ascertaining and promoting the continuous improvement of corporate ethics by analysing and evaluating the control processes and compliance with the procedures set out in the Programme;
- oversee ethical communication and training activities;
- analyse proposed revisions of corporate policies and procedures and prepare solutions for consideration by the Audit Committee;
- prepare a supervisory programme in the various sectors of activity, ensuring - also with the possible support of internal structures - its effective implementation through a schedule of control activities;
- provide regular annual reports to the Board of Directors on the results of the audit activities carried out;
- examine and assess the information and reports received concerning compliance with the Programme, as well as violations of its provisions, including those reported by the heads of the individual production units of the Company;
- ensure that appropriate disciplinary measures are taken against the perpetrators of violations of the provisions of the Programme, proposing to the competent functions - where deemed

necessary - the application of specific sanctions in accordance with the provisions of the disciplinary system;

- evaluate the work plan prepared with the help of the *Internal Audit* function for the dissemination of the Programme within the Company and related periodic reports;
- contribute to the preparation of training plans and monitor the fulfilment of training obligations;
- assess the proper management of financial resources, in compliance with the Programme's standards and procedures.

For the purposes of exercising its functions and performing the duties described in the preceding paragraphs, the Supervisory Board is granted all the powers necessary to ensure a timely and effective supervisory activity, including the following by way of example:

- carrying out audits and inspections, even without prior notice or prior authorisation;
- performing spot checks on operating processes in order to ascertain any company actions that do not comply with current requirements;
- ordering - where deemed necessary - the hearing of internal resources that can provide useful indications or information on dysfunctions or violations of the Compliance Programme;
- acquiring information and accessing any type of company documentation, in compliance with privacy, including by means of specific requests to the heads of the various organisational units concerned, it being understood that no employee may refuse to provide the Supervisory Board with the documentation and information requested;
- appointing a general contact person to assist the Supervisory Board in the performance of its duties.

The Supervisory Board is also entitled to request to attend (also through a previously delegated member) Shareholders' Meetings, whether ordinary or extraordinary, and Board meetings (in no case will members of the Supervisory Board have the power to intervene by expressing opinions on corporate decisions taken within these bodies), as well as the meetings of the Management Control Committee.

3.7 THE SUPERVISORY BOARD'S RESOURCES

In order to guarantee the Supervisory Board full autonomy and independence in the performance of its functions, it is assigned a budget, which is decided annually on the proposal of the Supervisory Board. If necessary, the Supervisory Board may also assign additional resources, subject to a written and reasoned request.

The Supervisory Board is assisted and supported in the performance of its tasks by the Internal Audit function and the Group Compliance function. From time to time, it may also be assisted by the personnel of the Company or the Group, when the supervisory activities require professionals with specific skills. In this case, all personnel used will continue to report to their hierarchical superior but will be functionally

overseen by the Supervisory Board and will report to it for the assigned tasks. In addition, the Supervisory Board in the performance of its duties and under its direct oversight and supervision, may have the technical support of external consultants and professionals, who will provide required opinions within its budget and financial availability.

The activities of all members of the Supervisory Board must be adequately remunerated.

The remuneration paid to members of the Supervisory Board is set and allocated by the Board of Directors upon appointment or renewal.

3.8 INFORMATION FLOWS TO THE SUPERVISORY BOARD

Information flows represent an essential component of an internal control system for the prevention of the commission of Predicate Offences insofar as they are useful for knowing and promptly managing the risks associated with the performance of one's activities. Without an efficient information system that enables the company to know (and anticipate) these risks, it is not possible to set up response actions and control activities.

The subject of information flows is regulated in Article 6, paragraph 2, letter d) of Legislative Decree 231/2001, which states that the Programme must *'provide for obligations to inform the body responsible for supervising the functioning of and compliance with the programmes'*.

The Supervisory Board, therefore, thanks to appropriately structured information flows, becomes aware of the events of the Entity under relevant profiles in terms of compliance: in fact, the range of information not only includes economic and financial information, but also, for example, information relating to production and commercial activities, developments in technology, and the issue of rules and regulations that could have an impact on the company's business.

The information flows must be: (i) suitable to effectively represent the monitored event (signalling capacity); (ii) reliable, in the sense that the reported data must be true and correct; (iii) up-to-date, since the information must be as current as possible with respect to the observation period.

In accordance with the aforesaid regulations, the Company has established a system of information flows to the Supervisory Board in order to enable the efficient and effective performance of its supervisory tasks.

In fact, the Company has a systematic and structured reporting system for significant issues/matters, which may trigger controls and further investigation by the Supervisory Board in order to ascertain any malfunctions or breaches of the Programme's provisions. All Recipients of the Programme must therefore inform the Supervisory Board of any fact or circumstance that may constitute – or may only give rise to suspicion of – a breach or potential breach of any provision of the Programme (including the Code of Ethics and Conduct Guidelines) that could be relevant for the purposes of the Decree; as well as any information concerning the commission or alleged commission or reasonable danger of the commission of Predicate Crimes.

Information flows to the Supervisory Board are divided into general information and specific mandatory information.

In the first case, the following requirements apply:

- Recipients must report to the Supervisory Board any news concerning the commission, or reasonable belief of the commission, of Predicate Offences or practices that are not in line with the procedures and rules of conduct issued by Piaggio;
- Third parties are required to make reports concerning the commission, or reasonable belief of the commission, of the Predicate Offences in question to the extent and in the manner contractually provided for.

In the second case, the following information (so-called event streams) must be immediately sent to the Supervisory Board where they concern:

- violations, even potential violations, of the Programme or a conduct that is not in line with the rules of conduct adopted by Piaggio;
- changes in the organisational structure of the Company, including updates to the system of authority and powers and changes in at-risk Processes;
- the declaration of truthfulness and completeness of the information contained in corporate communications;
- decisions concerning the application for, disbursement, and use of public funds;
- measures notified by the judicial police or other authorities, relating to the conduct of investigations involving, for offences covered by the Decree, the Company, its employees or members of its corporate bodies;
- inquiry committees or internal reports from responsibility for the alleged Predicate Crimes covered by the Decree has emerged;
- litigation in progress (as claimant and defendant) when the counterparty is a public body or entity (or equivalent) and, upon their conclusion, the relative outcomes;
- requests for legal assistance sent by employees in the event of legal proceedings against them and in relation to crimes under the Decree, unless expressly prohibited by the legal authorities;
- the actual implementation, at all levels of the company, of the Programme, with evidence of disciplinary proceedings carried out and any sanctions imposed, or of orders to dismiss such proceedings with the relevant reasons;
- visits, inspections and audits by the competent bodies (by way of example only: ASL (local health authorities); INPS (social security institute); INAIL (national injury compensation scheme); Guardia di Finanza (Custom and Excise, Revenue Agency, etc.) and, on their conclusion, any findings and sanctions imposed;

- any orders received by the hierarchical superior of one of the Programme's Recipients and considered to be in conflict with the law, the Programme's internal rules, and their outcome/the application of sanctions;
- any tax assessment by the Ministry of Labour, Social Security Institutions, the Antitrust Authority and/or other Supervisory Authorities, by the person in charge of the area subject to the relevant assessment;
- periodic reporting on occupational health and safety, as well as all data on occupational accidents occurring on Company premises.

The Supervisory Board must also be provided with all information relevant to ensuring the constant alignment of the Model with the purposes set out in the Decree, including information concerning

- the atypical aspects or anomalies found, by the bodies responsible and the bodies in charge of control, in the implementation of the Programme;
- the measures taken by the public authority relating to the start of proceedings against the Company for liability *pursuant to* Legislative Decree 231/2001;
- the significant operations carried out in the context of at-risk Processes and Activities;
- Internal Audit/external projects with critical issues and opportunities for improvement, which are relevant under Legislative Decree 231/2001;
- the findings of the audit activities carried out by the Internal Audit function which are of common relevance to the controls carried out by the Supervisory Board;
- significant organisational and procedural changes for the purposes of the Programme;
- a change in and/or development of corporate IT systems;
- the preparation and updating of procedures, as well as the progress of training activities in the context of Legislative Decree 231/2001;
- all reports of suspected or ascertained violations of the Programme, through the procedures adopted by the Company in implementation of the regulations in force in this field.

More details on this can be found in section 3.9 below.

A further channel for reporting and sending documents (so-called periodic flows) is also set up, in accordance with the express request of the Supervisory Board, in order to facilitate the supervision of the Compliance Programme's effectiveness; flows, for the completeness of which please refer to the procedure '*MO - 04 Information flows to the Supervisory Board*', which identifies the corporate functions responsible for periodically informing the Supervisory Board, the intervals for sending the flows and their subject matter.

As part of the periodic flows, all transactions deviating from the adopted procedures as well as from the general control system must be adequately and promptly reported in order to allow Piaggio's entire reporting system to be constantly aligned with all requirements.

Periodic flows must be guaranteed, even in the case of a negative outcome.

The Supervisory Board assesses the reports received, assisted by the structures in charge of internal control for necessary investigations, and proposes the adoption of necessary measures. To this end, having spoken to the person making the report and/or the person responsible for the alleged breach, it reports the breach to the Management Board.

If the reports concern members of the Management Board, the Supervisory Board must report to the Management Control Committee, which will take appropriate initiatives provided for by regulations in force.

In any case, bona fide whistleblowers will be protected against any form of retaliation, discrimination or penalisation, and will be assured the utmost confidentiality with regard to their identity, without prejudice to legal obligations and the need to protect the Company or persons wrongly or maliciously accused.

All information must be provided in written form.

The members of the Supervisory Board are bound by confidentiality with regard to the news and information they become aware of in the performance of their duties, except as specifically provided for in this section.

All information and reports envisaged in the Compliance Programme are kept by the Supervisory Board in a special computer and/or paper file in compliance with internal and external privacy provisions.

The information received by the Supervisory Board will be used for the purpose of improving the planning of control activities and does not require a systematic verification of all the facts reported, since it is left to the discretion and responsibility of the Supervisory Board to decide whether or not to take action following a report.

3.9 REPORTING PROCEDURES

In order to implement the information obligations established by this Programme (so-called event-driven and periodic information flows or *Whistleblowing* reports), all Recipients must comply with the following requirements:

- an employee who wishes to report a violation - or alleged violation - of the Programme may contact his or her direct superior or report directly to the Supervisory Board;
- all other Recipients of the Programme, as defined in section 2.3.10, who have relations with the Company, may report directly to the Supervisory Board.

To ensure an effective and adequate reporting system to the Supervisory Board, the following communication channels are made available to the Recipients:

- a dedicated e-mail address: organismodivigilanza@piaggio.com
- a channel via physical mail, by sending an envelope marked "confidential and reserved" addressed directly to the Supervisory Board at the Company's registered office, Viale Rinaldo Piaggio, 25, 56025 Pontedera (PI) – Italy.

These systems adopt appropriate computer and physical security measures to protect the whistleblower.

Anonymous reports are also allowed under relevant circumstances. For those who use non-anonymous forms of reporting, the confidentiality of the identity of the whistleblower is guaranteed. No form of retaliation is permitted against anyone who makes reports in good faith.

Reports will be handled within a maximum of 30 days from the date of their receipt.

3.10 REPORTING OBLIGATIONS OF THE SUPERVISORY BOARD

In order to ensure the Programme's prior effectiveness and actual implementation, the Supervisory Board is required to periodically inform the Board of Directors and the Management Control Committee of the supervisory activity carried out and its results, as well as to propose any corrective and improvement measures to the Programme.

To this end, the Supervisory Board submits a written report to the Board of Directors and the Management Control Committee every six months on the following aspects:

- the reports received by the Supervisory Board and any proposals to adapt/update the Model;
- any violations ascertained and proposals for disciplinary sanctions against those responsible;
- the status of updates to the Programme and any legislative updates regarding Legislative Decree 231/01, above all on the introduction of new types of Predicate Crimes;
- the evidence contained in 'event' and 'periodic' information flows;
- the functioning and implementation of the Programme, with attached summary of the audits carried out and their outcomes;
- the audit plan for the next financial year.
- the results of audits on at-risk Processes.

Where verification activities are of common relevance to the verification activities performed by the Internal Audit function, the Supervisory Board and Internal Audit function exchange and share the results of these verifications.

In the event of serious anomalies in the functioning and observance of the Programme or of a breach of its provisions, the Supervisory Board reports these promptly to the Board of Directors.

Similarly, any report of an offence or suspicion of an offence being committed coming from the judicial authorities or other sources, which may involve the potential involvement of the Company, must be immediately communicated by the Supervisory Board to the Board of Directors.

The Supervisory Board may be convened at any time by the Board of Directors. In turn, the Supervisory Board may request – if it deems it appropriate or necessary – to be heard by the Board of Directors, in order to report on particular events or situations relating to the functioning of the Programme and compliance with it, and if necessary asking the Board of Directors to take action. Furthermore, the Supervisory Board, if deemed necessary or appropriate, may request to be convened by the Management Control Committee.

4. WHISTLEBLOWING REGULATIONS

On 29 December 2017, Law 179 '*Provisions for the protection of persons reporting of crimes or irregularities of which they have become aware in the context of a public or private employment relationship*' came into force (published in the *Gazzetta Ufficiale* [Official Gazette], General Series no. 291 of 14 December 2017). This law, which aims to incentivise the cooperation of workers in order to encourage the emergence of illegal acts or phenomena - within public and private entities - that conflict with corporate ethical rules, was subject to amendments following publication in the Official Gazette of a further legislative decree on the subject. Specifically, Legislative Decree 24 of 2023 (hereinafter, the '**Whistleblowing Decree**'), in implementation of Directive (EU) 2019/1937, amended the prevailing national regulations on *Whistleblowing*, incorporating in a single regulatory text the safeguards for individuals who report unlawful conduct of which they have become aware in the context of their work.

The objective of the European directive is to establish common minimum standards in order to guarantee a high level of protection for persons who report violations of national or European Union law, which harm the public interest or the integrity of the public administration or private entity, by creating secure communication channels, both within an organisation and externally.

This regulatory framework aims, therefore, to ensure full protection of the freedom of expression of the reporter's thoughts and the strengthening of legality and transparency within entities aimed at preventing offences.

The *Whistleblowing* Decree, by amending Article 6 of Legislative Decree 231/2001⁵, establishes in paragraph 2 *bis* of the same article that Compliance Programmes must guarantee a reporting system in order to highlight unlawful conduct and set up specific internal reporting channels, as well as a protection regime for the whistleblower aimed at preventing any retaliatory conduct by the employer and at sanctioning violations of the relevant regulations.

The most important changes concern: i) the expansion of the category of whistleblowers; ii) the extension of the perimeter of violations that can be reported; iii) the increased proceduralisation of the entities' internal activities (internal reporting channels) in order to ensure the confidentiality of the whistleblower and of the persons involved in the report, as well as to guarantee its timely and efficient handling; iv) the introduction of an external channel entrusted to ANAC (National Anti-Corruption Authority), also for the private sector⁶; v) the introduction of the possibility of the public disclosure of

⁵ Legislative Decree 24 of 10 March 2023 amended the text of Article 6, paragraph 2 *bis* of Legislative Decree 231/2001 and repealed instead paragraphs 2 *ter* and 2 *quater* of Article 6 of Legislative Decree 231/2001, previously regulated by Law 170/2017.

⁶ In addition to so-called 'internal' reports, the possibility of submitting reports to ANAC (so-called 'external' reports) is also established for private individuals in certain cases: 1) where there is no obligation in the work context in which the whistleblower operates to activate the internal reporting channel, or whether, if mandatory, it has not been activated or, if present, is not compliant; 2) when an internal alert has already been submitted that has not been processed or has a negative final decision; 3) where the whistleblower has reasonable grounds to believe that he or she would run the risk of possible retaliation if he or she made the report; 4) when the whistleblower has reasonable grounds to believe that the breach may constitute an imminent or obvious danger to the public interest.

violations under certain conditions⁷; vi) the reinforcement of ANAC's role and sanctioning powers for the correct implementation of regulations.

Finally, the range of subjects protected by law is extended to include so-called facilitators, i.e. those who provide assistance to the whistleblower during the reporting process and whose activities must remain confidential, third parties and legal entities related to the whistleblower.

In order to *comply* with the legislation introduced, Piaggio has adopted the *Whistleblowing procedure* in order to regulate reports of unlawful conduct and/or violations of national and European provisions consisting of offences concerning specific sectors, and has provided Recipients with tools for making reports, which are suitable for guaranteeing, by computerised means, the confidentiality of the identity of the person making the report, the person involved and the person mentioned in the report, as well as the content of the report and related documentation.

The reporting procedure applies to: (i) senior management and members of corporate bodies; (ii) persons with administration, management, control, supervision or representation functions, even if these functions are exercised on a de facto basis; (iii) all employees, including seconded employees, self-employed workers and internal partners; (iv) all individuals who work with the Company through a para-subordinate employment relationship.

Reports can be submitted through the digital *whistleblowing* platform, available 24/7 and accessible from the Group website <https://piaggiogroup.integrityline.com/?lang=it> (hereinafter also referred to as the '**Channel**' for the sake of brevity).

The Channel has been created to allow anyone to safely share any information concerning serious offences relating to violations of the law and/or the internal control system (e.g. Code of Ethics, Compliance Programme *pursuant to* Legislative Decree 231/2001, internal *policies* and procedures), which have occurred or are very likely to occur in the organisation. The whistleblower must have reasonable grounds to believe that the information shared is true (principle of good faith) and that it falls within one of the subjects specified in the *Piaggio Group Whistleblowing Policy*.

Alternative internal channels for Piaggio Group companies also provide for *Whistleblowers* to submit reports by letter to the address: viale Rinaldo Piaggio, 25 Pontedera (PI), 56025, Italy, c/o *Whistleblowing* Committee.

For Italian companies, it is possible to address the report to the attention of the competent Supervisory Board, through the channel indicated above, or by ordinary mail to the address viale Rinaldo Piaggio, 25 Pontedera (PI), 56025, Italy c/o Piaggio Supervisory Board.

⁷ The possibility of protecting the whistleblower by means of 'public disclosures' is also established, provided certain conditions are met (the whistleblower has previously reported internally and externally or directly externally, but no appropriate action has been taken in response to the report within the three-month period, or the whistleblower has reasonable grounds to believe that there may be an imminent or obvious danger to the public interest or there is little prospect that the violation will be effectively addressed).

Reports may be submitted in writing or orally (via a voice messaging system) and, at the request of the person making the report, through a face-to-face meeting that will take place within a reasonable period of time.

Piaggio guarantees the full confidentiality of the identity of the whistleblower and all other elements of the report (including the documentation attached to it, to the extent that its disclosure, even indirectly, may allow the whistleblower to be identified). No retaliatory measures against the whistleblower or persons close to him/her will be tolerated.