



**PIAGGIO
GROUP**

**MODERN SLAVERY STATEMENT
FULL YEAR 2024**

Approved by the Board of Directors of Piaggio & C S.p.A. on 29 July 2025

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INTRODUCTION

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

All actions outlined below, which Piaggio undertakes in its external relations, are coordinated with the relevant departments and approved by the Chief Executive Officer, who is regularly updated on their results.

Piaggio has engaged in dialogue with local bodies in the areas where it operates and has consistently supported initiatives that enhance the region and the well-being of its residents. Moreover, Piaggio promotes regular engagement with the financial community through roadshows and conference calls to discuss quarterly results and has consistently shown interest in the community of motorbike brand enthusiasts and, to support its brands, organises rallies and events.

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

Piaggio views its suppliers as crucial for boosting competitiveness and aims to establish a stable, transparent partnership that allows for the development of their skills and expertise.

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

REPORTING ENTITIES

This document describes the measures taken by the Piaggio Group to ensure, as required by the UK "Modern Slavery Act 2015 - Section 54", the absence of any form of "modern slavery, forced labor and human trafficking" within its organization and along its supply chain.

The content of this statement refers to the fiscal year ended December 31, 2024.

This Statement applies to Piaggio & C S.p.A. (the Parent Company) and its subsidiary Piaggio Limited Ltd, the selling agency that provides a sales promotion service and after-sales service in UK market.

THE ORGANIZATION

Piaggio & C. S.p.A. (the Parent Company) is a joint-stock company established in Italy and registered at the Register of Companies of Pisa. Its common shares are listed on the Mercato Telematico Azionario managed by Borsa Italiana S.p.A. ("MTA").

Piaggio Limited is a joint-stock company established in England and registered at the Register of Companies of Orpington.

Piaggio Group profile

The Piaggio Group, headquartered in Pontedera (Pisa, Italy), is one of the world's leading manufacturers of powered two-wheelers and is also an international player in the commercial vehicle sector. Today the Piaggio Group has three distinct core segments:

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

Piaggio has production plants and research centres around the world: Pontedera, Noale (Venice, Italy), Scorzè (Venice, Italy), Mandello del Lario (Lecco, Italy), Baramati (India, in the state of Maharashtra), Vinh Phuc (Vietnam) and Jakarta (Indonesia). Piaggio produces engines at its plants both for internal production and to meet the demand of other manufacturers. All other components that constitute a vehicle are purchased externally and assembled in-company.

The Group also operates in China, in Foshan in the province of Guangdong, and in the USA, in Pasadena and Boston, with research centres aimed at developing innovative mobility and transport solutions and technologies.

The Group is also present in various other countries around the world with sales and distribution subsidiaries.

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- *Over 100 countries served*
 - *3 production plants in Italy, 1 in the United States of America, 1 in India, 1 in Vietnam, 1 in Indonesia and 1 in China in partnership with Zongshen Industrial Group Company*
 - *2 research centres in Italy, 2 in the United States of America, 1 in India, 1 in Vietnam and 1 in China*
 - *Approximately 354,000 two-wheeler vehicles and 121,000 three- and four-wheeler vehicles produced*
 - *Over 1,000 suppliers*
 - *Over 5,700 employees with 17 of those being employed in the UK*
-

The Group has succeeded in exporting a business model targeting innovation and establishing a strong link with the places in which it operates, pursuing a business philosophy characterised by a strong sense of social responsibility: a culture of safety, respect for people and the protection of natural resources are a common theme throughout the Group.

The Group's conduct is guided by the principles and values set forth in the Code of Ethics, which all Group staff, and all those who interact with Piaggio throughout the world, are required to observe. The values contained within the Group's Code of Ethics are consistent with the 17 Sustainable Development Goals (SDGs).

Piaggio designs its vehicles in-house

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

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

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

Our supply chain

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

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

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

Suppliers are selected based on the quality and competitiveness of their products and services.

Our operations impact local economies and whenever possible, we utilize local suppliers near major locations of operation. This generates direct and indirect income and employment opportunities in the communities where the business is located while minimizing transport-related environmental impacts.

Group relations with suppliers are based on loyalty, impartiality and respect of equal opportunities of all parties concerned.

The Piaggio Group is convinced that responsibility is a commitment which goes beyond the boundaries of the Company and must positively involve everyone in the Company-supplier chain.

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

Supplier relations are defined by specific processes and procedures related to the selection, qualification, management and monitoring/assessment of suppliers. "Vendor Rating Campaigns", during which suppliers are evaluated on the basis of business and quality criteria, are performed twice a year. The Quality function regularly conducts onsite audits on the Group's direct material/component suppliers in order to ensure their effective compliance with the requirements regarding the quality management system. For such suppliers the results of the audits undertaken are included in their Vendor Rating.

THE RISK OF MODERN SLAVERY PRACTICES IN PIAGGIO OPERATIONS AND SUPPLY CHAIN

The Piaggio Group started an Enterprise Risk Management (ERM) project to define and implement a structured, integrated system to identify, measure and manage company risks in line with applicable best practices. Risk scenarios applicable to Group operations are mapped, involving all organisational units, and are updated on an annual basis. These scenarios are grouped referring to external, strategic, financial or operational risk, also considering sustainability issues and in particular "ESG" ("Environmental, Social, Governance related") risks, i.e. which are related to environmental aspects, personnel, social matters, human rights and the fight against active and passive corruption. For a more detailed analysis of all the risks identified by the Piaggio Group, see the Report on Operations in the 2024 Consolidated Financial Statements. Here below the risks concerning human rights and slavery are analysed.

Own workforce

This area covers numerous aspects, such as the management of human capital, including career development, the remuneration and training system, the promotion of diversity and inclusion, as well as aspects relative to occupational health and safety and trade union relations.

Piaggio operates globally with employees in Europe, the Americas and Asia. It promotes diversity in age, culture, ethnics, religion, political opinion, civil status, gender, physical ability, sexual orientation, encouraging different ways to achieve and reach the highest levels of performance within a single and broader-ranging organisational set-up of the Group. The integration of disabled people into the workforce is also made possible in practice by the accessibility of company facilities and the existence of a relative company procedure.

Piaggio adopts a system of recruitment, development and salary packages for personnel which recognises and rewards merit and performance. Our employees also have written contracts of employment. Development tools are used to build on and continually improve skills, while empowering potential, recognising and rewarding outstanding performance. Reward policies remunerate people and their contribution based on principles of meritocracy and transparency. The above mechanisms reduce potential risks related to these aspects to a residual level which is not significant.

The Piaggio Group acknowledges the role of trade union organisations and worker representatives and is committed to establishing relationships with them that are characterised by attention, dialogue and a common understanding; in fact, assessment and continual engagement are considered essential for identifying the best solutions for the Company's specific needs. For these reasons and despite the high number of employees with trade union membership, strikes are infrequent.

As regards Occupational Health and Safety, testing motorcycles with a medium and large engine capacity entails the highest risk levels. Generally, the risk of accidents/injuries to personnel is mitigated by aligning processes, procedures and structures to applicable occupational safety laws and international best standards, and promoting responsible behaviour, through targeted training.

The sites in Italy, India, Vietnam and Indonesia have an Occupational Health and Safety management system certified by an accredited body. Audits are conducted annually and were successfully completed in 2024.

Therefore we consider there is a low risk of modern slavery for our workforce.

Workers in the value chain

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

As set out in the Responsible Supply Policy approved at the beginning of 2025 and applicable to all Piaggio Group companies, Piaggio during selection, prioritises as much as possible suppliers:

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

It absolutely avoids, where known, dealings with suppliers:

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

MODERN SLAVERY RISKS MITIGATION AND PREVENTION ACTIONS

The Piaggio Group, in achieving its mission, has adopted a system of Policies, applicable to all companies within the Group and published on the company intranet, aimed at guaranteeing compliance with principles of fairness, transparency, honesty and integrity in line with international standards on responsible business management.

The Group operates in diverse geographic, legal and cultural contexts. As such, its policies and guidelines are put in place by each company, through their own operating procedures and practices.

Code of Ethics

The Code of Ethics was last updated in 2023, with the introduction of new articles on the following topics: antitrust and competition; personal data protection; ESG; whistleblowing.

The company undertakes in the Code to recognise and ensure respect for the principles that protect human rights shared at international level and expressed in international conventions: in particular, respect for personal dignity, the rights of the person and the prohibition on all forms of discrimination. These principles, already present in the company as they are a part of the Code of Ethics, have been made explicit, in order to bring the code into line with the social and ethical values inspiring the Piaggio Group's activities.

The Code of Ethics, available online at (www.piaggiogroup.com/Governance), is in force at all Group companies and clearly and transparently sets out the principles and values which the entire company organisation takes inspiration from:

- complying with the laws of countries where Piaggio operates;
- dismissing and condemning unlawful and improper behaviour;
- preventing breaches of lawfulness, constantly achieving transparency and openness in managing the business;
- seeking excellence and market competitiveness;
- respecting, protecting and valuing human resources;
- pursuing sustainable development while respecting the environment and the rights of future generations.

The Group's Code of Ethics sets out the social and ethical responsibilities of each member of the Company's organisation. In particular the ethical and social responsibilities of senior management, middle management, employees and suppliers are defined, in order to prevent any party acting in the name of and on behalf of Group companies, from adopting a conduct which is irresponsible or unlawful.

All employees and suppliers are required to sign and respect the Group's Code of Ethics in order to be able to work with Piaggio.

Whistleblowing channels

In line with its continuous dedication to enhancing corporate governance and to guarantee a transparent and inclusive work environment, the company offers its employees an internal whistleblowing channel, which can be accessed online at <https://www.piaggiogroup.com/en/governance/ethical-code> for a dedicated and secure whistleblowing channel. You can use it to report legal breaches, procedural and internal policy violations, or to flag potential risks. Each report is treated with the utmost confidentiality, ensuring the protection of the identities of the reporter and those involved throughout the process. The mechanism ensures a prompt analysis of the case and, if needed, the implementation of suitable corrective actions.

The company guarantees the transparent and efficient distribution of information about this tool via a comprehensive global corporate policy and a training programme, with the objective of encouraging responsible and secure reporting practices.

Additionally, an internal monitoring system has been set up to track the progress of reports and corrective measures, promoting continuous improvement and a company culture that values human rights and dignity.

Under current law, it's important to note that the company's whistleblowing channel does not apply when the whistleblower acts solely for personal reasons or has complaints about their employment relationship with managers. In these situations, employees should contact the usual HR channels to have their concerns reviewed following the company's standard procedures.

Remember to report health, safety, and environmental issues through the proper internal channels. This is for specificity of subject matter and to ensure prompt feedback.

The alternative internal channel is still active, whereby reports can be submitted by letter addressed to the competent Supervisory Board or the Whistleblowing Committee at the address: Viale Rinaldo Piaggio, 25 Pontedera (PI) 56025, Italy.

Based on the specific aspects and significance of India, the Indian subsidiary has already adopted the following, for a number of years:

- the Code of Business Conduct & Ethics;
- a "Policy on the Prevention of Sexual Harassment of Women at the Workplace" to prevent incidents of sexual harassment within the plant.

Organisational model pursuant to Legislative Decree no. 231/2001

The internal control and risk management system of Piaggio & C. includes the Organisational, Management and Control Model for the prevention of corporate offences pursuant to Legislative Decree 231/2001 ("Model pursuant to Legislative Decree 231/2001"), which Piaggio & C. adopted in 2004, and which was last updated and approved by the Board of Directors of the Company on 30 October 2023.

In compliance with Legislative Decree no. 24 of 2023, the Model has been amended and integrated with the new reporting system, referred to in the Piaggio Group Whistleblowing Policy. The scope of application of the rules has been broadened and the protections provided for whistleblowing cases have been strengthened. Reports may not only concern unlawful conduct relevant under

Decree 231 and violations of the Model, but also violations of national law (administrative, accounting and criminal offences) and European law.

Within this framework, the role of the Supervisory Body has been defined, which remains the direct recipient of reports insofar as it is competent, as well as the recipient of information flows in accordance with the provisions of the Model and the dedicated company procedure.

The Model opens with the Code of Ethics, followed by the General Principles of Internal Control and the Guidelines of Conduct, and is divided into two parts.

The first, of a general nature, opens with an overview of the reference legislation, followed by an introductory part on the function of the Model and its operation within the Company; this is followed by the Disciplinary System and a description of the role, composition, operation and duties of the Supervisory Body.

The second part of the Model, called the 'special' section, formalises specific decision-making protocols to guide the company's activities in accordance with indications in the model, in relation to the individual groups of crimes which this section is divided into.

The Model pursuant to Legislative Decree 231/2001 – widely distributed by e-mail to all Piaggio Group employees in Italy, as well as published on the company Intranet – is constantly monitored and periodically updated. It is available on the corporate web site (www.piaggiogroup.com) in the section Governance/Governance System.

Personnel management policies

Policies related to own workforce

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

To safeguard these social goals and handle its impacts, risks, and opportunities, Piaggio established specific policies at the start of 2025, applicable across all Group companies, for which the Executive in Charge of Sustainability Reporting is responsible.

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

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

Health and safety policy

Safeguarding the workforce's health and safety is a fundamental aspect of Piaggio's business approach.

Meeting legal obligations and following relevant rules are essential for ensuring safe and healthy work environments.

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

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

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

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

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

Human rights policy

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

- Non-discrimination - Piaggio stands against all forms of discrimination, whether direct or indirect, on the grounds of gender, sexual orientation, marital or pregnancy status, parenthood, age, disability (mental or physical), skin colour, ethnicity, nationality, religion, socio-economic or

cultural background, trade union membership, political beliefs or any other opinion. The company is dedicated to preventing discrimination in every aspect of work.

- Freedom of Association - Piaggio acknowledges its workers' right to freely join trade unions and engage in collective bargaining. To support this, it maintains an open and constructive dialogue with recognised trade union representatives.
 - Rejection of forced labour – Piaggio opposes all worker exploitation, including child, forced, or mandatory labour, and any psychological or physical mistreatment or coercion of its employees and those in its supply chain. It also firmly denounces human trafficking and exploitation in every form.
 - Child labour – Piaggio adheres to minimum age requirements for employment as stipulated by ILO Convention 138 and forbids hiring individuals under 18 for roles involving dangerous tasks, in line with ILO Convention 182.
 - Decent working conditions – Piaggio fosters a work environment rooted in trust, dialogue, and mutual respect, safeguarding employee well-being and work-life balance.
 - Fair and decent wages - Piaggio guarantees fair and decent wages wherever it operates. In addition to following local laws and contracts, pay must cover employees' basic needs and provide them and their families with a decent standard of living. Piaggio furnishes all staff with written employment contracts and accurate payslips, ensuring clear and transparent details.
 - Equal pay for equal work - Piaggio strongly believes in remunerating work of the same value equally, irrespective of gender. Employee career progression decisions are based solely on their skills, experience, professional potential, and achievements.
 - Fair Working Hours - Piaggio ensures reasonable working hours and pays properly for overtime, in line with relevant laws, regulations, and, where relevant, collective agreements.
- The Human Rights Policy is in line with the laws and regulations of the individual countries in which it operates and applicable international standards, including:

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

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

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

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

Policy on gender equality, non-discrimination and inclusion

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

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

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

Piaggio has designed management models and processes so that:

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

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

Policy on Global Information Security

To ensure the confidentiality and integrity of employees' personal data, in 2025 the Group formalised the "Global Information Security Policy", applicable to all Group companies.

The Group is committed to offering its employees a benefits package designed to improve their personal and family well-being, both financially and socially. Regarding the impact on training, the Group has initiated a process to enhance the skills and career opportunities of its employees.

Based on prevention and control measures established in the Code of Ethics and adopted by all Group subsidiaries, the potential risks related to these aspects are residual and minor.

Relations with suppliers

Suppliers are a key element in improving Piaggio's competitiveness: the quality of components crucially affects the end product and, therefore, customer satisfaction.

Piaggio aims to build a stable and transparent partnership with global suppliers who meet the distinct needs of different regions and excel in innovation, cost, service, and quality (aiming for zero defects) to guarantee the highest customer satisfaction.

As part of the materiality analysis, the risk of the Group's reputation being compromised due to the supply chain not being assessed according to specific ESG parameters was found to be significant. As a risk mitigation action, the Group currently requires suppliers to sign its Code of Ethics through the General Conditions of Supply.

The evaluation and selection of suppliers is carried out according to uniform methodologies, based on objective and measurable parameters that do not currently include environmental or social criteria.

Piaggio is contemplating obtaining ESG ratings for its business partners from outside databases.

Supply audits

The quality of Piaggio products is also a function of the quality of its own supplies. The Piaggio Group carries out intense scouting and audit activities to select and assess new suppliers, constantly monitor their quality level and give approval of processes for the development of new components. These activities are carried out through scheduled visits by Piaggio's supplier audit team.

New suppliers become part of Piaggio's "pool" only after an in-depth and positive evaluation of their production processes, their products and their certification linked to functional/dimensional and material characteristics described in the project specifications.

The audits, requested by the Procurement Department, are aimed at assessing the quality system of a potential supplier and its ability to produce the product for which it has been proposed or selected. For suppliers that have previously been successfully evaluated and already belong to the qualified supplier pool, further process audits may be envisaged in the case of:

- the development of new products;
- the resolution of problems detected during mass production;
- reports of non-compliance occurring during the vehicle's warranty period.

In the case of new products, audits are planned to assess the supplier's ability to manage the processes required to manufacture the new product and to offer them, if and when deemed necessary/required, technical support for their definition and control.

In the case of well-established products, on the other hand, audits are carried out to resolve specific problems that have arisen during production, to verify the supplier's ability to keep the processes that contribute to product development under control, to periodically monitor improvement in performance in terms of returns/disruptions, to resolve problems that have arisen under warranty, and finally to verify the effectiveness of corrective actions defined by the suppliers to prevent the recurrence of non-conformities.

In line with the Group's guidelines, each year the Purchasing Unit seeks to improve the procurement process by promoting the technical skills of buyers and focusing on the management of the various goods categories.

Over the years, Piaggio Group Management has started a process of common development with its suppliers by setting up a specific department called "Vendor Assessment", as well as assigning the "Finance" Function to define and monitor possible risks areas involving financial and corporate issues, guaranteeing complete independence of corporate areas involved in the procurement processes, as well as meeting the needs of all stakeholders.

Corporate Finance Area

The Finance Area is responsible for defining and overseeing the economic, financial, and corporate trustworthiness of key suppliers and principal business partners, including the distribution network and customers.

In 2024, the analysis and monitoring of Piaggio & C. Spa's Suppliers continued, as well as the identification of shareholders/controlling shareholders of strategic business partners. Furthermore, in the area of Compliance, the verification of the possible presence among suppliers of politically exposed persons and/or people included in anti-terrorism lists continued, in order to mitigate the "reputational risk" (Source: Grid Data by Moody's: risk database of adverse media, sanctions, watchlists, and PEPs.).

All possible corporate and financial changes, which may affect the perceived risk status, are presented to a Suppliers Committee (composed of the Purchasing Manager, the 3-4 Wheeler Product Development Department Manager, the 2-Wheeler R&D Department Manager, the Administration Manager, the Finance Manager and the Chief Financial Officer) during periodic meetings in order to identify possible corrective and improvement actions, should critical areas emerge.

The company's supplier evaluation process mandates that Finance sets and tracks the maximum limit of economic reliance for each supplier, calculated as a percentage of their turnover with Piaggio against their total reported turnover.

In 2024, we continued to analyse the financial stability and corporate trustworthiness of Aprilia Racing's key suppliers and principal sponsors. This was also to reduce potential risks to our reputation.

Piaggio is currently assessing the best method to evaluate the impact of its value chain on various ESG (Environmental, Social, and Governance) issues and to incorporate sustainability into its supplier selection criteria.

Vendor Assessment

With the strategic objective of creating a network of lasting and mutually satisfactory partnerships with highly qualified associates, the Vendor Assessment function, in addition to managing the Supplier Qualification Process, assesses supplier performance through Vendor Rating campaigns.

The relationship with suppliers is defined by precise company processes that comprise two fundamental phases: the qualification of new suppliers and periodic supplier assessment.

New supplier qualification is an interfunctional process based on specific standards that lead to a potential supplier being included in the Supplier List, for its chosen goods' category; after an initial documentary evaluation stage, a multidisciplinary, supplier qualification team is involved, with specific positions giving a technical, economic/financial and corporate rating on goods' categories.

Periodic supplier assessment is conducted at the Italian, Indian and Vietnamese plants through six-monthly Vendor Rating campaigns, in which supplies relating to the period are examined, based on the quality of the product supplied, technical/scientific collaboration, and compliance with delivery plans. Over 1,000 suppliers are involved, providing nearly all the supplies. This provides a reference framework for procurement strategies and actions concerning suppliers.

The process involves:

- the assignment of a Vendor Rating Index, which measures the supplier's performance with a weighted average of the ratings made by the corporate functions (for direct materials, the functions concerned are R&D, Quality, Manufacturing and Spare Parts);
- assignment of a Criticality Rating that takes into account the Quality function's assessment, to decide whether a supplier is "critical" for the purposes of granting new supply agreements (if negative, new supplies are put on hold).

Supplier Portal

For the effective and efficient management of supplier relations, the Supplier Portal, based on the SRM-SAP system, is active in Italy, India and Vietnam.

The "SRM - Suppliers Portal" system is an IT tool for the real-time exchange of information and documents between all company functions and suppliers, both for the purchase of materials and components, and for the purchase of equipment and services, thus guaranteeing correct and transparent management of all phases of the purchasing process: purchase requests, purchase orders, price lists and supply schedules, goods receipt, invoices, payment information.

In particular, the Portal ensures that the following objectives are achieved:

- increased collaboration with suppliers, through self-service tools, document and information sharing;
- increased efficiency of purchasing processes, through the implementation of automated tools and increased compliance with purchasing procedures;
- minimisation of manual activities;
- quality and correctness of information;
- reduction in time-consuming business processes and communication;
- low use of "paper" (including through the use of digital signatures);
- reduction in billing anomalies;
- visibility of the entire authorisation process, from purchase requests to orders.

PERFORMANCE INDICATOR

Performance indicators are essential in order to assess the effectiveness of the measures implemented.

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

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

It should be noted that there were no convictions and/or fines imposed related to serious human rights incidents in the reporting year.

TRAINING

The Group understands the importance of providing regular training on human rights topics, such as modern slavery and human trafficking, in order to raise awareness and increase commitment across the Company and within the supply chain. Since respect for human rights is one of the fundamental principles of Piaggio's Code of Ethics and the latter is attributed to each new employee and is a common asset of the Company, so far it has not been deemed necessary to establish training courses specifically aimed at the issue of human rights.

OUR COMMITMENT FOR THE FUTURE

Piaggio is dedicated to continuously improving its approach to addressing modern slavery. This includes regularly monitoring and improving its process, procedures and activities to prevent any form of human rights violation and to ensure adequate protection of ethical principles, workers' rights and environmental protection within their business and their supply chain aiming to a continuous improvement.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Piaggio Group's slavery and human trafficking statement for the financial year ending 31 December 2024.

This statement has been approved by the Board of Directors of Piaggio & C S.p.A. on 29 July 2025.



 Michele Colaninno
 (Chief Executive Officer)