

ADHERENCE TO THE AUSTRIAN CODE OF CORPORATE GOVERNANCE (ÖCGK)
AND CORPORATE GOVERNANCE (DCG) OF THE SIX SWISS EXCHANGE







CORPORATE GOVERNANCE 2021 ÖCGK

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CORPORATE GOVERNANCE REPORT 2021 (ÖCGK)

The shares of PIERER Mobility AG have been listed on the SIX Swiss Exchange (SIX) in the International Reporting Standard since November 14, 2016 (ISIN AT0000KTMIG02). In addition, the shares of PIERER Mobility AG have been listed on the regulated market (General Standard) of the Frankfurt Stock Exchange since March 3, 2020 and on the Official Market (prime market segment) of the Vienna Stock Exchange since 1 March 2022.

01 ADHERENCE TO THE AUSTRIAN CODE OF CORPORATE GOVERNANCE (ÖCGK)

The Austrian Code of Corporate Governance provides Austrian stock corporations with a framework for managing and monitoring their company. The Code aims to establish a system of management and control for companies and groups that is accountable and geared towards creating sustainable, long-term value. It is designed to provide a high degree of transparency for all stakeholders of a company.

The Code is based on the provisions of Austrian stock corporation, stock exchange, and capital market law, the EU recommendations regarding the responsibilities of members of Supervisory Boards and the compensation of company directors, as well as the OECD Principles of Corporate Governance. Since 2002, the Code has undergone a number of revisions. The present Corporate Governance Report is based on the most recent version of the Code, which was adopted in January 2021. The Code can be accessed by the public at www.corporate-governance.at in its currently valid version.

PIERER Mobility AG (formerly KTM Industries AG) is fully committed to the Austrian Code of Corporate Governance in its current version. This commitment by PIERER Mobility AG is voluntary and aims to boost shareholder confidence and to constantly optimize the high internal legal, behavioral and ethical standards of PIERER Mobility AG.

The Corporate Governance Report for the 2021 financial year is publicly available on the homepage of the company (www.pierermobility.com) in the section Investor Relations > Corporate Governance > Corporate Governance Report.

As a result of this commitment, PIERER Mobility AG has to comply with more than just the legal requirements (“L-Rules”). This voluntary self-imposed obligation means that it must explain non-compliance with the so-called C-Rules (“comply or explain”) which go above and beyond the legal requirements. In accordance with this part of the Austrian Code of Corporate Governance, PIERER Mobility AG explains its nonconformity with C-Rules of the Code as follows:

“C-Rule 18”: In light of the company’s size, no separate internal audit department has been set up. However, the company has established an internal control and reporting system which enables the Executive Board to identify risks and quickly implement an appropriate response. The Supervisory Board, particularly the Audit Committee, is kept regularly informed about the internal control mechanisms and risk management in place across the group. Further information on risk management can be found in the notes to the consolidated financial statements as at December 31, 2021.

“C-Rule 26”: Stefan Pierer holds more than four supervisory board mandates in stock corporations that do not belong to the PIERER Mobility Group. These are supervisory board mandates in the superordinate Pierer Industrie Group.

“C-Rule 27”: The variable annual compensation components are unlimited in terms of their amount. The variable remuneration takes only financial criteria into account.

“C-Rules 39 and 41”: As the Supervisory Board of Pierer Mobility AG consisted solely of four members during the 2021 financial year, a Nomination Committee, as well as a committee that is authorized to make decisions in urgent cases, has not been established, as it would not lead to an increase in the efficiency of the Supervisory Board’s work. The tasks of the Nomination Committee are fulfilled by the entire Supervisory Board.

“C-Rule 49”: The conclusion of contracts with members of the Supervisory Board, by means of which such members are committed to performing a service for the company outside of their activities on the Supervisory Board in return for remuneration not of minor value, shall legally require the consent of the Supervisory Board. However, these shall not be published by the company in view of the associated company and business secrets. In addition, the notes to the consolidated financial statements contain notes regarding “Explanations regarding related parties and the corporate bodies”, which detail the remuneration of Supervisory Board members outside of their activities on the Supervisory Board.

“C-Rule 83”: The risk management in PIERER Mobility AG-Group is established on different levels. The company-specific risk management is established at the level of the affiliated companies. Due to the holding function of the company, the risk management of the affiliated companies is monitored as part of the participation-specific risk management. The nonconformity with C-Rule 83 is only given insofar, as an assessment of the risk management through the auditor has not taken place in the 2021 financial year. From the 2022 financial year onwards, it is planned that the auditor will carry out an independent assessment of the functionality of the risk management system in accordance with C-Rule 83.

In addition, PIERER Mobility AG also endeavors to comply, without exception, not only with the minimum requirements, but also with all of the Code's R-Rules (Recommendations).

The company is committed to the principle of transparency and the goal of providing a true and fair view for the benefit of all shareholders. All relevant information is published in our annual report, quarterly reports, on the corporate website and within the context of our ongoing press relations work. Reports are prepared in accordance with the international financial reporting standards (IFRS). PIERER Mobility AG also informs its shareholders of all issues and developments of relevance to the company by means of ad-hoc announcements and press releases. We will include important dates on the financial calendar. All information is published on the website within the “Investor Relations” or “Newsroom” sections. It is therefore available to all shareholders at the same time.

The company has issued a total of 33,796,535 ordinary shares. There are no preferential shares or restrictions on these ordinary shares. Accordingly, the principle of “one share – one vote” fully applies. The Austrian Takeover Act ensures that every shareholder will receive the same price for the shares in the event of a takeover bid (public tender offer). The shareholder structure at PIERER Mobility AG is depicted in the “Share & Investor Relations” section of the annual report.

02 MEMBERS OF THE CORPORATE BODIES

The boards of PIERER Mobility AG consist of the Executive Board, the Supervisory Board and the Annual General Meeting. The Executive and Supervisory Board cooperate at regular intervals on the basis of open and transparent discussion.

WORKING PROCEDURES OF THE EXECUTIVE BOARD:

The Executive Board of PIERER Mobility AG or the individual Executive Board members, respectively, act on the basis of the laws, the Articles of Association and the Executive Board's rules of procedure, which have been laid down by the Supervisory Board and which govern the rules for cooperation between the Executive Board members as well as the allocation of the duties within the Executive Board.

Coordination within the Executive Board occurs during regular meetings, but also in the form of an informal exchange of information. Matters discussed at the Executive Board meetings include the current operations and the company strategy. Any current or outstanding management or leadership measures that are to be implemented by the Executive Board members responsible under the rules of procedure are also discussed.

The rules of procedure require the Executive Board or the individual Executive Board members to provide extensive information and reporting to the Supervisory Board and to define an extensive catalog of measures and legal transactions that require the approval of the Supervisory Board.

COMPOSITION OF THE EXECUTIVE BOARD:

In the financial year 2021, the Executive Board of PIERER Mobility AG consisted of the following members (C-Rule 16 of the ÖCGK):

Name Year of Birth	Position	Initial Appointment	End of the current term of office	Areas of Responsibilities
Stefan Pierer born 1956	Member of the Executive Board (CEO)	June 2, 2015*	December 31, 2023	<ul style="list-style-type: none"> ▪ strategic overall management ▪ product management ▪ quality management ▪ purchase ▪ supply chain ▪ international projects
Friedrich Roithner born 1963	Member of the Executive Board (CFO)	June 2, 2015**	December 31, 2023	<ul style="list-style-type: none"> ▪ finance ▪ (Group)accounting ▪ tax affairs ▪ legal affairs ▪ risk management
Hubert Trunkenpolz born 1962	Member of the Executive Board	January 1, 2018	December 31, 2023	<ul style="list-style-type: none"> ▪ sales ▪ marketing ▪ customer service ▪ joint ventures
Viktor Sigl, MBA born 1974	Member of the Executive Board	December 19, 2019	December 31, 2023	<ul style="list-style-type: none"> ▪ human resources ▪ organisation ▪ IT

* Stefan Pierer has been a member of the Executive Board of CROSS Industries AG (FN 261823 i) since April 30, 2005. In the Annual General Meetings of BF HOLDING AG (FN 78112 x) and CROSS Industries AG on April 22, 2015 the resolution was passed to merge CROSS Industries AG as the transferring company with BF HOLDING AG as the acquiring company within the framework of a universal succession. With effect from June 2, 2015 CROSS Industries AG was merged into BF HOLDING AG. At the same time, the name of the acquiring company (FN 78112 x) was changed to CROSS Industries AG. Since June 2, 2015 Stefan Pierer is therefore member of the Executive Board of CROSS Industries AG (now PIERER Mobility AG).

** Friedrich Roithner has been a member of the Executive Board of CROSS Industries AG (FN 261823 i) since June 23, 2010. In the Annual General Meetings of BF HOLDING AG (FN 78112 x) and CROSS Industries AG on April 22, 2015 the resolution was passed to merge CROSS Industries AG as the transferring company with BF HOLDING AG as the acquiring company within the framework of universal succession. With effect from June 2, 2015 CROSS Industries AG was merged into BF HOLDING AG. At the same time, the name of the acquiring company (FN 78112 x) was changed to CROSS Industries AG. Since June 2, 2015 Friedrich Roithner is member of the Executive Board of CROSS Industries AG (now PIERER Mobility AG).

STEFAN PIERER (CEO)

Professional Career:

After graduating from the Montan University in Leoben, Austria (Business and Energy Management), Stefan Pierer began his career as a sales assistant at HOVAL GmbH in Marchtrenk in 1982, where he continued as a sales manager and authorized signatory. In 1987, he founded the PIERER Mobility Group, where he acts as majority shareholder and member of the Executive Board. He has been shareholder and member of the Executive Board of the KTM AG since 1992. In 2011, he established Pierer Industrie AG, where he is sole shareholder and Chairman of the Executive Board.

Further main functions within the Group:

- Chairman of the Executive Board of KTM AG
- Member of the Supervisory Board of PIERER E-Bikes GmbH

Membership of supervisory boards or comparable functions in other foreign and domestic companies, excluding companies included in the consolidated financial statements:

- Chairman of the Supervisory Board of Pankl Racing Systems AG
- Member of the Supervisory Board of SHW AG
- Chairman of the Supervisory Board of Pankl AG (formerly Pankl SHW Industries AG)
- Member of the Supervisory Board of Schwäbische Hüttenwerke Automotive GmbH
- Chairman of the Supervisory Board of Westpark Wels AG
- Member of the Board of Directors of swisspartners Group AG
- Member of the Board of Directors of Pierer Swiss AG

FRIEDRICH ROITHNER (CFO)

Professional Career:

After graduating from the Johannes Kepler University of Linz (Business Administration), Friedrich Roithner started his career at Ernst & Young GmbH. After three years, he switched to Austria Metall AG, where worked until 2006 (he became a member of the Executive Board in 2002). Since the end of 2007, Friedrich Roithner has been part of the management team at the PIERER Mobility Group. From March 2008 until June 2010, Friedrich Roithner was a member of the Executive Board of Unternehmens Invest AG.

Further main functions within the Group:

- Chairman of the Supervisory Board of KTM AG
- Chairman of the Supervisory Board of KTM Components GmbH
- Chairman of the Supervisory Board of PIERER E-Bikes GmbH

Membership of supervisory boards or comparable functions in other foreign and domestic companies, excluding companies included in the consolidated financial statements:

- Member of the Supervisory Board of Pankl Racing Systems AG
- Member of the Supervisory Board of SHW AG
- Member of the Supervisory Board of Pankl AG (formerly Pankl SHW Industries AG)
- Member of the Supervisory Board of Westpark Wels AG

HUBERT TRUNKENPOLZ

Professional Career:

After graduating from the Johannes Kepler University Linz (Business Administration), Hubert Trunkenpolz started his career at ISA Audivisual Communication Corp. as marketing manager and subsequently at TRUMAG as sales manager / managing director. He has been at the PIERER Mobility-Group since 1992 and a member of the Executive Board of the KTM Group since 2004. Hubert Trunkenpolz also became a member of the Executive Board of KTM AG in 2007 and of PIERER Mobility AG in 2018.

Further main functions within the Group:

- Member of the Executive Board of KTM AG
- Managing Director of PIERER E-Bikes GmbH

Membership of supervisory boards or comparable functions in other foreign and domestic companies, excluding companies included in the consolidated financial statements:

- None.

VIKTOR SIGL, MBA

Professional Career:

After graduating from the Johannes Kepler University in Linz with a degree in Business Administration, he started his professional carrier at KPMG in the field of financial auditing and tax consultancy. In 2005, after completing his tax consultancy examinations and an MBA program at the University of Toronto, Viktor Sigl joined voestalpine AG to become head of Corporate Tax & Finance Advisory. Before joining the KTM AG, he was commercial director in the field of international industrial assembly. Since December 19, 2019, Viktor Sigl is in the Executive Board of PIERER Mobility AG.

Further main functions within the Group:

- Member of the Executive Board of KTM AG
- Deputy Chairman of the Supervisory Board of KTM Components GmbH
- Member of the Supervisory Board of PIERER E-Bikes GmbH

Membership of supervisory boards or comparable functions in other foreign and domestic companies, excluding companies included in the consolidated financial statements:

- None.

WORKING PROCEDURES OF THE SUPERVISORY BOARD:

During the 2021 financial year, the Supervisory Board diligently performed the duties and tasks incumbent upon it under Austrian law, the Articles of Association, the Austrian Code of Corporate Governance (ÖCGK), and the Rules of Procedure. All members of the Supervisory Board and its committees are free and independent according to the terms of the Austrian Code of Corporate Governance. The Supervisory Board held a total of seven meetings during the 2021 financial year. Only at one Supervisory Board meeting, one member of the Supervisory Board was excused; at the other six Supervisory Board meetings all members of the Supervisory Board were present. The meetings lasted approximately two to two and a half hours on average. In addition, two Audit Committee meetings were held; the meetings lasted approximately one hour on average. In its meetings in the financial year 2021, the Supervisory Board dealt with project monitoring, business development and business planning (forecast, budget and multi-year planning), including non-financial performance indicators.

In addition, the Supervisory Board focused in its meetings on discussing and passing resolutions on the review and approval of the 2020 annual financial statements, the review of the 2020 consolidated financial statements, the agenda and the proposed resolutions for the extraordinary General Meeting and the 24th Annual General Meeting, the financial status and Executive Board matters. The report by the Supervisory Board on the 2021 financial year provides further details.

The Supervisory Board also dealt with compliance management and corporate governance of the company.

In accordance with the Articles of Association, the Supervisory Board has elected a Chairman and a Deputy Chairman and has appointed an Audit Committee in order to comply with legal requirements.

The Supervisory Board meetings were conducted by the Chairman, or, in the event that he was unable to attend, by his representative.

Members of the Supervisory Board receive the agenda that has been agreed with the Chairman at least 7 days before each meeting, together with comprehensive information concerning each point included on the agenda. In urgent cases, the Chairman of the Supervisory Board is permitted to shorten that period, provided he can provide evidence that all Members of the Supervisory Board have been informed of this. In the event that the above-mentioned period is shortened, and if not all Members of the Supervisory Board are present or represented, only those points on the agenda that resulted in the notice period being shortened shall be addressed.

A quorum of the Supervisory Board shall be present when all Members of the Supervisory Board have been duly invited and at least half of the elected members, but no fewer than three members, including the Chairman or his Deputy, participate in the meeting in person.

Supervisory Board decisions shall be made on the basis of a simple majority of the votes cast; in the event that votes are tied, the Chairman of the Supervisory Board shall cast the deciding vote. The transfer of ownership of shares in KTM AG, PIERER E-Bikes GmbH and Kiska GmbH and their subsidiaries, capital increases of any kind at KTM AG, PIERER E-Bikes GmbH and Kiska GmbH and their subsidiaries as well as the sale or transfer of ownership of all material assets of the company and Kiska GmbH and their subsidiaries require the consent of all capital representatives on the Supervisory Board.

The Supervisory Board shall be entitled to request written reports from the Executive Board at any time with regard to company affairs and management issues. As a general rule, the Executive Board shall also participate in meetings of the Supervisory Board and the Audit Committee, unless the Chairman of the Supervisory Board states otherwise. Members of the Executive Board do not possess any voting rights.

During the Supervisory Board meeting, the Members of the Executive Board will provide a comprehensive explanation of the course of business and the personal and financial development of the Group. Lengthy discussions take place between the Executive Board and the members. Resolutions concerning investments, acquisitions and other requests made in accordance with the rules of procedure of the Executive Board represent an additional focus for each Supervisory Board meeting.

The committees formed by the Supervisory Board shall carry out their tasks on behalf of the Supervisory Board. Each committee must comprise at least 2 members. For each committee formed, the Supervisory Board shall appoint a chairman from among the members of that committee. The rules of procedure of the Supervisory Board shall apply with regard to the notice period, the meetings and resolutions of a committee.

The Supervisory Board shall also be entitled to task an individual member with the supervision and auditing of individual business transactions. That member of the Supervisory Board must report to the Supervisory Board with regard to its activities.

No contracts requiring approval by the Supervisory Board were concluded between the company and members of the Supervisory Board (C-Rule 48 of the ÖCGK).

The Audit Committee has monitored the financial reporting processes (including the preparation of the consolidated financial statements) and the work of the auditor (including the audit of the consolidated financial statements) as well as the effectiveness of the system of internal control, the risk management system and the audit system. The Audit Committee approved non-audit reviews by the auditor (auditor of the consolidated financial statements) up to EURk 1,500 per financial year. The approval is valid for the 2022 financial year and will be adjusted by the Audit Committee if necessary. Once a year, the Audit Committee is being informed about the actual non-audit reviews. Finally, the independence and the activities of the auditor (group financial auditor) was reviewed and monitored, with regard in particular to the additional services provided to the audited company.

In the financial year 2021, the Supervisory Board addressed the efficiency of its activities, in particular its organization and working methods, and carried out a self-evaluation within the meaning of C-Rule 36 ÖCGK.

For further information regarding the Supervisory Board's work methods, please refer to the Supervisory Board report.

COMPOSITION OF THE SUPERVISORY BOARD:

In the financial year 2021, the Supervisory Board of the company consisted of the following members:

Name Year of Birth	Position	Initial Appointment	End of the current Term of Office	Further mandates on supervisory boards or similar functions in other foreign and domestic companies, listed on a stock exchange
Josef Blazicek born 1964	Chairman of the Supervisory Board	2008	Annual General Meeting which decides on the financial year 2025	All for One Steeb AG (Germany) SHW AG (Germany)
Ernst Chalupsky born 1954	Deputy Chairman of the Supervisory Board	2014	Annual General Meeting which decides on the financial year 2025	None
Klaus Rinnerberger born 1964	Member of the Supervisory Board	2015	Annual General Meeting which decides on the financial year 2024	SHW AG (Germany)
Alfred Hörtenhuber born 1955	Member of the Supervisory Board	2018	Annual General Meeting which decides on the financial year 2022	SHW AG (Germany)

COMMITTEES OF THE SUPERVISORY BOARD AND THEIR MEMBERS:

The Audit Committee of the company comprises three members and is composed as follows:

Klaus Rinnerberger

- Chairman, financial expert

Josef Blazicek

- Deputy Chairman

Ernst Chalupsky

- Member

In accordance with the Stock Corporation Act, the Supervisory Board of PIERER Mobility AG established an Audit Committee to perform its scheduled supervisory and control functions.

The Audit Committee is responsible for the auditing and preparation for the establishment of the annual financial statements, the proposed distribution of net income and the management report, as well as the auditing of the consolidated financial statements and the corporate governance report. The Audit Committee makes a proposal for the selection of the auditor and presents the proposal of the Supervisory Board to the Annual General Meeting for voting. In line with C-Rule 81a of the ÖCGK, the Audit Committee must establish a mutual line of communication with the financial auditor in a meeting.

The Audit Committee of PIERER Mobility AG held two meetings during the 2021 financial year, in which a representative of the certified public accountant also participated.

The Remuneration Committee of PIERER Mobility AG comprises two members and is composed as follows:

Josef Blazicek

- Chairman

Ernst Chalupsky

- Member

The Remuneration Committee of PIERER Mobility AG was established at the meeting of the Supervisory Board of PIERER Mobility AG on 20 December 2021 and therefore held its first constituent meeting in the 2021 financial year.

Since the Supervisory Board consists of no more than six members, the tasks of the Nomination committee are fulfilled by the entire Supervisory Board.

INDEPENDENCE OF THE SUPERVISORY BOARD:

A member of the Supervisory Board shall be deemed to be independent if said member does not have any business or personal relations with the company or its Executive Board that constitute a material conflict of interests and are therefore capable of influencing the behavior of the member.

Ernst Chalupsky is partner and general manager of Saxinger, Chalupsky & Partner Rechtsanwälte GmbH. The PIERER Mobility Group is advised by Saxinger, Chalupsky & Partner Rechtsanwälte GmbH on legal affairs. The advisory services are provided in accordance with standard market terms and conditions.

The independence of the Supervisory Board members is defined by the following guidelines:

- **Criterion 1:** The Supervisory Board member was not a member of the Executive Board or a top executive of PIERER Mobility AG or a subsidiary of the company during the previous five-year period.
- **Criterion 2:** The Supervisory Board member does not or did not maintain any business relationships with the company or a subsidiary of the company in the previous year of a scope which may be considered significant for the Supervisory Board member. This also applies to business relationships with companies in which the Supervisory Board member has a considerable economic interest, but not to performing roles on committees within the Group. Approval of individual transactions by the Supervisory Board pursuant to L-Rule 48 of the Austrian Code of Corporate Governance does not automatically disqualify the Supervisory Board member from being independent.
- **Criterion 3:** The Supervisory Board member was not an auditor of the company, a shareholder or employee of the auditing company during the previous three years.
- **Criterion 4:** The Supervisory Board member is not a member of the Executive Board of another company, in which a member of the Executive Board of PIERER Mobility AG serves on its Supervisory Board.

- **Criterion 5:** The Supervisory Board member has not been on the Supervisory Board of the company for more than 15 years. This does not apply to Supervisory Board members, who are shareholders with a direct investment in the company or who represent the interests of such a shareholder.
- **Criterion 6:** The Supervisory Board member is not a close family member (direct descendant, spouse, common law spouse, parent, uncle, aunt, sibling, niece or nephew) of a member of the Executive Board of the company or of people who fulfill one of the other criteria described above.

According to C-Rule 54 of the Austrian Code of Corporate Governance, the Supervisory Board of the company shall include at least one independent member delegated by the shareholders who is not a shareholder with a share of more than 10% or who represents such a shareholder's interests. This requirement of C-Rule 54 has been met, since no member of the Supervisory Board is a shareholder with a share of more than 10% or who represents such a shareholder's interests.

The members of the Supervisory Board of PIERER Mobility AG admit to the criteria of independence according to C-Rule 53 and declare themselves independent.

03 MEASURES TO PROMOTE WOMEN

The company is convinced that diverse teams achieve better results, as well as greater effectiveness and innovation, than groups that are homogeneously equipped with genders. This principle applies also to the management and supervisory bodies of the company. The equal treatment of female and male employees as well as providing equal opportunities to both genders in the workplace, is a matter of course for PIERER Mobility AG.

PIERER Mobility AG supports and promotes the employment of women, especially in the technical field. The hurdle is that many leadership positions require technical training and, in many countries, still significantly fewer women than men take technical careers and complete technical studies.

To support women in "MINT" professions, the KTM AG has already taken measures (Girl's Day, technical apprenticeship) which are continuously expanded. For the acquisition of female apprentices, the company focuses on the core aspect of regular information. To reach the target group, information events such as apprenticeship fairs or visits to schools are particularly important in order to enter into a dialogue with potential apprentices and to present technical apprenticeships in an accessible way. In this context, trial days in the company offer an ideal platform to prove one's manual skills or to find out one's inclinations in terms of professional orientation. At the same time, social media channels are used to target girls and share information and news. For example, the profession of metal technician with the main module welding technology is often chosen by girls as their preferred profession. At the same time, apprenticeships such as mechatronics or automotive engineering are very popular.

The increasing flexibility of work will also in future make it possible to reconcile work and family life and thus the return to the company and to maintain a lasting relationship with the company. The new flexitime agreement, which came into force in the financial year 2019, represents a major step forward in the area of flexible working hours in order to reconcile current life situations and work with family requirements.

As of December 31, 2021, the proportion of women in the total workforce stood at around 24.2%. At present, there are no women on the Executive Board or the Supervisory Board. At PIERER Mobility AG, 16% of executive positions are held by women (+1% compared to the previous year). Since 2018, the proportion of women in the Group has increased by approximately 28.3%. The Group also intends to make employment in an industrial company more attractive for female employees and inspire even more women to take up technical professions, which will be in even greater demand in the future. Thus, the Group aims to further increase the number of female employees, especially in production, in the coming years.

04 DESCRIPTION OF THE DIVERSITY CONCEPT

When electing members of the Supervisory Board, the Annual General Meeting must pay attention to the technical and personal qualifications of the members as well as to a professionally balanced composition of the Supervisory Board with regard to the structure and the business area of the company. Furthermore, aspects of the diversity of the Supervisory Board with regard to the representation of both genders and the age structure as well as in listed companies also with regard to the internationality of the members must be adequately taken into account.

For the composition of the Executive Board and the Supervisory Board, the Supervisory Board has agreed a diversity concept pursuant to Section 243c (2) 3 UGB that provides for the following:

COMPOSITION OF THE EXECUTIVE BOARD

Concept:

- Candidates for an Executive Board position are selected based on their specialist qualification for the role applied for, their leadership qualities and previous performance, as well as their knowledge of the company.
- The aim is to ensure that the Executive Board as a whole has many years of experience in the areas of development, production, sales and finances.
- A person's age and sex play no role in the decision to appoint members of the Executive Board; there is no preference or disadvantage in the selection process.
- At least two members of the Executive Board should have technical professional training.

Objectives:

The objective of the Diversity Concept is to fill the Executive Board with persons that complement each other based on their various professional and life experience. It should be ensured that the Executive Board as a whole has the highest level of experience and specialist training in order to successfully manage the PIERER Mobility Group and achieve the best results.

Implementation:

The Supervisory Board decides on the composition of the Executive Board roles using the criteria set out in the diversity concept, taking into account the interests of the company.

Results in the reporting period:

There were no changes to the composition of the Executive Board of PIERER Mobility AG in the 2021 financial year. At the end of the 2021 financial year, the Executive Board consists of 4 members who meet the requirements of the concept.

COMPOSITION OF THE SUPERVISORY BOARD

Concept:

- The Supervisory Board is composed of professionally and personally qualified s personnel. In the process the structure and business activities and expert balanced composition of the PIERER Mobility Group must be considered. A minimum of one financial expert must hold a seat on the Supervisory Board.
- Wherever possible, the Supervisory Board should include a total of 2 members with international experience or special expertise in one or more of the markets outside Austria that are of importance to the PIERER Mobility Group.
- Wherever possible, the Supervisory Board should include a total of one member, who, by virtue of his / her prior experience, has a detailed knowledge of PIERER Mobility AG.
- Aspects relating to diversity within the Supervisory Board should be taken into account, with regard to the age structure and the representation of both genders on the Supervisory Board. Greater attention must be devoted to these criteria, the larger the membership of the Supervisory Board becomes.

Objectives:

The objective of the diversity concept is to populate the Supervisory Board with individuals that complement one another based on their differing professional and life experience. It is necessary to ensure that the Supervisory Board as a whole possesses the highest level of experience and specialist training in order to monitor the business activities of PIERER Mobility AG and that of the PIERER Mobility Group in a critical manner and from as many different angles as possible.

Implementation:

Nominations for election to the Supervisory Board that are submitted to the Annual General Meeting should take account of the criteria laid down in the Diversity Concept. The objectives of the Supervisory Board with regard to its membership will not restrict the voting freedom enjoyed by the Annual General Meeting.

Results in the reporting period:

In the 2021 financial year, the Supervisory Board proposed to the 24th Annual General Meeting to re-elect Ernst Chalupsky and Josef Blazicek , who would have left the Supervisory Board at the end of the 24th Annual General Meeting, as members of the Supervisory Board. The election proposal of the Supervisory Board was made on the basis of the requirements of Section 87 para 2a AktG and the Corporate Governance Code and took into account the qualifications and experience of Ernst Chalupsky and Josef Blazicek and the excellent cooperation with them to date. The Annual General

Meeting followed the election proposal of the Supervisory Board and appointed Ernst Chalupsky and Josef Blazicek until the Annual General Meeting that decides on the discharge for the 2025 financial year. At the end of the 2021 financial year, the Supervisory Board consists of 4 members who meet the requirements of the concept.

Outlook:

It is intended to expand the Supervisory Board in the future and to propose 2 female candidates for election to the Supervisory Board.

05 AUDITS AND EXTERNAL EVALUATION

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, FN 269725 f, Kudlichstraße 41, 4020 Linz, was appointed by the 24th Annual General Meeting to serve as the auditors of the consolidated financial statements and annual financial statements of the company for the financial year from January 1, 2021 until December 31, 2021. In addition to this function, KPMG and partner offices around the world also sporadically provide tax and financial consulting services on behalf of the Group. The auditor's expenses are made up as follows: Audit of the consolidated financial statements (including subgroups) and audit of the annual financial statements of all individual companies EURk 550 (previous year: EURk 511). Other services amount to EURk 127.

In accordance with C-Rule 62 of the Austrian Code of Corporate Governance, the company commissions an external evaluation of compliance with the C-Rules of the Code regularly, every three years. PIERER Mobility AG has commissioned Oberhammer Rechtsanwälte GmbH to evaluate the 2021 financial year. The complete report, including the results of the evaluation of the financial year 2021, is available on the Company's homepage (www.pierermobility.com) under Investor Relations > Corporate Governance > Evaluation. The next external evaluation will be conducted in 2025 for the 2024 financial year.

06 CHANGES AFTER THE END OF THE REPORTING PERIOD

On 20 January 2022, a reduction of the corporate income tax rate to 24% from 2023 and to 23% from 2024 was passed in the third reading in the National Council. This has an estimated impact of approximately EUR 8 million on the assessment of deferred taxes in the form of a reduction in deferred tax liabilities in subsequent years.

PIERER Mobility AG announced on 27 January 2022 that it would apply for admission of its shares to the Official Market (prime market segment) of the Vienna Stock Exchange. The admission to trading on the prime market of the Vienna Stock Exchange took place on 1 March 2022, which means that PIERER Mobility AG is now also listed on the top segment of the Vienna Stock Exchange. As Europe's leading "Powered Two-Wheeler" (PTW) manufacturer with a market capitalization of more than EUR 3 billion, the PIERER Mobility Group thus joined the league of the 39 largest and most traded companies on the Vienna Stock Exchange. This step was taken in response to the great investor interest in Austria and abroad. The primary listing of the shares of PIERER Mobility AG (ISIN: AT0000KTM102) remains with SIX Swiss Exchange.

Wels, March 2022

The Executive Board



Stefan Pierer, CEO



Friedrich Roithner, CFO



Hubert Trunkenpolz



Viktor Sigmund, MBA

CORPORATE GOVERNANCE (DCG) OF THE SIX SWISS EXCHANGE

As an Austrian company listed in Switzerland, PIERER Mobility AG (formerly KTM Industries AG) is subject to the rules of the Directive on Information relating to Corporate Governance of the SIX Swiss Exchange (the “Swiss Directive on Corporate Governance”). The Swiss Directive on Corporate Governance is available at <https://www.ser-ag.com/dam/downloads/regulation/listing/directives/DCG-en.pdf>.

PIERER Mobility AG draws your attention to the fact that the company has been established under Austrian law and that the names, responsibilities and duties of organs of the company may therefore diverge from the rules applicable in Switzerland. In consequence, only Austrian legal terminology will be used in what follows. Companies that are not constituted in accordance with the Swiss Code of Obligations are required to fulfil the stipulations of the Swiss Directive on Corporate Governance, which are formulated with close reference to the Code of Obligations, in a manner analogous to Swiss companies. A short description of Austrian organizational structure therefore follows:

- **Executive Board:** The Executive Board is responsible for the general management and representation of the company; it is the sole organ of general management and representation. The Executive Board is not bound by any instructions from the shareholders or the Supervisory Board; rather, it acts under its own responsibility and without being under orders. Only when undertaking certain extraordinary transactions is the Executive Board required to obtain the consent of the Supervisory Board. Where the Swiss Directive on Corporate Governance requires details of the “management”, details regarding the Executive Board will be provided accordingly. However, the function of the Executive Board does not precisely match that of the “management” in a Swiss company.
- **Supervisory Board:** The Supervisory Board appoints, dismisses and oversees the Executive Board. Its consent is also required for certain legal transactions. Where the Swiss Directive on Corporate Governance requires details of the “board of directors”, details regarding the Supervisory Board will be provided accordingly. However, the function of the Supervisory Board does not precisely match that of the board of directors of a Swiss company.
- **Annual General Meeting:** The Annual General Meeting, as the highest board of the company, appoints and dismisses the members of the Supervisory Board and appoints the auditor. Where the Swiss Directive on Corporate Governance requires details of the “general meeting of shareholders”, details regarding the General Meeting will be provided accordingly. Differences exist between Austrian and Swiss law with respect to general meetings.

1. GROUP STRUCTURE AND SHAREHOLDER BASE

1.1. GROUP STRUCTURE

PIERER Mobility AG, with registered office in 4600 Wels, Edisonstraße 1, Austria, has had its primary listing on the SIX Swiss Exchange since November 14, 2016 (ISIN: AT0000820659, Security Number: 504.289). PIERER Mobility AG has a share capital of EUR 33'796'535, divided into 33'796'535 voting bearer shares of no-par value. Every share has an equal stake in the share capital.

The object of PIERER Mobility AG is in particular to act as a holding company, with a particular focus on the acquisition and administration of industrial companies and holdings in such companies, the management of companies and holdings forming part of the PIERER Mobility Group, the implementation of the activities of Pierer Industrie AG in the field of mobility (Mobility) and the performance of services for these companies (group services), as well as corporate advisory services in general. This corporate object of the company is laid down in Section 2 of the articles of association, which can be found on the PIERER Mobility AG website (https://www.pierermobility.com/wp-content/uploads/2021/10/2021-10-22_Articles-of-Association_PIERER-Mobility-AG.pdf).

Management of the PIERER Mobility Group is carried out by a management team that includes divisional managers who are responsible for managing a particular product group within the framework of the strategy set by the Executive Board. Divisional managers report directly to the Executive Board of PIERER Mobility AG.

PIERER Mobility AG is the parent company of the PIERER Mobility Group. The PIERER Mobility Group is Europe's leading “Powered Two-Wheeler” manufacturer with a focus on highly innovative premium motorcycles and electric mobility for two-wheeled vehicles. The PIERER Mobility Group is divided into the strategic core divisions of (i) Motorcycles with its equity holding in the KTM AG, (ii) Design, Concept Development and Digitalization with the equity holdings in KTM Technologies GmbH, PIERER Innovation GmbH, KISKA GmbH, Avocado GmbH and DealerCenter Digital GmbH, and (iii) E-Bicycles with the equity holding in PIERER E-Bikes GmbH.

A description of the group structure and the operating segments of PIERER Mobility AG is included in the following sections of the notes to the Consolidated Financial Statements (I.1. Company Information) on page 130 in the Annual Report and in the Annual Report under “Group Structure” on page 11.

KTM AG

KTM AG has its registered office in Mattighofen, Austria. The share capital of KTM AG is EUR 10'678'706. PIERER Mobility AG held approximately 99.757% of KTM AG as of 31 December 2021. At the extraordinary general meeting of the shareholders of KTM AG on 16 February 2022, a squeeze out of the shareholders was resolved. After the execution of the proceeding, PIERER Mobility AG will be the sole shareholder of KTM AG.

KTM Group contains the shareholdings in KTM Sportmotorcycle GmbH (100 percent), KTM Racing AG (100 percent), Husqvarna Motorcycles GmbH (100 percent), KTM Sportcar GmbH (100 percent), WP Suspension GmbH (100 percent), GASGAS Motorcycles GmbH (100 percent), KTM Beteiligungs GmbH (100 percent) and KTM Immobilien GmbH (indirectly via KTM Beteiligungs GmbH and directly in total 100 percent) as well as the investments in the sales companies of the KTM Group and the HUSQVARNA Group (Husqvarna Motorcycles GmbH and its fully consolidated subsidiaries)

KTM AG is a global manufacturer of Offroad and Street vehicles. The products of the KTM AG are sold under the “KTM”, “Husqvarna Motorcycles” and GASGAS brands. The KTM AG develops, manufactures and sells high-performance and competition-ready vehicles for the Offroad and Street segments. In addition, the product range also includes mini-motorcycles, the KTM-X-BOW and brand accessories (spare parts, technical accessories and clothing).

The sales companies KTM Sportmotorcycle GmbH, Husqvarna Motorcycles GmbH and GASGAS Motorcycles GmbH sell motorcycles, spare parts and accessories of the respective brands directly to European distributors and worldwide importers. The markets in the USA, Mexico, South Africa, Japan, Australia and New Zealand are served by local stockholding sales subsidiaries. In addition, there are participations in domestic and foreign sales companies that provide sales and marketing support services in the local markets for KTM Sportmotorcycle GmbH, Husqvarna Motorcycles GmbH and GASGAS Motorcycles GmbH.

The KTM Components Group develops, produces and sells under the brand “WP” the following high-performance chassis components for motorcycles and vehicles: (i) suspension components, (ii) frame construction and related welded-steel components, (iii) exhaust systems and (iv) cooling systems. The KTM Components Group is a comprehensive system provider in the international motorcycle and power sports sector. Due to the offered product groups, the KTM Components Group is able to develop, test and manufacture the entire chassis of a motorcycle.

KTM Technologies / PIERER Innovation / KISKA / Avocado / DealerCenter Digital GmbH

KTM Technologies GmbH develops innovative product concepts and focuses on new technologies for sports motorcycles and promising mobility solutions. In addition, the company specializes in the concept development of electrically powered vehicles and platforms.

PIERER Innovation GmbH focuses on digital transformation and innovation for the core product. This involves working in various technology fields, such as artificial intelligence, big data, blockchain and business modeling.

As Europe's largest independent and owner-operated design company, KISKA GmbH operates in the business segments of Consultancy in relation to marketing, brand and design, Transportation Design, Product Design and Environmental Design.

Avocado GmbH is a software and IT provider specializing in digital strategy, mobile applications, web applications and business solutions.

DealerCenter Digital GmbH develops digital consulting and sales systems that position themselves at the interface of online and offline retail.

PIERER E-Bikes GmbH

The E-Bicycle division of the PIERER Mobility Group with the brands HUSQVARNA E-Bicycles and R RAYMON, GASGAS and FELT Bicycles is bundled in PIERER E-Bikes GmbH.

List of the active non-listed subsidiaries

A detailed list of the active non-listed subsidiaries of PIERER Mobility AG can be found in the schedule of equity holdings (pages 191-193 in the Annual Report).

1.2. SIGNIFICANT SHAREHOLDERS

The shareholder structure of PIERER Mobility AG as at Tuesday, December 31, 2021 was as follows:

Pierer-Group:	
Pierer Bajaj AG	73.32%
Pierer Konzerngesellschaft	2.58%
Free float	24.1%

As at the reporting date of December 31, 2021, the Pierer Group thus held approximately 75.90.% of the share capital and voting rights of PIERER Mobility AG.

PIERER Mobility AG is not aware of any other shareholders holding over 3 percent of the company's voting rights, whether directly or indirectly.

Notifications of significant shareholders and shareholder groups made to PIERER Mobility AG and the Disclosure Office of SIX Swiss Exchange AG pursuant to Art.120 et seq. of the Financial Markets Infrastructure Act (FinFraG) can be viewed on the publications platform of the Disclosure Office at <https://www.ser-ag.com/de/resources/notifications-market-participants/significant-shareholders.html#/>.

1.3 CROSS-SHAREHOLDINGS

There are no cross-shareholdings.

2. CAPITAL STRUCTURE**2.1 CAPITAL**

As at the reporting date, the share capital of PIERER Mobility AG was EUR 33'796'535 and was fully paid-up. The share capital of PIERER Mobility AG is divided into 33'796'535 bearer shares of no par value, each of which represents an equal interest in the share capital.

The shares grant the rights that are due to stockholders under the Austrian Stock Corporation Act. These include in particular the right to payout of the dividend resolved upon at the Annual General Meeting as well as the right to vote at Annual General Meetings.

On the reporting date of December 31, 2021, PIERER Mobility AG held both, conditional capital and authorized capital. According to §5 of the Articles of Association the authorized capital amounts to EUR 11'269'337, of which an amount of EUR 11'257'861 has already been utilised. As of the reporting date 31 December 2021, there remains thus an authorized capital in the amount of EUR 11'476.

The conditional capital according to § 5a of the Articles of Association amounts to EUR 25'000'000 and has not yet been utilised.

2.2 AUTHORIZED AND CONDITIONAL CAPITAL IN PARTICULAR

Authorized capital:

As of the reporting date, PIERER Mobility AG had an authorized capital¹.

The corresponding provision in § 5 Authorized Capital of the Articles of Association reads as follows:

§ 5 Authorized capital

- The Executive Board is authorized in accordance with Section 169 of the Austrian Stock Corporation Act (AktG), to increase until 26.04.2023 the share capital of the company from EUR 22'538'674.00 by up to EUR 11'269'337.00 to up to EUR 33'808'011.00 with the consent of the Supervisory Board by issuing, in several tranches if necessary, up to 11'269'337 no-par-value bearer shares in return for cash contributions and/or contributions in kind and to determine the initial offering price and the terms and conditions of the issue and the further details of implementing the capital increase in agreement with the Supervisory Board and if need be to offer the new shares to the shareholders for subscription by way of the indirect subscription right pursuant to Section 153 (6) of the Austrian Stock Corporation Act (AktG).
- The Executive Board is authorized, with the consent of the Supervisory Board, to exclude the subscription right of the shareholders in full or in part
 - (i)(i) if the capital increase takes place in return for cash contributions and in total the proportion of the company's share capital which can be apportioned to the shares issued in return for cash contributions with no subscription right does not exceed the limit of 10% (ten per cent) of the share capital of the company at the time of granting,
 - (ii)(ii) if the capital increase takes place in return for contributions in kind,
 - (iii)(iii) to take up an over-allotment (greenshoe) option, and/or
 - (iv)(iv) to compensate for fractional amounts.
- The Supervisory Board is authorized to pass amendments to the articles of association that may arise due to the issue of shares from the authorized capital.

The Executive Board of PIERER Mobility AG decided on September 29, 2021 to carry out a capital increase against contribution in kind from the authorized capital. During the process, 11,257,861 new shares were issued at an issue price of EUR 79.50 per share. The capital increase of PIERER Mobility AG was carried out exclusively against contribution in kind of the KTM shares by Pierer Bajaj AG and under exclusion of subscription rights of the other shareholders. During this capital increase against contribution in kind, the share capital of PIERER Mobility AG was increased by EUR 11'257'861 from EUR 22'538'674 to EUR 33'796'535. The capital increase was entered in the companies register on October 22, 2021. As a result of the partial utilization of the authorized capital, the remaining authorized capital amounts to EUR 11'476.

Conditional capital:

The General Meeting of PIERER Mobility AG of April 27, 2017 has resolved a conditional capital.²

The following resolutions were adopted during the Annual General Meeting of April 27, 2017:

- a) The authorization of the Executive Board, subject to the agreement of the Supervisory Board, to issue financial instruments in the sense of Section 174 of the Austrian Stock Corporations Act until April 1, 2022, particularly convertible bonds, participating bonds and special dividend rights, with a nominal total of EUR 150 million, which may also grant pre-emption rights and/or option of exchange on the acquisition of up to 25 million shares in the Company and/or are organized in such a way that they may be reported as equity, also in multiple tranches and in different combinations.
- b) The Executive Board may use the conditional capital and/or treasury shares to fulfil options of exchange and or pre-emption rights.
- c) The issue amount and issue conditions of the financial instruments are to be set by the Executive Board, subject to the agreement of the Supervisory Board, whereby the issue amount is to be determined according to recognized mathematical methods used in finance and the price of shares in the Company in a recognized pricing procedure.

¹ Source: Articles of Association of PIERER Mobility AG, which is available to view on the website: https://www.pierermobility.com/wp-content/uploads/2021/10/2021-10-22_Articles-of-Association_PIERER-Mobility-AG.pdf

² The General Meeting of PIERER Mobility AG of April 27, 2017 has resolved a conditional capital.

- d) The Executive Board is authorized to exclude the pre-emption rights of shareholders to financial instruments in the sense of Section 174 AktG with the agreement of the Supervisory Board.
- e) The conditional increase of the Company share capital in accordance with Section 159, paragraph 2, no. 1 AktG by up to EUR 25 million by issuing up to 25 million no-par value bearer shares (ordinary shares) for issue to creditors of financial instruments in accordance with Section 174 AktG, which are issued using the authorization granted in this Annual General Meeting, in so far as the creditors of the financial instruments make use of their options of exchange and/or pre-emption rights on Company shares. The issue price and the conversion ratio shall be determined according to a recognized pricing procedure, following accepted financial mathematical methods and based on the company's share price. The newly issued shares of the conditional capital increase have the same dividend entitlement as the pre-existing shares of the Company. The Executive Board, subject to the approval of the Supervisory Board, is authorized to determine the further details of the execution of the conditional capital increase. The Supervisory Board is authorized to pass amendments to the articles of association that may arise due to the issue of shares from the conditional capital.

The corresponding provision of the Articles of Association in § 5a Conditional Capital reads as follows:

§ 5a Conditional Capital

In accordance with § 159 (2) Z 1 AktG, the share capital of the Company is increased by up to EUR 25,000,000.00 by issuing up to 25'000'000 no-par value bearer shares of common stock (no-par value shares) to be issued to creditors of financial instruments in accordance with § 174 AktG, which are issued by the Company using the authorization granted at this Annual General Meeting.

The capital increase may only be carried out to the extent that the creditors of the financial instruments exercise their conversion and/or subscription rights to shares of the Company. The issue price and the exchange ratio shall be determined in accordance with recognized financial mathematical methods and the share price in a recognized pricing procedure. The newly issued shares of the conditional capital increase are entitled to dividends to the same extent as the existing shares of the Company. The Executive Board is authorized, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase. The Supervisory Board is authorized to resolve on amendments to the Articles of Association resulting from the issue of shares from the conditional capital

2.3 CHANGES IN CAPITAL IN THE LAST THREE REPORTING PERIODS

The consolidated equity of PIERER Mobility AG was EUR 618.6 million on 31 December 31, 2019, EUR 654.1 million on 31 December 2020 and EUR 765.6 million on 31 December 2021. Information on changes in equity is set out in the consolidated statement of changes in equity in the Annual Report (pages 126-127).

At the extraordinary general meeting of PIERER Mobility AG on October 4, 2019, a resolution was passed to launch a share buyback program and to buy back up to 7.404% (corresponding to 20% of the free float) of the share capital of PIERER Mobility AG. The acquired bearer shares could be used both as consideration for the acquisition of companies, for resale and for reducing the share capital by redeeming treasury shares. The repurchase of treasury bearer shares started on October 22, 2019, was suspended with effect from April, 7 2020 and ended prematurely on January 20, 2021. A total of 224'043 no-par value shares were acquired on the stock exchange as part of the buyback program. All treasury shares acquired under the share buyback program were resold by the reporting date. As of the reporting date, PIERER Mobility AG does not hold any treasury shares.

The Executive Board of PIERER Mobility AG decided on September 29, 2021 to carry out a capital increase against contribution in kind from the authorised capital. In the process, 11'257'861 new shares were issued at an issue price of EUR 79.50 per share. As a result of the capital increase through contributions in kind, the share capital of PIERER Mobility AG increased by EUR 11'257'861 from EUR 22'538'674 to EUR 33'796'535.

2.4/2.5 SHARES AND PARTICIPATION CERTIFICATES/DIVIDEND-RIGHT CERTIFICATES

As at the reporting date, the share capital of PIERER Mobility AG was EUR 33'796'535 and was fully paid-up. The share capital of PIERER Mobility AG is divided into 33'796'535 bearer shares of no par value, each of which represents an equal interest in the share capital.

PIERER Mobility AG has issued no participation certificates or dividend-right certificates.

The following rights attach to shares in PIERER Mobility AG:

Rights over assets:

Right to dividends / Right to participate in profit

Every shareholder has the right to the distribution of a dividend from the net profit disclosed in the annual financial statements. Under the Company's Articles of Association, the Annual General Meeting of PIERER Mobility AG is entitled to exclude all or part of the balance sheet profit from distribution. Should the Annual General Meeting thus resolve to exclude the profit from distribution, the shareholder shall have no claim to it, even if the company has achieved a profit during the past financial year and disclosed it on its statement of financial position.

Each shareholder's share in the profit of the company is determined in proportion to his share of the share capital. There are no restrictions in this regard affecting non-local investors. Dividends that are not claimed within 30 years of the date of entitlement shall expire and shall be assigned to the company's unrestricted reserves. Resolutions concerning the distribution of dividends on the company's shares for any financial year shall be made at the Annual General Meeting for the following year, which shall rule on a proposal submitted by the Executive Board and Supervisory Board. Dividends may only be paid from retained earnings as disclosed in the (separate) annual financial statements of the company, as prepared in accordance with the Austrian Companies Code. The amount available for distribution shall be the profit for the year, plus or minus retained earnings/losses brought forward from the previous year, plus or minus transfers to/from reserves. By law, certain reserves must be formed which must be deducted from the retained earnings available for distribution.

Dividends passed by the Annual General Meeting shall be paid out in accordance with the rules of the relevant clearing system, as the shares entitled to dividends are held in a clearing system.

Pre-emption rights regarding subscription offers for shares of the same category

In the event of a capital increase, every shareholder may request to be allotted a number of shares in proportion to his current holding. This pre-emption right serves firstly to allow the shareholder to maintain his current interest (antidilution) and secondly to preserve the value of his current interest (asset protection). Pre-emption rights may be overridden by a resolution adopted at the General Meeting, subject to a qualified majority of three quarters of the share capital represented. A valid reason for overriding the pre-emption right must exist.

Right to a share of the balance in the event of liquidation

In the event of a winding-up (liquidation), every shareholder has a claim to the assets remaining after all debts have been settled (liquidation proceeds). The shareholder will thus become a creditor of the company, with a claim that may be enforced in court. Liquidation proceeds are to be distributed among the shareholders in proportion to their shareholdings. They need not be in cash; they may also be distributed in the form of other assets.

Dissolution of the company shall be in accordance with the Austrian Stock Corporation Act.

Rights in relation to Annual General Meetings:

Right to attend

Every shareholder has the right to attend the Annual General Meetings, as shareholders exercise their rights at General Meetings. Shareholders are entitled to attend Annual General Meetings insofar as they hold shares on the evidence date, that is, at the end of the tenth day before the day of the General Meeting in question. A securities account confirmation as per § 10a of the Austrian Stock Corporation Act (AktG) suffices as evidence of a shareholding; pursuant to § 111 para 2 AktG this must be supplied to the company no later than the third working day before the Annual General Meeting. Shareholders do not need to attend the Annual General Meeting in person; they may also appoint a proxy to represent them or issue a voting instruction.

According to the Articles of Association³ of PIERER Mobility AG, the Executive Board is authorized, with the consent of the Supervisory Board, to provide in the notice convening of the General Meeting that the General Meeting be transmitted in whole or in part acoustically and, if necessary, also optically in real time for the shareholders who are not present (transmission of the General Meeting pursuant to § 102 para 4 sentence 1 AktG). Provision may also be made for the General Meeting to be transmitted to the public (Section 102 para 4 sentence 2 AktG). If the Executive Board makes use of this authorization, the respective details shall be communicated in the notice convening the General Meeting.

³ The Articles of Association are available to view on the PIERER Mobility AG website:
https://www.pierermobility.com/wp-content/uploads/2021/10/2021-10-22_Articles-of-Association_PIERER-Mobility-AG.pdf

Due to the COVID-19 crisis, the 24th Annual General Meeting of PIERER Mobility AG was held as a virtual general meeting without the physical presence of the participants in order to prevent the further spread of the coronavirus and to protect the shareholders and other participants. Pursuant to the COVID-19 Ordinance under company law issued on the occasion of the COVID-19 crisis, the virtual general meeting of a public limited company must be able to be attended from any location by means of an acoustic and optical connection in real time, so that the individual shareholder can follow the course of the meeting. In addition, the shareholder must be enabled to make requests to speak during the meeting and to participate in voting. A special proxy is responsible for proposing resolutions, casting votes, and raising objections at the virtual shareholders' meeting. The Company must propose at least four suitable and independent persons for selection as special proxies. Shareholders are thus connected to the General Meeting by a livestream and exercise their right to propose, vote and object via this proxy; changes to instructions are possible up to the end of the general debate. Shareholders can submit questions electronically - also during the virtual shareholders' meeting - until the chairman of the meeting announces the end of the general debate.

Right of petition

Pursuant to § 109 of the Austrian Stock Corporation Act, shareholders whose cumulative holdings reach 5% of the share capital may demand in writing that certain points be placed on the agenda of the Annual General Meeting and announced. Each agenda point thus moved must include a proposal for a resolution and provide grounds. The petitioning shareholders must have held the shares for at least three months before the petition is submitted. The shareholders' demand must reach the company no later than the 21st day before an Annual General Meeting, or no later than the 19th day before any other General Meeting (§ 109, paragraph 2 of the Austrian Stock Corporation Act).

Pursuant to § 110 of the Austrian Stock Corporation Act, shareholders whose cumulative holdings reach 1% of the share capital may submit proposed resolutions on each point of the agenda to the company in text form and demand that said proposals be made available on the company's website together with the names of the shareholders concerned, the grounds for the proposal and the opinion, if any, of the Executive or Supervisory Board. The demand shall be valid if it reaches the company no later than on the seventh working day before the Annual General Meeting. Where the proposal is for the election of a member of the Supervisory Board, the declaration of the nominee as per § 87(2) of the Austrian Stock Corporation Act shall be submitted in place of the grounds for the proposal.

Pursuant to § 119 of the Austrian Stock Corporation Act, every shareholder has the right to propose a motion on any point on the agenda at an Annual General Meeting. Where a motion is proposed at the Annual General Meeting itself, there is no requirement to provide grounds.

Right to information / Right of inquiry

Pursuant to § 118 of the Austrian Stock Corporation Act, information on matters concerning the company is to be given to every shareholder on demand at the Annual General Meeting, insofar as such information is necessary for the factual assessment of a point on the agenda. The right to information allows information to be obtained on the company's position and serves as a basis for the company's decision-making.

In principle, the obligation to provide information is incumbent on the Executive Board only, not on the Supervisory Board, except as regards matters that concern the Supervisory Board alone.

Information need not be provided if, according to reasonable commercial judgment, it is of a nature that may cause substantial harm to the company or an affiliated company, or if providing it would be a criminal offense. Further, information need not be provided where it has been constantly available in question-and-answer form on the company's website for at least seven days before the start of the Annual General Meeting.

Right to speak

Every shareholder has the right to express his opinion at the Annual General Meeting. The Annual General Meeting is the shareholders' forum for information and discussion. The chairman of the Meeting may restrict the right to speak from the start of the meeting or as required. The right to speak as such may not be set aside entirely.

Voting rights

Every shareholder has a right to vote at the Annual General Meeting in proportion to his shareholding. The Articles of Association⁴ cannot generally grant a shareholder more votes than he has shares; however, it is permissible to restrict voting rights for equity holdings inter alia exceeding a certain size. Shareholders may exercise their voting right in three ways: they may vote for a motion, vote against the motion, or abstain. Voting rights in respect of specific resolutions are suspended in certain cases of a shareholder's conflict of interest.

⁴ The Articles of Association are available to view on the PIERER Mobility AG website:
https://www.pierermobility.com/wp-content/uploads/2021/10/2021-10-22_Articles-of-Association_PIERER-Mobility-AG.pdf

Where the law does not prescribe a different majority, the Annual General Meeting shall pass resolutions by simple majority of the votes cast and, in those cases where a majority of the capital is required, by simple majority of the share capital represented.

Right of objection

At various points, the Austrian Stock Corporation Act lays down the option or duty of a shareholder to raise objections in order to safeguard or exercise his rights (e.g. objection to the issue of dividend warrants, objection to the minutes of the Annual General Meeting, objection to a resolution to convert the company to another legal form).

Right of avoidance

Every shareholder has the right to have resolutions adopted at the General Meeting declared void, whereby avoidance can entail the rescission of a validly passed resolution. All resolutions may be contested that contravene the law or the Articles of Association but are not void ab initio. Shareholders must have their objections minuted in order to have a right to avoidance.

2.6 LIMITATIONS ON TRANSFERABILITY AND NOMINEE REGISTRATIONS

PIERER Mobility AG has only bearer shares in issue. There are no limitations on transferability or company rules on nominee registrations.

2.7 CONVERTIBLE BONDS AND OPTIONS

PIERER Mobility AG has issued no convertible bonds or options.

3. SUPERVISORY BOARD

3.1/3.2/3.3/3.4 MEMBERS OF THE SUPERVISORY BOARD, OTHER ACTIVITIES AND VESTED INTERESTS, CROSS-INTERESTS, ELECTION AND TERM OF OFFICE

The Supervisory Board is made up of at least three members who are separately elected by the Annual General Meeting, plus as many employee representatives as are required pursuant to § 110(1) of the Austrian Labor Relations Act. The members of the Supervisory Board are elected by the Annual General Meeting, for a term that shall not go beyond the end of the General Meeting resolving on the discharge of the Executive Board for the fourth financial year following the election; in determining what constitutes the fourth financial year, the financial year in which the member is elected is excluded.

Members of the Supervisory Board of an Austrian stock corporation are non-executive directors in Swiss legal terminology.

In the financial year 2021, the Supervisory Board of PIERER Mobility AG consisted of four members, as below:

Name Year of Birth	Position at PIERER Mobility AG	Initial Appointment	End of the current term of office	Management tasks for a group company of PIERER Mobility AG
Josef Blazicek born 1964	Chairman of the Supervisory Board	2008	Annual General Meeting which decides on the financial year 2025	
Ernst Chalupsky born 1954	Deputy Chairman of the Supervisory Board	2014	Annual General Meeting which decides on the financial year 2025	▪ KTM AG (Austria) (Member of the Supervisory Board)
Klaus Rinnerberger born 1964	Member of the Supervisory Board	2015	Annual General Meeting which decides on the financial year 2024	
Alfred Hörtenhuber born 1955	Member of the Supervisory Board	2018	Annual General Meeting which decides on the financial year 2022	

Josef Blazicek (born 1964), Austrian citizen, has been active in business since completing high school. He began his career in the International Sales division of GIRO Credit Bank der Österreichischen Sparkassen AG. From 1989, he was head of the trading department at ERSTE BANK AG, before taking up the same position at INVESTMENTBANK AUSTRIA AG in 1991, where he was inter alia a director of Bank Austria Securities Ltd. in New York. From 1997 to 2000, he was Head of Syndications at ICE Securities Ltd. in London. Subsequently, until 2003, he was managing shareholder at OCEAN Equities Ltd. From 2000 he worked in various positions within the QINO Group. In addition, Josef Blazicek is vice chairman of the supervisory board of Pierer Industrie AG (Austria). Josef Blazicek has no material business relationship with PIERER Mobility AG or any group company of PIERER Mobility AG.

Josef Blazicek has been a member of the Supervisory Board since 2008. He currently serves as Chairman of the Supervisory Board of PIERER Mobility AG. His term of office will expire at the end of the Annual General Meeting ruling upon the financial year 2025.

Ernst Chalupsky (born 1954), Austrian citizen, is an attorney and partner in the international law firm of SCWP Schindhelm. Ernst Chalupsky studied at the Johannes Kepler Universität, Linz and trained as an attorney at a highly reputed partnership in Upper Austria. He has been a practicing attorney in Wels since 1982. He was a partner in the firm of Chalupsky & Gumpoldsberger, which merged in 2000 with Saxinger & Baumann to form SCWP. Ernst Chalupsky completed a master's degree in European and International Commercial Law at the Universität St. Gallen in 1996 - 97. In addition, Ernst Chalupsky is chairman of the supervisory board of Pierer Industrie AG (Austria).

Ernst Chalupsky has been a member of the Supervisory Board since 2014. He currently serves as Deputy Chairman of the Supervisory Board of PIERER Mobility AG. His term of office will expire at the end of the Annual General Meeting ruling upon the financial year 2025.

Ernst Chalupsky is partner and managing director of Saxinger, Chalupsky & Partner Rechtsanwälte GmbH. The PIERER Mobility Group is advised by Saxinger, Chalupsky & Partner Rechtsanwälte GmbH on legal affairs. The advisory services are provided in accordance with standard market terms and conditions. Ernst Chalupsky has no material business relationship with PIERER Mobility AG or any group company of PIERER Mobility AG.

Klaus Rinnerberger (born 1964), Austrian citizen, studied law in Vienna and began his career in 1987 as an auditor and consultant at Arthur Andersen & Co. He subsequently performed a variety of management roles in the automotive industry, including serving on the Executive Boards of Magna Automobiltechnik AG and Magna Steyr AG. In 2009, he joined the Executive Board of Polytec Holding AG, serving as CEO of the Peguform Group after its separation from Polytec until 2011. In addition, Klaus Rinnerberger is member of the Executive Board of Pierer Industrie AG (Austria). Klaus Rinnerberger has no material business relationship with PIERER Mobility AG or any group company of PIERER Mobility AG.

Klaus Rinnerberger has been a member of the Supervisory Board since 2015. His term of office will expire at the end of the Annual General Meeting ruling upon the financial year 2024.

Alfred Hörtenhuber (born 1955), Austrian citizen, graduated from high school in 1975 and began his career as an assistant salesman at K. Rosenbauer KG in Leonding, later rising to be Head of Exports for Western Europe. He completed his management training at the MZSG St. Gallen and the IMD Lausanne. In 1985, he joined the Miba Group, initially as a marketing manager. In 1990, he became a member of the Executive Board at Miba Sintermetall AG, with responsibility for marketing, research and development. In 1998, he became CEO of the Miba Friction Group and a member of the Executive Board of Miba AG Holding. Alfred Hörtenhuber has been a member of the management team of the PIERER Mobility Group since February 6, 2008. Alfred Hörtenhuber was a member of the Executive Board of PIERER Mobility AG from June 2, 2015 to December 31, 2017. Alfred Hörtenhuber has no material business relationship with PIERER Mobility AG or any group company of PIERER Mobility AG.

Since April 26, 2018, Alfred Hörtenhuber is member of the Supervisory Board of the company. His term of office will expire at the end of the Annual General Meeting ruling upon the financial year 2022.

SIGNIFICANT OTHER FUNCTIONS OF THE MEMBERS OF THE SUPERVISORY BOARD

The following table contains the names of the companies and enterprises in which the current members of the Supervisory Board - to the knowledge of the Company - have been a member of an administrative, management or supervisory body of PIERER Mobility AG or a group company of PIERER Mobility AG during the last three years. Furthermore, current activities in management and supervisory bodies of major Swiss and foreign corporations, institutions and foundations under private and public law are listed. The column headed "Still serving" indicates whether the partnership or membership of a management, executive or supervisory board is still current.

SUPERVISORY BOARD	COMPANY	POSITION	STILL SERVING
Josef Blazicek			
	All for One Steeb AG	Chairman of the Supervisory Board	Yes
	Pankl AG (formerly Pankl SHW Industries AG)	Member of the Supervisory Board	Yes
	Pankl Racing Systems AG	Deputy chairman of Supervisory Board	Yes
	Pierer Industrie AG	Deputy chairman of the Supervisory Board	Yes
	SHW AG	Member of the Supervisory Board	Yes
	Pierer Bajaj AG	Member of the Supervisory Board	Yes
Ernst Chalupsky			
	KTM AG	Member of the Supervisory Board	Yes
	Pankl AG (formerly Pankl SHW Industries AG)	Member of the Supervisory Board	No
	Pierer Bajaj AG	Chairman of the Supervisory Board	Yes
	Pierer Industrie AG	Chairman of the Supervisory Board	Yes
	Pöttinger Landtechnik GmbH	Member of the Supervisory Board	Yes
	Saxinger, Chalupsky & Partner Rechtsanwälte GmbH	Managing Director	Yes
Klaus Rinnerberger			
	HDC GmbH	Member of the Supervisory Board	No
	Pankl AG (formerly Pankl SHW Industries AG)	Deputy chairman of the Supervisory Board	Yes
	Pankl AG (formerly Pankl SHW Industries AG)	Member of the Executive Board	No
	Pankl Racing Systems AG	Member of the Supervisory Board	Yes
	Pierer Industrie AG	Member of the Executive Board	Yes
	Schwäbische Hüttenwerke Automotive GmbH	Chairman of the Supervisory Board	Yes
	SHW AG	Chairman of the Supervisory Board	Yes
Alfred Hörtenhuber			
	Pierer Industrie AG	Member of the Executive Board	No
	Pankl Racing Systems AG	Member of the Supervisory Board	Yes
	Schwäbische Hüttenwerke Automotive GmbH	Deputy chairman of the Supervisory Board	Yes
	SHW AG	Deputy chairman of the Supervisory Board	Yes

The members of the Supervisory Board have no other material activities, vested interests or cross-interests.

3.5 INTERNAL ORGANIZATIONAL STRUCTURE

3.5.1 Allocation of tasks within the Supervisory Board

Please refer to the Report under the Austrian Corporate Governance Code (Composition of the Supervisory Board, page 69).

3.5.2 Members list, tasks and area of responsibility for each committee of the Supervisory Board

The Supervisory Board has established an Audit Committee from among its members, which consists of three members. Furthermore, a Remuneration Committee consisting of two members was established in December 2021.

For reasons of efficiency, since the Supervisory Board of PIERER Mobility AG is made up of no more than 6 members, the tasks of a Nomination Committee are fulfilled by the full Supervisory Board.

Please refer to the Report under the Austrian Corporate Governance Code (Committees of the Supervisory Board, pages 69-70).

3.5.3 Working methods of the Supervisory Board and its committees

Please refer to the Report under the Austrian Corporate Governance Code (Working procedures of the Supervisory Board, pages 68-69).

In the financial year 2021, the Supervisory Board addressed the efficiency of its activities, in particular its organization and working methods, and carried out a self-evaluation.

3.6 DEFINITION OF AREAS OF RESPONSIBILITY

Responsibility for the management of an Austrian Aktiengesellschaft lies with the Executive Board. Neither the Supervisory Board nor the Annual General Meeting has a right to issue instructions to the Executive Board. However, under the Austrian Stock Corporation Act, the Executive Board is required to obtain the consent of the Supervisory Board before entering into certain extraordinary transactions. The Executive Board consults with the Supervisory Board on the strategic direction of the company and discusses the implementation status of the strategy with the Supervisory Board at regular intervals.

The duty of the Supervisory Board is to appoint and dismiss the Executive Board and in particular to review the ongoing activities of the Executive Board. To this end, the Executive Board informs the Supervisory Board of its activities on a regular basis.

The Supervisory Board held a total of seven meetings during the 2021 financial year. The meetings lasted approximately two to two and a half hours on average. Two meetings of the Audit Committee also took place; these meetings lasted approximately one hour on average (see also the Report under the Austrian Corporate Governance Code, Working procedures of the Supervisory Board, pages 68-69).

3.7 INFORMATION AND CONTROL INSTRUMENTS VIS-À-VIS THE EXECUTIVE BOARD

PIERER Mobility AG does not have its own risk management system. In light of the company's size, no separate internal audit department has been set up. However, the company has established an internal control and reporting system which enables the Executive Board to identify risks and quickly implement an appropriate response. The Supervisory Board, particularly the Audit Committee, is kept regularly informed about the internal control mechanisms and risk management in place across the group.

Under the internal control and reporting system, identifiable risks in numerous areas of the business are captured and evaluated on an ongoing basis; material results are assessed by the Executive Board and brought to the attention of the Supervisory Board. Further information on risk management can be found in the notes to the consolidated financial statements as at December 31, 2021.

The company's management information system collates a large number of performance indicators from various areas of the PIERER Mobility Group, as well as comprehensive financial information. The system makes this data available electronically to the company's management in a predesigned format. The Supervisory Board receives monthly and quarterly reports based on information in the management information system.

4. EXECUTIVE BOARD

4.1/4.2 MEMBERS OF THE EXECUTIVE BOARD, OTHER ACTIVITIES AND VESTED INTERESTS

Unless otherwise stated below, the members of the Executive Board have no further disclosable activities or vested interests.

The Executive Board of PIERER Mobility AG consisted in the financial year 2021 of the following members:

Name Year of Birth	Position	Initial Appointment	End of the current term of office	Areas of Responsibilities
Stefan Pierer born 1956	Member of the Executive Board (CEO)	June 2, 2015*	December 31, 2023	<ul style="list-style-type: none"> ▪ strategic overall management ▪ product management ▪ quality management ▪ purchase ▪ supply chain ▪ international projects
Friedrich Roithner born 1963	Member of the Executive Board (CFO)	June 2, 2015**	December 31, 2023	<ul style="list-style-type: none"> ▪ finance ▪ (Group)accounting ▪ tax affairs ▪ legal affairs ▪ risk management
Hubert Trunkenpolz born 1962	Member of the Executive Board	January 1, 2018	December 31, 2023	<ul style="list-style-type: none"> ▪ sales ▪ marketing ▪ customer service ▪ joint ventures
Viktor Sigl, MBA born 1974	Member of the Executive Board	December 19, 2019	December 31, 2023	<ul style="list-style-type: none"> ▪ human resources ▪ organisation ▪ IT

* Stefan Pierer has been a member of the Executive Board of CROSS Industries AG (FN 261823 i) since April 30, 2005. In the Annual General Meetings of BF HOLDING AG (FN 78112 x) and CROSS Industries AG on April 22, 2015 the resolution was passed to merge CROSS Industries AG as the transferring company with BF HOLDING AG as the acquiring company within the framework of a universal succession. With effect from June 2, 2015 CROSS Industries AG was merged into BF HOLDING AG. At the same time, the name of the acquiring company (FN 78112 x) was changed to CROSS Industries AG. Since June 2, 2015 Stefan Pierer is therefore member of the Executive Board of CROSS Industries AG (now PIERER Mobility AG).

** Friedrich Roithner has been a member of the Executive Board of CROSS Industries AG (FN 261823 i) since June 23, 2010. In the Annual General Meetings of BF HOLDING AG (FN 78112 x) and CROSS Industries AG on April 22, 2015 the resolution was passed to merge CROSS Industries AG as the transferring company with BF HOLDING AG as the acquiring company within the framework of universal succession. With effect from June 2, 2015 CROSS Industries AG was merged into BF HOLDING AG. At the same time, the name of the acquiring company (FN 78112 x) was changed to CROSS Industries AG. Since June 2, 2015 Friedrich Roithner is member of the Executive Board of CROSS Industries AG (now PIERER Mobility AG).

STEFAN PIERER (born 1956), Austrian citizen, began his career in 1982 at HOVAL GmbH, Marchtrenk, after graduating in business and energy economics from the Montanuniversität Leoben. Initially a sales assistant, he rose to become Head of Sales for Upper Austria and an authorized signatory of the company. He founded what is now the PIERER Mobility Group in 1987. The PIERER Mobility Group is an Austrian industrial holdings group with a strategic and operational focus on the motorcycle and motor vehicle sector. Stefan Pierer is Chairman of the Executive Board of PIERER Mobility AG.

Further main functions within the Group:

- Chairman of the Executive Board of KTM AG
- Member of the Supervisory Board of PIERER E-Bikes GmbH

Membership of supervisory boards or comparable functions in other foreign and domestic companies, excluding companies included in the consolidated financial statements:

- Chairman of the Supervisory Board of Pankl Racing Systems AG
- Member of the Supervisory Board of SHW AG
- Chairman of the Supervisory Board of Pankl AG (formerly Pankl SHW Industries AG)
- Member of the Supervisory Board of Schwäbische Hüttenwerke Automotive GmbH
- Chairman of the Supervisory Board of Westpark Wels AG
- Member of the Board of Directors of swisspartners Group AG
- Member of the Board of Directors of Pierer Swiss AG

FRIEDRICH ROITHNER (born 1963), Austrian citizen, graduated in business studies from the University of Linz and subsequently worked as an assistant auditor, with a focus on auditing and tax, at an international accountancy firm. From 1992 onwards, he was employed by Austria Metall AG, where he was a member of the Executive Board from 2002 to 2006. Since the end of 2007, Friedrich Roithner has been part of the management team at the PIERER Mobility Group. Friedrich Roithner is Chief Financial Officer of the PIERER Mobility AG.

Further main functions within the Group:

- Chairman of the Supervisory Board of KTM AG
- Chairman of the Supervisory Board of KTM Components GmbH
- Chairman of the Supervisory Board of PIERER E-Bikes GmbH

Membership of supervisory boards or comparable functions in other foreign and domestic companies, excluding companies included in the consolidated financial statements:

- Member of the Supervisory Board of Pankl Racing Systems AG
- Member of the Supervisory Board of SHW AG
- Member of the Supervisory Board of Pankl AG (formerly Pankl SHW Industries AG)
- Member of the Supervisory Board of Westpark Wels AG

HUBERT TRUNKENPOLZ (born 1962), Austrian citizen, started his career after graduating from the Johannes Kepler University Linz (Business Administration) at ISA Audivisual Communication Corp. as marketing manager and subsequently at TRUMAG as sales manager/managing director. He has been at the PIERER Mobility Group since 1992 and a member of the Executive Board of the KTM Group since 2004. Hubert Trunkenpolz also became a member of the Executive Board of KTM AG in 2007 and of PIERER Mobility AG in 2018.

Further main functions within the Group:

- Member of the Executive Board of KTM AG
- Managing Director of PIERER E-Bikes GmbH

Membership of supervisory boards or comparable functions in other foreign and domestic companies, excluding companies included in the consolidated financial statements:

- None.

VIKTOR SIGL, MBA (born 1974), Austrian citizen, graduated from the Johannes Kepler University in Linz with a degree in Business Administration and started his professional carrier at KPMG in the field of financial auditing and tax consultancy. In 2005, after completing his tax consultancy examinations and an MBA program at the University of Toronto, Viktor Sigl joined voestalpine AG to become head of Corporate Tax & Finance Advisory. Before joining the KTM AG, he was commercial director in the field of international industrial assembly. Since December 19, 2019, Viktor Sigl is in the Executive Board of PIERER Mobility AG.

Further main functions within the Group:

- Member of the Executive Board of KTM AG
- Vice Chairman of the Supervisory Board of KTM Components GmbH
- Member of the Supervisory Board of PIERER E-Bikes GmbH

Membership of supervisory boards or comparable functions in other foreign and domestic companies, excluding companies included in the consolidated financial statements:

- None.

SIGNIFICANT OTHER FUNCTIONS OF THE MEMBERS OF THE EXECUTIVE BOARD

The following table contains the names of the companies and enterprises in which the current members of the Executive Board - to the knowledge of the Company - have been a member of an administrative, management or supervisory body of PIERER Mobility AG or a group company of PIERER Mobility AG during the last five years. Furthermore, current activities in management and supervisory bodies of major Swiss and foreign corporations, institutions and foundations under private and public law are listed. The column headed "Still serving" indicates whether the partnership or membership of a management, executive or supervisory board is still current.

EXECUTIVE BOARD	COMPANY	POSITION	STILL SERVING
Stefan Pierer			
	HDC GmbH	Managing Director	No
	K KraftFahrZeug Holding GmbH (company dissolved)	Managing Director	No
	Kiska GmbH	Managing Director	No (since January 2022)
	KTM AG	Chairman of the Executive Board	Yes
	KTM Components GmbH	Deputy chairman of the Supervisory Board	No
	P Immobilienverwaltung GmbH	Managing Director	Yes
	Pankl AG (formerly Pankl SHW Industries AG)	Chairman of the Supervisory Board	Yes
	Pankl Racing Systems AG	Chairman of the Supervisory Board	Yes
	PB Gastro GmbH	Managing Director	No
	Pierer Bajaj AG	Member of the Executive Board	Yes
	PIERER IMMOBILIEN GMBH	Managing Director	Yes
	Pierer Beteiligungs GmbH	Managing Director	Yes
	PIERER E-Bikes GmbH	Member of the Supervisory Board	Yes
	PIERER IMMOREAL GmbH	Managing Director	Yes
	Pierer Industrie AG	Member of the Executive Board	Yes
	Pierer Konzerngesellschaft mbH	Managing Director	Yes
	Pierer Liegenschaft GmbH	Managing Director	Yes
	Pierer Swiss AG	Member of the Supervisory Board	Yes
	Schwäbische Hüttenwerke Automotive GmbH	Member of the Supervisory Board	Yes
	SHW AG	Member of the Supervisory Board	Yes
	Swisspartners Group AG	Member of the Supervisory Board	Yes
	W Verwaltungs AG (company dissolved)	Member of the Supervisory Board	No
	Westpark Wels AG (formerly: Wirtschaftspark Wels Errichtungs- und Betriebs-Aktiengesellschaft)	Chairman of the Supervisory Board	Yes
	Wohnbau-west Bauträger Gesellschaft m.b.H.	Managing Director	Yes
Friedrich Roithner			
	abatec Beteiligungsverwaltungs GmbH	Chairman of the Supervisory Board	No
	HDC GmbH	Managing Director	No
	K KraftFahrZeug Holding GmbH (company dissolved)	Managing Director	No

EXECUTIVE BOARD	COMPANY	POSITION	STILL SERVING
	KTM AG	Chairman of the Supervisory Board	Yes
	KTM Components GmbH	Chairman of the Supervisory Board	Yes
	Pankl Racing Systems AG	Member of the Supervisory Board	Yes
	Pankl AG (formerly Pankl SHW Industries AG)	Member of the Supervisory Board	Yes
	Pierer Bajaj AG	Member of the Executive Board	Yes
	Pierer Beteiligungs GmbH	Managing Director	Yes
	PIERER E-Bikes GmbH	Chairman of the Supervisory Board	Yes
	PIERER IMMOREAL GmbH	Managing Director	Yes
	Pierer Industrie AG	Member of the Executive Board	Yes
	SHW AG	Member of the Supervisory Board	Yes
	W Verwaltungs AG (company dissolved)	Chairman of the Supervisory Board Deputy chairman of the Supervisory Board Member of the Executive Board	No No No
	Westpark Wels AG	Member of the Supervisory Board	Yes
Hubert Trunkenpolz			
	GASGAS Motorcycles GmbH	Managing Director	Yes
	HDC GmbH	Managing Director	Yes
	Husqvarna Motorcycles GmbH	Managing Director	Yes
	Husqvarna Motorcycles North America, Inc.	Managing Director	Yes
	KTM AG	Member of the Executive Board	Yes
	KTM Canada, Inc.	Managing Director	Yes
	KTM Japan K.K.	Managing Director	Yes
	KTM North America, Inc.	Managing Director	Yes
	KTM Österreich GmbH	Managing Director	No
	KTM Sportcar GmbH	Managing Director	Yes
	KTM Sportmotorcycle Deutschland GmbH	Managing Director	Yes
	KTM Sportmotorcycle GmbH	Managing Director	Yes
	KTM MOTOHALL GmbH	Managing Director	Yes
	KTM Racing GmbH	Managing Director	Yes
	PIERER E-Bikes GmbH	Managing Director	Yes
	W Verwaltungs AG (company dissolved)	Deputy chairman of the Supervisory Board	No
Viktor Sigl, MBA			
	HDC GmbH	Managing Director	Yes
	GASGAS Motorcycles GmbH	Managing Director	Yes
	Husqvarna Motorcycles GmbH	Managing Director	Yes
	KTM AG	Member of the Executive Board	Yes
	KTM Beteiligungs GmbH	Managing Director	Yes
	KTM Components GmbH	Deputy chairman to the Supervisory Board	Yes
	KTM Immobilien GmbH (formerly KTM Motorrad AG, formerly KTM-Sportmotorcycle AG)	Managing Director	Yes
	KTM Logistikzentrum GmbH	Managing Director	Yes

EXECUTIVE BOARD	COMPANY	POSITION	STILL SERVING
	KTM North America Inc.	Managing Director	Yes
	KTM Österreich GmbH	Managing Director	Yes
	KTM Sportmotorcycle GmbH	Managing Director	Yes
	KTM Forschungs & Entwicklungs GmbH	Managing Director	No
	PIERER E-Bikes GmbH	Managing Director	No
		Member of the Supervisory Board	Yes
	PIERER Innovation GmbH	Managing Director	Yes
	W Verwaltungs AG (company dissolved)	Member of the Executive Board	No

4.3 MANAGEMENT CONTRACTS

There are no management contracts.

5. COMPENSATION, SHAREHOLDINGS AND LOANS

5.1 CONTENT AND METHOD OF DETERMINING THE COMPENSATION AND THE SHAREHOLDING PROGRAMS

Please refer to the Remuneration Report for the 2021 Financial Year (pages 8-11).

There are no programs that enable employees at any level or members of the company's boards to acquire equity interests in the company.

5.2 COMPENSATION REPORT AS PER ART. 14-16 OF THE ORDINANCE AGAINST EXCESSIVE COMPENSATION IN LISTED COMPANIES (OAEC)

Please refer to the Remuneration Report for the 2021 Financial Year (pages 11-20). No compensation was paid and no non-cash benefits were granted to former members of the Supervisory or Executive Boards in the 2021 reporting year.

The members of the Executive and Supervisory Boards of PIERER Mobility AG held shares in the company as at the reporting date in accordance with the following list:

PERSON	DIRECT SHAREHOLDING	INDIRECT SHAREHOLDING	NUMBER OF SHARES	VOTING RIGHTS IN %*
Stefan Pierer	No	Yes**	25'653'860	75.90%
Friedrich Roithner	Yes	No	97'700	0.29%
Hubert Trunkenpolz	Yes	No	31'800	0.09%
Viktor Sigl	Yes	No	17'000	0.05%
Josef Blazicek	No	Yes	100'000	0.30%
Ernst Chalupsky	Yes	No	13'231	0.04%
Alfred Hörtenhuber	Yes	No	5'300	0.02%
Klaus Rinnerberger	Yes	No	79'874	0.24%

* rounded

** via Pierer Konzerngesellschaft mbH and Pierer Bajaj AG

6. SHAREHOLDERS' PARTICIPATION RIGHTS

6.1 VOTING RIGHTS RESTRICTIONS AND REPRESENTATION

PIERER Mobility AG has 33'796'535 shares of no par value in issue. Each share confers one vote. There are no shares with preferential rights and no restrictions on the shares in issue. The principle of "one share – one vote" thus applies. Voting rights may be exercised by proxy. Proxy authorization must be granted in text form to a specific person and forwarded to PIERER Mobility AG, which must retain or traceably record it.

There are thus no restrictions on voting rights in the articles of association, no group clauses and no rules on granting exceptions.

6.2 QUORUMS REQUIRED BY THE ARTICLES OF ASSOCIATION

Where the law does not prescribe a different majority, the Annual General Meeting shall pass resolutions by simple majority of the votes cast and, in those cases where a majority of the capital is required, by simple majority of the share capital represented.

The Articles of Association of PIERER Mobility AG⁵ do not set more stringent voting requirements than those set by the Austrian Stock Corporation Act.

6.3 / 6.4 CONVOCAION OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS, INCLUSION OF ITEMS ON THE AGENDA

The provisions regarding the convocation of the Annual General Meeting do not diverge from the provisions of the Austrian Stock Corporation Act.⁶

Convocation should be issued no later than the 28th day before an Annual General Meeting, and no later than the 21st day before any other General Meeting. Convocations are published in the "Wiener Zeitung", made known via a European dissemination system and made available on the website of PIERER Mobility AG.

Annual General Meetings are normally convoked by the Executive Board of the company.

The Executive Board is also obliged to convoke a General Meeting if shareholders holding at least 5% of the share capital submit a written demand for convocation, stating the grounds for the demand and presenting an agenda and a proposed resolution for each point thereon. The articles of association may modify this statutory requirement by relaxing the formal requirements or reducing the minimum size of the shareholding required to demand convocation of a General Meeting. The Articles of Association of PIERER Mobility AG currently contain no such provisions that deviate from the statutory requirements⁷. The petitioning shareholders must have held their shares for at least three months before submitting the petition and retain them until a decision on the petition is made. If the convocation is not issued by the Executive Board, the Executive Board is obliged to assist as necessary with the proper convocation of and preparation for the General Meeting.

6.5 SHARE REGISTER

PIERER Mobility AG has only bearer shares in issue. It therefore does not maintain a share register.

7. CHANGES OF CONTROL AND DEFENSE MEASURES

7.1 DUTY TO MAKE AN OFFER

Due to the admission of the shares to the Official Market of the Vienna Stock Exchange, the provisions of the Austrian Takeover Act are applicable to PIERER Mobility AG. The Austrian Takeover Act (ÜbG) recognises both mandatory and voluntary takeover offers. The Articles of Association of PIERER

⁵ The Articles of Association are available to view on the PIERER Mobility AG website:
https://www.pierermobility.com/wp-content/uploads/2021/10/2021-10-22_Articles-of-Association_PIERER-Mobility-AG.pdf

⁶ The Articles of Association are available to view on the PIERER Mobility AG website:
https://www.pierermobility.com/wp-content/uploads/2021/10/2021-10-22_Articles-of-Association_PIERER-Mobility-AG.pdf

⁷ The Articles of Association are available to view on the PIERER Mobility AG website:
https://www.pierermobility.com/wp-content/uploads/2021/10/2021-10-22_Articles-of-Association_PIERER-Mobility-AG.pdf

Mobility AG, as amended on 31 December 2021, contain an opting-out clause within the meaning of the Swiss Financial Market Infrastructure Act (FinFraG).

As a company domiciled in Austria whose equity securities are mainly listed in Switzerland, PIERER Mobility AG is subject to the provisions on public takeover offers contained in the FinfraG as of the balance sheet date. Pursuant to Art. 135 para. 1 FinfraG, anyone who acquires equity securities and thus exceeds the threshold of 33 1/3% of the voting rights is in principle required to make a public purchase offer.

The Extraordinary General Meeting of the Company resolved on 26 February 2021 to include an opting out clause in the Articles of Association of the Company in accordance with Swiss takeover law. Since the company is listed simultaneously on the SIX Swiss Exchange, the Frankfurt Stock Exchange and the Vienna Stock Exchange, Swiss and Austrian takeover law would be applicable to the company, so that an opting out clause was included. To avoid any resulting conflict of laws, the Company has included an opting-out clause in the Articles of Association in accordance with Swiss takeover law. Accordingly, there is no obligation to make an offer under Swiss takeover law as long as there is no obligation to make an offer under the provisions of Austrian takeover law. If, on the other hand, there is a voluntary offer or a mandatory offer under Austrian law, the provisions of Swiss takeover law must still be observed.

Mandatory offers

If a bidder (acting alone or in concert with other legal entities) obtains a controlling interest in a listed Austrian company, it is obliged under the Takeover Act to make a mandatory offer to the remaining shareholders. Anyone who controls, directly or indirectly, 30% or more of the permanent voting shares of the listed company is deemed to have a controlling interest.

The obligation to make an offer for all equity shares in a target company is also triggered if a shareholder who has a controlling interest but does not hold more than 50% of the voting shares acquires an additional 2% or more of the voting rights in the company within a twelve-month period ("creeping in").

If a control-relevant threshold is reached, this must be notified to the Takeover Commission without delay. The offer document must be submitted to the Takeover Commission within 20 stock-market working days from the date control is attained.

A control-relevant threshold may be reached by a single shareholder or by two or more legal entities acting in concert. It follows that the duty of notification and mandatory offer may be triggered by the conclusion of a syndicate agreement or other agreements. Shareholders acting in concert need not be related parties for company law purposes.

When calculating a control-relevant threshold, treasury shares whose votes are suspended are disregarded.

The Takeover Act provides for various exceptions to the rules regarding mandatory offers. In such cases, the matter must merely be notified to the Takeover Commission.

In order to protect the interests of shareholders, the Take Over Act provides for a twofold lower limit to the offer price in the event of a mandatory offer. First, the offer price must not be less than the highest amount of consideration offered by the bidder (or a legal entity acting in concert with the bidder) for shares in the target company in the 12 months preceding the takeover bid. On the other hand, the offer price may also not be below the average stock exchange price of the shares of the target company weighted according to the respective trading volumes in the last six months.

Voluntary bid to acquire a controlling interest

Such a bid may be issued by a bidder who does not have, but wishes to obtain, a controlling interest in the target company. The rules regarding mandatory offers, including those concerning the minimum price, must be applied accordingly.

Where an offer would enable a bidder to obtain a controlling interest, the bidder must, by law, receive declarations of acceptance relating to over 50% of the permanent voting shares that are the object of the offer.

Voluntary Offer

A voluntary offer is an offer that is neither required by law nor a means to bring about a change of control. In practice, voluntary offers are frequently used by existing controlling shareholders to reduce the free float. Bidders making voluntary offers are not subject to statutory rules regarding the offer price, which they can set freely.

7.2 CLAUSES ON CHANGE OF CONTROL

As at the balance sheet date, the management of the company (Executive Board and Supervisory Board) has not made any special contractual agreements to protect itself against a hostile takeover.

8. AUDITORS**8.1 DURATION OF MANDATE AND TERM OF OFFICE OF THE LEAD AUDIT PARTNER**

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, was appointed by the 24th Annual General Meeting to serve as the auditor of the consolidated financial statements and separate financial statements of the company for the 2021 financial year. KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft was first appointed as group and company auditor for the short accounting period from 10/01/2014 to 12/31/2014.

The lead audit partner is Mr. Helge Löffler, who first fulfilled this role for the short accounting period from 1/1/2019 to 12/31/2019.

8.2 AUDIT FEE

Please refer to the Report under the Austrian Corporate Governance Code (Audit and External Evaluation, page 73).

8.3 ADDITIONAL FEES

Please refer to the Report under the Austrian Corporate Governance Code (Audit and External Evaluation, page 73).

8.4 INFORMATION AND CONTROL INSTRUMENTS PERTAINING TO THE AUDITOR OF THE FINANCIAL STATEMENTS

During the reporting year, the auditor attended two meetings of the Supervisory Board and two meetings of the Audit Committee. The auditor is monitored and evaluated at regular intervals by the Audit Committee of the Supervisory Board.

The Audit Committee makes a proposal for the selection of the auditor and presents the proposal of the Supervisory Board to the Annual General Meeting for voting. The Audit Committee must also meet with the auditor to establish a mutual line of communication. The Audit Committee must also approve non-audit reviews by the auditor (auditor of the consolidated financial statements). Finally, the independence and activities of the auditor are reviewed and monitored, particularly with regard to the additional services provided to the audited company.

The compensation paid to the auditor is reviewed regularly for conformity to market terms and conditions. The lead audit partner for the company rotates every 7 years (internal rotation). By virtue of the implementation of Regulation (EU) No. 537/2014 of April 16, 2014 on specific requirements regarding statutory audit of public-interest entities, PIERER Mobility AG must change its auditor by the 2024 financial year at the latest (external rotation).

9. INFORMATION POLICY

The company maintains an investor relations area on its website at <https://www.pierermobility.com/en/investor-relations/overview/>. This is freely accessible and serves as a permanent information source. All important information can be obtained here, as well as documents on the course of business and the share price (price data, shareholder structure, reports, financial calendar, AGM documents).

With effect from May 2, 2017, the shares of the company moved to the standard market auction segment in the Official Market of the Vienna Stock Exchange. As a result, only annual and half-yearly financial reports had to be compiled and published. In the 2020 financial year, the shares of PIERER Mobility AG were admitted to the regulated market of the Frankfurt Stock Exchange. The Company's shares have been listed in the General Standard of the Frankfurt Stock Exchange since March 3, 2020. Since March, 1 2022 the shares of PIERER Mobility AG are again listed in the Official Market (prime market segment) of the Vienna Stock Exchange.

Due to the listing of the Company's shares on a regulated market in the sense of Article 4 para 1 No. 21 of the Directive 2014/65/EU, annual financial reports and half-year financial reports of PIERER Mobility AG were prepared and published in German and English in the 2021 financial year.

Overall, these steps have resulted in the fact that the Austrian-based PIERER Mobility AG, whose shares are now primarily listed in Switzerland and also listed in Germany, has to comply with Austrian as well as German and Swiss regulations and information requirements.

The annual financial report must be published and made available on the internet (<https://www.pierermobility.com/en/investor-relations/reports/>) no later than four months after the end of the reporting period. The half-yearly reports must cover the first six months of the financial year and must be published and made available on the internet (<https://www.pierermobility.com/en/investor-relations/reports/>) no later than two months after the end of the reporting period. Annual reports can also be provided in printed copies or obtained from the website of the Oesterreichische Kontrollbank <http://issuerinfo.oekb.at/startpage.html>.

The company is required to maintain a connection to a suitable Europe-wide electronic information dissemination system and to disseminate via said system, in German and English, the inside information and reports on directors' dealings that must be published under Article 17 of Regulation (EU) No 596/2014. Price-relevant events are publicized promptly via the media and on the website. Inside information concerning PIERER Mobility AG is available on the websites <https://www.pierermobility.com/en/newsroom/ad-hoc-news> and <https://issuerinfo.oekb.at/startpage.html> and can also be obtained at <https://www.pierermobility.com/en/investor-relations/ir-contact/> (Investor Relations email subscription).

The financial calendar of PIERER Mobility AG, showing key dates in the current financial year, is available at <https://www.pierermobility.com/en/investor-relations/financial-calendar/>.

Information on the corporate governance of PIERER Mobility AG (independence requirements for Supervisory Board members, compliance guideline, corporate governance reports, directors' dealings and notices regarding voting rights) is available from the website at <https://www.pierermobility.com/en/investor-relations/corporate-governance>.

The company's contact details can be found in the imprint notice at the end of this Annual Report.

10. QUIET PERIODS

Due to the submission of shares to the regulated market (General Standard) of the Frankfurt Stock Exchange, PIERER Mobility was subject to provisions of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation, MAR) in the 2021 financial year. Article 19 para 11 MAR stipulates a trading ban for persons discharging managerial responsibilities. Within the meaning of the provisions of MAR, the following persons are deemed to be persons discharging managerial responsibilities at PIERER Mobility AG: (i) persons who belong to an administrative, management or supervisory body of the company (members of the Executive Board and the Supervisory Board) and (ii) persons who, as senior executives, do not belong to any of these bodies but regularly have access to insider information directly or indirectly related to this company and are authorized to make business decisions about future developments and business prospects of the company.

The trading ban covers any transactions on its own account or for the account of a third parties relating to the shares of the company. The trading ban applies to a closed period of 30 calendar days before the announcement of an interim financial report or a year-end report which the company is obliged to make public.

During such a trading ban, persons discharging managerial responsibilities are only allowed to trade with shares of the company in individual cases due to the existence of exceptional circumstances such as severe financial difficulty, which require the immediate sale of shares (Article 19 para 12 (a) MAR). Transactions in connection with employee participation programs, options, warrants, with compulsory shares and subscription rights as well as pure custody account transfers may also be exempt from the trading ban (Article 19 para 12 (b) MAR). In order to apply these exceptions, the explicit permission of the person concerned must be obtained from the company.

In implementation of Article 19 para 11 MAR, PIERER Mobility AG has set up the following general quiet periods for persons discharging managerial responsibilities in the 2021 financial year:

- February 28, 2021 to March 30, 2021 (prior to publication of the annual financial report 2020 on March 30, 2021)
- August 1, 2021 to August 31, 2021 (prior to publication of the 2021 half-year financial report on August 31, 2021).

No exemptions from the general trading ban have been applied for or granted for these periods.