

Declaration on modern slavery and human trafficking

1. Preamble

This declaration outlines measures that the PIERER Mobility Group has taken and will take in the future to prevent modern slavery and human trafficking within the PIERER Mobility Group and its value chain.

By implementing local procurement strategies for the production sites in Munderfing and Mattighofen, we try to boost our own region and create environmentally friendly supply chains by having short transport distances. Furthermore, due to the high legal standards in Austria and other states of the European Union regarding workers' rights, the risk of modern slavery and human trafficking is low. Nevertheless, the PIERER Mobility Group is heavily dependent on suppliers abroad; around 84% of the components for series production in Austria are sourced from suppliers in Europe, 14% from Asia and around 2% from North America. In addition, the company develops, industrializes, and assembles motorcycles in collaboration with strategic partners in India, China, and the Philippines.

Considering these international business connections and the increasingly complex value creation and supply chains, we are aware of our global responsibility to uphold human rights. Global compliance with sustainability standards, particularly in the areas of human rights (especially concerning child labor and forced labor, as well as labor rights), occupational safety and health protection, environmental protection, and anti-corruption, is a fundamental requirement for successful business operations. We regularly and thoroughly address all relevant risks arising from these topics and manage potential impacts. This is based on a complex risk analysis at the level of the countries in which we operate.

Only together with our strategic partners, regular suppliers, and other business partners can we ensure compliance with sustainability standards and contribute to the achievement of the United Nations Sustainable Development Goals (SDGs).

2. Declaration on respect for human rights

People who work directly or indirectly for the PIERER Mobility Group are entitled to have their human rights within the meaning of the UN Universal Declaration of Human Rights observed, and to be treated with fairness and respect. The PIERER Mobility Group expects its board members, managers and employees to respect human rights and to protect them in their everyday activities. As human rights risks can inherently arise from collaboration with partners along the value chain, we also require our business partners to respect human rights in our Code of Conduct.

The PIERER Mobility Group pays attention to ensuring that all employees are treated fairly and respectfully. The aim is to create a working environment characterized by mutual trust in which each individual is treated with dignity and respect, and in which people from diverse cultures and with different personal backgrounds are respected and employees feel comfortable. As an international Group, we value the diversity that is reflected in the origin, culture, language, and ideas of our employees. We therefore do not tolerate any discriminatory behavior towards employees, business partners, suppliers, customers and advisors, nor do we tolerate any form of sexual harassment.

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

3. Internal measures

3.1. Code of Conduct

In 2024, the PIERER Mobility Group revised its Code of Conduct, which defines the ethical principles, general guidelines, and minimum standards of the company. The establishment of new contractual relationships within the PIERER Mobility Group is carried out as a matter of course with reference to the Code of Conduct, whose fundamental principles represent non-negotiable minimum standards.

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

3.2. Whistleblower system

Every employee can report possible rule violations, such as breaches of human rights or suspicions of such violations, to the designated compliance contact point via email, phone, letter, or in person. The PIERER Mobility Group has implemented an **anonymous whistleblower system** that allows both employees and business partners, as well as third parties, to submit anonymous reports of rule violations. To best maintain the anonymity of the whistleblower and the confidentiality of future reports, a system from an external, independent provider has been put in place. The whistleblower system is available to all employees of the PIERER Mobility Group, their business partners, and third parties around the clock in English as well as in the local language of the whistleblower at the link <https://pierermobility.integrityline.com/>. The anonymous whistleblower system warrants the highest possible protection for whistleblowers and those affected. When dealing with and investigating suspicious cases, the principle of objective clarification as well as strict confidentiality and secrecy applies. If a suspicious case is confirmed, the PIERER Mobility Group will take appropriate measures depending on the severity and relevance of the rule violation. The exchange of information and messages with the legal department takes place via a secure mailbox maintaining the anonymity and protection of the whistleblower. All reports are treated as strictly confidential. All information is examined and, if a suspicious case is confirmed, appropriate measures are taken to remedy and eliminate possible grievances. Whistleblowers do not need to fear any sanctions from the PIERER Mobility Group from a report of a suspicious case which is submitted to the best of their knowledge and belief, and absolutely no discrimination against whistleblowers will be tolerated.

Employees and third parties have permanent access to the anonymous whistleblower system, along with explanations of how it works, the principles of confidentiality, the protection of the whistleblower's anonymity, and protection against retaliation. In addition, employees are informed about the various options for reporting compliance violations as part of the e-learning program "Compliance and Code of Conduct".

4. Measures in the supply chain

4.1. Sustainability Assessment

To make the supply chain more sustainable, a due diligence approach has been developed with corresponding measures to identify potential human rights risks and their impacts at an early stage. This is done using the **ESG platform Supplier Assurance**, which offers a **Self-Assessment-Questionnaire (SAQ)**¹ to evaluate the sustainability of suppliers. Based on the submitted information, it is possible to identify, mitigate, and, if necessary, implement appropriate measures to address risks early on. After reviewing the data against the minimum requirements of the PIERER Mobility Group and conducting an appropriate assessment, measures may be assigned to the supplier to meet these requirements. The minimum requirements are based on the standards of the PIERER Mobility Group. Therefore, guidelines on working conditions and human rights, occupational safety, corporate ethics, and a code of conduct are required from suppliers. To facilitate targeted engagement with this topic, special training sessions for purchasing employees will be offered annually in the future.

4.2. Demands placed on contractual partners regarding sustainability

The Code of Conduct is integrated into all new contracts. Every contractual partner seeking to engage in business with the PIERER Mobility Group is required to acknowledge and adhere to the ethical principles and values, expected behavior and responsibilities of individuals as well as minimum common standards defined in the Code of Conduct.

The PIERER Mobility Group takes the following steps to enforce compliance with human rights:

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

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