



Slavery and Human Trafficking Statement – Ducati Motor Holding S.p.A. (fiscal year 2024)

This statement has been prepared pursuant to Section 54 of the United Kingdom Modern Slavery Act 2015. In particular, it represents the measures implemented by Ducati to prevent forms of modern slavery and human trafficking.

Preamble

We are aware of our responsibility to uphold human rights at our sites as well as in our complex value and supply chains. For us, this responsibility does not end at our factory gates but goes beyond them.

1. Organization and supply chain

Ducati Motor Holding S.p.A. ("Ducati") is a Company under Italian law, with headquarters in Bologna, Italy. The Ducati Group and its products are present in all relevant two-wheeled motorcycle markets around the world. The procurement structures ensure that production materials, capex and also services are sourced globally in the required quality and on the best possible terms.

For us, global observance of sustainability standards in such areas as human rights, occupational health and safety, environmental protection and anti-corruption form the basis for successful business with our suppliers. Only by working with our Business Partners are we able to make sure that sustainability standards are observed. We currently purchase products, services and parts from approx. 30 countries worldwide.

Ducati being part of the Volkswagen Group also amplifies its impact in this field. With its presence in key markets, the Volkswagen Group's global procurement organization ensures that materials and services in particular are procured and provided worldwide, in the required quality and at the best possible condition. The competitive advantages of the various procurement markets are utilized by the whole Group as a result of the brands' networking of the various procurement organizations. The VW Group currently purchase products, services and parts from approx. 100 countries worldwide.

For the Volkswagen Group, to which Ducati belongs, global compliance with sustainability standards in areas such as human rights, occupational health and safety, environmental protection and anti-corruption, is a basic prerequisite for successful business activities with our internal suppliers.

Only together with our Business Partners it is possible to ensure compliance with sustainability standards and thus contribute to the implementation of the Sustainable Development Goals (SDGs) of the United Nations. In order to achieve these goals, we adhere to the concept of "Responsible Supply Chain Management" implemented and continuously developed by the Volkswagen Group. Our commitment to responsible supply chains follows a clear strategy that can be divided into three focus areas: environment, people and innovation. The measures and efforts undertaken by the Volkswagen Group to promote sustainability and to safeguard and respect human rights within the Group companies and in the supply chain also contribute to achieving these goals.

2. Management approach

The topic of "Business and Human Rights" is integrated into the existing Compliance Management System. At Ducati, the central coordination of those responsible in other organizational units on the topic of "Business and Human Rights" is steered by Integrity, Compliance and Risk Management unit, including the implementation of the relevant requirements of the Supply Chain Due Diligence Act (LkSG).

As of January 1, 2023, the Board of Management of AUDI AG has appointed a Human Rights Officer for the Audi Brand Group, to which Ducati belongs. In this independent function, he is the first point of contact for

all human rights-related concerns on the part of the authorities, politics and society. One of its main tasks is to monitor the appropriateness and effectiveness of risk management for compliance with the due diligence obligations under the LkSG and to carry out risk-based control measures. In his function, he reports directly to the Board of Management of AUDI AG.

Combating modern slavery along our value and supply chain is a focus of our activities in the field of "Business and Human Rights". In particular, child labor and forced labor are serious human violations of human rights and are therefore prohibited. We align our action with the principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the requirements of the International Labor Organization (ILO). We set out broad understanding of "Business & Human Rights" on the [Ducati website](#).

This understanding as well as our commitment to our corporate responsibility, which is based on internationally recognized conventions and explicitly on the UN Guiding Principles on Business and Human Rights, has been demonstrated by Volkswagen Group and thus also by Ducati in the "Declaration of the Volkswagen Group on Social Rights, Industrial Relations and Business and Human Rights", the so-called Social Charta expanded and reaffirmed.

In particular, on the subject of "no forced labor" it says: "The Volkswagen Group rejects forced labor and all forms of modern slavery, including human trafficking. This includes, in particular, work that is carried out involuntarily by people, e.g. under threat, punishment or threat of disadvantages (e.g. debt bondage or involuntary prison labour). Employment relationships are based on a voluntary nature and should be able to be terminated by employees at any time according to their own will and subject to reasonable notices.

In addition to the coordination within our Group itself, the VW Group also focused in 2024 on cooperation with external stakeholders.

The VW Group supports the National Action Plan (NAP) "Business and Human Rights" of the German Federal Government. In this context, the Group has been actively participating in the automotive industry dialogue under the aegis of the German Federal Ministry of Labour and Social Affairs (BMAS) since 2020. One of the goals was the joint development of implementation-oriented industry-specific guidelines for action, which are published on the BMAS website.

The VW Group will continue to engage in this dialogue with representatives of trade unions, NGOs, science, politics and business in 2025 away. Fighting Modern Slavery and forced labour also plays an important role within our Group.

Furthermore, the VW Group proactively seek dialogue with external stakeholders on the subject of human rights and exchange within the framework of working groups or initiatives, such as the DICO working group "Human Rights in Companies" or the Forum Compliance and Integrity.

On the basis of the exchange with experts and stakeholders, we as part of the VW Group can further develop our commitment in order to live up to our corporate responsibility for human rights even better.

Code of Conduct of Ducati

The Ducati Code of Conduct is the ethical and value-based foundation for acting with integrity and in accordance with the rules of the Volkswagen Group, to which Ducati belongs to. The VW Code of Conduct is a binding guideline for all employees in all brands and companies worldwide.

The focus is on the rule-compliant and ethical behaviour of employees as well as the responsibility of the Company as a Business Partner and member of society. Respect for the worldwide regulations for the protection of human and children's rights is anchored in the Code of Conduct, as it is the rejection of any kind of child, forced and compulsory labour as well as any form of modern slavery and human trafficking.

Ducati, in line with the corresponding initiative of the Volkswagen Group, introduced a new version of the Code of Conduct uniformly in companies of the Ducati Group as of January 1, 2024 and later updated in December 3, 2024. The Code of Conduct is a binding guideline for conduct in accordance with the rules and sets out the essential principles for the day-to-day work of Ducati. They are permanently available to all



employees on the intranet and to third parties on the Ducati website. Their importance is continuously communicated proactively and systematically.

For example, the Ducati Chief Executive Officer, in one with the DMH Board of Management members and the Ducati Chief Compliance Officer express their commitment for compliance and integrity. Department specific meetings and company-wide dialogue events also strengthen the so-called "tone from the top" and "tone from the middle".

All employees with a permanent employment contract, managers and Board of Management members inside of Ducati Motor Holding S.p.A. are trained on the principles of conduct at regular intervals. The corresponding Web-Based Training (WBT) is kept updated according to VW Group standards. This part of a standard process as part of the compliance management system. Board of Management members and executives from the upper management circle (OMK) complete an annual Code of Conduct certification. In this way, this group of people once again confirms their responsibility and role model function in the context of the Code of Conduct. For its Business Partner, Ducati has also formulated the Code of Conduct for Business Partners and anchored it as binding part of the contract. It specifies the Group's expectations for the attitude and behaviour of the internal Business Partner, in particular the inside Suppliers and the inside Sales Partners. These requirements for the Business Partners inside business activities are therefore also the basis for successfully shaping the business relationship between Ducati and its internal Business Partners. This includes the observance of human rights, e.g. the prohibition of child labour as well as environmental protection.

The Ducati Independent Body and the Organizational and Management Model pursuant to the Italian Legislative Decree no. 231/2001

Ducati employees, Business Partners and other Third Parties are provided with internal contact points as well as external Ombudspersons in order to be able to report on legal and regulatory violations as provided by the Italian Legislative Decree no. 231/2001.

The Company, to ensure the legality, correctness and transparency in the management of its business and its activities, has adopted the Organizational and Management Model pursuant to the above-mentioned Legislative Decree no. 231/2001 as a set of rules and procedures in order to prevent the commission of the different type of crimes provided for in such Decree and considered as relevant for the Company.

In particular, the Company has evaluated the risk of commission of the crimes provided for in Art. 25-quinquies of the Decree that are those that could lead or help the finding of worker in condition of slavery, for example through the human trafficking. In addition, the Company has also evaluated the risk of commission of the crimes provided for in Art. 25-duodecies of the Decree on the Employment of third-country nationals whose stay in the country is irregular, on the facilitation of the clandestine entry of foreigners and their illegal permanence in the country, as well as the risk of commission of the crimes provided for in Art. 25-septies on health and safety at work. Therefore, expected behaviors towards employees and Business Partners are defined for running business ethically and not tolerate modern slavery.

Every subject that acts in the name and on behalf of the Company, who during his/her activities become aware of information related to the commission of the relevant crimes within the Company or of practice not in compliance with the rules of conduct and the provision of the Code of Conduct, is obliged to timely inform the Company via the Whistleblower channels.

The Whistleblower System of the Ducati Group

The Whistleblower System (WBS) is the point of contact for "suspicious activity reports" for potential violations of the rules from employees.

This includes, for example, violations of human rights, a situation in which there is generally a "serious violation of the rules". Employees, as well as Business Partners and clients worldwide, have the opportunity

to report suspicions of misconduct by employees inside of the Ducati Group via various channels. In addition to the e-mail inbox setup and the regular postal service, there is also the option of reporting violation of the rules 365 days a year in several languages via a protected online report channel, via a voice message by telephone and via the "Speak Up - Listen for a Change" app. In addition, there is the option to send the message via external lawyers commissioned by the Volkswagen Group (Ombudspersons) to be submitted. If desired, reports can be made anonymously, in particular, via the online reporting channel (with the possibility of consultation with the Whistleblowers).

Strict confidentiality and secrecy apply throughout the process. The Whistleblower System guarantees the highest possible protection for whistleblowers and all persons involved in the investigation and remedying of misconduct and violation of the rules. Discrimination against Whistleblowers and WBS facilitators is generally a serious violation of the rules and will not be tolerated. At the same time, the Whistleblower System safeguards the interest of those affected. The presumption of innocence applies as long as a violation is not proven.

The processes for the Whistleblower System have been reviewed again with regard to the requirements of the LkSG and, where necessary, adapted.

Risk analysis

The Risk Management processes established in Ducati deal with acute operational risks within the framework of the quarterly risk process (QRP) as well as process systematic risks within the framework of the Standard Internal Control System (ICS) and Governance, Risk and Compliance (GRC) control process. The QRP and the ICS are applied at Ducati Motor Holding S.p.A. while a simplified QRP outside the system is established within the Ducati group companies, the annual GRC control process at the remaining major holding companies. In the processes, risk assessments on the subject of human rights can be carried out by the main Business Units and companies. In addition, the countermeasures taken and control activities are reported.

In the standard ICS regular process, control requirements are set for compliance with legal and internal requirements on human rights and these are as well checked for effectiveness. Within the annual GRC regulatory process, the recording of risks is supported by a catalogue of risk topics, which also includes potential risks of human rights violations.

Reporting to the Board of Management of Ducati is carried out at least annually as well as on an ad hoc basis. Ducati has integrated business and human rights into its existing Compliance Management System and is guided by the requirements of the United Nations for corporate due diligence for human rights. This includes, for example, advising other business units on human rights issues or ad hoc cases. In addition, in 2019, a cross-departmental working group in Group Compliance of the Volkswagen Group developed and implemented a concept for determining the risk exposure for controlled investment companies: the risk exposure resulted from a correlation of country risks and business model risks in the area of "Business and Human Rights".

Based on this, measures were also defined and adapted for the Ducati Group companies in preparation for the German Supply Chain Due Diligence Act (LkSG), Volkswagen reviewed and adapted the process in 2022. At AUDI AG and in those Audi Brand Group companies that are the focus of the so-called "own business unit" in accordance with the LkSG, an abstract risk analysis was carried out in 2023 and in 2024 using questionnaires. A classification of the risk environment of the brand group companies was determined. This was done on the basis of a calculation of four risk factors: country risk of the site, the business model, the number of employees and gross sales. The results bring to a classification of low, medium or high in each case. The risk environment was made available to the responsible specialist functions as a guide for the specific risk analysis. The specific risk analysis was carried out, evaluated and prioritized by the departments responsible for the legal positions, such as HR compliance, Occupational Health and Safety, Corporate Safety, Environmental Protection, Real Estate and Material Compliance. Specific preventive measures were taken when risks were identified. The abstract and concrete risk analysis for the Audi brand group is carried out annually. For the implementation

in 2024, initial learnings from 2023 were taken into account and thus the process was further developed accordingly. During 2024, monthly meetings of the BHR Task Force regularly took place for the coordination of the relevant activities including risk analysis conducted under the responsibility of the reactive functions.

Qualification of employees

As part of the Compliance Management System (CMS), compliance and integrity training are an effective preventive measure to sensitize employees to existing and potential risks and to counteract violations. All training measures are reviewed on a regular basis within the framework of standardized processes, updated if necessary and continuously improved.

In fiscal year 2024, dedicated qualification measures on the topic of business and human rights (BHR) were carried out. In the same year, a new WBT "Human Rights – Our Responsibility in the Volkswagen Group" developed in the Volkswagen Group was rolled out to all Ducati Group companies. In the nationwide mandatory qualification, which is aimed at all employees, managers, members of the Board of Management and internal stakeholders are informed about their responsibility to respect human rights, sensitized to possible human rights and environment-related risks and violations, and enabled to recognize and report them. In addition, the Volkswagen Group also qualifies relevant business partners in procurement and sales in key aspects of compliance and corruption prevention. For more information, see "Training for Employees and Business Partners" on page 8.

3. Measures in the supply chain

The Audi Group, to which Ducati belongs, together with more than 12,400 direct Suppliers worldwide, has a major impact on the environment and society. In doing so, it is taken responsibility along the value chains for fair and human working conditions and integrate our internal partners into the activities in order to live up to this responsibility together. The development and implementation of responsible supply chain management is a central component of the procurement processes. Our commitment in this area is aligned with three strategic focus areas: the environment, people and innovation.

Human right due diligence

In the year under review, we continued to focus on people and worked further on improving the Volkswagen Group's Responsible Supply Chain Management System. To this end, the Human Rights Due Diligence Management System has been further developed within the Volkswagen Group. Based on a systematic risk analysis, the approach aims to avoid or minimize human rights or ecological risks along the Volkswagen Group's supply chain.

The risk analysis is used to identify risks in the Volkswagen Group's supply chain. The analysis is based on the Supplier's business models and takes into account external and internal data on human rights and environmental risks. Based on the assessment of the risks, suppliers are assigned a low, medium or high sustainability risk. For suppliers with a low sustainability risk, a country risk score is also used. If there is an increased country risk for the supplier, it is upgraded to the medium risk range.

Based on the risk analysis, measures are assigned. In addition to the Ducati Code of Conduct for Business Partners or the Supply Chain Grievance Mechanism, these measures also include media screening, the Sustainability Rating (S- Rating) and in-depth human rights training, depending on the risk profile.

Sustainability requirements for our suppliers – the Code of Conduct for Business Partners

The core element of the management of our Suppliers is the "Ducati Group's requirements for Sustainability in Relations with Business Partners" – the [Code of Conduct for Business Partners](#). It is implemented in the Ducati Group and is confirmed as an integral part of the contract, applying in principle to all partner companies of the Ducati Group. It sets out our expectations of the behaviour of Business Partners with regard to environmental protection, human and labour rights, business ethics and sustainability requirements to ensure responsible supply chains. The requirements are based, among other things, on the OECD-Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the relevant conventions of the International Labour Organization (ILO). However, the Code of Conduct for Business Partners is based not only on international standards, but also on the goals, rules and guidelines of the Volkswagen Group.

Specifically on the topic of modern slavery, the requirement for supplier companies is as follows: "No modern slavery, no human trafficking, no unethical recruitment | Business partners must take adequate and appropriate measures to prevent debt bondage, forced and compulsory labour, as well as any form of modern slavery and human trafficking within their own business and/or along the supply chain. The business partners ensure that employment relationships are based on voluntary nature and can be terminated by employees at their own will and with a reasonable period of notice. Employees of the Business Partners receive a contract in accordance with the applicable law, drawn up in a sufficiently documented form (e.g. in writing or electronically), drafted in a language they understand, in which their rights and obligations are truthfully and clearly stated.

In addition, business partners shall not deceive potential employees about the nature of the work, require employees to pay recruitment fees or unreasonable transportation costs, and/or confiscate, destroy, conceal and/or deny access to workers' passports and other government-issued identification documents and/or restrict workers' freedom of movement or impose on workers for no operational reason. to use accommodation provided by the company involuntarily".

As part of the VW Group, our goal is to pursue the path to greater sustainability and responsibility on the basis of the defined requirements together with our suppliers in a risk-based partnership relationship.

In order to raise awareness of internal Suppliers we use numerous channels.

In addition to the information on the [ONE Group Business Platform](#), the information on [Audi website](#), the [information hub on the S-Rating](#) and training courses with Suppliers.

Sustainability requirements as a criterion for awarding contracts

The Group's goal is to identify the material sustainability risks in our supply chains and to address them effectively. In the Volkswagen Group, the sustainability rating (S-rating) is a binding award criterion for suppliers that supply production materials and risk-based for relevant suppliers in general procurement. In the award process, the S-Rating has equal value to the criteria of cost, quality, technological competence and logistics. It is based on a self-disclosure and is supplemented by an on-site inspection (audit) at the supplier on a risk basis. The S-rating result is divided into three categories: Suppliers with an A or B rating meet the requirements of the Volkswagen Group to a sufficient extent and are therefore eligible for award. If a supplier company does not meet the requirements (C rating), it is generally not eligible for award. This provides a direct incentive for suppliers to improve their sustainability performance.

Starting from Q4 2023 also Ducati carries out the relevant S-rating checks for its suppliers.

The survey and analysis of the site's sustainability performance is carried out using a standardized questionnaire, the so-called "Self-Assessment Questionnaire" ([SAQ](#)) of the Drive Sustainability Initiative. It provides with information on possible risks in the areas of corporate ethics, social affairs and the environment of the respective supplier companies. The information and documents in the SAQ are checked and validated

by a service company: if a supplier company states that it has processes and policies in place, this must be proven by means of documents. Specifically, it also asks for a policy on human rights, which includes the topics of "forced or compulsory labour and human trafficking". A documented grievance mechanism is also requested. The aim is to identify deficits and initiate improvements through concrete indications. It is the task of the suppliers to actively remedy possible deviations from the required requirements afterwards.

Since the introduction of the S-rating until the end of the reporting period, more than 19,000 direct suppliers of the Volkswagen Group have concluded an SAQ. According to the feedback, 8,093 suppliers were able to improve their sustainability performance through targeted measures.

If, for example, the audit of the SAQ in combination with a country risk score reveals an increased risk, an on-site audit can be carried out at the supplier's premises, among other things, with regard to modern slavery, but also with regard to other aspects such as resource-saving production and occupational safety.

In 2024, 85 audits were carried out for the Volkswagen Group as part of the S-rating process. Deviations are recorded in a catalogue of measures, the so-called Corrective Action Plan, and must be remedied. It is then followed up whether the deficiencies identified by the sustainability auditor have actually been fixed.

Supply Chain Grievance Mechanism

Another important component of sustainable supply chain management is the Group's Supply Chain Grievance Mechanism (grievance mechanism) for the supply chain, which it is used to investigate indications of possible violations of our sustainability requirements from the Code of Conduct for Business Partners.

The channel is accessible on Ducati Motor Holding's website via the Whistleblowing System and is available to all potentially affected parties and stakeholders, such as employees of direct and indirect suppliers and member of civil society. The review and processing of the information is uniformly described in a binding guideline, for Ducati is managed by the Audi Group and carried out jointly with the brands and regions of the Volkswagen Group.

In the event of serious violations, suppliers are temporarily barred from being awarded new contracts, and the business relationship may be terminated.

The process of the Supply Chain Grievance Mechanism is also linked and regulated with the process of the Whistleblower System. During the reporting period, the Supply Chain Grievance Mechanism processed 213 reports of violations in the Volkswagen Group.

Media screening: digital innovation in the supply chain

Monitoring supply chains is an extremely complex task. This makes it all the more important to understand possible risks and establish connections at an early stage. For this reason, the VW Group operates a holistic risk monitoring system that combines different methods and systems.

In addition to more classic and reactive channels, such as the grievance mechanism, the VW Group also uses digital tools for automated and proactive monitoring. As part of the media screening, publicly available news, including social media channels or local news media, is collected worldwide. Subsequently, artificial intelligence (AI) evaluates semantically the information and consolidates the various sources. The AI understands the meaning of the reports and classifies them based on any suspicion of potential sustainability violations. If the tool identifies indications of possible violations of our Code of Conduct for Business Partners, these are checked and, if necessary, processed in the Supply Chain Grievance Mechanism.

Systematic approach to upstream supply chain due diligence

In addition to standard measures for a responsible supply chain, there are in-depth measures for both direct suppliers and indirect suppliers (so-called n-tier) in globally branched supply chains. In-depth measures

include, in particular, the Human Rights Focus System (HRFS) and the Raw Materials Due Diligence Management System (RMDDMS).

Human Rights Focus System

The Human Rights Focus System (HRFS) is a specific management approach to identify systematic anomalies in the supply chain – by using internal data from the SCGM or from on-site inspections, as well as by evaluating external information from Studies and NGOs. This helps to identify and address human rights and environmental risks that require a more in-depth analysis. In 2023, three focus topics for the Volkswagen Group were identified in this way and continued to be worked on in the year under review: forced labour, living wages and supplier management. The fundamental approach to address focus topics always initially involves a structured investigation of the causes in order to develop and then implement measures based on the results.

Training for employees and Business Partners

The systematic training of our employees and suppliers is a central component of the strategy of the VW Group. In order to improve social and environmental standards in the supply chain, the VW Group use the S-Rating. In particular, for which employees and Business partners are trained accordingly in events and workshops. In order to enable the continuous development of our supplier companies, we offer topic-specific sustainability training and workshops for our supplier companies together with the Volkswagen Group. Since 2020, we have also been applying in-depth human rights training for supplier companies with an increased sustainability risk, including aspects of child labour, forced labour, and discrimination. In the reporting period, more than 9,800 direct suppliers received training on sustainability within the Volkswagen Group.

4. Progress


In 2024, the focus was again on the implementation and further development of risk analyses on human rights and environmental risks as well as the corresponding preventive measures for the Audi brand group companies, including DMH, and suppliers. The independent Human Rights Officer for the Audi brand group and his continuous monitoring actions to review the LkSG risk management also make a further contribution to meeting the requirements of the LkSG. Further information on implementation can be found in the report on the fulfilment of the LkSG due diligence obligations, available on the [Audi website](#).

In addition, the accessibility of the grievance mechanism was furtherly improved in 2024. Since November 2024, information can also be reported, within the scope of the Whistleblower System, via voice message by phone and through a dedicated app.

Ducati Motor Holding S.p.A.
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