
pininfarina
WE MOVE DREAMS
PININFARINA GROUP
2023 CONSOLIDATED
NON-FINANCIAL STATEMENT
(Translation from the italian original which remains the definitive version)

Non-Financial Statement

Consolidated non-financial statement as of 31st December 2023
Pursuant to Legislative Decree 254/2016

Company data

Pininfarina S.p.A.

- Fully paid-up capital Euro 56,481,931.72
- Registered office in Turin Via Montecuccoli 9
- Tax code and registration number Business Register: Turin Office - 00489110015

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ESG highlights of 2023

Environment

89% of the total generated waste is non-hazardous

-25% VOC and NOx emissions compared to 2022

-1.8% total energy consumption compared to 2022

Social

467 employees

0 cases of discrimination

8,987 hours of training

Governance

40% female presence on the Board of Directors

0 confirmed corruption cases

Letter to Stakeholder

Dear **Stakeholder**,

Throughout 2023, Pininfarina navigated a context marked by **instability**, attributed to both the persistent Russian-Ukrainian conflict, exacerbating the negative economic cycle of the automotive supply chain worldwide, and the challenges posed by technological advancements reshaping the mobility landscape and beyond.

Despite these challenges, Pininfarina remained committed to its **Stakeholders** and initiatives in the **ESG** domain. This commitment aimed to address a shift in demand towards sustainability concerns and to pursue an interconnected strategy for sustainable growth.

Pininfarina has always used its **experience** to trace the future of its industrial sectors, proposing solutions distinguished by **purity, elegance, and innovation** and aligned to a **long-term corporate vision based on environmental, social and economic sustainability.** Respect for the environment and people is our organization's foundation and has helped consolidate our **design leadership** worldwide for 93 years.

The 2023 Consolidated Non-Financial Statement aims to analyze, deepen, measure and communicate to stakeholders **Pininfarina's performance in the environmental, social and governance (ESG)** context regarding the **United Nations Sustainable Development Goals**. We are aware that the next decade will be crucial to achieving the **targets** set by the **2015 Paris Agreement**. Therefore, the Non-Financial Statement contains information on the company's contribution to developing products and services aimed at providing **concrete solutions to the new global climate challenges.**

The Group currently looks forward to the **future** with **optimism**, using the most valuable asset: just under 500 employees in Italy, Germany, China and the United States work every day with **commitment** and **professionalism** to promote the brand, the image of Pininfarina in the world and to develop more innovative, sustainable and inclusive solutions.

Silvio Pietro Angori, Chief Executive Officer

(signed on the original)

Methodological note

The Pininfarina Group (hereinafter also "Group" and "Pininfarina"), has decided to prepare its own **Consolidated Non-Financial Statement** (hereinafter also "Non-Financial Statement" or "NFS") **voluntarily** in line with Legislative Decree no. 254 of 30 December 2016 (hereinafter also "D. 254/2016" or "Decree"), despite currently having less than 500 employees on a consolidated basis, in order to ensure an adequate and effective level of communication and transparency towards the market and its stakeholders.

This **Non-Financial Statement** by Pininfarina with reference to the period from January 1st 2023 to December 31st 2023, is therefore prepared in accordance with the provisions of the Decree and constitutes a separate document from the Management Report; however, it is an integral part of the documentation relating to the 2023 Financial Statements.

Pininfarina has used specific principles and methodologies for the preparation of this Statement, as set out in the most recent standards published by the **Global Reporting Initiative ("GRI Standards") in 2021 and effective from January 1st 2023,** applied per the "**in Accordance**" approach.

Moreover, due to the requests from **D. Lgs. 254/2016, a specific linking table has been prepared** which shows the issues required by the Decree, correlating them to the paragraphs/chapters in which they are dealt with in this document, to the material issues, to the capital and, finally, to the GRI indicators.

Where **estimates have been required for reporting specific data**, they are indicated in the descriptive text or in the notes to the tables.

In addition, with reference to information requests related to the European Taxonomy, the reporting shall be carried out in accordance with the provisions of "Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18th 2020 establishing a framework to promote sustainable investment and amending Regulation (EU) 2019/2088", and delegated acts applicable to it with reference to the date of publication of this document.

This document has been submitted to **verification by an independent third party** ("Limited assurance engagement" by Deloitte & Touche S.p.A. according to the ISAE 3000 criteria revised Standard). The limited examination does not extend to the information in the "European Taxonomy" paragraph of the NFS, requested by Art. 8 of Regulation (EU) 2020/852. The audit was conducted in accordance with the procedures outlined in the "Report of the Auditing Company" included in this document.

The Board of Directors of Pininfarina S.p.A. approved the Non-Financial Statement on 22nd March 2024.

The Non-Financial Statement is published in the "Investor Relations/Information for Shareholders" section of the Company's website (www.pininfarina.com).

MISSION, VALUES AND SUSTAINABILITY



Mission, values and sustainability

Pininfarina Group – Mission, values and History

Since 1930, Pininfarina has evolved from an artisan company to an internationally renowned design house through a long process of growth and transformation, ideas and creativity. It became an emblem of the Italian style in the world, able to offer competitive services and products based on the brand values**: purity, elegance and innovation**. These are added to the principles and ethical values of sustainability, which the Group is inspired by**: Legality, integrity, respect for the environment, transparency, social equity and the individual's worth**. Likewise, Pininfarina has managed over the years to gain a public image and solid reputation thanks to these values, which intends to safeguard and promote in continuity with the initiatives launched for years, such as the adoption of the Code of Ethics already issued and disseminated by the Company in 1993.

Pininfarina has historically seen ***its core business*** in **the automotive sector**. Its activities focus on **design, architecture, industrial design, UX/UI, design and construction of unique cars or in tiny series**. The Group is a global partner offering a complete contribution to developing a new product through the design, design, development, industrialization and construction phases of small series, providing these different capacities separately and with great flexibility. Moreover, Pininfarina is committed to **designing unique customer experiences** that unite the physical and digital world through esthetics and technology. Leading in the luxury sector, an icon of Italian design in the world, the Company has contributed to writing the history of the world car industry by collaborating with important customers such as Ferrari, Alfa Romeo, BMW and Toyota, developing meaningful partnerships in other sectors, with customers such as AnsaldoBreda, Eurostar, Fincantieri and Coca-Cola.

Pininfarina S.p.A. has a governance structure that reflects the traditional administration and control model since it got Listed on the stock market since 1986 and **part of the Mahindra galaxy since 2016**.

Based in Turin, **the Group employs 467 employees** in Italy, Germany, China and the United States. It sells mainly in Italy and Germany, with a growth strategy in China and the United States.

Pinfarina's history

The Group's origins date back to 1930, with the foundation in Turin of the Società Anonima Panelopera Pinin Farina by Battista Farina, known as "Pinin". From the beginning of its history, Pininfarina aims to create **models capable of synthesizing and exemplifying the concepts of purity, elegance and innovation**. The first worldwide recognition was obtained with Cisitalia in 1946. It became the first car to become part of the permanent collection of a modern art museum – the prestigious MoMA in New York.



1930

1940





1950

The continuous search for the purity of the line did not stop but continued to be strengthened in the following decades, in parallel with the industrial growth of Pininfarina. The partnership with Ferrari began in the 50s, an ideal union that would lead to the creation of iconic models, such as the 250 GT, the F12 Berlinetta or the Ferrari Testarossa.

1960



In 1955, 27 thousand specimens of the famous Alfa Romeo Giulietta Spider were produced, and the following year the industrial plant in Grugliasco was opened.

In 1961 Sergio Pininfarina succeeded his father as head of the family business. The passage of the witness gives further impetus to society. Five years later, Sergio inaugurated **the Study and Research Center in Grugliasco**, always following the marriage that is the basis of Pininfarina's identity: design, research, technology and innovation.



1980-90

2000



During the oil crisis at the end of the 1980s, Pininfarina further focused on the Study and Research Centers, opening **a special headquarter in Cambiano** to offer **its customers an enhanced design service. It was** equipped with all *the facilities* for developing creative activities such as creating new

bodywork. In 1986 Pininfarina Extra was born in Cambiano, the company of the Group that *has as its mission* to transmit and apply Pininfarina's design to the other elements of our life.

In the years 80s and 90s, the Group continued to grow internationally, with the foundation of Pininfarina Deutschland GMBH, to better serve the German car industry.



Pininfarina's growth led to the opening of the Cambiano Engineering Center at the headquarters in 2002. This choice allowed the Group to diversify its offer and to reposition itself on the market as an international player, able to provide services of style, design and engineering.

Therefore, Pininfarina could offer to its customers both **the complete creation of a new turnkey product** and the procurement of **one or more phases of the realization process**. Thanks also to this decision in the first half of 2000, the Group intensified its relations with emerging countries, particularly China.

In the following years, orders are being reduced by large manufacturers and, as a result of a need for repositioning of the Group, which then decides to progressively decompress production plants and concentrate on design and engineering.

The difficult circumstances continued until **Pininfarina joined the Indian group Mahindra in 2016**. It was active in many sectors, including *automotive* and *aerospace*. Pininfarina was able to take up this new challenge and began to grow again, strengthened by the new international identity, and focusing on its core business.

In 2018 Pininfarina showed its attention to **the themes of sustainable mobility** by presenting at the International Geneva Motor Show 2 models: HK GT (luxury and eco-friendly Gran Turismo developed for Hybrid Kinetic Group) and H2 Speed (high performance car born from the collaboration with Franco-Swiss Green GT and destined for production in small series).

In 2019, the Group further demonstrated **the growing focus on Sustainability** by unveiling to the public in Geneva the Battista, an electric supercar dedicated to the founder of the house, Battista "Pinin" Farina. It also presented in Shanghai the partnership with the Chinese Grove Hydrogen Automotive Company. It was the world's first mass production company powered entirely by hydrogen cells. In 2020 Pininfarina continued to demonstrate its focus on

sustainability in an even wider sense by designing the **Cabinovia Teleo** in Toulouse and launching a contest to rethink the working spaces in the post-Covid era. Finally, in 2021 Pininfarina developed Teorema, a futuristic and bold **Virtual concept Car**. It was a new interpretation of mobility, completely electric and autonomous, in the name of user experience and technology. It was designed to create a sense of community and to favor the interactions between passengers and the external environment.

In 2022, continuing the Group's involvement in sustainability, the interior and exterior of the VF 8 and VF 9 electric SUVs were designed for the Vinfast customer, and the **Gaussin Group designed the H2 RACING TRUCK®**. The hydrogen SUV partially powered by removable capsules in collaboration with NAMX, **the electric moped PF40** for the customer Eysing and **the electric crossover model B** for the Taiwanese customer Foxconn.

In 2023, Pininfarina designed for Holon an autonomous, full-electric and inclusive mover, which was presented at the Consumer Electronics Show in Las Vegas and for ElectroMobility Poland the **range of electric car models Izera**. Furthermore, Pininfarina unveiled the **new e-Motion 300 electric bike** with its partner Platun and signed the **first off-grid ultrafast charging station**, E-Gap Fast, E-Gap, for the Chinese electric vehicle startup Polestones Automobile. Additionally, the Company designed the interiors and exteriors of the **Polestones 01**, a hybrid luxury SUV for families, and collaborateed with Vmoto to develop the **APD concept,** offering a preview of a new electric scooter model.

Innovation, creation of long-lasting sustainable value and SDGs

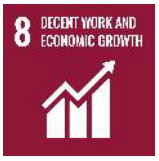
The Pininfarina Group has always focused on **innovation** and **research is in its DNA** with the aim to develop sustainable, high-performance projects. The concept of innovation is vital to Pininfarina's reality, especially for **product's conception and in the exclusivity of the solutions:** craftsmanship, research and new design conceptions are the key words that guide the modus operandi of the organization.

During its 90 years of history, the company has distinguished itself on the market for innovative solutions such as, for example, the development of the first electric powered cars and the recent studies on hydrogen cars. Designing and developing more sustainable products is a strategic imperative for the Group and its customers. In addition to the transport sector, this approach is also applied in the other sectors in which Pininfarina operates. In particular, the experience gained in the automotive sector has been transferred and applied to architecture to propose new real estate developments, solutions for energy saving, the use of energy from renewable sources, the use of innovative materials for the thermoregulation of buildings and the implementation of recycled materials to promote the circular economy.

Sustainable design pays attention to people's needs to ensure comfort and safety for its end users. It pays great attention to **accessibility**, **ergonomics** and **ease** of use.



Pininfarina's approach to sustainability is transversal to the ESG macrodomains that make up the concept of enterprise sustainability. The aim of the Group is to continue toward a path of innovation that looks **carefully at environmental and social issues** that are affecting the planet and people. Following the "**Agenda 2030**" action program approved by the UN General Assembly, the Pininfarina Group's activity sets itself the objective of contributing to the achievement of the sustainable development objectives outlined and described below.



Objective 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Objective 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



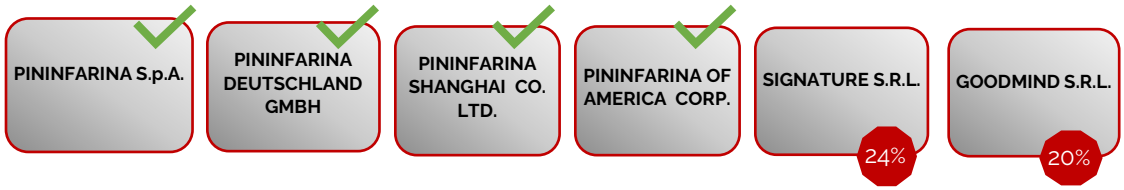
Objective 11: Make cities and human settlements inclusive, safe, resilient and sustainable



Objective 12: Ensure sustainable consumption and production patterns

Reporting perimeter

This **Consolidated Non-Financial Statement includes the following companies belonging to the Pininfarina Group** (marked with a tick):



Goodmind S.r.l. (20%) and Signature S.r.l. (24%) are not included because of Pininfarina S.p.A.'s marginal shareholding power in these companies. Moreover, Pininfarina Engineering S.r.l. was not included in the reporting perimeter as the process of corporate rationalization was concluded during 2022.

If there are sustainability performance indicators reported in the Declaration do not cover 100% of the reporting perimeter timely notice is given, for example due to the lack of timely monitoring instruments at *the legal entities* of small size.

Materiality analysis and Stakeholder Engagement

This NFS's content structure starts with the analysis of the material topics. These topics are considered to have the highest impact on the Group considering the minimum elements indicated by **D. Lgs. 254/2016** (Art. 3, paragraph 1) and its stakeholders' business model, features and expectations.

Furthermore, the non-financial reporting standards issued by the non-profit **Global *Reporting Initiative*** (GRI) are included in their latest version in 2021 and effective from January 1st 2023. These standards require a review of the materiality analysis, intending to identify **the impacts** (positive and negative) **that a company generates on society and the surrounding environment**. It is therefore requested to report, as materials, the issues that represent the most significant impacts caused by the Group on the economy, the environment and people.

Considering as a starting point the indications given by D. Lgs. 254/2016, in 2023 the Group has implemented an **update of impacts associated to materiality issues** through a further analysis of Pininfarina's activities, the characteristics of the sector and the approaches adopted by *a benchmark* of comparable companies at national and international level.

Pininfarina's Board of Directors approved the impacts that emerged at a dedicated meeting.

Material topic	ESG area	Impact	Involvment of the Organization	Description of the impact	Positive/ Negative	Potential / Actual
Energy consumption and emissions	Environmental	**Generation of direct and indirect greenhouse gas emissions (Scope 1 and 2)**	Caused by the Organization	Contribution to climate change through direct and indirect greenhouse gas emissions primarily deriving from the energy consumption of heating and electrical systems	**Negative**	**Actual**
	Environmental	**Generation of indirect greehouse gas emissions (Scope 3)**	To which the Organization contributes and is directly linked through a business relationship	Contribution to climate change due to greenhouse gas emissions generated along the value chain (Scope 3), related to business travel, commuting, transportation of purchased fuels, and the end use of goods and services	**Negative**	**Actual**
	Environmental	**Generation of other significant atmospheric emissions**	Caused by the Organization and is directly linked through a business relationship	Generation of atmospheric emissions of pollutants (e.g., NOx, SOx, particulate matter, and VOCs) harmful to both the environment and the health of humans and other living organisms, stemming from modeling and finishing painting phases and from heating systems and their maintenance	**Negative**	**Actual**
Responsible management of water resources	Environmental	**Water resource consumption**	Caused by the Organization	Use of water in production processes and for cleaning equipment, impacting the availability of water resources	**Negative**	**Actual**

	Environmental	**Soil and groundwater contamination**	Caused by the Organization	Release of pollutants into water leading to soil and groundwater contamination due to suboptimal management of water discharges caused by washing products and materials used in the painting process	**Negative**	**Potential**
Responsible waste management and circularity	Environmental	**Failure to recycle and reuse waste**	Caused by the Organization	Failure to reuse and re introduce processing waste into the production process and to promote circular economy and the development of new sustainable real estate models	**Negative**	**Potential**
	Environmental	**Generation of waste**	Caused by the Organization and is directly linked through a business relationship	Environmental impacts and social costs borne by communities related to the production of hazardous and non hazardous waste	**Negative**	**Actual**
Business ethics, anti corruption and regulatory compliance	Governance	**Non-compliance with laws, regulations, standards**	Caused by the Organization	Non compliance with applicable laws, regulations, internal and external standards, resulting in indirect economic impacts on stakeholders in relation to marketing, advertising, promotion, and sponsorship activities	**Negative**	**Potential**
	Governance	**Violation of environmental compliance**	Caused by the Organization and to which the Organization contributes	Potential impacts related to non compliance due to regulatory changes in waste and other hazardous substances disposal, and/or environmental protection	**Negative**	**Potential**

	Governance	**Unethical business conduct**	Caused by the Organization	Anti-competitive behavior, monopolistic practices, and instances of corruption with negative impacts on the economy and markets	**Negative**	**Potential**
IP protection and customer satisfaction	Social	**Violation and loss of customer data**	Caused by the Organization and is directly linked through a business relationship	Violations of applicable legislation and failure to implement measures to protect intellectual property and optimal data management procedures to the detriment of customer privacy and reputation	**Negative**	**Potential**
	Social	**Customer satisfaction and expectations**	Caused by the Organization and is directly linked through a business relationship	Customer dissatisfaction, in terms of the quality of the product or service provided and in terms of failure to deliver/supply or delays that affect the reputation and loyalty towards the Company	**Negative**	**Potential**
Quality, innovation, and research of sustainable solutions	Social	**Provision of safe and high-quality products and services**	Caused by the Organization and is directly linked through a business relationship	Development and provision of products and services that meet quality and safety criteria aligned with the industry's best practice	**Positive**	**Actual**
	Social	**Innovation and sustainable design**	Caused by the Organization	Promotion of sustainable design of solutions and products, also through investments in research and development, with a view to reducing their environmental impact and enriching the offer for end users	**Positive**	**Actual**

Employee management, development, and welfare	**Social**	**Development and enhancement of worker skills**	Caused by the Organization	Improvement of worker skills through training and professional development activities, general and technical programs, also related to growth goals and personalized assessment (e.g., career development	**Positive**	**Actual**
	Social	**Failure to meet employee well-being expectations**	Caused by the Organization	Adoption of well being practices that do not meet employee expectations, resulting in impacts on satisfaction and increased turnover	**Negative**	**Potential**
Respect for human rights, workers and equal opportunities	**Social**	**Adequate remuneration policies for employees**	Caused by the Organization	Employee loyalty and improvement of the internal climate thanks to the focus on the adopted remuneration policies	**Positive**	**Actual**
	Social	**Promotion of an inclusive and ethical corporate culture**	Caused by the Organization and to which the Organization contributes	Awareness and dissemination of a corporate culture based on ethics, fairness, inclusion, and respect for human rights by management, employees, and business partners with positive social impacts on stakeholders	**Positive**	**Actual**
Occupational health and safety	**Social**	**Workplace injuries**	Caused by the Organization and is directly linked through a business relationship	Injuries or other incidents at the workplace, negatively affecting the health of direct employees or external contractors	**Negative**	**Actual**

	Social	**Occupational diseases at the workplace**	Caused by the Organization and is directly linked through a business relationship	Development of diseases due to unhealthy or hazardous production processes, for example, related to the use of harmful substances and preparations, and office activities	**Negative**	**Potential**

During 2019, Pininfarina implemented a ***pilot project of stakeholder engagement*** that involved a group of employees who, through a workshop, expressed themselves on the issues identified as materials by the top management, thus contributing to the Materiality matrix reported in previous editions of the NFS.

Pininfarina proposes a **future objective** of **resuming external engagement activities** to integrate the needs of the most critical stakeholders in evaluating the impacts generated by Pininfarina. This considers continuous **improvement** and **open, honest and constructive dialogue with its stakeholders** or carriers of legitimate interests toward the Group.

The **main categories of stakeholders** identified by the Group are listed below.



Pininfarina's main engagement activities with **its stakeholders during the year includes**:

- Shareholders' Meeting, Half-yearly and Annual financial report, Industrial and financial plan;

- Internal communications (company intranet, message boards, etc.), regular and dedicated meetings, annual comparisons on growth and development paths, training events and workshops also with ESG focus;
- Customer satisfaction initiatives and continuous dialog with customers;
- Supplier portal, workshops and engagement initiatives;
- Activities of orientation and involvement of students and related recruitment programs;
- Periodic communications and inspections;
- Institutional web site, social network;
- Meetings with representatives of local communities, associations and social and cultural organizations and initiatives.

European taxonomy

European Taxonomy Regulation

The European Union's action plan on sustainable finance sets the strategic objective of directing cash flows toward sustainable investment. In this context, the EU Taxonomy Regulation entered into force in 2020, which aims to introduce a standardized, compulsory classification system to determine which economic activities can be considered "environmentally and socially sustainable" in the European Economic Area. The results of this classification must be reported annually on a company basis.

Article 9 of the taxonomy Regulation defines six environmental objectives against which economic activities can be assessed:

1. **Climate change mitigation;**
2. **Climate change adaptation;**
3. **Sustainable use and protection of water and marine resources;**
4. **Transition to a circular economy;**
5. **Pollution prevention and control;**
6. **Protection and restoration of biodiversity and ecosystems.**

When the Taxonomy Regulation came into force, the European Commission established specific assessment criteria for two key environmental objectives: climate change mitigation and adaptation. In 2023, there was a further regulatory development with the publication of the Final Environmental Delegated Act which defines the technical screening criteria for the other four environmental objectives of the Taxonomy Regulation, namely: the sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control; and the protection and restoration of biodiversity and ecosystems.

In order for an economic activity to be considered environmentally sustainable according to the European Union Taxonomy, it must first be **Taxonomy-Eligible**, meaning that it must correspond to the activities described in a specific subsection of the regulation. If an activity is considered eligible, the next step is to prove that it is also **Taxonomy-Aligned**. This requires compliance with the Technical Screening Criteria (TSC) listed in the Delegatd Acts. To be compliant, the activity must meet two types of TSCs: the Substantial Contribution Criteria (SCCs), which ensure that the activity contributes significantly to one of the environmental objectives defined in the regulation, and the Do No Significant Harm (DNSH) criteria, which ensure that the activity does not cause significant harm to the other objectives of the Taxonomy.

To date, companies are required to disclose the proportion of turnover (**Turnover**), capital expenditures (**CapEx**) and operating expenses (**OpEx**) related to taxonomy-eligible and non-taxonomy-eligible activities (for all six environmental objectives), as well as aligned and non-aligned activities (for Climate Change Mitigation and Climate Change Adaptation only).

Pininfarina and the European Taxonomy

The **Pininfarina Group has carried out an ad-hoc analysis** to identify activities related to its business that could potentially contribute to the mitigation and adaptation's objectives for climate change. The analysis was carried out starting from the reference area **(NACE code 29.1)** based on the activities' descriptions contained in the published Delegated acts and on the instruments made available by the regulator, such as the "EU Taxonomy Compass". This analysis led to the preliminary identification of four potential "Taxonomy-Eligible" activities, which are as follows[1]:

- **3.3 Manufacture of low carbon technologies for transport (Objective: Climate change mitigation)**
  Description of the activity: Manufacture, repair, maintenance, retrofitting, repurposing and upgrade of low carbon transport vehicles, rolling stock and vessels.
- **7.1. Construction of new buildings (Objective: Climate change mitigation)**
  Description of the activity: Development of building projects for residential and non-residential buildings by bringing together financial, technical and physical means to realise the building projects for later sale as well as the construction of complete residential or non-residential buildings, on own account for sale or on a fee or contract basis.
- **9.1. Close to market research, development and innovation (Objective: Climate change mitigation)**
  Description of the activity: Research, applied research and experimental development of solutions, processes, technologies, business models and other products dedicated to the reduction, avoidance or removal of GHG emissions (RD&I) for which the ability to reduce, remove or avoid GHG emissions in the target economic activities has at least been demonstrated in a relevant environment, corresponding to at least Technology Readiness Level (TRL) 6.
- **13.2 Libraries, archives, museums and cultural activities (Objective: Climate change adaptation)**
  Description of the activity: Libraries, archives, museums and cultural activities includes the activities of libraries and archives, the operation of museums of all kinds, botanical and zoological gardens, the operation of historical sites and nature reserves activities. These activities also include the preservation and exhibition of objects, sites and natural wonders of historical, cultural or educational interest, including world heritage sites. These activities exclude sports and amusement and recreation activities such as the operation of bathing beaches and recreation parks.

The management carried out a careful information analysis of the regulations and the "FAQs documents". This analysis is currently available to understand whether the particular design and design activity carried out by Pininfarina upstream of the product development chain was *an eligible activity* according to the criteria listed in the Delegate act. From the analysis carried out based on the information available to date, the management has defined that the activities carried out by the Pininfarina Group do not have the characteristics to be included in the Taxonomy-Eligible activities previously identified. The *assessment of the activities*'

1 Delegate Regulation (EU) 2021/2139 of June 4th 2021.

eligibility according to the Taxonomy is an iterative process that is presumed to evolve in future reporting in light of the new regulations expected on this subject. In light of the above, the Taxonomy-Eligible assets of the 2023 Non-Financial Statement have reported the following KPIs:

	Eligible activities		**Not eligible activities**
	Environmentally friendly activities (Aligned to taxonomy)	Activities eligible for taxonomy but not environmentally friendly (Not aligned to taxonomy)	
Revenue (Turnover)	0.0%	0.0%	100%
Operating expenses (OpEx)	0.0%	0.0%	100%
Capital expenditure (CapEx)	0.0%	0.0%	100%

GOVERNANCE


8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Governance

Structure of corporate governance

The Pininfarina Group, although part of the Tech Mahindra Group, is not subject to management and coordination activities by the latter, according to art. 2497 et seq. of the Civil Code.

The **Parent Company**, Pininfarina S.p.A., adopts a **traditional corporate governance model** per the Civil Code. The **Board of Directors** is responsible for managing the Company's business. It is **invested with all the powers of ordinary and extraordinary administration** since it is within its competence all that is not expressly reserved for the Assembly by law and the Social Statute. The Board of Directors shall **usually meet at least quarterly**, at the conference of the Chairman or those entitled under the law, whenever deemed necessary by the latter and when a written request is made by at least four advisers or delegated bodies.

The Chairman of the Board of Directors, to ensure that the Directors act in an informed manner and to provide a correct and complete assessment of the facts brought before the Board, shall ensure that the documentation and information are transmitted to the Directors in reasonable advance of the date of the meeting. At the invitation of the President, the Council is invited to speak who is deemed necessary to provide appropriate insights into the items on the agenda.

The Board of Directors is also reserved for the **examination and approval of the industrial and financial plans of the Company and the Group**, elaborated by the internal structures of the Parent Company with the help of the associated companies.

The Board of Directors **assesses the adequacy of the organizational, general administrative and accounting structure of the Company and the Group with particular reference to the subsidiary Pininfarina Deutschland GmbH** – as more important in terms of size and strategy – while maintaining a continuous exchange of information with the Audit Company.

The Board of Directors has the following committees, entirely composed of independent directors: **Control and Risk Committee, Nomination and Compensation Committee and Operations Committee with Related parties**. They are called upon to give their opinion on the issues within their competence and to report regularly to the Council.

The **leading trade associations in which Pininfarina S.p.A. participates are Confindustria, ANFIA and AMMA**.

Sustainable Governance

The Nomination and Compensation Committee assisted the Board of Directors to define **the review process**. Through the office of the Corporate Secretariat, the Committee periodically asks the members of the governing body to make their views explicit on the size, composition and functions of the Board of Directors.

Among the most important aspects considered in the review, **the adequacy of the remuneration of managers and managers** with strategic responsibilities concerning the objectives of creating value for stakeholders and the sustainability of the company in the medium to long term has been identified. This is reflected in **a remuneration ratio** between **the**

total annual salary of the person receiving the maximum salary and the total yearly median salary of all employees (excluding the person) in 2023 of **about 1:17**[2], substantially higher than in the previous year.

Last, **the adequacy of the organizational, management and control model has also been evaluated** regarding environmental, social and personnel management issues. **Pininfarina has therefore integrated sustainability into its activities**, focusing on the importance **of the factors that influence value creation in the medium and long term. These factors were included in the strategy-setting process, in the Internal control system and Pininfarina's remuneration policy.**

From 2023, the introduction of the **ESG Manager** has strengthened the company's commitment to sustainability. Monthly, a multidisciplinary team, composed of representatives from different departments from all *legal entities*, meets to integrate and enhance ideas and proposals related to sustainability issues. This team is coordinated by the ESG Manager and functions as an initiative and dissemination engine; in fact, it has launched several actions to increase the spread of a culture of sustainability among employees.

Management and Control Systems

Management Systems: Quality and Environment

The Company's primary objective is to satisfy its customers through the excellence of technologies, the skills of employees, the full respect of the mandatory standards in the field of product quality, health and safety of workers and environmental requirements.

In this sense, Pininfarina S.p.A. has implemented a **Quality Management System** in compliance with the **UNI EN ISO 9001:2015 standard** requirements, for which it has obtained **the certification** for the plants of **Cambiano and Grugliasco (Wind Tunnel)**. The Quality Management System of Pininfarina S.p.A., through a clear definition of roles and competencies, is responsible for all employees and collaborators to ensure that, within the scope of their duties, each one feels a guarantor of the actions to be carried out to satisfy the customer, In the search for continuous improvement of business performance in terms of quality, cost and service level.

The commitments of Pininfarina's Quality Policy are translated into strategic planning that allows the Company to:

- Identify and translate **customer expectations** (including product and process requirements) into concrete, measurable internal goals;
- Measure the level of performance achieved on products and processes, applying any preventive and corrective action;
- Ensure **priority of the quality of the product/service** provided in the event of a conflict with other interests;
- Promote **continuous improvement** of products and processes.

[2] In the calculation, the taxable amount of contributions was considered, including monthly salaries, premiums, additional canteens, one-offs, fringe benefits, and MBO. This includes full-time and part-time employee salaries.

Management undertakes to verify, at least once a year, the adequacy of the Quality Management System and to guide any corrections and improvements to the structure of the Quality Management System.

The diffusion of the **Quality Policy** and the awareness of the internal objectives is ensured by the Head of the Quality Management System, who guarantees the consistency between the procedures put in place and the general objectives of the Company through the carrying out of the internal verification activities. The Human Resources and Organization Department, through activities, formalized the annual training plan.

Pininfarina considers the environment and workplaces to be a system to be maintained and works so that plants, production (and non-production) processes and their services do not cause significant environmental impacts and guarantee the protection of the health and safety of workers. Pininfarina considers quality management aimed at **improving performance and protecting the environment**, **health and safety at work** of its workers as priority factors for achieving **company objectives**.

Pininfarina has also built the **Environmental Management System** according to the **UNI EN ISO 14001:2015 guidelines**, obtaining **certification** for the Cambiano and **Grugliasco (Wind Tunnel) plants**.

Please note that the certifications have not been updated for the San Giorgio Canavese plant, as this plant has been decommissioned.

Model of Organization Management and Control ex D.Lgs. 231/01

Pininfarina S.p.A. has also adopted and updated over time a model of Organization, Management and Control prepared by the Company based on identifying areas of possible risk in the business activity in which the possibility of committing offences is considered higher. The **231 model** of **Pininfarina S.p.A.**, the last version of which was approved and released at the beginning of 2022, aims to:

- To establish a system of prevention and control aimed at **reducing the commission risk of offences related to business activities**;
- To render all those who work in the name and on behalf of Pininfarina, and in particular, those engaged in "areas of activity at risk", aware that, in the event of a breach of the provisions contained therein, they may incur an offence liable to penalties, both criminal and administrative, not only in respect of itself but also in respect of the Company;
- Inform all those who work with the Company that the violation of the requirements contained in the Model will result in the application of appropriate sanctions or the termination of the contractual relationship;
- To confirm **that Pininfarina does not tolerate unlawful conduct of any kind and regardless of any purpose** and that, in any case, such conduct (even if the Company appears to be in a position to take advantage of it) is, in any case, contrary to the principles to which the Company's business activity is inspired.

Risk Management process

On the occasion of the preparation of the new 2022-2025 three-year period Audit Plan, the Internal Auditor function carried out – in July 2022 – a new Risk Assessment based on a structured process of analysis and prioritization of the main risks according to a risk-based approach. This intervention – which included interviews with process owners and function managers – has allowed the Group to carry out a **structured risk mapping activity**, both exogenous and endogenous in nature.

This analysis was, among other things, functional for the assessment of the possible initiatives to strengthen the risk management systems currently adopted by the Group, suggesting a progressive development of the existing systems according to the **ISO 31000 standard**. Before evaluating the subsequent implementation of a structured Enterprise Risk Management process, by the principles outlined in the CoSo ERM 2017 model issued by *the Committee of Sponsorship organizations of the Tradeway Commission*.

Within each chapter of this NFS, in the respective paragraphs "Main risks and methods of management", **the main risks, generated or sustained, related to the various ESG areas** and deriving from the activities of the enterprise, its products, services or commercial relations, including, where relevant, the supply and subcontracting chains and the **appropriate management procedures employed by Pininfarina**.

Fight against corruption

Anti-corruption policy

Pininfarina's work aims to ensure the strict observance of legality, integrity and transparency principles. The Group condemns any conduct carried out by its personnel or by anyone carrying out activities for or on behalf of the Group aimed at promising, offering, paying or accepting, directly or indirectly, money or other utility to obtain or maintain a business or securing an unfair advantage about business activities.

The Pininfarina Group is fully aware of the risk posed by corruption at any level and of the negative repercussions that it may have, both directly with adverse effects for Pininfarina and indirectly with negative effects on society and the environment in the contexts in which the Group operates.

In this respect, Pininfarina's stated objective is zero tolerance for any corrupt, active or passive activities. **All company staff are called upon to ensure compliance with the objectives set in the fight against corruption**.

The following documents contain **the principles and anti-corruption principles adopted by the Parent Company**:

- **Code of Ethics**, approved by the Board of Directors in March 2014 and revised, at least, in November 2023, in which the Group wished to make explicit the principles of legality, integrity, and transparency as **fundamental ethical values** to which Pininfarina was inspired. Legality is the essential value in the conduct of the Group's activities. The company fully complies with the laws in force in the countries in which it is present and intends to conduct behavior that does not prejudice professional and moral reliability. All activities are based on respect for the principles of integrity and transparency and

are undertaken with **loyalty** and a sense of **responsibility**, **fairness** and **good faith**. The Code of Ethics also provides clear criteria for conduct in business management, specifying, among other things, that gifts, regalia and other forms of benefits are only permitted if they are of fair value or in any case such as not to compromise the integrity or reputation of one of the parties. In this sense, the Group condemns any behavior of the recipients, including those who carry out activities for or on behalf of the Group, aimed at promising, offering, paying or accepting, directly or indirectly, money or other utility to obtain or maintain a business or securing an unfair advantage concerning business activities. Finally, the Code of Ethics sets out the principles of behavior to be held about the Public Administration, specifying that all the recipients are required to operate in relations with the Public Administration and the control bodies according to principles of correctness and transparency to guarantee clear behavior that cannot be interpreted by the parties involved, as ambiguous or contrary to the laws in force.

- **Organizational model according to D. Lgs. 231/01** (hereinafter also the "Model"), updated in November 2023 to transpose the new regulations and prepared to take into account its peculiar company reality, In line with its system of government and able to exploit existing controls and bodies, and which contains a Special part dedicated to "offences in the field of corruption and other offences against the Public Administration", which indicates:
    - areas at risk of crime and their sensitive activities;
    - the main functions and organizational units operating within each risk area;
    - the primary offences that can be committed abstractly in the areas in question;
    - the main controls in place in the individual areas at risk of crime;
    - the principles of conduct and controls are to be observed to reduce the risk of the commission of offences.

With the 2023 update, Pininfarina introduced the new Whistleblowing reporting system by revising the logic and tools of the system for making and managing violation reports, which it was already equipped with, in light of the provisions of Legislative Decree no. 24 of 10 March 2023.

The introduction of the new system led to the drafting of an ad hoc procedure, which aims to describe and regulate the reporting system implemented by the Company. This procedure provides appropriate instructions to whistleblowers for making a report and outlining the management process. At the same time, the Company has activated a **whistleblowing** reporting platform called "My whistleblowing" provided by a specialized service provider and accessible through a dedicated section of the Company's website. This is also available for reports of violations of the "Gender Equality Policy".

- **Quality and Environment Management Systems** and related operating procedures (e.g., procurement or sales processes) define procedural flows and responsibilities to ensure optimal process management and prevent potential misconduct. As far as **supplies are concerned**, the specific business of Pininfarina makes sure that no structured supply chain is composed of collaborations established with small realities,

also of a handicraft character. Purchases are limited to the few materials used to build style models and prototypes and the software used for design services.

Main risks and methods of management – Governance

Pininfarina has identified, within its Model, the activities instrumental to the possible risk of Commission of **corruption offences** (for example, due from the management of the purchases of goods and services, of the investments of consultancy and professional assignments, of the management of benefits, etc.).

In particular, the risk of Commission for "**active**" corruption offences during the sales process is generally low in the sector in which the Group operates, where the decisive factor has always been the high technical qualification rather than the economic component, and in which **almost all contracts are awarded through tenders**, with the involvement of a significant number of subjects both internally and on the customer side.

The risk of the Commission for "**passive**" corruption offences in the purchasing processes is also considered to be contained following the **careful procedures for selecting suppliers** and formalizing contracts followed by the Group and according to the types and volumes of goods and services purchased, typically not "critical". To promote close cooperation, cooperation and coordination with its suppliers and contractors, Pininfarina communicates its policies on environmental quality, safety and health of workers directly.

In order to **actively combat corruption**, Pininfarina has integrated **special communication channels** through which interested parties can submit reports regarding the application or violations of the Code of Ethics. In particular, as mentioned above, in 2023 it introduced the new Whistleblowing reporting system by revising the logic and tools of the system for making and managing violation reports, in accordance with the provisions of Legislative Decree no. 24 of 10 March 2023.

In 2023 also following the updating of the Code of Ethics and Model 231, the Group carried out **specific communication and training initiatives on policies and procedures to prevent and combat corruption**, to transmit to its employees the values and the corporate culture that they see in law an indispensable prerequisite in the conduct of the Group's activities.

The 231-classroom training takes place at each model renewal, approximately every 2-3 years, dividing the company population into two macro-groups: The employees less involved in the topics will take **an online course** with final tests; the most exposed ones (HR, Finance, Legal, Sales, Purchasing, etc.), on the other hand, they are subjected to **a more in-depth classroom training** in which the various themes are analyzed in greater detail.

All new employees, however, receive the Code of Ethics at the time of employment, are informed that the model is present on the company intranet, and are invited to go and see it. In this regard, a reminder email is also sent once a year about the importance of the periodic consultation of the Model.

To further mitigate the risk profile, in 2019, Pininfarina S.p.A. adopted the SAP ERP system and strengthened the Internal control system by implementing specific system approval workflows even on traditionally less regulated processes.

Finally, even if the **supply chain management** is not material for the Group, the relative impacts are managed, starting from 2022, through **the Supplier Qualification Portal**, which collects data mainly related to economic sustainability and whose results flow into the Vendor List. During 2023, the company implemented this system and has set the future goal of integrating ESG (environmental, social, and governance) criteria into this portal.

Performance indicators – Governance

To prevent the occurrence of any incident that could constitute a Commission risk of the offence of corruption, Pininfarina S.p.A. has adopted and brought to the attention **of all the employees and published on the Company's corporate site the anticorruption laws and procedures** of the organization.

In addition, in 2023, **51 employees of Pininfarina S.p.A. completed at least one course on anticorruption**. In particular, the courses covered 5% of managers, 11% of managers, 27% of employees and 28% of workers in Pininfarina S.p.A..

In 2022 and 2023**, there were no confirmed cases of corruption**, dismissal or discipline of employees on the grounds of corruption, in continuity with the results of previous financial years and further evidence of the Group's attention to this issue. Of termination or non-renewal of contracts with business partners, of legal cases in the public domain concerning corruption affecting the organization or any *legal entities* belonging to the Pininfarina Group.

Moreover, **the Group has not been involved in significant cases of non-compliance** with laws and regulations during the two years and aims to continue along this line.

Diversity in governing bodies

Ensuring **gender equality and diversity in government bodies** is a commitment that Pininfarina also respects under the Borsa Italiana Corporate Governance Code provisions.

In line with the best practices and guidelines highlighted by the Corporate Governance Code, during the presentation of the lists and the subsequent appointment of the directors, the shareholders pursued the objective of ensuring gender equality, multiculturalism and diversified and complementary skills of the directors.

The attention to the subject is reflected in the composition of the governing and control bodies, which reflects:

- **Gender diversity**, with a Board of Directors and individual Board Committees in which no less than one third of the members are women;
- **Diversity of geographical origin**, linking within the members of the Board of Directors both the deep Italian roots and the multinational character of Pininfarina, part of the Tech Mahindra Group. As shown in the table below, more than 30% of board members are of foreign origin;
- **Diversity of skills, experience and professional characteristics**, in particular, the Board of Directors, is formed by a group of professional figures with ten years of experience in the national and international territory in the field of the company management of the automotive sector, by corporate lawyers as well as corporate governance and corporate finance experts.

Following international best practices, most of the directors of Pininfarina S.p.A. are independent members, both as set out in the Corporate Governance Code and in the Testo Unico Finanziario (T.F.U.).

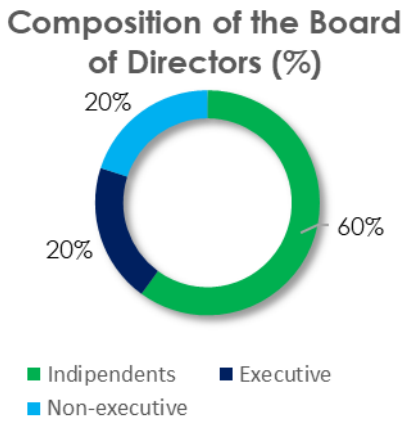
40% **FEMALE PRESENCE ON THE BOARD OF DIRECTORS**

The Board of Directors of Pininfarina S.p.A. is composed of **10 directors**, of which:

- 6 independents, four of which are women;
- 2 non-executive (males);
- 2 executive officers (males) (Chairman and Chief Executive Officer).

The Pininfarina Group has not issued a specific policy regarding the drawing up of lists to be presented to the shareholders' meeting for the appointment of the Board of Directors since this activity is carried out in accordance with the provisions of:

- Articles of associations;
- Issuer Regulation;
- Shareholder's meeting;
- Guidelines and standards provided for by the Borsa Italiana Corporate Governance Code.



As regards the procedures adopted by the Group for the appointment, replacement, composition and assignment of roles to members of the Board of Directors, reference should be made in full to the Report on Corporate Governance and Ownership structure.

Board of Directors of Pininfarina S.p.A.

Office held	Components	Age	Date of first appointment (*)	In charge since	Executive	Independent	Number of other assignments (**)
Chairperson	Paolo Pininfarina	65	29/06/88	13/05/22	Executive	-	-
Chief Executive Officer	Silvio Pietro Angori	62	12/08/08	13/05/22	Executive	-	-
Director	Bhat Manoj	50	03/08/16	13/05/22	Non-executive	-	1
Director	Sara Detthridge	52	13/05/22	13/05/22	Non-executive	T.U.F. Code	-
Director	Dilip Keshu	61	13/05/22	13/05/22	Non-executive	-	-
Director	Jay Itzkowitz	63	03/08/16	13/05/22	Non-executive	T.U.F. Code	2
Director	Sara Miglioli	53	03/08/16	13/05/22	Non-executive	T.U.F. Code	-
Director	Pamela Morassi	46	14/07/23	14/07/23	Non-executive	T.U.F. Code	1
Director	Lucia Morelli	67	13/05/22	13/05/22	Non-executive	T.U.F. Code	-
Director	Antony Sheriff	60	03/08/16	13/05/22	Non-executive	T.U.F. Code	1

* The date of first appointment of each Director is the date on which the Director was first appointed (absolute) in the Board of Directors of the Issuer.
** This column indicates the number of director or statutory auditors positions held by the person concerned in other companies listed on regulated markets, including foreign ones, in financial, insurance banking or large companies. In the report on corporate governance, the tasks are indicated in full.
*** Inherits the charge from Maria Giovanna Calloni, member of the Board of Directors from 03/05/2022 to 12/05/2023.

Control and risk Committee

Office held	Components	Age	Date of first appointment (*)	In charge since	Executive	Independent	Number of other assignments (**)

Chairperson	Jay Itzkowitz	63	03/08/16	13/05/22	Non-executive	Code T.U.F.	1
Director	Sara Detthridge	52	13/05/22	13/05/22	Non-executive	Code T.U.F.	-
Director	Pamela Morassi***	46	14/07/23	14/07/23	Non-executive	Code T.U.F.	-

* The date of first appointment of each Director is the date on which the Director was first appointed (absolute) in the Board of Directors of the Issuer.
** This column indicates the number of director or statutory auditors positions held by the person concerned in other companies listed on regulated markets, including foreign ones, in financial, insurance banking or large companies. In the report on corporate governance, the tasks are indicated in full.
*** Inherits the charge from Maria Giovanna Calloni, member of the Control and Risk Committee from 03/05/2022 to 12/05/2023.

Nominating and Compensation Committee

Office held	Components	Age	Date of first appointment (*)	In charge since	Executive	Independent	Number of other assignments (**)
Chairperson	Antony Sheriff	60	03/08/16	13/05/22	Non-executive	Code T.U.F.	1
Director	Jay Itzkowitz	63	03/08/16	13/05/22	Non-executive	Code T.U.F.	1
Director	Lucia Morselli	67	13/05/22	13/05/22	Non-executive	Code T.U.F.	-

* The date of first appointment of each Director is the date on which the Director was first appointed (absolute) in the Board of Directors of the Issuer.
** This column indicates the number of director or statutory auditors positions held by the person concerned in other companies listed on regulated markets, including foreign ones, in financial, insurance banking or large companies. In the report on corporate governance, the tasks are indicated in full.

Operations Committee with Related parties

Office held	Components	Age	Date of first appointment (*)	In charge since	Executive	Independent	Number of other assignments (**)
Chairperson	Jay Itzkowitz	63	03/08/16	13/05/22	Non-executive	Code T.U.F.	1
Director	Antony Sheriff	60	03/08/16	13/05/22	Non-executive	Code T.U.F.	1
Director	Sara Miglioli	53	03/08/16	13/05/22	Non-executive	Code T.U.F.	-

* The date of first appointment of each Director is the date on which the Director was first appointed (absolute) in the Board of Directors of the Issuer.
** This column indicates the number of director or statutory auditors positions held by the person concerned in other companies listed on regulated markets, including foreign ones, in financial, insurance banking or large companies. In the report on corporate governance, the tasks are indicated in full.

ENVIRONMENT



Environment

Integrated environmental policy

The Pininfarina Group has a strong commitment to environmental issues, which stems from its industrial history. The Group has adopted a **strict code of conduct to protect the environment**, which has been formalized and shared through its **Code of Ethics**. In addition, the Group has taken a proactive approach to monitor its environmental performance over the years.

> ***"Pininfarina considers its work environment and workplaces to be something that must be maintained and ensures that its plants, production and other processes and services will not have any significant environmental impact and that the health and safety of its employees are protected."***
>
> Pininfarina's Code of Ethics

Pininfarina S.p.A. is the only company within the Group that **still manages production laboratories** and has **obtained UNI EN ISO 14001:2015 certification** for its Environmental Management System at the Cambiano and Grugliasco sites. This certification acknowledges the company's continuous efforts to improve its products, processes, and services.

In March 2018, Pininfarina issued its Health and **Safety Environment Policy** (EHS) in accordance with the updated standards. This policy is available on the company's website and underlines the Group's commitment to implementing programs aimed at ensuring the safety of workers and protecting the environment surrounding all production sites. As part of an ongoing commitment to sustainability, the EHS Policy was further updated in September 2023. This latest review highlighted Pininfarina's adoption of a cross-cutting approach to sustainability issues, based on the three ESG pillars, identifying in particular the following Sustainable Development Goals (SDGs) as guiding pillars for its EHS policy: 8 (Decent Work and Economic Growth), 9 (Industry, Innovation and Infrastructure), 11 (Sustainable Cities and Communities) and 12 (Responsible Consumption and Production).

The EHS Policy is enforced by a set of operational procedures and instructions in compliance with ISO 14001:2015, which outline the **responsibilities** and procedures for implementing the **commitments** made. Pininfarina S.p.A. sets annual environmental targets to ensure that the objectives defined in its EHS Policy are achieved.



The **main environmental objectives** outlined in EHS policy include:

- **continuous improvement** of products, processes, services and activities, reducing as far as possible the impact on the environment;
- **optimization of energy consumption** and natural resources;
- continuous improvement of plants, processes and services, in order to reduce the impact of its activities on **Climate Change**;
- **responsible management of chemicals**;
- development of **vehicles** geared towards **sustainable mobility**;
- highly technological and innovative **solutions and processes** in the field of **architectural design**;
- **adoption** of the best available **techniques** for the reduction of **harmful emissions** on the environment for production sites;
- **air pollution reduction;**
- adoption of **medium- and long-term programs;**
- continuous **environmental performance monitoring;**
- **documentation system** with emergency procedures**;**
- **training and internal and external communication** to the Company for the development of projects with the best environmental performance.

The procedures for **defining and monitoring the relevant targets** are governed by **specific EMS procedures**, such as "PA.33.01 - Obiettivi e traguardi e programma di gestione ambientale" or "PA.51.02 - Indicatori di prestazione ambientale". The procedure "PA.52.01 - Non conformità, azioni correttive e preventive ambientali" defines how to operate in case of deviations from the EMS or **in case of possible improvement** that may arise during internal audit.

The **targets** set by the Parent Company are **constantly monitored.** On an annual basis, the High Management of Pininfarina S.p.A. assesses its environmental performance, formalized in the "Management Review" report, which is the results of its assessments, mentioning the various documents EMS adopted for the data analysis.

Among the 2023 initiatives under implementation, only for Pininfarina S.p.A. level in 2023 to achieve **the environmental efficiency objectives,** there are:

- the installation of **water dispensers** that draw from the water mains to reduce the use of plastic bottles;
- installing coffee machines that allow personal cups **to reduce the use of plastic cups**. The latter, moreover, will be replaced by cups of certified material with a lower CO2 impact;
- **the upgrade of the electrical substation of the Cambiano 1 site** with the installation of transformers and more advanced equipment, which has led to a reduction in energy consumption of 15-20% and a significant saving on CO2 emissions;
- **the optimisation of ventilation systems in the Cambiano 2 offices** with the replacement of old motors with high-efficiency Vertex models by 2024;
- **the completion of 80% of the transition from neon to LED lighting**, with the completion of the replacement in all Cambiano plants by 2024.

- **the implementation of an energy monitoring system** at the farmhstead for a detailed analysis of consumption,
- **the development of an innovative air conditioning project** with artificial intelligence for the automatic thermoregulation of machines, eliminating the need for manual interventions to solve inconveniences and anticipating problems to reduce costs and waste and increase efficiency by 2024;
- **launch of separate paper collection**;
- **training/communication activities** for employees on environmental sustainability

Key risks and management – Environment

The Pininfarina Group has significantly **reduced its risk profile related to environmental protection** and mitigation and adaptation policies to climate change, following the disposal of production plants in the recent past and **the conversion to mainly design and design activities**.

Pininfarina S.p.A, the holding company, is an exception as it continues to realize **prototypes** and **mini-series** and a **wind tunnel for the performance of aerodynamic tests**. To properly monitor the risks generated or suffered related to the protection of the environment, Pininfarina S.p.A. has therefore defined, within its Environmental Management System, the procedure "PA.31.01 - Aspetti ambientali". This **procedure** governs how the Company **identifies environmental impacts** on activities, products and services that the Company can control and influence, identify aspects that have or may have significant implications for the environment and climate change, and document the environmental aspects of past and future activities.

Pininfarina S.p.A.'s internal analyses have identified that the main endogenous risks potentially associated with its activities are:

- **emissions released into the atmosphere** resulting from:
  - modelling and completion – painting (extraction from painting/sanding booths);
  - plants and maintenance – thermal plants (emissions from the operation of methane boilers).
- **ground releases** from plant and maintenance – underground tanks and tanks (emergency condition);
- **use of raw materials and natural resources** related to:
  - modelling and completion – painting (use of activated carbon);
  - plants and maintenance – thermal power station (methane consumption).
- **use of energy** from the following processes:
  - modelling and completion – painting (electricity consumption);
  - plants and maintenance – thermal power station (electricity consumption).
- **use of dangerous substances/preparations** resulting from the following processes:
  - modelling and completion – painting (flammable substances);
  - Systems and Maintenance – Maintenance activities (flammable substances).

The main exogenous risks related to environmental aspects may arise from the following:

- **Changes in the legislation for the environment and the workplaces** in which the employees work. Particularly relevant may be the changes in regulations about the sites reclamation or of those concerning the use of dangerous substances and mixtures. These applies for both environmental and occupational health and safety aspects related to the disclosure of the details of all chemicals by the European Community regulations;
- **Climate change** may impact the Group's operations, or the products and services rendered.

Concerning the environmental survey carried out in 2011 at the site of Grugliasco sold in 2009 to the Company Sviluppo Investimenti Territorio S.r.l. (SIT), in an update with respect to what was illustrated the last year, we inform you that at the specific request of the owners/managers, in order to improve the subsequent usability of the area subject to reclamation, Pininfarina sent an updated note to the relevant agencies on the operational project for the reclamation works on February 9th 2022. The Municipality of Grugliasco approved the variant, with subsequent managerial determination 151, issued on February 24th 2022. The excavation work began on 3rd May 2022, and to date, it is expected to receive the results of the analysis carried out in the excavation area by ARPA. Considering the above, the agreements about the reclamation operations were integrated in April 2022 and signed in June 2021 between Pininfarina and the owners/operators, providing for the correct implementation of the Scripture and the agreements relating to reclamation. Pininfarina has been provided with a guarantee policy of 75 thousand euros.

On March 28th 2022, the dispute between SIT and Pininfarina was resolved. It arose due to civil proceedings brought by SIT in 2019 before the Turin Court for alleged damage resulting from the site's sale in 2009 due to a price not considered reasonable. Pininfarina has accepted the hypothesis the judge proposed and paid the counterparty an amount including the charges of EUR 58,304.80. By signing the agreement, the parties have expressly declared nothing more to have each other to claim for any title and/or reason.

The contribution to sustainable mobility

Pininfarina's environmental commitment is not limited to the certification of its processes. As a matter of fact, it is also evident from **the continuous search for efficiency in the vehicles of which the Group contributes** to the development and the substantial interest in sustainable mobility. Sustainable mobility and energy efficiency are not new concepts for the Group but are part of its DNA. Indeed, in the '70s, during an energy crisis, Pininfarina developed its first electric traction vehicle; the ECOES. The study of sustainable cars continued in the following decades, culminating in 2007 with the creation of **the Research and development center entirely focused on modular electrical platforms**. This effort has led to the birth of two electric cars: the BlueCar, designed for medium-distance journeys, and Nido EV, intended for mainly urban use. The knowledge developed in this field over the decades allows Pininfarina to present itself on the market as **a player able to create high-performance electric vehicles**.



The Group's focus on sustainable mobility issues was further realized by creating **a partnership between Pininfarina, Bosch and BENTELER** to develop **modular platforms for car manufacturers and to build electric vehicles**. This partnership has given rise to **the Electric Drive System** (**BEDS**), an efficient platform solution that facilitates the creation of new electric vehicles in a rapid time, with reduced complexity and high quality, thanks to its modular and scalable design. Based on THE BEDS system, in 2021, Pininfarina opened the way to the future of urban mobility through the development of "**Teorema**", the first futuristic and bold **Virtual concept Car entirely developed using VR technologies.** It represented a new interpretation of mobility, completely electric and autonomous, in the spirit of user experience and technology.

Pininfarina's sustainable mobility concept extends beyond the automotive sector and embodies an integrated vision that includes **public transport and micro-mobility**. Examples of this are **the development** of **the Teleo cable car in the city of Toulouse** and **the development of GoldenPass in Switzerland**. Moreover, in 2021, **a collaboration was born with two crucial international players**: **Helbiz**, a leader in micro-mobility and **MT Distribution**, a solid world-recognized reality in the urban electric mobility landscape. **The first result** was the development of "**HELBIZ one**", a next-generation e-scooter with a coordinated and customizable design that anticipates the future of mobility.



Commitment to more sustainable cities and infrastructure

The unique and highly specialized experience gained in over 90 years of production of innovative and iconic vehicles that blend complexity and beauty represents the essential element through which the **Pininfarina architecture division** develops highly distinctive projects on the market. Similarly, in this field, a design approach is adaptable to work on the emerging society's needs to **propose solutions and processes highly technological and innovative**, such as applications of parametric design, *Design for Manufacturing* or *Life Cycle Thinking*, analyzing and **guaranteeing the environmental, economic and social sustainability of the project along all phases of the life cycle**. The uniqueness and the highly identifiable character of the Pininfarina brand are manifested through the new paradigms it uses in public spaces design, residential architecture, and *home design*. Moreover, Pininfarina is recognized as the top player in the world in the Branded Real Estate field and is proposed as **a leader for cultural and creative excellence in the search for new housing concepts**.



These elements characterize the activity of Pininfarina Urban Design and make it a **visionary and concrete partner for the research and realization of more sustainable cities** by redefining the way of living and moving concretely by providing solutions for reducing environmental impacts, mitigation and adaptation to climate change. Pininfarina offers innovative solutions in urban *design*. It integrates expertise in different project sectors, from mobility to architecture, and through *experience design*. A perfect combination to imagine a comprehensive and integrated system for a more sustainable urban future.

One of the most interesting projects in this area is developing the **Higold site** in Shunde (China), where architectural elements, public spaces and products on display integrate in a unified way. **Pininfarina Architecture** has realized the entire project, from the outside to the landscape. The iconicity of the building is accentuated by the presence of a continuous facade which, thanks to the double-leather-stained glass, creates a more shielded effect on the outside, which is close to surfaces with greater transparency facing the inside. This ensures not only greater privacy for the offices but also **considerable energy savings thanks to the optimal ventilation** allowed by the double-leather facade, which reduces the need for heating and air conditioning during the year.



Energy consumption

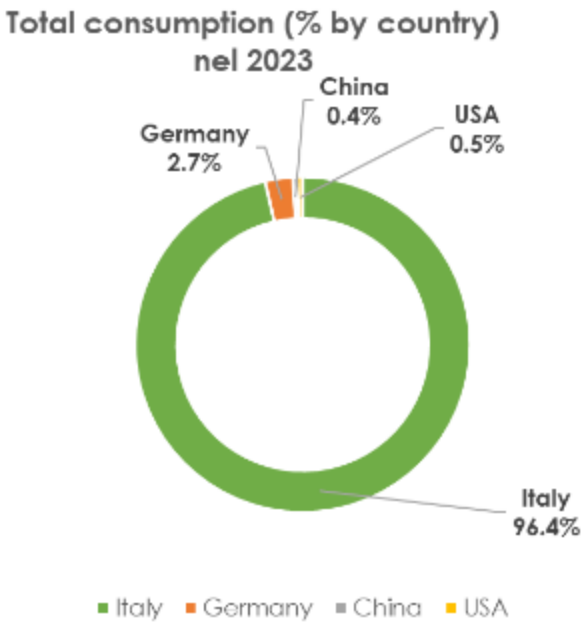
The Pininfarina Group pays great attention to its energy consumption to limit its environmental impact and, where necessary, to implement reduction measures. Consumption at the Group level in 2023 amounted to a total of **31,572 GJ**, a **decrease of 1.8% compared to 2022**.

Finally, **compared to 2022, in 2023 energy consumption decreased in Italy (-1.1%), Germany (-21.9%) and China (-19.9%)**. In the United States[3], however, they increased slightly (+31.9%).

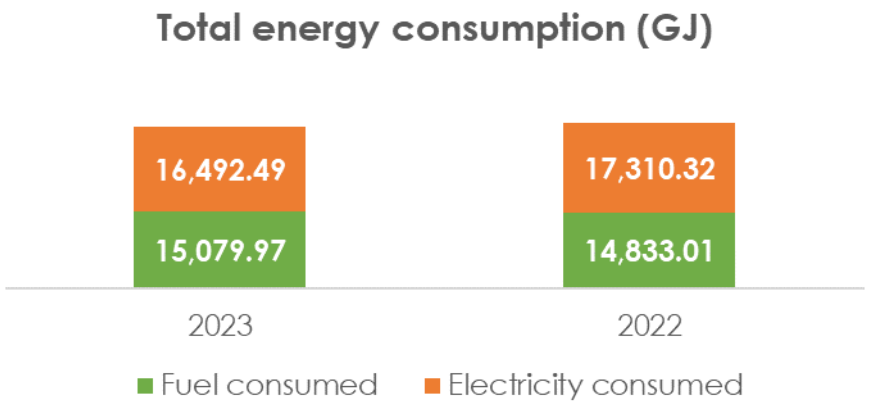
Direct Energy: Pininfarina produces and consumes this energy in its operations, projects and facilities. It may include energy from fuels, sunlight, wind, water, etc., for the operation of Pininfarina's equipment and vehicles and the production of energy and heat on-site. For fuels, it can be measured in giga-joules (GJ).

Indirect Energy: This energy is produced outside the Pininfarina border by electricity suppliers and consumed on-site. Indirect energy depends on the local electricity networks in which Pininfarina will operate. It is measured in giga-joules or megawatt-hour (MWh).

Carbon dioxide equivalent, abbreviated **as CO2e**, is a metric measure used to compare the emissions of various greenhouse gases based on their global warming potential (GWP) by converting amounts of other gases into the equivalent amount of carbon dioxide with the same global warming potential.



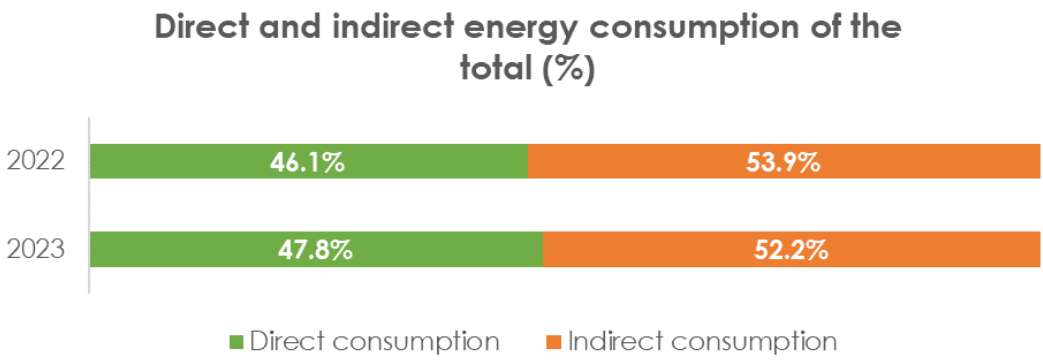
In absolute terms, **the percentage of energy consumed in Italy is 96.4% of the total**, with the remaining composed of Germany (2.7%), China (0.4%) and the USA (0.5%), as a consequence of the fact **that the production plants are located in the Italian territory**, foreign legal entities are primarily commercial offices.



The Group's total energy consumption in 2023 comes from fuel consumed (natural gas, diesel, and petrol for company vehicles owned or leased for the long term) **and electricity purchased from the national grid.**

In particular:

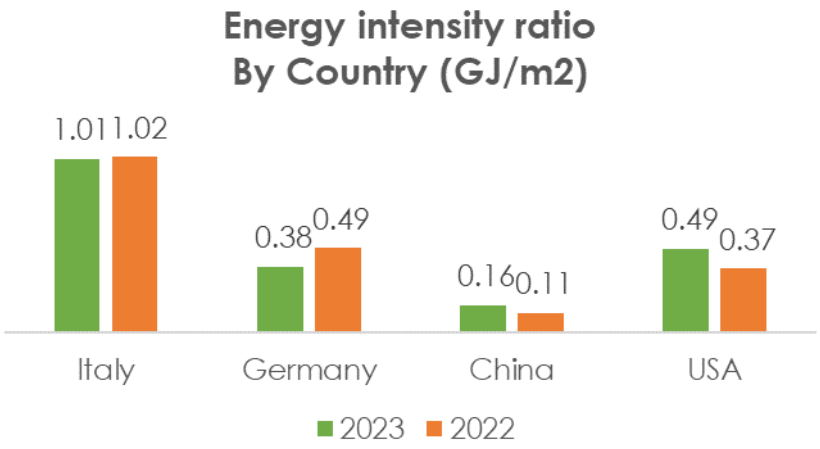
- **52.2% of the consumption is indirect**, resulting from electricity consumption from non-renewable sources;
- **47.8% of the consumption is directly** derived from fuels used in production sites and offices.



The mix of the Group's energy consumption is almost **constant** compared to 2022.

The "Data and indicators" section gives Pininfarina Group's detailed tables of energy consumption, divided by country, source and *scope*.

As per the energy intensity, this is the ratio between power used (in this case, the total energy consumption) and a specific parameter defined by the organization (in Pininfarina's case, it is the plant's extension in square meters). In 2023, the Pininfarina Group reported a ratio of **0.94 GJ/m2** up from the previous year.

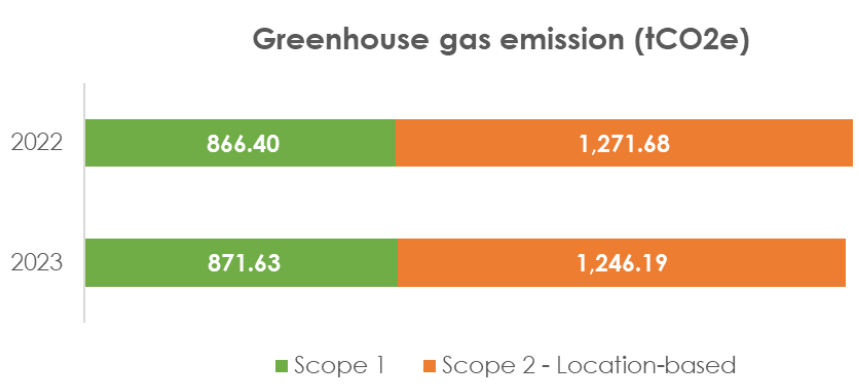


In line with what has been mentioned regarding the energy needs of Pininfarina S.p.A., the **Italian plants have the highest energy intensity**, followed by USA, Germany and finally, China.

Emissions into the atmosphere

The Pininfarina Group constantly monitors direct and indirect emissions caused by its energy consumption. In addition, in Italy, Pininfarina S.p.A. **monitors the emissions of fumes due to the prototyping laboratories** to estimate the impact of harmful substances released into the atmosphere.

In total**, the total greenhouse gas emissions** (Scope 1 and Scope 2 – Location-Based) **generated by Pininfarina's activities in 2023** were quantified in **2,117.82 tons of CO2 equivalent**, of which:



- Approximately **41% are direct emissions** (so-called "scope 1"), for an amount of 871.63 tCO2e originating from the consumption of natural gas (e.g., heating fuel) and the fuel consumption of vehicles owned by the company;
- About **59% are indirect emissions** (so-called "Scope 2 – Location-based"), for an amount of 1,246.19 tCO2e originating from the consumption of electricity from non-renewable sources purchased on the market.

The greenhouse gas emissions (Scope 1 and Scope 2 – Market-Based) **generated in 2023** were quantified in **2,971.86 tons of CO2 equivalent**, of which 29% were Scope 1 emissions, and the remaining 71% were scope 2 Market-Based emissions.

Regarding tons of CO2 equivalents, Scope 1 direct emissions increased by 0.6% compared to 2022 values. This increase is mainly attributable to the loss of 60 kg of refrigerant gas from the Wind Tunnel systems at the Italian plants. For **scope 2 Location-Based indirect emissions it is reported a decrease of 2.0%,** while **scope 2 Market-based indirect emissions are decreased by 4.8%**.

For the methodology and factors used to quantify CO2 emissions in the atmosphere, reference is made to the respective section "**Data and indicators**".

Harmful emissions

Pininfarina's activities do not generate harmful emissions of ozone-damaging substances (e.g., CFC, HCFC, R-22) since the Group companies do not produce, import or export any substance in this category.

Concerning the equipment used for the air-conditioning of working and cold production environments for technological use, **Pininfarina S.p.A. maintains the list of equipment containing refrigerant gases to guarantee the correct maintenance operations** and periodically carries out, through specialized companies, the necessary maintenance activities, including checking the sealing of circuits containing the refrigerant gasses.

In 2023 Pininfarina registered **in Italy an emission of nitrogen oxides** (cd. NOx) of about **214 kg**, generated as **a by-product of the combustion of methane gas** used for **the winter climate control of working environments**[4].The emission of nitrogen oxides in 2023 is **down by 6% compared to 2022**.

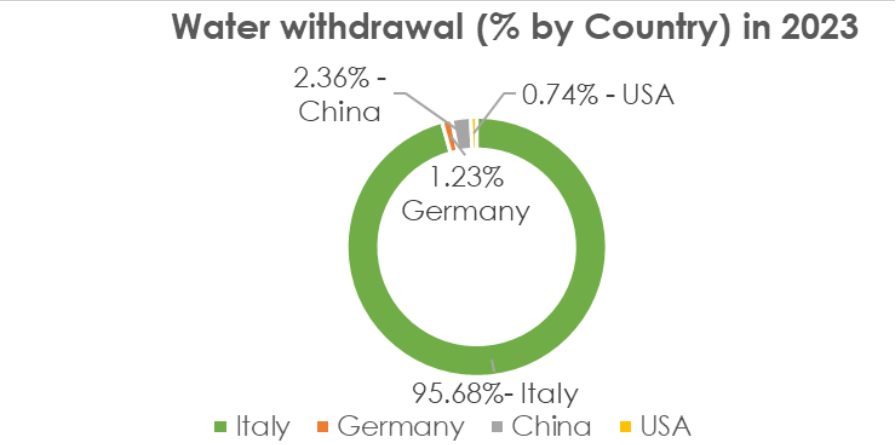
Also in Italy, a limited **emission of volatile organic compounds** (VOCs), **equal to 99.93 kg** released during the year is estimated as a result of the activities of the painting department, which uses products containing organic solvents[5]. Compared to 2022, which recorded a value of 193.02 kg, there was a decrease in **the amount of VOCs emitted** (-48%). This decrease is related to the introduction of a new cleaning system for paint sprays, which promotes the recycling of solvents. In addition, there was a decrease in painting activities recorded in 2023.



[4] The figure was estimated based on methane gas consumption and the measurements carried out on emissions to chimneys in which the NOx value expressed in parts per million (ppm) is measured, compared to an oxygen content of 3% in the fumes.
[5] The data has been estimated using the calculation methodology required by the Public Authority (Metropolitan City of Turin) responsible for the issue of environmental authorization according to the current regulations. The methodology takes into account the quantities and characteristics of paint products containing organic solvents, plants for the active carbon removal of solvents and the quantities of paint products disposed of containing organic solvents.

Water resources

The division of the water consumption of the Pininfarina Group follows that of energy consumption, with **the Companies of the Italian perimeter contributing to 96% of the total water withdrawals in 2023**, as foreign subsidiaries record exclusively consumption for the civil uses of the offices.



Nearly **99% of the water taken is municipal water** or water from other public or private water services; However**, a small proportion (1%) of water comes from underground** and is **taken from a well present in the Bairo plant** (no longer productive), feeding the fire-fighting system and also used for civil purposes. Compared to 2022, there was a 68% reduction in water withdrawal, as the high consumption in the previous year was due to a loss. No water is drawn from surface water, and rainwater is collected directly as wastewater from other holdings.

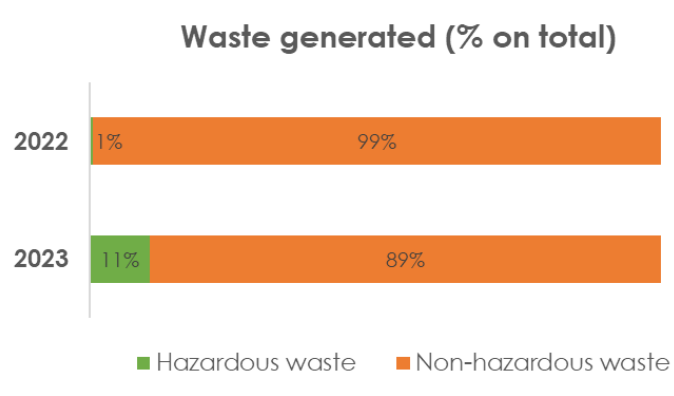
To reduce the environmental impact of the air conditioning system for wind tunnel testing, **Pininfarina S.p.A. has adopted a cold production system using an "evaporative tower"** in combination with a refrigeration unit; This system makes the wind tunnel management more energy efficient.

Material and waste

In 2023 Pininfarina began to report for the second year the data on **the materials used to realize and package the leading products and services during** the reporting period. In particular, using a renewable material, **paper** (used for printing and sanitary use) and two non-renewable materials, **plastic** (in the form of plastic for packaging and plastic bottles) and **solvents used in painting activities, has been traced**.

Compared to the previous year, all Group legal entities reported waste management data in 2023, showing a significant improvement in environmental data collection practices.

The '**Data and Indicators**' section contains detailed tables on the materials used by legal entities.



In 2023 Pininfarina S.p.A. produced **199.12 tons of waste**, compared to **3,553.75 tons** in 2022, with a significant decrease due to the disposal in 2022 of obsolete equipment. While recording a percentage increase in hazardous waste on the total for 2023, its amount during the year is in line with that of 2022, standing at about 21 tons (compared to the 19 tons in the previous year).

Sanctions

As proof of the issue's importance for Pininfarina and in continuity with the past years, **the Group did not receive sanctions for breaches of environmental regulations in 2023**. Pininfarina S.p.A. considers waste disposal to be a critical activity. Consequently, **it assigns waste disposal operations only to specialized companies** after verification of transport, disposal or recovery authorizations, requiring timely confirmation of disposal and sending reports to the competent authority in the case of delays or anomalies.

In addition, **disposal operations** are **systematically recorded in a special register** and consolidated annually in the Modello Unico di Dichiarazione Ambientale (MUDA) and sent to the competent body (territorial C.C.I.A).


SOCIAL
8
DECENT WORK AND
ECONOMIC GROWTH

Social

Management, development and well-being of people

Pininfarina places great value on its Human Resources, recognising that the skills, professionalism and passion of its personnel are essential to the company's success. The attention of the Group is evident from the principles of the Code of Ethics and even more from the daily behaviour of its people.

Pininfarina engages in an ongoing process of reorganisation in response to **technological evolution** and **market changes**. In this context, people are the strategic resource of excellence to ensure ongoing performance improvement. Therefore, it is increasingly important to know how to identify, organize, involve, and manage them optimally.

Pininfarina has always been committed to guaranteeing the correct **management of human resources** as a lever to pursue the improvement of competitive performance and to promote the value of the quality of performance.

"The Group recognises the importance of its employees and associates as one of the fundamental factors in achieving its corporate objectives and adopts procedures and methods of selection, development, evaluation and training that guarantee maximum fairness and equal opportunities as well as preventing any form of discrimination based on gender, ethnicity or other grounds."

"Pininfarina considers the health and psychophysical integrity of people and, in general, safety in the workplace as fundamental values to be protected and preserved. Therefore, the primary objective of the Company is to guarantee a work environment free from dangers to health and safety and to protect its human resources, constantly pursuing every synergy within the Group and with third parties involved in various capacities in the business activities: customers, suppliers, partners."

Pininfarina's Code of Ethics

Particularly, Pininfarina adopts **a Human Resources Development Management Procedure** for personnel to:

- **Attract and encourage the growth of talented people**. Mainly recent graduates and young professionals, through **collaborations with Universities and Schools** and a structured resource selection process, also regulated in detail within a specific company procedure, "Richiesta, Selezione ed Inserimento delle Risorse Umane". Several **recent initiatives** launched by the Group are evidence of this commitment, such as:
    - participation in several career days from remote universities partners such as the Istituto Europeo di Design o Istituto d'Arte Applicata e Design. Likewise, collaborations with the AlmaLaurea Consortium to attract new talents to offer internship and recruitment opportunities;
    - collaboration agreements with the University of Turin, particularly with the Faculty of Historical Studies, to activate projects related to updating the company's historical archive and to give the most deserving students the opportunity to carry out internships in the company.

- **Encourage the increase of employees' skills** through the provision of targeted training courses. The processes implemented to strengthen training are also formalized within the "Gestione dei corsi di formazione" procedure, which is an integral part of Pininfarina S.p.A.'s Quality and Environment Management System.
- **Retaining and motivating the most qualified and promising resources**, not only through the adoption of competitive pay systems, that encourage merit or the recognition of conventions and benefits, but also through a series of initiatives designed to promote a sense of inclusion and belonging to the Group. This includes the publication of the ***"Pininformando"* magazine**, with news concerning the company in general and a section dedicated to the Presentation of new hires and the adoption of a welcome kit with branded gadgets.
- **Ensure the well-being, health and safety of the Pininfarina staff and the external staff**. The Group has set the target of zero accidents and pursues it through training courses, identifying the responsible individuals, and adopting the highest possible safety standards. Pininfarina's headquarters meet ISO 9001:2015 and ISO 14001:2015 standards. Moreover, Pininfarina supports and encourages adopting a healthier lifestyle by its employees and collaborators, also through conventions with gyms.
- **Ensure social equity and respect for the individual**. This remains one of Pininfarina's founding values, who is constantly committed to countering all forms of discrimination.

Through the initiatives listed above, Pininfarina is committed to achieving the following **objectives**:

- training and continuously updating staff to maintain the competitive advantage acquired over the years;
- attracting and retaining talent;
- ensuring equal opportunities regardless of gender, nationality or religious orientation;
- ensuring the health and safety of workers;
- increasing employee loyalty to the Pininfarina brand;
- increasing the "hard" and "soft" skills of all employees.

Main risks and management methods – Human resources

The Group pays particular attention to the mitigation of the following **internal risk factors** linked to human resources management processes:

- **Risks that may arise during the staff selection phase**, such as lack of transparency in the process of identifying the candidate, insufficient advertising of the selection announcements, absence of appropriate requirements of the selected resource, non-objective assessment of the competencies, entry framework (assigned role and remuneration) not consistent with the competence and experience of the candidate and discrimination.

- **Risk of qualitative and quantitative inadequacy of human capital** concerning the operation model and the evolution of strategic business needs or due to a turnover rate such as not allowing business management in line with the predetermined objectives.
- **Risk of defining training paths that are not aligned with the actual needs of business structures**.



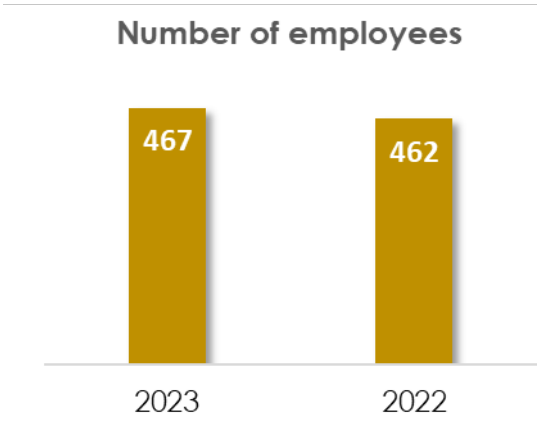
The main **exogenous risks** related to human resources management and to which the Group is potentially exposed include:

- **Regulatory developments**, through changes to local or Community rules or framework contracts, referred to by Pininfarina (includes recent regulatory changes in Germany in the "Labor Leasing" field).
- **Possible crises in the reference market** and the consequent difficulty in ensuring the saturation of resources (for example, the continuation of the negative economic cycle of the 'automotive' sector worldwide further exacerbated by the conflict in Ukraine).
- The **loss of key resources and talent** as a result of targeted recruitment initiatives by competitors.

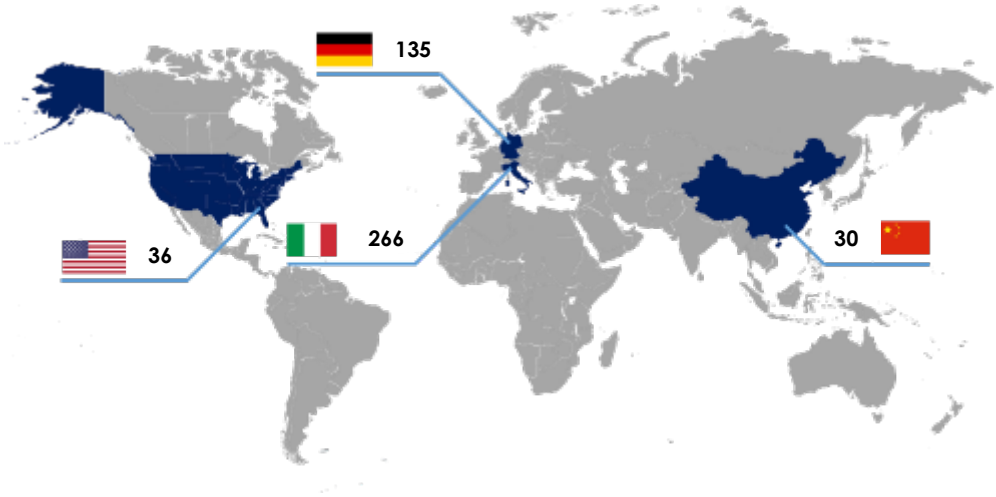
Composition of the Group's staff

Pininfarina's staff slightly increased in 2023 from 462 in 2022 to the current **467 employees**, distributed in the various countries:

- **266 in Italy** in the parent company Pininfarina S.p.A. (equal to 57% of the total employees);
- **135 in Germany** in Pininfarina Deutschland GMBH (equal to 29%);
- **30 in China** to Pininfarina Shanghai Co. Ltd. (equal to 6%);
- **36 in the United States** in Pininfarina of America Corp. (equal to 8%).



Pininfarina has increased its workforce in response to growing business demands, with prospects for further growth in anticipation of future projects; in addition, the company has expanded the number of employees belonging to protected categories.



In 2023, the Group worked with a total of **69 external workers**, of which about 43% in the United States, 29% in Germany, 26% in Italy and the remaining part in China.

Number of recruits and turnover

For 2023, **the total outbound turnover rate was 17%**, calculated as the ratio between the number of employees who voluntarily left the Group during the year and the total number of employees.

The outgoing turnover rate **decreased compared to the previous year** (24% in 2022).

In detail, the **85 new hires in 2023** are composed of:

- 35 persons under the age of 30;
- 44 persons aged between 30 and 50 years;
- 6 persons over 50 years of age.

Training activities

During 2023, the Group provided **more than 8,000 hours of training** to its staff, with an average **of about 19.2 hours per employee**, compared to the average of 9.8 hours in 2022. This increase is due to the updating of some internal systems and compliance with rules and regulations that required specific training.



Pininfarina has implemented an extensive training programme covering a variety of topics crucial to professional development and corporate responsibility. The training activities undertaken have included several key areas, such as gender equality, occupational safety, privacy and anti-corruption.

The "**Data and indicators**" section contains detailed tables of the workforce breakdown by country and gender in terms of contract type, type of employment and classification.

Health and safety at work

The health and safety of its employees has always been one of the main priorities for Pininfarina Group. As evidence of this, the Group has adopted **UNI EN ISO 9001:2015 and UNI EN ISO 14001:2015 standards**, certified by an independent verification body.

In 2023, one minor workplace accidents were recorded in Italy, while **no deaths at work or cases of occupational diseases were recorded in 2022 and 2023.**

The Group has demonstrated this in past years and continues to show constant attention to safety at work. In 2023, the **rate of accidents at work recorded in Italy**[6], the only legal entity in which accidents occurred, was 2.32, a decrease compared to the previous year also due to the 6% decrease in total hours worked.

In addition, in 2023, **96% of all employees were covered by an occupational health and safety management system,** and 93% of employees in Italy were audited internally.

Main risks and methods of management – Health and safety

As far as **the potential risks generated by the company's operations and** which can have impacts on **the health and safety of workers are concerned,** the risk factors identified by the structures include both the typical risks of those who carry out office work activities and the risks, mainly in Italy, related to workshop management:

- **Typical risks of office activities**, such as inadequate working environment, incorrect lighting, noise exposure;
- **Increased working pressure and related work stress**;
- **Commuting Accidents**;
- **Accidents or damage to the health of persons working in workshops** (e.g. cuts/impacts and/or abrasions resulting from the handling/handling/use of equipment and parts; the projection of slag during welding operations; inhalation, contact with chemical preparations used in the various processing processes; exposure to gases, fumes, dust, vapours; Exposure to non-ionizing radiation; LASER exposure; noise generated by machinery/equipment/work equipment; hazards arising from the promiscuous movement of means of transport and persons; weight lifting; use of equipment equipped with display screens).

To reduce the likelihood and severity of these risks, Pininfarina has invested in **updates of models and organizational assets**, in the definition of **specialized skills**, **in certifications** and **restructuring of plants**, in the reengineering of productive and operational layout, in constant and careful **training** and **information** of the staff, in the supply of material and equipment of individual protections and in as many initiatives suitable to guarantee the carrying out of the tasks in total safety.

[6] The injury rates are calculated as follows: ((number of injuries for each category / total hours worked) x 1,000,000).

Respect for human rights, workers and equal opportunities

The risk of human rights violations are generally considered low for the Group, especially given Pininfarina's business **reality and the supply chain, which are typically non-industrial**. This low risk is due to the geographical presence of the offices in progressive countries and **the type of workforce employed** (employees and collaborators characterized by a high level of schooling and work experience). For this reason, the Group does not adopt specific human rights business policies and procedures for the management but has established practices such as checks on the regularity of contributions of contracted suppliers or the constant use of **consultation processes with trade unions** for significant transactions with impacts on workers, such as the mobility procedures that have followed over the last decade.

"The Group considers any type of violence, harassment, exploitation or unwanted conduct that violates the dignity of the person to whom these behaviours are directed to be unacceptable. Any form of sexual abuse and/or harassment, or any form of personal, cultural, political or religious diversity, is therefore prohibited. Likewise, it prohibits all Group Companies, both Italian and foreign alike from exploiting any form of labour and, that of child labour."

"The Group strongly condemns any form of racism or xenophobia.At the same time strongly opposes any form of exploitation of workers, even in the event of illegal intermediation."

Pininfarina's Code of Ethics

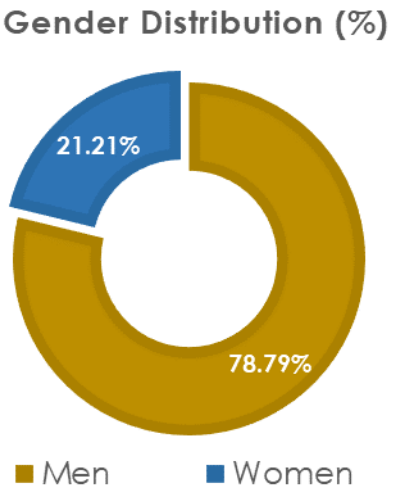
Pininfarina has established in its **Code of Ethics** that attention to respecting **social equity** and **valuing individuals** is one of the core values of its corporate culture.

The logical consequence of this approach is the target of **zero discrimination cases found within the Group Companies**. This target was also achieved in 2023 and considered of fundamental importance as an indicator of **an inclusive and open-to-comparison corporate culture**.

The strategy adopted by Pininfarina in this regard is to **make the internal staff responsible and aware not only** of the hierarchical level of the tasks but also of any **third parties** who are in contact with the Group, as expressly mentioned in the Code of Ethics, addressed to all those who work for Pininfarina.

Gender equality

In terms of **gender distribution**, in continuity with the previous year, the Group's workforce is influenced by its sector and industrial past. It is **represented at 79% by men and 21% by women**.



At the same time, in 2023, the **Gender Equality Policy** was published. This policy aims to promote an inclusive corporate culture that values diversity and offers equal opportunities. It pursues the following objectives: reducing the gender gap, supporting parenthood, combating stereotypes, and fostering careers without gender discrimination. Additionally, development plans and performance evaluation systems have been introduced, incorporating Key Performance Indicators (KPIs) to ensure effective policy management.

During 2022, Pininfarina enthusiastically participated at **the worktables on inclusion and gender equality** organized by the **Turin Industrial Union**.

Moreover since 2019, Pininfarina, has been part of the company network on which the association "**STEM by Women" is based,** a reality supported by the University of Turin and the Politecnico di Torino to bring **stem subjects** (Science, Technology, Engineering and Mathematics) closer **to students and workers**.

Driven by these initiatives, in 2023, Pininfarina S.p.A. obtained the **certification for gender equality in accordance with the UNI/PdR 125:2022 standard** for all the company's Italian offices.

The motivation to obtain this certification came from both a strong determination of the company leadership and market conditions. The tax benefits obtained were reinvested in initiatives aimed at **promoting gender equality**. These initiatives include the creation of training courses and interventions dedicated to staff to raise awareness and educate on gender equality. Additionally, a red bench was installed in the office gardens as a constant reminder of the company's commitment to combating gender-based violence and promoting a safer and more respectful work environment for all.

Within the Group's workforce, there are also 11 employees belonging to the protected categories, compared to 5 in 2022, 50% of whom are workers and 36% are employees.

The "**Data and indicators**" contains the detailed breakdown tables of the workforce by country and by gender per contract type, type of employment and classification.

Remuneration and benefits

The average basic salary (RAL) of the employees of the Pininfarina Group is 71,447€ per year, considering managers, managers, employees and workers. The average total remuneration (RAL plus variable component) is €78,525.

The average primary salary ratio for **women to men is 0.83** (when considering the total remuneration consisting of RAL plus variable component, the balance is 0.80).

In Italy, benefits are historically paid **based on the achievement of specific Group targets** established at the beginning of the year.

As regards **the benefits provided to employees**, in addition to what is already provided for in the national collective labour contract ("CCNL") for those covered by it, the following are provided:

- Childcare services of Pininfarina Deutschland GMBH employees;
- Wellness and nutrition programs for employees of Pininfarina Deutschland GMBH;
- Gym and fitness facilities for Pininfarina Deutschland GMBH and Pininfarina of America Corp. (Miami office only) and conventions for Pininfarina S.p.A..

As regards Pininfarina Deutschland GMBH and **Pininfarina S.p.A.**, **there are no differences between the standard benefits** for full-time and part-time employees or employees with a fixed-term contract.

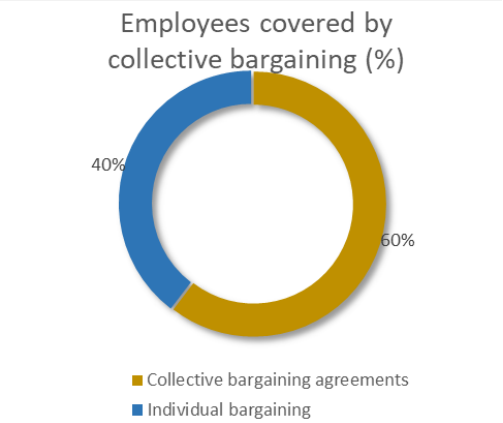
For **Pininfarina of America Corp.** and **Pininfarina Shanghai Co. Ltd. there are some differences**, for example:

- **Parental leave, health care and pension contributions** for the full-time employees of Pininfarina Shanghai Co. Ltd.;
- **Life insurance and disability insurance, health care and pension contributions** for full - time employees of Pininfarina of America Corp.

Freedom of association and collective bargaining

Pininfarina grants its employees **the right of association and collective bargaining** in all countries it operates following the law in force. The Group is taking positive action regarding workers' representative organizations and trade unions.

At the end of 2023, the figures confirm **that 60% of employees are covered by collective** bargaining agreements, increased from the 55% of the previous year. This percentage is due to the composition of Pininfarina staff in Germany, the United States and China, countries where **most employees do not have contracts due to framework agreements contracted collectively**.



Main risks and methods of management – Human rights and Diversity

Given the nature and geographical location of the activities carried out by the Group, **there are no particularly significant inherent risks of violation of human rights and diversity to point out**.

Although theoretically possible, the risks of human rights violations related to child labour, forced labour, security practices or respect for local communities are considered insignificant for the Group. In this sense, the Pininfarina Group has not implemented a specific control system to prevent its occurrence, considering sufficient **communication** and **sharing of the moral principles of the Code of Ethics**.

Risks normally inherent in the business activity managed according to regulations or dedicated initiatives may concern **discrimination in the workplace**. As a measure of contrast, the Group has established **a whistleblowing reporting channel.** It applies daily so that the founding principles of corporate culture, as set out in the Code of Ethics, are shared and respected by all Pininfarina staff and anyone collaborating.

The risks associated with restrictions on freedom of association and bargaining are potentially applicable. However, on December 31st 2023, more than half of the Group's employees were covered by collective bargaining agreements.

Protection of intellectual property and customer satisfaction

This section provides a brief description of the policy practiced by the organization to **manage compliance with potentially significant directives and regulations such as those on privacy and loss of customer data.**

According to the Organization for Economic Cooperation and Development (OECD) document "**Guidelines for multinational Enterprises**", the Pininfarina Group undertakes to **respect the privacy of its customers** by taking reasonable measures to ensure data security. **Therefore, at the end of 2017 Pininfarina S.p.A.,** had already initiated and subsequently completed, in 2018, a process of **updating its processes and systems** to comply with the provisions of **the EU 2016/679 European privacy regulation**.

> ***"The Group requires all Recipients to act in compliance with the industrial and intellectual property rights legitimately held by third parties in compliance with laws, regulations and conventions, whether in the European Union and/or internationally to protect such rights."***
>
> ***"The Group undertakes to protect information relating to its own personnel and those of third parties, gathered or acquiredwithin a business relationship and to avoid any improper use of this information."***
>
> Pininfarina's Code of Ethics

Furthermore, the Group's competitive positioning depends on the use and reputation of **the Pininfarina brand**, which has become **iconic and global.** The brand is characterized by a strong identity which is synonymous of design and style and excellence. Given the high recognition of the Pininfarina brand, the Group believes it is of essential to its success and market positioning. For this reason, the Group's activity also depends on its ability **to protect and promote the Pininfarina brand**.

Regarding **other potentially significant regulations**, such as those concerning marketing and communication activities, Pininfarina has governed within its organizational model according to D. 231/01 and its Code of Ethics the principles and principles aimed at preventing even possible "crimes against industry and trade or in the field of copyright".

Key risks and management – Trademark and intellectual property

The Pininfarina Group is exposed to the risk, considered of medium probability of occurrence, of any dispute by third parties and/or conflicts for **infringement of patent rights and/or other intellectual or industrial property rights** or the risk of exploitation, even abusive, of such rights by third parties.

In this sense, the Group **protects and promotes the Pininfarina brand and the brands that can be found** in the areas in which it operates by **registering them** and constantly monitoring the status of the individual registrations.

The Group's operations also depend on its **computer systems**, including its **infrastructure** and **software**. These **may be vulnerable to external or internal security breaches**, acts of vandalism, computer viruses, unauthorized access by third parties intending to extract or corrupt information or interrupt the Group's operations and other forms of cyber-attacks.

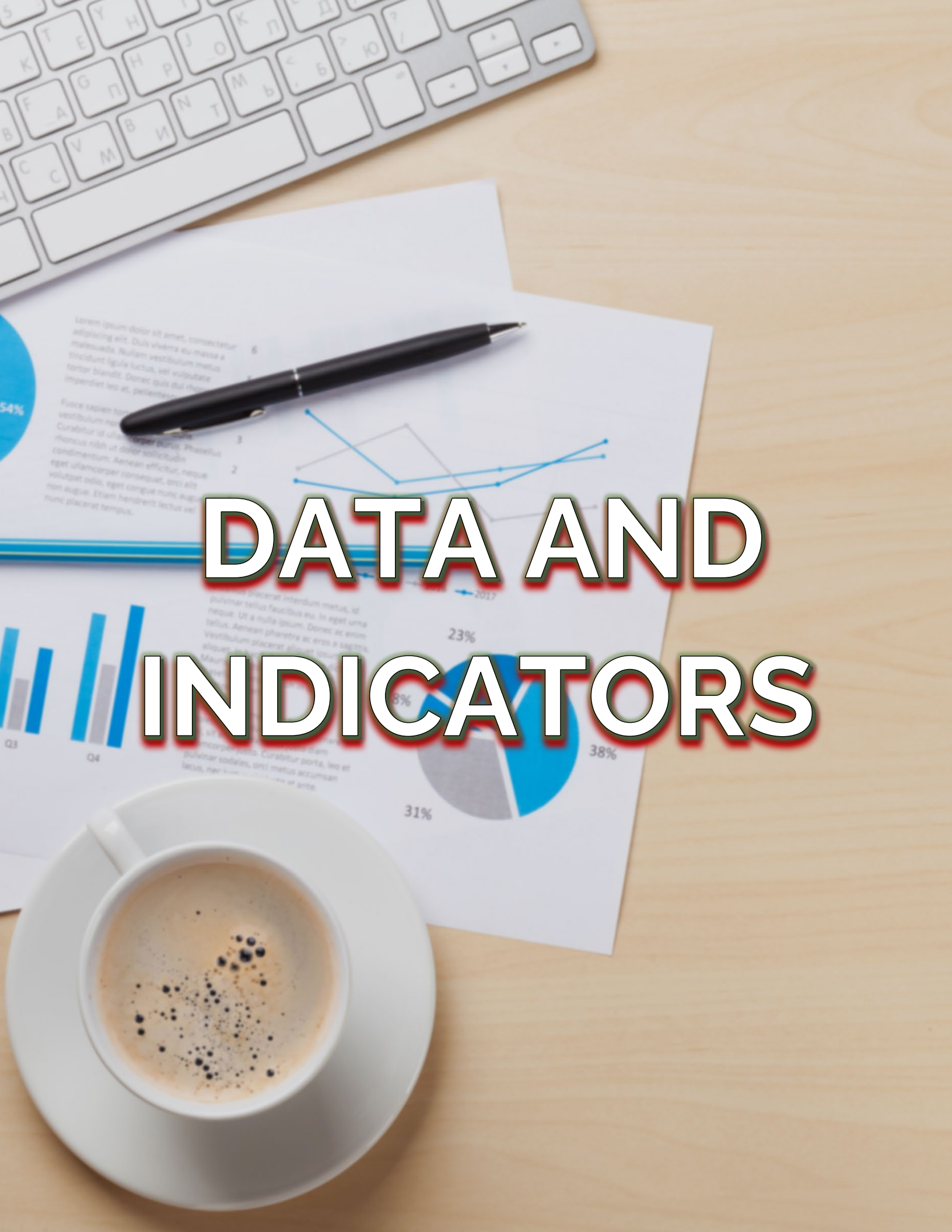
These attacks could result in **the loss of large amounts of data or sensitive information**, potentially exposing the Group to criminal or civil sanctions or other liability. Each of these events, which is considered **to be of low probability of** occurrence, could also have significant adverse effects on the Group's business, prospects, reputation and economic and financial situation.

Pininfarina pays the utmost attention to the **evolution of relevant regulations** to reduce the likelihood and potential impact of such risks. In this sense, **the periodic updating of the control devices or** the implementation of **a personal data management system compliant with the GDPR requirements is expected** within the 231 model.

In addition**, Pininfarina's commitment to data security and secure information management demonstrated that Pininfarina Deutschland GmbH was awarded the TISAX** (*Trusted Information Security Assessment Exchange*) Certification in 2022. The TISAX approach is based on assessing security-based information on *a maturity model* and specifically designed for the needs of the automotive industry. The objective of the standard is to define **a standard level of safety for the automotive sector**, and to ensure comparability, quality of assessments, and sharing of industry best practices.

Performance indicators – Privacy and loss of customer data

During the reporting period, none of the Group's Companies received any reasonable complaints about violations of customer privacy from third parties proven by the organization or regulatory bodies. There **have also been no incidents of customer data loss, theft or other loss**.


DATA AND
INDICATORS

Data and indicators

Social

GRI 2-7: Employees

Employees by type of contract and gender (no.)	2023			2022		
	Man	Woman	Total	Men	Woman	Total
Italy	**218**	**48**	**266**	**189**	**46**	**235**
Permanent contract	201	43	244	182	45	227
Fixed-term contract	10	3	13	5	-	5
Apprenticeship	7	2	9	2	1	3
Germany	**109**	**26**	**135**	**127**	**29**	**156**
Permanent contract	101	24	125	118	28	146
Fixed-term contract	3	1	4	3	-	3
Apprenticeship	5	1	6	6	1	7
China	**22**	**8**	**30**	**31**	**11**	**42**
Permanent contract	22	8	30	31	11	42
Fixed-term contract	-	-	-	-	-	-
Apprenticeship	-	-	-	-	-	-
USA	**19**	**17**	**36**	**17**	**12**	**29**
Permanent contract	19	17	36	17	12	29
Fixed-term contract	-	-	-	-	-	-
Apprenticeship	-	-	-	-	-	-
Total	**368**	**99**	**467**	**364**	**98**	**462**
Permanent contract	343	92	437	348	96	444
Fixed-term contract	13	4	17	8	-	8
Apprenticeship	12	3	15	8	2	10

Employees by type of employment and gender (no.)	2023			2022		
	Man	Woman	Total	Man	Woman	Total
Italy	**218**	**48**	**266**	**189**	**46**	**235**
Full-time employees	216	46	262	188	45	233
Part-time employees	2	2	4	1	1	2
Germany	**109**	**26**	**135**	**127**	**29**	**156**
Full-time employees	92	12	104	102	15	117
Part-time employees	17	14	31	25	14	39
China	**22**	**8**	**30**	**31**	**11**	**42**
Full-time employees	22	8	30	31	11	42
Part-time employees	-	-	-	-	-	-
USA	**19**	**17**	**36**	**17**	**12**	**29**

Employees by type of employment and gender (no.)	2023			2022		
	Man	Woman	Total	Man	Woman	Total
Full-time employees	19	16	35	17	11	28
Part-time employees	-	1	1	-	1	1
Total	**368**	**99**	**467**	**364**	**98**	**462**
Full-time employees	349	82	431	338	82	420
Part-time employees	19	17	36	26	16	42

GRI 2-8: Workers who are not employees

External workers by type of employment and gender (no.)	2023			2022		
	Man	Woman	Total	Man	Woman	Total
Italy	**13**	**5**	**18**	**9**	**5**	**14**
External contributors	-	-	-	-	-	-
Trainees	10	4	14	9	5	14
Temporary workers	3	1	4	-	-	-
Other	-	-	-	-	-	-
Germany	**18**	**2**	**20**	**23**	**-**	**23**
External contributors	18	2	20	23	-	23
Trainees	-	-	-	-	-	-
Temporary workers	-	-	-	-	-	-
Other	-	-	-	-	-	-
China	**-**	**1**	**1**	**-**	**1**	**1**
External contributors	-	1	1	-	-	-
Trainees	-	-	-	-	1	1
Temporary workers	-	-	-	-	-	-
Other	-	-	-	-	-	-
USA	**23**	**7**	**30**	**12**	**4**	**16**
External contributors	22	7	29	12	4	16
Trainees	1	-	1	-	-	-
Temporary workers	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total	**54**	**15**	**69**	**44**	**10**	**54**
External contributors	40	10	50	35	4	39
Trainees	11	4	15	9	6	15
Temporary workers	3	1	4	-	-	-
Other	-	-	-	-	-	-

GRI 2-21: Annual total compensation ratio

Annual total pay ratio[7]		
	2023	**2022**
Total annual salary of the person receiving the maximum salary (€) [8]	880,107 €	708,226 €
Median annual salary of all employees (€)	51,313 €	54,135 €
Annual total pay ratio	**17.15**	**13.08**
Ratio of percentage increase in total annual salary [9]		
Percentage increase in the total annual salary of the person receiving the maximum salary (%)	24.27%	49.92%
Median percentage increase in annual salary of all employees (%)	5.25%	4.65%
Ratio of the annual percentage increase	**4.63**	**10.74**

GRI 2-30: Collective bargaining agreements

Employees covered by collective bargaining (no.)	**2023**	**2022**
Italy		
Total employees covered by collective bargaining	266	235
Total number of employees	266	235
Percentage	**100%**	**100%**
Germany		
Total employees covered by collective bargaining	16	21
Total number of employees	135	156
Percentage	**12%**	**13%**
China		
Total employees covered by collective bargaining	-	-

[7] Only employees who have been within the organization for 12 months as of the current year were considered for the calculation.
[8] The individual who receives the highest compensation holds the position of Pininfarina Group's Chief Executive Officer.
[9] Only employees who have been within the organization for 12 months as of the current year were considered for the calculation.

Total number of employees	30	42
Percentage	**0%**	**0%**
USA		
Total employees covered by collective bargaining	-	-
Total number of employees	36	29
Percentage	**0%**	**0%**
Total employees covered by collective bargaining		
Total employees covered by collective bargaining	**282**	**256**
Total number of employees	**467**	**462**
Percentage	**60%**	**55%**

GRI 401-1: New employee hires and employee turnover

New hires by age group and gender (no.)	2023				2022			
	Man	Woman	Tot	Turnover (%)	Man	Woman	Tot	Turnover (%)
Italy	**41**	**5**	**46**	**17%**	**18**	**10**	**28**	**12%**
Age under 30 years old	13	3	16	64%	6	3	9	69%
Between 30 and 50 years old	24	2	26	23%	11	7	18	17%
Age over 50 years old	4	-	4	3%	1	-	1	1%
Turnover (%)	19%	10%	17%		10%	22%	12%	
Germany	**15**	**4**	**19**	**14%**	**16**	**5**	**21**	**13%**
Age under 30 years old	8	-	8	40%	6	4	10	45%
Between 30 and 50 years old	5	4	9	11%	9	1	10	10%
Age over 50 years old	2	-	2	6%	1	-	1	3%
Turnover (%)	14%	15%	14%		13%	17%	13%	
China	**6**	**3**	**9**	**30%**	**18**	**4**	**22**	**52%**
Age under 30 years old	2	3	5	50%	9	1	10	77%
Between 30 and 50 years old	3	-	3	16%	8	3	11	39%
Age over 50 years old	1	-	1	100%	1	-	1	100%
Turnover (%)	27%	38%	30%		58%	36%	52%	
USA	**4**	**7**	**11**	**31%**	**10**	**8**	**18**	**62%**
Age under 30 years old	1	5	6	55%	6	2	8	100%
Between 30 and 50 years old	3	2	5	21%	4	6	10	50%
Age over 50 years old	-	-	-	0%	-	-	-	0%

Turnover (%)	21%	41%	31%		59%	67%	62%	

Terminations by age group and gender (no.)	2023				2022			
	Man	Woman	Tot	Turnover (%)	Man	Woman	Tot	Turnover (%)
Italy	**12**	**3**	**15**	**6%**	**37**	**6**	**43**	**18%**
Age under 30 years old	2	2	4	16%	3	-	3	23%
Between 30 and 50 years old	2	-	2	2%	17	4	21	19%
Age over 50 years old	8	1	9	7%	17	2	19	17%
Turnover (%)	6%	6%	6%		20%	13%	18%	
Germany	**33**	**7**	**40**	**30%**	**22**	**10**	**32**	**21%**
Age under 30 years old	5	2	7	35%	4	2	6	27%
Between 30 and 50 years old	21	5	26	32%	17	6	23	23%
Age over 50 years old	7	-	7	21%	1	2	3	9%
Turnover (%)	30%	27%	30%		17%	34%	21%	
China	**15**	**6**	**21**	**70%**	**19**	**10**	**29**	**69%**
Age under 30 years old	5	2	7	70%	5	2	7	54%
Between 30 and 50 years old	9	4	13	68%	13	8	21	75%
Age over 50 years old	1	-	1	100%	1	-	1	100%
Turnover (%)	68%	75%	70%		61%	91%	69%	
USA	**2**	**2**	**4**	**11%**	**4**	**5**	**9**	**31%**
Age under 30 years old	1	-	1	9%	3	3	6	75%
Between 30 and 50 years old	1	2	3	13%	1	2	3	15%
Age over 50 years old	-	-	-	0%	-	-	-	0%
Turnover (%)	11%	12%	11%		24%	42%	31%	

GRI 405-1: Diversity of governance bodies and employees

Employees by gender and category (%)	2023			2022		
	Man	Woman	Totale	Man	Woman	Totale
Italy						
Executives	89%	11%	100%	95%	5%	100%
Managers	81%	19%	100%	81%	19%	100%
Employees	79%	21%	100%	75%	25%	100%

Laborers	96%	4%	100%	95%	5%	100%
Total	**82%**	**18%**	**100%**	**80%**	**20%**	**100%**
Germany						
Executives	100%	0%	100%	100%	0%	100%
Managers	83%	17%	100%	87%	13%	100%
Employees	80%	20%	100%	80%	20%	100%
Laborers	0%	0%	0%	0%	0%	0%
Total	**81%**	**19%**	**100%**	**81%**	**19%**	**100%**
China						
Executives	100%	0%	100%	100%	0%	100%
Managers	60%	40%	100%	63%	38%	100%
Employees	74%	26%	100%	76%	24%	100%
Laborers	0%	0%	0%	0%	0%	0%
Total	**73%**	**27%**	**100%**	**74%**	**26%**	**100%**
USA						
Executives	100%	0%	100%	100%	0%	100%
Managers	67%	33%	100%	60%	40%	100%
Employees	48%	52%	100%	57%	43%	100%
Laborers	0%	0%	0%	0%	0%	0%
Total	**53%**	**47%**	**100%**	**59%**	**41%**	**100%**
TOTALE						
Executives	6%	2%	5%	6%	1%	5%
Managers	29%	27%	28%	27%	26%	27%
Employees	59%	70%	61%	61%	72%	64%
Laborers	7%	1%	5%	5%	1%	5%
Total	**100%**	**27%**	**127%**	**100%**	**100%**	**100%**

Employees by age group and category (no.)	**2023**				**2022**			
	<30	**30-50**	**>50**	**Total**	**<30**	**30-50**	**>50**	**Total**
Italy								
Executives	0%	26%	74%	100%	0%	32%	68%	100%
Managers	0%	56%	44%	100%	0%	52%	48%	100%
Employees	19%	46%	35%	100%	10%	48%	42%	100%
Laborers	12%	24%	64%	100%	10%	24%	67%	100%
Total	**9%**	**46%**	**44%**	**100%**	**6%**	**46%**	**49%**	**100%**
Germany								
Executives	0%	0%	100%	100%	0%	100%	0%	100%
Managers	0%	67%	33%	100%	0%	70%	30%	100%

Employees	17%	59%	23%	100%	17%	64%	20%	100%
Laborers	0%	0%	0%	0%	0%	0%	0%	0%
Total	**15%**	**60%**	**25%**	**100%**	**14%**	**65%**	**21%**	**100%**
China								
Executives	0%	50%	50%	100%	0%	0%	100%	100%
Managers	0%	100%	0%	100%	0%	100%	0%	100%
Employees	43%	57%	0%	100%	39%	61%	0%	100%
Laborers	0%	0%	0%	0%	0%	0%	0%	0%
Total	**33%**	**63%**	**3%**	**100%**	**31%**	**67%**	**2%**	**100%**
USA								
Executives	0%	100%	0%	100%	0%	100%	0%	100%
Managers	0%	83%	17%	100%	20%	60%	20%	100%
Employees	38%	62%	0%	100%	30%	70%	0%	100%
Laborers	0%	0%	0%	0%	0%	0%	0%	0%
Total	**31%**	**67%**	**3%**	**100%**	**28%**	**69%**	**3%**	**100%**
TOTAL								
Executives	0%	3%	10%	5%	0%	3%	9%	5%
Managers	0%	31%	34%	28%	2%	28%	34%	27%
Employees	95%	64%	44%	61%	95%	67%	47%	64%
Laborers	5%	3%	10%	5%	4%	2%	9%	5%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

GRI 404-1: Average hours of training per year per employee

Average hours of training by gender and employee category (hrs./no.)	2023			2022		
	Man	Woman	Total	Man	Woman	Total
Italy	**27.0**	**19.7**	**25.7**	**15.6**	**13.7**	**15.2**
Executives	13.4	26.2	14.8	12.4	6.0	12.1
Managers	25.8	16.7	24.0	13.6	12.4	13.4
Employees	31.9	21.6	29.7	19.0	15.1	18.0
Laborers	22.0	16.8	21.8	11.8	4.0	11.5
Germany	**8.6**	**2.8**	**7.5**	**3.1**	**0.1**	**2.5**
Executives	-	-	-	-	-	-
Managers	13.7	-	11.4	0.3	-	0.2
Employees	7.9	3.2	7.6	3.7	0.1	3.0
Laborers	-	-	-	-	-	-
China	**0.3**	**0.4**	**0.3**	**0.6**	**0.4**	**0.5**
Executives	1.0	-	1.0	-	-	-
Managers	-	-	-	-	-	-

Employees	0.2	0.5	0.3	0.7	0.5	0.7
Laborers	-	-	-	-	-	-
USA	**36.6**	**23.9**	**30.7**	**24.0**	**9.6**	**18.0**
Executives	20.5	-	20.5	21.0	-	21.0
Managers	6.3	10.3	7.6	14.3	1.0	9.0
Employees	45.7	25.7	35.7	26.5	11.3	19.9
Laborers	-	-	-	-	-	-
Total	**20.5**	**14.4**	**19.2**	**10.3**	**7.7**	**9.8**
Executives	12.0	26.2	13.2	11.6	6.0	11.1
Managers	22.6	13.1	20.7	10.3	8.5	8.2
Employees	20.2	14.5	18.8	10.1	7.4	7.7
Laborers	22.0	16.8	21.8	11.8	4.0	11.3

GRI 405-2: Ratio of basic salary and remuneration of women to men

Average wage by country, gender, and employee category	UoM	2023			2022		
		Man	Woman	M/W Ratio	Man	Woman	M/W Ratio
Italy	€	**72,904**	**58,494**	**0.80**	**67,652**	**64,113**	**0.95**
Executive		151,681	110,000	0.73	133,877	135,000	1.01
Manager		66,322	55,451	0.84	64,795	55,961	0.86
Employees		42,691	39,629	0.93	42,477	38,199	0.90
Laborers		30,922	28,897	0.93	29,460	27,292	0.93
Germany		**106,247**	**68,025**	**0.64**	**96,201.36**	**52,762.61**	**0.55**
Executive		160,000	-	0.00	149,538	-	0.00
Manager		92,732	87,760	0.95	81,796	62,477	0.76
Employees		65,792	48,290	0.73	57,269	43,049	0.75
Laborers		-	-	-	-	-	-
China		**84,720**	**50,000**	**0.59**	**86,561**	**57,415**	**0.66**
Executive		144,607	-	0.00	140,000	-	0.00
Managers		67,363	65,013	0.97	77,154	76,736	0.99
Employees		42,191	34,987	0.83	42,528	38,093	0.90
Laborers		-	-	-	-	-	-
USA		**97,352**	**75,226**	**0.77**	**110,749**	**57,959**	**0.52**
Executive		125,700	-	0.00	181,634	-	-
Manager		96,505	89,846	0.93	98,523	81,506	0.83
Employees		69,852	60,605	0.87	52,089	34,413	0.66
Laborers		-	-	-	-	-	-

Total		**78,070**	**64,823**	**0.83**	**77,470**	**67,475**	**0.87**
Executive		145,497	110,000	0.76	151,262	135,000	0.89
Manager		80,731	74,517	0.92	80,567	69,170	0.86
Employees		55,131	45,878	0.83	48,591	38,438	0.79
Laborers		30,922	28,897	0.93	29,460	27,292	0.93

Average remuneration by country, gender, and employee category	UoM	2023			2022		
		Man	Woman	M/W Ratio	Man	Woman	M/W Ratio
Italy		**77,600**	**61,293**	**0.79**	**72,075**	**59,864**	**0.83**
Executives		177,116	125,621	0.71	152,191	124,859	0.82
Manager		65,116	51,091	0.78	67,207	52,063	0.77
Employees		39,315	37,681	0.96	43,601	32,029	0.73
Laborers		28,854	30,780	1.07	25,301	30,505	1.21
Germany		**106,247**	**68,025**	**0.64**	**105,839**	**57,930**	**0.55**
Executive		160,000	-	-	168,955	-	-
Manager		92,959	87,760	0.93	86,636	67,839	0.78
Employees		65,852	48,325	0.73	61,927	48,022	0.78
Laborers		-	-	-	-	-	-
China		**115,629**	**55,755**	**0.48**	**93,464**	**59,002**	**0.63**
Executive		216,220	-	0.00	150,000	-	-
Manager	€	82,724	73,368	0.89	84,321	76,736	0.91
Employees		47,942	38,142	0.80	46,072	41,267	0.90
Laborers		-	-	-	-	-	-
USA		**111,183**	**76,805**	**0.69**	**123,786**	**60,079**	**0.49**
Executives		160,200	-	0.00	216,134	-	-
Manager		100,630	92,471	0.92	101,190	85,506	0.85
Employees		72,718	61,139	0.84	54,035	34,653	0.64
Laborers		-	-	-	-	-	-
Total		**87,325**	**69,724**	**0.80**	**83,342**	**66,223**	**0.79**
Executives		178,384	125,621	0.70	171,820	124,859	0.73
Manager		85,355	76,172	0.89	84,839	70,536	0.83
Employees		56,457	46,322	0.82	51,409	38,993	0.76
Laborers		28,854	30,780	1.07	25,301	30,505	1.21

GRI 403-9: Work-related injuries[10]

Accidents, deaths or occupational diseases (no.)	2023	2022
Italy		
Total recordable occupational injuries	1	2
Hours worked	430,905	405,833
Rate of recordable occupational injuries	2.32	4.93
Germany		
Total recordable occupational injuries	-	-
Hours worked	233,938	233,938
Rate of recordable occupational injuries	-	-
China		
Total recordable occupational injuries	-	-
Hours worked [11]	62,640	83,262
Rate of recordable occupational injuries	-	-
USA		
Total recordable occupational injuries	-	-
Hours worked	73,156	57,848[12]
Rate of recordable occupational injuries	-	-

[10] It should be noted that no injuries occurred for outside workers for the reporting period. Due to the Group's particular business, the contracts entered into are task-based, so the hours worked by outside workers are not specified and, consequently, reported.
[11] Data on hours worked for employees in Pininfarina Shanghai Co. Ltd. were estimated for the entire reporting period.
[12] Data on hours worked for employees in Pininfarina of America Corp. were estimated for the entire reporting period.

Environment

GRI 302-1: Energy consumption within the organization[13]

Total energy consumption by Country	UoM	2023	2022
Italy	GJ	**30,455.01**	**30,784.53**
Total direct energy consumption		14,308.88	13,851.53[14]
Total indirect energy consumption (non-renewable)		16,136.13	16,933.00
Germany		**850.86**	**1,089.48**
Total direct energy consumption		771.09	981.48
Total indirect energy consumption (non-renewable)		79.77	108.00
China		**121.73**	**151.89**
Total direct energy consumption		-	-
Total indirect energy consumption (non-renewable)		121.73	151.89
USA[15]		**154.86**	**117.43**
Total direct energy consumption		-	-
Total indirect energy consumption (non-renewable)		154.86	117.43
Total		**31,572.46**	**32,143.33**
Total direct energy consumption		15,079.97	14,833.01
Total indirect energy consumption (non-renewable)		16,492.49	17,310.32

Total energy consumption by type		
GJ	**2023**	**2022**
Fuels		
Natural gas	13,711.39	13,348.55
Diesel (for company vehicles - owned or long-term leased)	922.93	1,155.80
Gasoline (for company vehicles - owned or long-term leased)	445.65	328.7
Total	**15,079.97**	**14,833.01**
Electrical energy (non-renewable)		
Electricity purchased from the national grid	16,492.49	17,310.32
Cooling energy	-	-
Total	**16,492.49**	**17,310.32**
Total energy consumption (non-renewable)	**31,572.46**	**32,143.33**

[13] Energy consumption conversion factors to GJ used are published by UK Government GHG Conversion Factors for Company Reporting in 2022 and 2023.

[14] Following a process of improvement of the reporting system, the figure has been restated compared to what was published in the 2022 NFS.

[15] Energy consumption data for Pininfarina of America Corp. (USA) and Pininfarina Shanghai (China) are estimated on the average consumption of an office in the United States.

GRI 302-3: Energy intensity

Energy intensity (kWh/m²)	UoM	2023	2022
Italy	**GJ/m²**	**1.01**	**1.02**
Energy consumption	GJ	30,445.01	30,784.53
Comparing units of measurement	m2	30,050.00	30,050.00
Germany	**GJ/m²**	**0.38**	**0.49**
Energy consumption	GJ	850.86	1,089.48
Comparing units of measurement	m2	2,213.40	2,213.42
China	**GJ/m²**	**0.16**	**0.11**
Energy consumption	GJ	121.73	151.89
Comparing units of measurement	m2	771.00	1,351.00
USA	**GJ/m²**	**0.49**	**0.37**
Energy consumption	GJ	154.86	117.43
Comparing units of measurement	m2	317.20	317.17
Total	**GJ/m²**	**0.95**	**0.95**
Energy consumption	GJ	31,572.46	32,143.33
Comparing units of measurement	m2	33,351.60	33,931.59

GRI 305-1: Direct (Scope 1) GHG emissions

GRI 305-2: Energy indirect (Scope 2) GHG emissions

Greenhouse gas emissions[16]	UoM	2023	2022
Scope 1[17]	tCO_2e	871.63	866.40
Scope 2 - Location-Based[18]	tCO_2e	1,246.19	1,271.68
Scope 2 - Market-Based[19]	tCO_2e	2,100.23	2,205.99
Totale Scope 1 & Scope 2 (Location-Based)	**tCO_2e**	**2,117.82**	**2,138.08**
Totale Scope 1 & Scope 2 (Market-Based)	**tCO_2e**	**2,971.86**	**3,072.39**

[16] The GHG (Green House Gases) Protocol Corporate Standard classifies emissions into Scope 1 Direct Emissions, Scope 2 Indirect Emissions and Scope 3 Indirect Emissions.
Regarding Scope 1 Emissions, these are emissions from owned or controlled sources by the organization. Indirect Scope 2 Emissions are emissions from the production of electricity, heat or steam imported and consumed by the organization.
Regarding the calculation of Scope 2 emissions, two distinct calculation approaches are used: "Location-Based" and "Market-Based." The "Location-Based" approach involves using average emission factors related to power generation for well-defined geographic boundaries, including local, subnational or national boundaries. The Market-Based approach considers total purchased electricity, including electricity purchased from renewable sources through Guarantee of Origin certificates.
[17] The emission factors published by UK Government GHG Conversion Factors for Company Reporting in 2022 and 2023 were used to calculate Scope 1 emissions.
[18] For the calculation of Scope 2 Location-Based emissions, emission factors published by Terna - Confronti Internazionali (2018 and 2019) were used.
[19] For the calculation of Scope 2 Market-Based emissions related to Italy and Germany, emission factors published by Association of Issuing Bodies (AIB) European Residual Mixes (2022 and 2023) were used. For the same calculation, applied to U.S. and Chinese legal entities, emission factors published by Terna - Confronti Internazionali (2018 and 2019) were used.

GRI 305-6: Emissions of ozone-depleting substances (ODS)

GRI 305-7: Nitrogen oxides (Nox), sulfur oxides (SOx), and other significant air emissions [20]

NOx, SOx and other significant air emissions	UoM	2023	2022
Italy	kg	**313.93**	**420.02**
NOx		214.00	227.00
Volatile organic compounds (VOC)		99.93	193.02

GRI 301-1: Materials used by weight or volume

Materials used by weight	UoM	2023[21]	2022
Type of material			
Renewable	kg		
Paper		6,316.80	3,654.66
Nonrenewable			
Paper		153	-
Plastic		747.04	593.33
Solvents for painting activities		1,102.0	1,614.27
Clay		5,332.80	-
Polyurethane		4,148.0	-
Polystyrene		1,568.0	-
Total		**19,367.64**	**5,862.25**

GRI 303-3: Water withdrawal

Water withdrawal (Ml)		2023			2022		
Sources of water withdrawal	**UoM**	**All areas**	**Water-stressed areas**	**Total**	**All areas**	**Water-stressed areas**	**Total**
Groundwater	Ml						
Italy		0.11	-	**0.11**	0.33	-	**0.33**
Germany		-	-	**-**	-	-	**-**
China		-	-	**-**	-	-	**-**
USA		-	-	**-**	-	-	**-**
Total groundwater		**0.11**	**-**	**0.11**	**0.33**	**-**	**0.33**
Third-party water							

[20] The figure reported is for Italy as in the other countries there is no emission of significant substances in terms of environmental impacts. The decrease in reported emissions is due to the efficiency measures put into practice at the end of 2022 following the energy crisis. This allowed a lower use of methane and the consequent reduction in atmospheric emissions. Moreover, the decrease is also due to the replacement of a boiler with a more efficient one.

[21] Following a process of improving the reporting system, it was possible to collect the 2023 data regarding the consumption of paper, clay, polyurethane, polystyrene.

Italy		15.49	-	**15.49**	16.05	-	**16.05**
Germany		0.20	-	**0.20**	0.17	-	**0.17**
China		-	0.38	**0.38**	-	0.16	**0.16**
USA		0.12	-	**0.12**	0.12	-	**0.12**
Total third-party water		**15.81**	**0.38**	**16.19**	**16.34**	**0.16**	**16.50**
Total		**15.92**	**0.38**	**16.30**	**16.67**	**0.16**	**16.83**

GRI 306-3: Waste generated

Waste generated	UdM	2023	2022
Type of waste	ton		
Hazardous waste		21.00	19.35
Non-hazardous waste		178.12	3,534.40
Total		**199.12**	**3,553.75**

Reconciliation table with Legislative Decree 254/16

The following table displays the timely connection between the **reporting issues required by D,Lgs 254/2016**, the GRI Standards and the sections within this document where these issues are addressed,

Scope of the Decree	Requests of the Decree	Material topics	GRI Standard	References
Corporate Management Model and Governance	Art, 3.1, comma a) Description of the corporate model for managing and organizing the company's activities, including any models adopted pursuant to D, Lgs, 231/2001	Business ethics, anti-corruption and regulatory compliance	2-9 2-27	21-22; 27
Policies	Art, 3.1, comma b) Description of the company's policies, including those of due diligence	N/A	2-23 2-24	22-23; 24-25; 32-33
Risk Management Model	Art, 3.1, comma c) Description of the main risks, including how they are managed, generated or suffered, and arising from the company's activities	N/A	N/A	23-26; 29-30; 34-35; 46-47; 49-50; 53-55
People	Art 3.2, comma d) Information concerning personnel management, including gender equality, implementation of conventions of international organizations and dialogue with social partners	Employee management, development and welfare	2-7 2-8 2-20 2-21 2-30 401-1 401-2 404-1 405-1 405-2	1; 21-22; 29-30; 45-49; 51-52; 56--64
Social	Art 3.2, comma c) Information concerning the impact on health and safety	Health and safety at work	403-1 403-8 403-9 403-10	49-50; 65
Environment	Art 3.2, comma a, b, c) Use of water resources; air pollutant emissions; impact on the environment; other relevant indicators related to environmental policies	Energy consumption and atmospheric emissions Responsible waste management and circularity Responsible water management	301-1 303-3 305-1 305-2 305-6 305-7 306-3	1; 38-42; 67-69
Social	Art 3.2, comma d) Information concerning social aspects	Intellectual Property Protection and Customer Satisfaction	418-1	55

Respect of Human Rights	Art 3.2, comma e) Information regarding respect for human rights and measures taken to prevent human rights violations and discriminatory behavior	Respect for Human Rights, Workers' Rights and Equal Opportunities	406-1	1; 53
Fight against corruption	Art 3.2, comma f) Information concerning the fight against active and passive corruption	Business ethics, anti-corruption and regulatory compliance	205-2 205-3	1; 27

GRI Content Index

The following table **summarizes the GRI indicators** reported within this Non-Financial Statement,

GRI 2: INFORMAZIONI GENERALI (2021)			
GRI Indicator		**Page**	**Notes and omissions**
Declaration of use	Pininfarina reported in accordance with GRI Standards over the period from January 1st 2023 to December 31st 2023		
GRI 1 used	GRI 1 – Fundamental Principles – 2022 version		
Relevant GRI industry standard	Not applicable		
The organization and its reporting practices			
GRI 2-1	Organization details	5	
GRI 2-2	Entities included in the organization's sustainability reporting	3; 10	
GRI 2-3	Reporting period, frequency and contact point	3	
GRI 2-4	Restatements of information	56-69	
GRI 2-5	External assurance	78	
Activities and workers			
GRI 2-6	Activities, value chain and other business relationships	5; 21-27	
GRI 2-7	Employees	1; 46; 56-57	
GRI 2-8	Workers who are not employees	47; 58	

Governance			
GRI 2-9	Governance structure and composition	21-22	
GRI 2-10	Nomination and selection of the highest governance body	21; 28-30	
GRI 2-11	Chair of the highest governance body	29	
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	21	
GRI 2-13	Delegation of responsibility for managing impacts	21	
GRI 2-14	Role of the highest governance body in sustainability reporting	3; 10	
GRI 2-15	Conflicts of interest	23	
GRI 2-16	Communication of critical concerns	26-27; 33	
GRI 2-17	Collective knowledge of the highest governance body	5; 8-9	
GRI 2-18	Evaluation of the performance of the highest governance body	33	
GRI 2-19	Remuneration policies	21-22; 51	
GRI 2-20	Process to determine remuneration	21-22	
GRI 2-21	Annual total compensation ratio	22; 58	
Strategy, policies and practices			
GRI 2-22	Statement on sustainable development strategy	2	

GRI 2-23	Policy commitments	22-23; 24-25; 32-33	
GRI 2-24	Embedding policy commitments	22-23; 24-25; 32-33	
GRI 2-25	Processes to remediate negative impacts	26-27; 52	
GRI 2-26	Mechanisms for seeking advice and raising concerns	26-27	
GRI 2-27	Compliance with laws and regulations	27	
GRI 2-28	Membership associations	21	
Stakeholder engagement			
GRI 2-29	Approach to stakeholder engagement	10; 15-16	
GRI 2-30	Collective bargaining agreements	52; 58-59	

SPECIFIC STANDARD DISCLOSURE			
GRI Indicator		**Page**	**Notes and omissions**
GRI 3 – Material Topics – 2021 version			
GRI 3-1	Process to determine material topics	10-15	
GRI 3-2	List of material topics	11-15	
Material topic: Business ethics, anti-corruption and regulatory compliance			
GRI 3: Material Topics (2021)			
GRI 3-3	Management of material topics	12; 23-27	
GRI 205: Anticorruption (2016)			
GRI 205-2	Communication and training about anti-corruption policies and procedures	27	
GRI 205-3	Confirmed incidents of corruption and actions taken	1; 27	
Material topic: Responsible waste management and circularity			

GRI 3: Material Topics (2021)			
GRI 3-3	Management of Material topics	12; 42	
GRI 301: Materials (2016)			
GRI 301-1	Materials used by weight or volume	42; 68	
GRI 306: Waste (2020)			
GRI 306-3	Waste generated	1; 42; 69	
Material topic: Responsible management of water resources			
GRI 3: Material Topics (2021)			
GRI 3-3	Management of material topics	11; 41-42	
GRI 303: Water and Effluents (2018)			
GRI 303-3	Water withdrawal	41; 68-69	
Material topic: Energy consumption and emissions			
GRI 3: Material Topics (2021)			
GRI 3-3	Management of material topics	11; 38-41	
GRI 302: Energy (2016)			
GRI 302-1	Energy consumption within the organization	1; 38; 67	
GRI 302-3	Energy intensity	39-40; 68	
GRI 305: Emissions (2016)			
GRI 305-1	Direct (Scope 1) GHG emissions	40; 68	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	40; 68	
GRI 305-6	Emissions of ozone-depleting substances (ODS)	1; 40-41; 69	
GRI 305-7	Nitrogen oxides (NOx), sulfur oxides (Sox), and other significant air emissions	1; 40-41; 69	
Material topic: Employee management, development and welfare			
GRI 3: Material Topics (2021)			
GRI 3-3	Management of material topics	14; 45-49	

GRI 401: Employement (2016)			
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GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	45-46	
GRI 404: Training and Education (2016)			
GRI 404-1	Average hours of training per year per employee	1; 49; 62-63	
Material topic: Occupational health and safety			
GRI 3: Material Topics (2021)			
GRI 3-3	Management of material topics	14-15; 49-50	
GRI 403: Occupational Health and Safety (2018)			
GRI 403-1	Occupational health and safety management system	49-50	
GRI 403-8	Workers covered by an occupational health and safety management system	49-50	
GRI 403-9	Work-related injuries	49-50; 65	
GRI 403-10	Work-related ill health	49	
Material topic: Respect for human rights, workers and equal opportunities			
GRI 3: Material Topics (2021)			
GRI 3-3	Management of material topics	14; 50-53	
GRI 405: : Diversity and Equal Opportunity (2016)			
GRI 405-1	Diversity of governance bodies and employees	1; 29-30; 51-52; 60-62	
GRI 405-2	Ratio of basic salary and remuneration	52; 63-64	
GRI 406: Non discrimination (2016)			
GRI 406-1	Incidents of discrimination and corrective actions taken	1; 53	
Material topic: IP protection and customer satisfaction			
GRI 3: Material Topics (2021)			
GRI 3-3	Management of material topics	13; 54-55	
GRI 418: Customer Privacy (2016)			
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	55	

Material topic: Quality, innovation and sustainable solutions			
GRI 3: Material Topics (2021)			
GRI 3-3	Management of material topics	13; 36-37	

Report of the Auditing Company

Deloitte & Touche S.p.A.
Galleria San Federico, 54
10121 Torino
Italia

Tel: +39 011 55971
www.deloitte.it

INDEPENDENT AUDITOR'S REPORT
ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3, PARAGRAPH 10 OF LEGISLATIVE DECREE No. 254 OF DECEMBER 30, 2016, AND ART. 5 OF CONSOB REGULATION N. 20267/2018

To the Board of Directors of
Pininfarina S.p.A.

Pursuant to article 3, paragraph 10, of the Legislative Decree no. 254 of December 30, 2016 (hereinafter "Decree") and to article 5, paragraph 1, letter g) of the CONSOB Regulation n. 20267/2018, we have carried out a limited assurance engagement on the Consolidated Non-Financial Statement of Pininfarina S.p.A. and its subsidiaries (hereinafter "Pininfarina Group" or "Group") as of December 31, 2023 prepared, on a voluntary basis, *ex* art. 4 of the Decree, and approved by the Board of Directors on March 22, 2024 (hereinafter "NFS").

Our limited assurance engagement does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "European Taxonomy".

Responsibility of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of the NFS, on a voluntary basis, in accordance with articles 3 and 4 of the Decree and "Global Reporting Initiative Sustainability Reporting Standards" established by GRI – Global Reporting Initiative ("GRI Standards"), which they have identified as reporting framework.

The Directors are also responsible, within the terms established by law, for such internal control as they determine is necessary to enable the preparation of NFS that is free from material misstatement, whether due to fraud or error.

The Directors are moreover responsible for defining the contents of the NFS, within the topics specified in article 3, paragraph 1, of the Decree, taking into account the activities and characteristics of the Group, and to the extent necessary in order to ensure the understanding of the Group's activities, its trends, performance and the related impacts.

Finally, the Directors are responsible for defining the business management model and the organisation of the Group's activities as well as, with reference to the topics detected and reported in the NFS, for the policies pursued by the Group and for identifying and managing the risks generated or undertaken by the Group.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.
Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

During the year covered by this assurance engagement, our auditing firm applied *International Standard on Quality Control 1* (*ISQC Italia 1*) and, accordingly, maintained a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the NFS with the Decree and the GRI Standards. We conducted our work in accordance with the criteria established in the "*International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "*ISAE 3000 Revised*"), issued by the *International Auditing and Assurance Standards Board* (IAASB) for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the NFS is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on NFS are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the NFS, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we carried out the following procedures:

1. analysis of relevant topics with reference to the Group's activities and characteristics disclosed in the NFS, in order to assess the reasonableness of the selection process in place in light of the provisions of art.3 of the Decree and taking into account the adopted reporting standard;
2. analysis and assessment of the identification criteria of the consolidation area, in order to assess its compliance with the Decree;
3. comparison between the financial data and information included in the NFS with those included in the consolidated financial statements of the Pininfarina Group;
4. understanding of the following matters:
    - business management model of the Group's activities, with reference to the management of the topics specified by article 3 of the Decree;

- policies adopted by the entity in connection with the topics specified by article 3 of the Decree, achieved results and related fundamental performance indicators;
- main risks, generated and/or undertaken, in connection with the topics specified by article 3 of the Decree.

Moreover, with reference to these matters, we carried out a comparison with the information contained in the NFS and the verifications described in the subsequent point 5, letter a)

5. understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the NFS.

   In particular, we carried out interviews and discussions with the management of Pininfarina S.p.A. and with the employees of the main legal entities of the Group and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of non-financial data and information to the department responsible for the preparation of the NFS.

   In addition, for material information, taking into consideration the Group's activities and characteristics:

   - at the parent company's and subsidiaries' level:

     a) with regards to qualitative information included in the NFS, and specifically with reference to the business management model, policies applied and main risks, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
     b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data.

   - for Pininfarina S.p.A. and Pininfarina Deutschland GmbH, which we selected based on their activities, their contribution to the performance indicators at the consolidated level and their location, we carried out site visits, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of the Pininfarina Group as of December 31, 2023 is not prepared, in all material respects, in accordance with article 3 and 4 of the Decree and GRI Standards.

Deloitte.

Our conclusion on the NFS does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "European taxonomy".

DELOITTE & TOUCHE S.p.A.

Signed by
Santo Rizzo
Partner

Turin, Italy
April 18, 2024

This report has been translated into the English language solely for the convenience of international readers.