Materiality analysis

MOTODYNAMICS, in compliance with the new GRI Standards (GRI Standards 2021), carried out the process of analysing, assessing and prioritising the impacts arising from its activities. The term "impacts" is used to denote all kinds of effects that the Group's activities have, positive or negative, actual or potential, on its external environment. The Group assesses the impacts of its activities on the environment, the economy, people and society.

Through this process of identifying impacts, the Group determines its material sustainability topics, i.e. the topics that reflect its impacts at economic, environmental and social level. The materiality analysis methodology was based on the following four steps:

Review of the Group's activities
In this step the Group carried out a high-level review of its activities, the business relationships it has developed, the sustainability context in which it operates and applies, and an examination of its stakeholders. During the review a wide range of sources was used so as to fully cover the Group's internal and external environment:

- Review and analysis of internal material, procedures and policies,
- Recognised international standards and initiatives (GRI),
- United Nations Sustainable Development Goals (SDGs)
- Study of the sector's material topics
- Significant risks as well as opportunities for the Group

Identification of impacts
In the second stage, the Group identified and recognised the positive and negative impacts, actual or potential, affecting the environment, society and the economy. At this stage, meetings were held with the Group's management staff so as to identify the full range of impacts from MOTODYNAMICS' activities and value chain. MOTODYNAMICS' management is in constant communication with its stakeholder groups, so as to identify any negative impacts in good time and to step up its efforts towards those with a positive effect.

Assessment of impacts
In the third stage, the Group assessed the impacts identified in the previous stage so as to proceed with their prioritisation. The significance of the impacts was assessed through internal consultation among the Group's executives. The impacts were assessed against the following criteria:

Positive impacts

- the scale,
- the scope,
- likelihood

Negative impacts

- severity,
  - o the scale,
    - o scope
  - o the reversibility and,
    - likelihood

Impact ranking

As the final step in the materiality assessment process, the Group worked with its stakeholder groups to prioritise its significant topics. As dialogue with stakeholder groups is of strategic importance, we took their prioritisation into account and will seek to understand their concerns in our response to negative impacts, in the dissemination of positive impacts and in our future sustainability targets. The 8 topics were identified taking into account the Group's sector of activity and the impacts that arise or may arise from its activities, and cover the three ESG pillars (Environment, Society, Governance).

Ranking of material topics

As a final step, the material topics were grouped into broader thematic areas – strategic pillars, as referred to in the respective chapters of the report. Next to each strategic pillar and material topic are the thematic areas of impacts that occurred in 2022, as well as those occurring at the time of writing this report. The following table also presents the link between the material topics and the relevant United Nations (UN) Sustainable Development Goals.

Table of material topics and thematic areas

Material topics	Impact thematic areas	Sustainable Development Goals (UN SDGs)
Climate Change mitigation and adaptation	Energy Emissions Climate change mitigation strategies	
Natural resource and waste management	Circular economy – Waste management Water management Water pollution Consumer data protection	
Data security and privacy	Employee data protection	
Labour relations and employment	Employee grievance mechanisms Talent attraction Diversity and equal opportunities Fair remuneration	
Employee development and training	Training and personal development	

Occupational health and safety	Well-being Employee health and safety	
Supporting local communities	Local communities	
Business ethics and integrity	Anti-corruption and anti-bribery Anti-competitive behaviour	