



RESEARCH
CENTRES OF
THE GROUP

BELIEVING IN TOMORROW

Convinced of the need for a new mobility that is increasingly green and on a human scale, the Brembo Group is one of the major players in the transformations taking place in the automotive sector. It is present in fifteen countries around the world and invests in research, technology and human capital.



15

COUNTRIES
IN WHICH
THE GROUP
IS PRESENT

9

GROUP
BRANDS

1. THE GROUP



15
Countries in which
the Group is present



9
Group
brands



9
Research centres
of the Group

1.1 GROUP PROFILE AND MAIN APPLICATIONS

The Brembo Group — a global leader and recognised innovator in brake disc technology for vehicles — designs, develops, manufactures, assembles and sells braking systems, vehicle wheels and light alloy and metal castings. It supplies high performance braking systems, as well as

clutches and other components for racing, to the most important manufacturers of cars, motorbikes and commercial vehicles worldwide.

The Group currently operates in 15 Countries on three continents.

FIGURES FOR THE THREE-YEAR PERIOD 2021 - 2022 - 2023



13,654¹⁴

Employees
12,225 – 12,956



412¹⁵
€ million

Net investments
210 – 282



3,849
€ million

Turnover
2,778 – 3,629



666
€ million

Ebitda
503 – 625



455
€ million

Net financial debt
412 – 502



305
€ million

Net profit
216 – 293

¹⁴ The employee of Brembo Reinsurance AG, which is not included in the scope of this document, is also included.

¹⁵ Cash flows generated by net investments in property, plant, equipment and intangible assets, calculated as the sum of increases (net of decreases) in property, plant, equipment and intangible assets. The figure does not include Increases in leased assets.

MAIN APPLICATIONS



73.5%
on total sales

CARS

This is Brembo's main area of operation and includes brake discs, brake calipers, wheel-side modules and complete braking systems, inclusive of the integrated engineering services that accompany the development of new models for car manufacturers. In addition to its Original Equipment Manufacturing (OEM) line, Brembo also provides components to the aftermarket segment, offering a wide range suited to nearly all vehicles on the road in Europe, including brake discs, pads, drums, brake shoes, drum brake kits and hydraulic components.



9.8%
on total sales

COMMERCIAL VEHICLES

This segment includes components for original equipment brake systems for manufacturers of commercial and industrial vehicles of all kinds (light and medium) and discs for heavy vehicles. In addition to its OEM line, Brembo offers replacement parts and maintenance products for commercial vehicle brake systems.



11.9%
on total sales

MOTORBIKES

This area includes brake discs and calipers, but also brake pumps, light alloy wheels and complete braking systems, intended for the models offered by the world's most prestigious manufacturers. Europe, the United States and the Asian countries are the most important markets for Brembo in this sector.



4.8%
on total sales

RACING

This segment includes the design and manufacture of braking systems and clutches for the racing sector, intended for teams participating in major racing competitions. Despite its limited impact on revenues, it is a market of strategic importance for the Group since it is a frontier sector for innovation by Brembo. The most advanced products, technologies, production concepts and cutting-edge development methods are conceived for the racing market and the benefits then trickle down to the series production designed by the Group for its customers. The racing line is rounded out by a range of products intended for enthusiasts, preparers and, more generally, those who wish to improve the look and performance of their vehicles using parts ready for the track.

1.2 DIGITAL TRANSFORMATION PROGRAM: FROM PRODUCT BUSINESS TO SOLUTION PROVIDER

Brembo is changing its essence, moving from brake manufacturer to Solution Provider: in this process, digital transformation is one of the essential steps. This journey does not distort Brembo's principles, rather it represents the Group's natural evolution: from manufacturer to solutions provider able to offer unique experiences, with an unconventional overview, guided by experience and a pioneering approach.

Under the guidance of the Chief Transformation Officer, who acts as Digital Pillar Leader, Brembo has thus defined its Digital Transformation Program with the aim of:

- simplifying, standardising and improving processes at Group level, making them faster, as well as more effective and efficient;
- becoming a reliable and innovative partner for its customers and suppliers, able to ensure quick, safe and transparent communication.

“Journey” is undoubtedly the best term to describe this global programme that Brembo is taking forward to realise its vision and become an attractive digital Company and the best business partner our customers can have.

In fact, “Journey” is precisely the terminology used internally to refer to the 11 Streams, which represent all sectors of the business, from purchasing to manufacturing, finance and sales, in which Brembo’s ambitious digital transformation has been conceived and organised, and which in 2023 saw more than 10 projects underway, in addition to the above-mentioned 11 journeys, which involved over 350 employees.

At the end of the path, businesses will be completely digitised and data driven, in other words driven exclusively by the ability to analyse and process large volumes of data in real time, developing in people an increasingly digital, open, data-driven mindset oriented to being a Solution Provider.

BREMBO'S STREAMS

1	INTEGRATED BUSINESS PLANNING	Anticipate market needs for new products / solutions and optimize Brembo resources and capabilities utilization to maximise growth and profitability
2	PRODUCT & SOLUTIONS DEVELOPMENT	Boost and accelerate Product Development Process with digital best practices aiming at optimizing time to market, product development costs and quality
3	SMART MANUFACTURING & WAREHOUSING	Improve visibility and performance across Operations leveraging IoT, Artificial Intelligence and Automation to successfully manage raising complexity
4	DIGITAL PROCUREMENT	Simplify and automatise the product procurement process, leveraging the synergies offered by digitalisation to optimise the procurement process timings and costs
5	DIGITAL FINANCE & CONTROLLING	Standardize controlling and administration by enhancing data visibility and simplifying/automating transactional process
6	CORPORATE CONTROL TOWER	Evolve Corporate processes into paperless, integrated and digital to enable smooth the Group operations and meet best-in-class performance standards
7	CONSUMER ENGAGEMENT (DIGITAL, MOTORSPORT, ...)	Strengthen Consumers intimacy across physical and digital channels, building a “One Brembo” Value Proposition
8	SALES & CUSTOMER SERVICE (OEM)	Partner with OEMs to support their innovation process through integrated solutions and ensure best-in-class service level and customer support
9	SALES & CUSTOMER SERVICE (AM)	Support the AM innovation process through integrated solutions and ensure best-in-class service level and customer support
10	PEOPLE & CHANGE MANAGEMENT	Simplify, standardise and digitise HR processes and orchestrate the adoption of a Brembo mindset: open, data driven, digital ready, and oriented to a Solution Provider approach
11	TECHNOLOGY & INNOVATION DELIVERY	Establish digital technologies as a strategic lever in developing innovative, data driven solutions for internal and external clients

All the Journeys are guided by a single Steering Committee, which harmonises the entire programme, while the monitoring of progress and the management of the actions to be addressed is entrusted to a dedicated manager for each Journey, relying on a programme management tool aimed at supporting the whole organisation in constantly monitoring the progress of the initiatives.

The programme is divided into three stages. The first “Discover & Describe” was concluded at the beginning of 2022, followed immediately by the central phase, “Design & Build”, which will see the implementation by 2026 of most of the technological solutions that will make up the new Brembo.

The third and final phase, “Run & Evolve” will begin to proceed in parallel with the second, in a timeframe aiming for 2026. The whole programme will be completed in 2030.

The Roadmap, described within the Programme Charter, was approved by the Steering Committee, with the involvement of the CEO, and also submitted to the attention of the Transformation Committee and the BMC (Business Management Committee).

The initial choices, underlying this transformation, were those relating to the new company ERP, the management system on which the different tools will be grafted, and the choice of the technological partners with whom to undertake the journey. The other initiatives adopted that will embrace all businesses are multiple and move along four drivers to make Brembo increasingly competitive: Innovation, Sustainability, Interconnection and Security.

INNOVATION

In recent years, the scenario in which each company operates has seen an increase in the risks associated with the security of their data and business continuity. The number of attacks suffered by companies, as well as the techniques used and the impacts undergone are reaching extremely significant levels. The Group is therefore increasingly committed to implementing the most effective technologies and controls to reduce impacts and protect both the Company and its customers and personnel. In fact, protecting know-how, confidential information and stakeholder data has always been among Brembo’s priorities, out of an awareness of the operational, strategic, reputational and economic damage that the Company may suffer.

An emerging new technology that has taken on growing importance in recent years is generative AI. Increasingly used in enterprise environments, generative AI confers many advantages at the level of business productivity, but also carries many risks in terms of data protection, compliance and intellectual property.

Yet, this technology has important applications in the protection of company information and cybersecurity. Since the Group is committed to innovation also in this area, it is gradually introducing it for data protection purposes as well.

SUSTAINABILITY

The challenge the Group decided to take up is to contribute to making Brembo a Company that is as sustainable as possible, recognising sustainability as an essential value, and at the same time guaranteeing quality services to the whole business. As the impact of a high-performance IT infrastructure on energy consumption can be significant, the Group’s attention has been focused precisely on this aspect. By adopting the “Cloud-first” principle — a pillar of Brembo’s corporate digital transformation —, a state-of-the-art infrastructure will be ensured. At the same time, our energy impact will be reduced, capitalising on what the best Cloud providers make available. In 2022, Brembo migrated the entire e-mail infrastructure, shutting down 90% of dedicated servers in server rooms, and improving service quality and availability.

Automation and paperless are, without a doubt, the terms that can best describe the results achieved in 2023. As digital signature, which has allowed to speed up and optimise company authorisation processes, while also enabling us to work wherever we go — in addition to reducing the environmental impact of printing documents, which are now shared solely in electronic format. Since digital signatures were introduced in Italy, 568 contracts have been signed, for a total of 3,317 pages not printed.

In a scenario like the one that is being designed — increasingly based on computerised services — such services must always be available and, above all, those who use them must be able to solve any problems as swiftly as possible. At a multinational like Brembo, this also means overcoming the time difference barrier.

To ensure clarity, speed and ease of use, Brembo People can now use a bot. This allows to easily monitor the status of their IT requests, without waiting for the intervention of a person who might not be available, but simply chatting with this easy-to-use, always available virtual assistant, regardless of their position and time zone.

INTERCONNECTION

In 2022, Brembo adopted Microsoft's Office 365 suite on the Cloud, significantly changing the way in which it collaborates. The "Brembo Space" is already the present, no longer just a goal to be achieved to improve the personnel's user experience. Thanks to these new tools, Brembo is now able to communicate in a more effective and efficient manner, everywhere and through any device. It is possible to plan the activities of "virtual teams" and track progress dynamically, working simultaneously on the production of the same content, while ensuring the security and quality of the data produced. The secure integration of all collaboration tools with those of the key partners, reducing their need to travel and rationalising face-to-face meetings, continued in 2023. The possibilities are countless and our journey in this globally connected world has only just begun. The benefits are already evident and confirm that the right path has been taken to increase Brembo's sustainability in the three pillars identified.

SECURITY

The Group's commitment to adhering to industry standards on information security continues to grow. As a proof of this, in 2023 for 100% of our sites subject to audits aimed at obtaining the ISO 27001 certification, the certification was confirmed. In particular, in 2023 it was obtained at 100% of sites in China — one of the most important regions for Brembo's business.

Extensive measures to protect information were adopted in 2023. In this regard, IT security was evaluated at 12 of the 25 sites using TISAX, an information security standard for the automotive industry managed by the ENX Association, used to evaluate and agree on security practices between companies through independent audits. The goal is to guarantee high standards of security in supply chains in the automotive industry.

Incident management controls were also reinforced in 2023. Thanks to the introduction of SOAR technology, the process of reacting to and containing security incidents and their impacts more quickly was automated and streamlined. SOAR technology, which makes it possible to automate analyses and actions that normally need to be done by an operator, enables instant intervention when problems are detected.

In addition, a very significant project for the governance of digital identity in the IT system was also launched. It will allow the Group to have easier control on data access, and to ensure optimised application of the principles of need-to-know and segregation of duties.

The implementation of the SOC service and improvement of log collection and analysis yielded their first results in 2023.

From January to December 2023, log collection increased by 49%. This made Brembo more aware of what is happening in its environment. In parallel, the number of use cases of anomalies provided to the SOC was increased in order to improve detection capabilities. Due to this increase in the number of use cases, the total number of incidents rose by 9%, but the average number of incidents per use case decreased from 17 to 5. In this way, Brembo has more information concerning its environment, more anomalies can be detected, while the existing controls are significantly reducing the negative impacts of any events.

In terms of awareness as well, the efficacy of our awareness-raising campaign is underscored by the results of the most recent phishing campaign, which shows a 32% decrease in the number of phishing victims.



In May 2023, Brembo launched “Brembo Solutions”, a brand new unit of the Group which combines Brembo’s experience in artificial intelligence and its application within industry in order to provide businesses with new digital solutions.

Brembo Solutions’ offer of digital expertise extends beyond the automotive market to help foster the adoption of more agile and innovative processes across other manufacturing and industrial sectors. The new unit’s solutions are based on Brembo’s successful and tangible improvements to its own production processes – an approach the company calls AI•Doing. The term AI•Doing makes reference to Brembo’s experience in

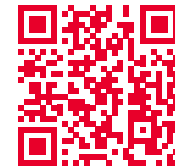
artificial intelligence (AI) algorithms and its practical application in the industrial field (Doing).

Using this approach, Brembo is applying advanced AI applications to ensure products are of the highest quality, as well as helping increase production efficiency. It is also developing data models, based on data science methods, to enable data-driven decision-making.

Brembo Solutions represents another important element of the Group’s industrial strategy. Thanks to this unit, Brembo becomes a solution provider even beyond the automotive sector. Through this innovation, Brembo is responding to market needs, making Brembo’s experience in digital inno-

vation available to all companies that want to improve their efficiency and competitiveness. Brembo Solutions develops tailor-made solutions for companies in various sectors, from textiles to food, and from the iron and steel industry to large-scale distribution, among others.

For more information on Brembo Solutions: www.brembosolutions.com



To learn more about
Brembo Solutions

1.3 BREMBO'S HISTORY

1960s

INNOVATION

Brembo is founded in 1961, near Bergamo, by Emilio Bombassei, his sons Sergio and Alberto, and his brother-in-law Italo Breda. The Company initially carries out mechanical production for third parties, serving clients such as Alfa Romeo and Pirelli. Thanks in part to a fortuitous event, it establishes a winning business model in 1964: producing car brake discs, the first in Italy. In 1965, Brembo has just 28 employees, but it is already focusing on innovation in both materials and production processes.

1970s

PERFORMANCE

Brembo invests in research and development, coming up with new solutions, and registers its first patent in 1970. It creates the first highly innovative disc brake system for Moto Guzzi in 1972. The turnaround comes in 1975, when Enzo Ferrari asks Brembo to equip his Formula 1 vehicles. Brembo enters the world of motor sport. This is followed by a partnership with MV Agusta for the MotoGP. Challenge and innovation: providing better and better performances becomes one of Brembo's distinguishing features.

1980s

COMFORT

Brembo devotes itself to studying innovative materials. In 1980, it develops the first aluminium caliper — adopted by Porsche, BMW, Lancia, Nissan and Chrysler among others — followed, in 1984, by the first carbon brake disc for Formula 1.

In addition to top performances, clients demand comfort and no noise or vibrations. The Company begins to carry out its first tests on a sophisticated dynamic test bench. In 1985, Brembo becomes a strategic supplier for industrial vehicles built by Iveco, Renault and Mercedes.

1990s

THE WORLD

Brembo continues to grow: in 1995, the Company is listed on the Milan Stock Exchange. This marks the start of a strategic process that will lay the foundations for market and production globalisation. Brembo starts manufacturing in Spain, Poland and Mexico, and also for the US market, where Chrysler is its first client.

These are years of radical innovation, with the first monobloc brake calipers for cars and the first radial-mount calipers for motorbikes.

2000s

STYLE AND DESIGN

Brembo continues its expansion, encompassing Brazil, the UK, China, Japan, India and the USA. The braking system with carbon-ceramic discs makes its debut, winning the prestigious Compasso d'Oro in 2004: style and design characterise the world of Brembo more than ever before. The Brembo Research & Development Centre is opened in the Kilometro Rosso Science and Technology Park in 2007.

Its success in the world of sport continues: Brembo is world champion in the majority of racing championships.

From 2010 to 2020

ONGOING EVOLUTION

Always ready for new technological challenges, Brembo chooses industry 4.0, a real revolution in industrial automation to improve productivity and working conditions, as well as to best address the automotive sector's electrification process. The Group complements the launch of new sites and production lines at global level with the opening of the Research and Development department centres also in Poland, China, India and the USA. A milestone honours a history of success: in 2017, Brembo's President Alberto Bombassei is added to Detroit's Automotive Hall of Fame.

From 2020 onwards

TURNING ENERGY INTO INSPIRATION

In spite of the global challenges caused by the pandemics that hit the whole world in 2020, Brembo continued with determination its path of innovative development in the automotive sector. In 2020, the Group presented a new Vision and new Mission statement, aiming at becoming a Solution Provider to address the new challenges posed by mobility. In 2021, Brembo presented SENSIFY™, the first intelligent braking system that integrates the most advanced software with the Company's braking components — thus marking a significant step towards the implementation of the new

Mission statement. Brembo's evolution into a Solution Provider is also reflected in the definition of a new visual identity and a new logo with a simple and modern design. Presented in 2022, they express both the Company's legacy and path of transformation, for an ever-deeper dialogue with the digital native generations. In the same period, Brembo also launched Greenance, a range of products dedicated to the car, motorbike and commercial vehicle spare parts market, anticipating the low environmental impact needs without compromising performance.

2023

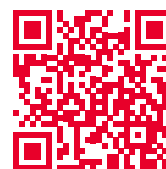
SPEEDING TOWARDS THE FUTURE

2023 was a year of growth, marked by significant challenges for Brembo. In a courageous, ambitious move, the Group invested over half a billion euros in reinforcing production in Mexico, China and Poland. It also stepped up the production capacity of the joint venture BSCCB in Germany and Italy and expanded the headquarters by purchasing the building designed by architect Richard Meier at Kilometro Rosso.

As part of the strategy of developing innovative solutions, the SENSIFY™ roadshow was a success, and received positive feedback all around the world, from Italy to the United States, China and Japan. Brembo Solutions was created in 2023 to provide solutions based on Brembo's experience in applying AI to industry. In product development, new cali-

pers were introduced, such as Octyma for cars and Hypure and GP4-MotoGP for motorbikes. In motorsports, Brembo celebrated the milestone of 500 Grand Prix victories in Formula 1, confirmed its presence in MotoGP by being named Braking Inspiration Partner and supplied 44 of the 62 vehicles competing in the 100th edition of The 24 Hours of Le Mans as Braking Technology Provider.

This process of innovation and growth bears witness to Brembo's commitment to increasingly be a benchmark player of the automotive industry, rising to the challenges of sustainability and staying on the cutting edge of the new mobility.

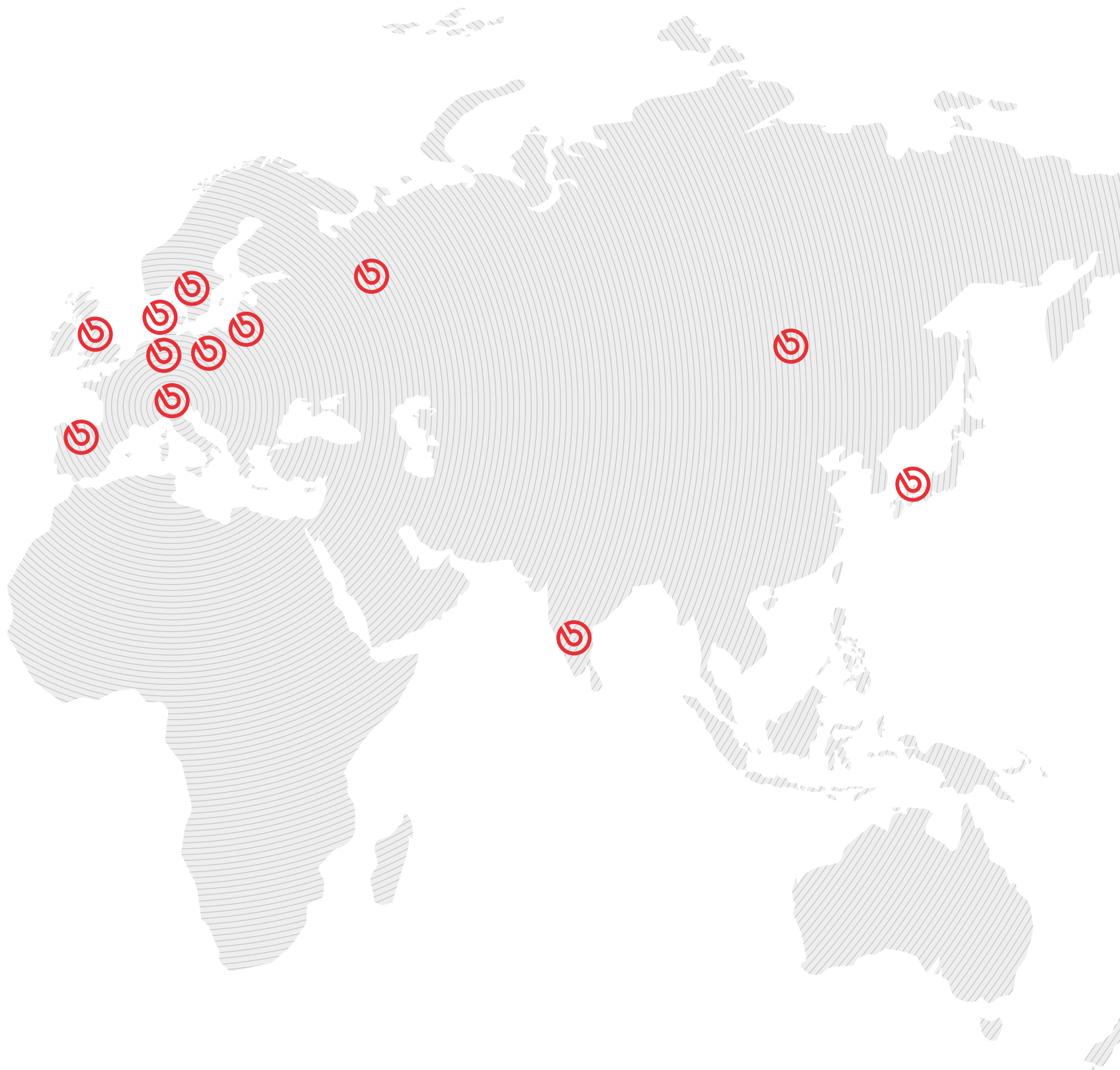


To learn more about
**MotoGP braking inspiration
 partner**

1.4 BREMBO'S GLOBAL FOOTPRINT



* This NFI does not include the figures regarding these production plants.



15
Countries
in the world



25
Manufacturing
sites



9
R&D centres
(including Brembo Inspiration Lab)

1.5 TARGET MARKETS AND BRANDS

Brembo's reference market is represented by the most important manufacturers of cars, motorbikes, commercial vehicles and racing cars and motorbikes.

In 2023, Brembo's consolidated net sales amounted to €3,849 million, with a 6.1% increase compared to €3,629 million in 2022.

Cars

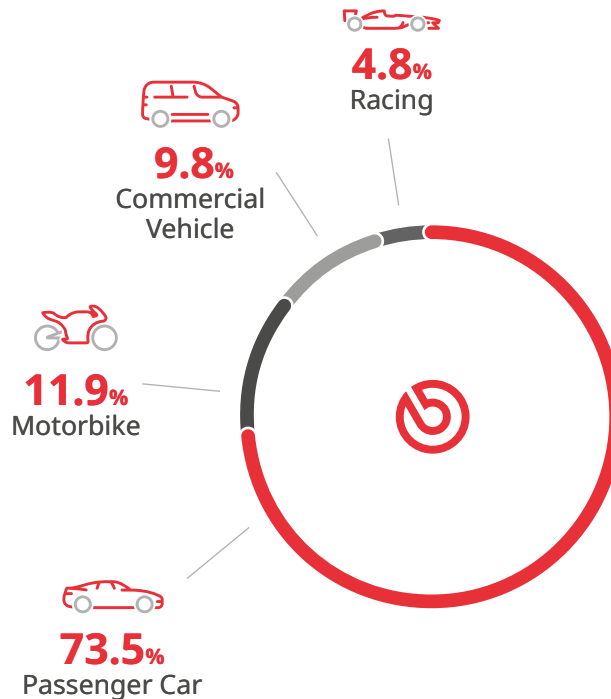
In 2023, the global light vehicle market increased by 9.5% on a year basis compared to 2022, with 83.6 million units sold. In the second half of the year, the uptrend surged, with monthly double-digit increases in percentage terms. Car registrations in the Western European market "EU14, EFTA and the United Kingdom" performed very well in 2023, with a 13.7% increase compared to 2022. All the main markets closed the year on a positive note: Italy (+19.3%), France (+14.7%), Spain (+17.4%), Germany (+7.6%) and the UK (+18.4%). Eastern Europe (EU12) also recorded a robust increase of car registrations (+34.9% compared to 2022). In Russia, light vehicle registrations closed 2023 with a 57.8% increase on the previous year. Sales in the United States also performed well, rising 15.7% overall compared to 2022. Brazil and Argentina recovered compared to the previous year, growing by 11.5% and 15.3%, respectively. With reference to Asian markets, in the twelve months of 2023 light vehicles sales rose by 6.1% in China compared to the same period of 2022 and confirmed the Country as the top global market with over 23.3 million vehicles sold throughout the year. This figure is largely attributable to exports and to the growth of many OEMs, especially those operating in the EV sector. The Japanese market also closed the year on a positive note, with a 13.4% sale increase compared to 2022.

Within this scenario, Brembo's net sales of car applications in 2023 amounted to €2,830 million, accounting for 73.5% of the Group's turnover, up by 7.2% compared to 2022.

Motorbikes

Europa, Stati Uniti e Giappone sono i più importanti mercati. Europe, the United States and Japan are Brembo's most important markets in the motorbike sector. When considering two-wheel vehicles alone, Europe closed 2023 with a 4.4% increase of registrations compared to 2022. In Italy, sales of motorbikes and scooters, considered together, rose by 15.8% compared to 2022. Consid-

BREAKDOWN OF NET SALES BY APPLICATION (% OF TOTAL)



ering only the registrations of motorbikes, growth was 14.9% (+21.5% for motorbikes with displacements over 500cc). Scooters rose by 20.6% on 2022. In the United States registrations of motorbikes, scooters and ATVs (All Terrain Vehicles, quadricycles for recreation and work) closed 2023 with a +1.5% increase on 2022. ATVs alone declined by 7.1%, while motorbikes and scooters together rose by 4.4%. The Japanese market, considering displacements over 50cc overall, improved by 23.0% overall during the twelve months of 2023. Analysing displacements over 125cc alone, it grew by 4% in 2023 compared to the same period of the previous year. Registrations of two-wheel vehicles increased by 9.1% in India compared to the previous year, while Brazil reported a 16.1% increase compared to 2022.

In this contest, Brembo's net sales of motorbike applications amounted to €457 million in 2023, down by 4.1% compared to €477 million for 2022.

Commercial and Industrial Vehicles

In 2023, the European commercial vehicles market "EU, EFTA and the UK" — Brembo's reference market — showed a 13.4% increase in registrations. In the reporting period, sales of light commercial vehicles (up to 3.5 tonnes) in Europe increased by 13.0% compared to 2022, with a growth on the previous year in all the main markets by sales volume: +9.3% in Germany, +6.4% in France, +18.0% in Spain, +18.8% in Italy and +18.7% in the UK. In Europe, the segment of medium and heavy commercial vehicles (over 3.5 tonnes) increased by 15.2% in 2023 compared to the previous year. Among the first five European markets by sales volume, a positive performance was reported by Germany (+24.2%), Spain (+14.2%), Italy (+12.3%) and France (+8.6%). In Eastern European countries (EU12) as well, sales of commercial vehicles over 3.5

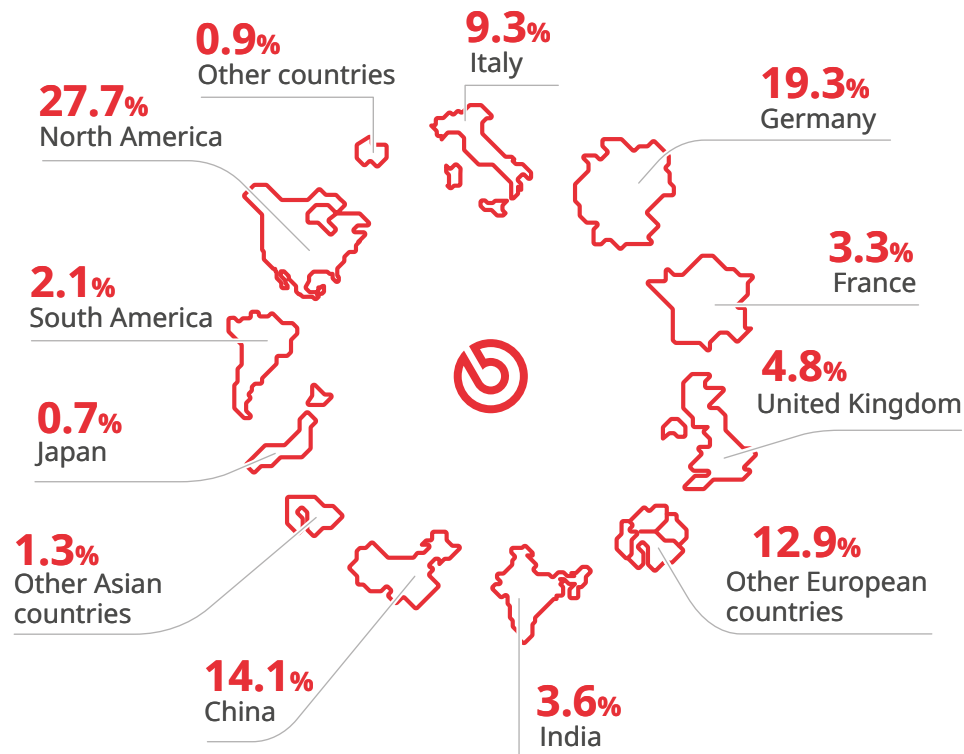
tonnes reported a positive performance in 2023, especially in Poland and Romania. In 2023, Brembo's net sales of applications in this segment amounted to €377 million, up 7.8% compared to €350 million for 2022.

Racing

In the racing sector, where Brembo has maintained undisputed supremacy for years, the Group operates through three leading brands: Brembo Racing (braking systems for race cars and motorbikes); AP Racing (braking systems and clutches for race cars); Marchesini (magnesium and aluminium wheels for racing motorbikes).

In 2023, Brembo's net sales of applications in this segment amounted to €184 million, up by 13.6% compared to €162 million for 2022.

BREAKDOWN OF NET SALES BY GEOGRAPHICAL AREA (% OF TOTAL)



THE BRANDS

Brembo markets its products with the following nine brands:



Brembo is the leading brand in the design and manufacturing of braking systems for high-performance road and racing cars and motorbikes and for commercial vehicles. Performance, Comfort and Design are the brand's distinctive traits, which make Brembo's products the most prestigious braking systems and components.



Brembo Racing is the Brembo brand for the racing market. It identifies all products bound for the world of car and motorbike racing. Brembo Racing products are designed to provide maximum performance under the most extreme conditions, and they are used by the best teams in the most prestigious F1, Indy, Nascar, Rally, MotoGP, Superbike, Enduro and Cross championships. Since December 2018, Brembo Racing is the exclusive supplier of braking systems for Spark Racing Technologies, the sole maker of Formula E championship racing single-seaters.



AP Racing is the leading brand in the production of brakes and clutches for racing cars and motorbikes. AP Racing designs, manufactures and assembles its cutting-edge, high technology products for the main Formula 1, GT, Touring and Rally teams.



AP represents a brand of excellence in the world market of car braking systems and components. It embodies a long history punctuated by creativity and achievement, which guarantees top-notch levels of product quality and performance.



Marchesini is the leading brand in the design, production, and marketing of light-alloy wheels for road and racing motorbikes.



ByBre, acronym for "By Brembo", is the brand dedicated specifically to braking systems for scooters and small and mid-power motorbikes.



Breco is the brand dedicated to the sale of discs and drums in the aftermarket channel. Breco discs are certified as original or original-equivalent.



SBS Friction is a cutting-edge brand in the development, production and sale of aftermarket brake pads and friction materials for motorbikes, scooters, ATVs/UTVs, special cars and industrial applications, as well as for wind turbines. The product range also include brake discs, clutch kits, brake shoes, brake plates and other components.



J.Juan is a leader in the development and manufacturing of metallic braided brake hoses and is also specialised in the production of motorbike braking system components.

THE 2023 AWARDS

GASGOO JINJI AWARDS	Brembo was named as one of the “Top 100 players of China’s New Automotive Supply Chain for 2023” thanks to its pioneering intelligent braking system SENSIFY™.
LINGXUAN AWARDS	Brembo Beyond Greenance Kit won the “Gold Award of the Chassis and Tire Forward-Looking Category” at the eighth Lingxuan Awards, held in 2023.
CLEPA AWARD	In October 2023 Brembo was recognised by Clepa as “Top Innovator” in the “Green” category with the Brembo Beyond Greenance Kit.
2023 BEST PRODUCT INNOVATION AWARD - GEELY AUTOMOBILE GROUP	At the “Architecture & New Energy Core Suppliers Talkfest” organised by the Geely Automobile Group, Brembo won the “2023 Best Product Innovation” award.
FEARLESS CONQUEST-IRON FACE HERO AWARD	In August 2023, M-Hero bestowed on Brembo the “Fearless Conquest—Iron Face Hero Award” for the significant support and collaboration in development, validation and mass production in the M-Hero 917 project.
2023 BEST INNOVATION AWARD - ZEEKR	The Zeekr Supplier Day 2023 was held in Chengdu, China, on 27 April 2023. Brembo won the Zeekr 2023 “Best Innovation Award” for its innovative 6-piston caliper supplied to the Chinese brand for the first time.
BEST BRAND 2023	Brembo confirmed as “Best Brand”. In 2023 as well, the readers of specialist German magazines voted for the Italian Group in a series of surveys in which the brands considered to be most prestigious amongst the different brake system producers were chosen. Brembo was revealed as the favourite brand of Auto Motor und Sport, Tuning, Motorsport Aktuell, Motorrad, Sport Auto and PS Sport Motorrad Magazine readers.
AAPEX AWARD	The Beyond EV Kit was named best product at the Automotive Aftermarket Products Expo (AAPEX).
RED DOT AWARD	In June 2023, Brembo was awarded the Red Dot Award for its 19RCS Corsa Corta RR - Race Replica, in the Product Design category. The award represents one of the most important and prestigious design competitions, which selects and celebrates the best creations that combine innovation and aesthetics.
SUPPLIER MEET AWARDS - ROYAL ENFIELD	At the Vendor Meet for the manufacturer Royal Enfield, on 28 July 2023 Brembo Brake India was named strategic partner for performance in terms of quality, obtained thanks to an excellent PPM score, which allows it to support customers, enabling them both to overcome quality problems in the field and respond to quality problems relating to the line in real time. Royal Enfield appreciates and rewards the initiatives adopted by Brembo Brake India, also in the sustainability area. These include energy saving projects (recovery of heat from compressors, full LED lighting and improved ventilation system), renewable energy development projects (plant’s rooftop solar installation and reduction of natural gas in painting booths) and water conservation projects.
SVENDBORG CLIMATE AWARD	SBS Friction recently obtained the prestigious “Svendborg Climate Award”, promoted by GO2Green and Svendborg Municipality. This award was created to reinforce the commitment to the ecological transition and celebrate those who already stand out for their concrete actions. It aims to offer sustainable examples of work organisation and daily life to inspire more people and companies to adopt a more environmentally friendly lifestyle.
ECOVADIS	Brembo received the “Gold Sustainability Rating 2023” from EcoVadis, a French company that is currently the largest provider of corporate sustainability assessments, with a global network of over 100,000 companies in 200 industrial supply chains and more than 175 countries. Based on 21 sustainability criteria, the EcoVadis rating assessed Brembo’s performance in four key areas: the environment, work and human rights, ethics and sustainable procurement. At the end of the monitoring process, the Group was awarded a score of more than 70 out of 100, placing it in the top 5% companies in the ESG arena.
ESG IDENTITY IGI COMPANY 2023	In 2023, Brembo was confirmed as a Top Performer for ESG Identity in the Integrated Governance Index (IGI).

**WORKPLACE HEALTH PROMOTION (WHP) 2023**

For the twelfth year running, Brembo (Stezzano site) received WHP accreditation (Workplace Health Promotion), confirming its constant commitment in providing its employees with high health and wellness standards.

FARO DEL MEDITERRANEO - ITALIAN CHAMBER OF COMMERCE IN BARCELONA

The Italian Chamber of Commerce in Barcelona bestowed the “Faro del Mediterraneo” award on Brembo for its excellence and leadership. Each year, this award is given to one Spanish and one Italian company for their international trajectory and the ties that they have formed between the two countries at the economic, commercial and cultural level.

RSA ARAGON SEAL

The Aragon Social Responsibility Plan was launched at the end of 2015. The goal is to promote socially responsible practices among the greatest possible number of companies, organisations and self-employed professionals in the community. For having successfully completed the Aragon Social Responsibility Plan, on 14 July 2023 the Aragon Institute for Development (IAF) granted Corporación Upwards '98 S.A. the “Aragon Social Responsibility Seal”.

PREMIO TRÓCOLA

In September, Corporación Upwards '98 S.A. received the “Most Important Supplier Award” at the Premio Trócola gala, held by the specialist magazine Autopos at the Goya Theater in Madrid, where the entire Spanish aftermarket sector gathered. The award is based on votes by the country’s most important manufacturers and distributors.

“BEST SERVICE AND ATTENTION” AWARD - SERCA GROUP

The Serca distribution group (NEXUS) awarded Corporación Upwards '98 S.A. recognition for the best service and attention. This award is the result of the assessment by each partner of the group, a leading distributor of car parts in Spain.

CDP

Brembo obtained a significant result in the CDP Water and CDP Climate questionnaires, achieving an A- score, an important recognition of the Group’s commitment to environmental sustainability. This score reflects Brembo's efforts to effectively manage and reduce its impact on water resources and greenhouse gas emissions — two crucial problems for the planet. The result encourages Brembo to continue its current journey, striving to further improve its performance in terms of resource management and its contribution to the fight against climate change.

A YEAR OF GREAT VICTORIES FOR THE BREMBO GROUP: MILESTONE OF 600 TITLES IN MAJOR MOTORSPORT COMPETITIONS CROSSED

Brembo, world leader in the manufacture of braking systems – ended 2023 with 70 world titles in the main two- and four-wheel racing competitions. Noteworthy successes included its third consecutive Formula 1 championship with Max Verstappen and Oracle Red Bull Racing, the victory by Pecco Bagnaia of the Ducati Lenovo Team in MotoGP, the domination of Alvaro Bautista of Aruba.it Racing-Ducati in WorldSuperbike and the wins by Pedro Acosta in Moto2 and Jaume Masiá in Moto3.

At The 24 Hours of Le Mans, Brembo triumphed in the Hypercar category, and in Formula 1 it reached the significant milestone of 500 GP races won in nearly 50 years of participation. Brembo continues to dominate in MotoGP, Moto2, Moto3 and World Superbike. For the eighth consecutive season, the Group supplied all the riders — 31 in total — who took part in at least one MotoGP race. Brembo stands out for the successes achieved in 35 riders’ world champi-

onships and 36 constructors’ world championships won with the main MotoGP teams.

In electric motorsports, 2023 was a triumph: Brembo continues its fifth consecutive season as exclusive supplier to all 22 full electric Gen3 single-seaters in the FIA Formula E championships and is participating in its fifth consecutive championship in the FIM MotoE World Cup, supporting the 18 electric Ducati vehicles.

Brembo’s constant presence consolidates its position as a point of reference in the motorsport racing world. In addition to the aforementioned Formula 1, Formula E, MotoGP, Moto2, Moto3 and WorldSuperbike championships, mention should also be made of the WEC, GT, IMSA, EWC, Nascar, MXGP, Enduro, Trial, Formula 2, Formula 3, WRC, Super Formula, MotoAmerica and Porsche Supercup, for a total of more than 600 world titles won between 1975 and today in the various categories.

1.6 STOCK PERFORMANCE

For a listed company, the value of its stock is an important indicator of its credibility and reputation. For this reason over the past few years the Group has paid particular attention to the brand's trust and relational capital and its competitive positioning. Brembo's stock closed 2023 at €11.10, a

6.2% increase compared to year-start, reaching the low for the period on 30 October (€10.02) and its high on 28 February (€14.92). During the same period, the FTSE MIB index closed upwards 28%, whereas the BBG EMEA Automobiles Parts index rose by 14.7%.

BREMBO'S STOCK PERFORMANCE IN 2023



1.7 ETHICAL AND SUSTAINABLE FINANCE

In line with previous years, sustainability matters are moving an increasing amount of capital at a financial level. The markets recognise the impact of risks arising from climate change, biodiversity loss and degradation of social conditions, on the actual and potential growth of the economy. In response to this scenario, Brembo has begun a process aimed at leveraging the sustainability practices that have always been a part of the Group, seizing the opportunities offered by sustainable finance.

In 2020, the Group obtained a medium-/long-term “positive loan” of €300 million from BNL of the BNP Paribas Group, the residual value of which at 31 December 2023 was

€200 million. The financial terms of the loan improve when precise sustainability goals are met. Such goals are constantly monitored and measured.

Brembo is committed to a plan to constantly reduce emissions thanks to improvements in production facilities through efficient energy use and the use of renewable energy sources. This plan is part of a broader strategy that also seeks to reinforce its capability to develop low environmental impact products. This is thus a two-fold objective — supporting the transition towards sustainable mobility and significantly reducing GHG emissions and the environmental impact of Brembo’s production sites.

1.8 THE EU TAXONOMY REGULATION No. 2020/852

In line with the goals of the UN 2030 Agenda, with the aim of achieving climate neutrality by 2050, the European Union has defined a series of strategies and initiatives aimed at directing capital flows towards investments in assets and activities deemed sustainable. In this regard, European institutions therefore introduced the Regulation (EU) 2020/852 (hereafter also referred to as the “Regulation”), which aims at providing reliable and common criteria and tools to identify sustainable economic activities, and at ensuring financial institutions and investors greater comparability regarding the degree of environmental-sustainability of an investment associated with that activity.

In particular, the Regulation introduced a unified classification system or “taxonomy”, of economic activities that, in order to qualify as “environmentally sustainable” must contribute to achieving one or more among the following six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and ecosystems

Specifically, according to the Regulation, economic activities are broken down into:

- **taxonomy-eligible:** an economic activity is taxonomy-eligible if it is listed in the delegated acts of the Regulation, in correspondence with one or more environmental objectives. If taxonomy-eligible, the activity has the potential to contribute substantially to the objective of reference;
- **taxonomy-aligned:** an economic activity is taxonomy-aligned if, in addition to being taxonomy-eligible, it is carried out in compliance with the technical screening criteria and the minimum safeguards. Accordingly, it has to:
 - meet the **substantial contribution** criteria defined by the Regulation for each activity. On a scientific basis, they describe the conditions to be met to substantially contribute to reaching the environmental objectives;
 - **Do No Significant Harm (DNSH)** to any of the other environmental objectives to which the economic activity does not substantially contribute;
 - comply with the **minimum safeguards**, ensuring respect for human rights and international legislation on workers’ rights, taxation, fair competition and bribery.

If an activity is taxonomy-aligned, it may thus qualify as “environmentally sustainable”.

Article 8 of the Regulation defines the reporting obligations within the Taxonomy, applicable to date to non-financial undertakings subject to the Non-Financial Reporting Directive. After the Regulation entered into force, it was progressively supplemented and extended to include new sectors and activities, as was the case, for instance, with the publication of the Commission Delegated Regulation (EU) 2023/2485, which made several amendments to the Climate Delegated Act, both in terms of new activities and technical screening criteria.

If in 2021, first year of application of the legislation, companies had only to report the proportion of the turnover, op-

erating expenditure (OpEx) and capital expenditure (CapEx) of taxonomy-eligible activities with respect to the objectives relating to climate change – *Climate change mitigation and Climate change adaptation*¹⁶, in this new reporting year companies such as Brembo must also disclose the same quantitative indicators (KPIs) for the taxonomy-eligible economic activities with respect to the other four environmental objectives defined by the “Environmental Delegated Act” (Commission Delegated Regulation (EU) 2023/2486). As for 2022, it is still mandatory to report the proportion of the turnover, CapEx and OpEx of the taxonomy-aligned activities only with respect to the objectives relating to climate change.

COMPLIANCE ASSESSMENT WITH THE REGULATION

As of 2021, in accordance with the Regulation, Brembo discloses the information required associated with the proportion of the turnover, CapEx and OpEx related to taxonomy-eligible activities.

In 2023, the Brembo Group continued the analysis of its taxonomy-eligible economic activities in order to assess their

effective contribution to the aforementioned six objectives and understand if and which of these can also be considered to be taxonomy-aligned. Moreover, a mapping of any CapEx and OpEx was made in relation with the purchase of products or services referring to taxonomy-eligible and/or taxonomy-aligned economic activities and to individual measures enabling activities to maintain a low level of emissions.

ELIGIBILITY ANALYSIS

The analysis resulted in the identification of the following economic activities performed by Brembo, associated with the climate change objectives:

- **3.8 Manufacture of aluminium** with reference to the CapEx and OpEx attributable to the casting of aluminium performed by Brembo (*Climate change mitigation and Climate change adaptation Objectives*);
- **3.9 Manufacture of iron and steel** with reference to the CapEx and OpEx attributable to cast iron casting performed by Brembo (*Climate change mitigation and Climate change adaptation Objectives*);

- **9.1 Close to market research, development and innovation** with reference to the CapEx and OpEx attributable to the research and development activity linked to experimental development projects of solutions and technologies which contribute to the reduction of greenhouse gas emissions (*Climate change mitigation Objective*).

The activities identified, performed by Brembo at its sites, do not generate a direct turnover for the Group. Moreover, an analysis of any CapEx and OpEx was also made in relation with the purchase of products or services referring to taxonomy-eligible economic activities and individual measures enabling the activities to reduce their level of emissions¹⁷.

¹⁶ Taxonomy activities which refer to Climate change mitigation and Climate change adaptation are included in Annex I and II of the “Climate Delegated Act”. Commission Delegated Regulation (EU) 2021/2139.

¹⁷ Annex I to the Commission Delegated Regulation (EU) 2021/2178, paragraph 1.1.2.2 (c).

Based on this analysis, the following economic activities qualified as taxonomy-eligible with respect to the Taxonomy objectives:

ACTIVITY	OBJECTIVE	REFERENCE WITHIN BREMBO
5.1 Construction, extension and operation of water collection, treatment and supply systems	<ul style="list-style-type: none"> • Climate change mitigation • Climate change adaptation 	Costs relating to the maintenance and extension of the water supply or treatment systems within the Group's production plants
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	<ul style="list-style-type: none"> • Climate change mitigation climatici 	Costs relating to the management and maintenance of the company fleet
6.6. Freight transport services by road	<ul style="list-style-type: none"> • Climate change mitigation 	Costs for long-term lease of vans for freight transport
7.1. Construction of new buildings	<ul style="list-style-type: none"> • Climate change mitigation • Climate change adaptation • The transition to a circular economy (reference to activity 3.1) 	Costs relating to the construction of new buildings within the Group's production and sales hubs
7.2. Renovation of existing buildings	<ul style="list-style-type: none"> • Climate change mitigation • Climate change adaptation • The transition to a circular economy (reference to activity 3.2) 	Costs relating to the renovation of existing buildings within the Group's production and sales hubs
7.3. Installation, maintenance and repair of energy efficiency equipment	<ul style="list-style-type: none"> • Climate change mitigation • Climate change adaptation 	Costs relating to the installation and maintenance of energy-efficient lighting and new air-conditioning systems
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	<ul style="list-style-type: none"> • Climate change mitigation • Climate change adaptation 	Costs relating to the installation and maintenance of digital meters and systems for measuring on a continuous basis the energy performance of the production lines and buildings
7.6 Installation, maintenance and repair of renewable energy technologies	<ul style="list-style-type: none"> • Climate change mitigation • Climate change adaptation 	Costs relating to the installation and maintenance of photovoltaic plants
8.1. Data processing, hosting and related activities:	<ul style="list-style-type: none"> • Climate change mitigation • Climate change adaptation 	Costs relating to server management and data centre lease
2.3. Collection and transport of non-hazardous and hazardous waste	<ul style="list-style-type: none"> • The transition to a circular economy 	Costs for the installation and maintenance of waste collection and waste sorting systems within the Group's production sites
2.2 Urban waste water treatment	<ul style="list-style-type: none"> • The sustainable use and protection of water and marine resources 	Costs for the installation and maintenance of waste water collection and separation systems within the Group's production sites

ALIGNMENT ANALYSIS

In order to assess alignment with the climate change mitigation and climate change adaptation objectives, for each taxonomy-eligible activity identified analyses were

thus carried out to check compliance with the substantial contribution criteria and the “Do No Significant Harm” criteria by each objective.

ACTIVITY - 3.8 MANUFACTURE OF ALUMINIUM

Substantial contribution to climate change mitigation

With regard to the manufacture of aluminium, the criteria for substantial contribution to climate change mitigation require that the greenhouse gas emissions of the activity not exceed 1.484 tCO_{2e} per tonne of aluminium manufactured, the average carbon intensity for indirect greenhouse gas emissions not exceed 100 g CO_{2e}/kWh and electricity consumption in the manufacturing process not exceed 15.5 Wh/t Al.

According to the Regulation, until the 2025 reporting year it is sufficient to comply with two of the above criteria to consider the economic activity taxonomy-aligned. However, Brembo has decided to adopt the more stringent criterion starting in 2023, and to consider only activities that meet all three criteria, i.e. those carried out at the plants in Mapello (Italy) and Escobedo (Mexico)¹⁸, to meet the substantial contribution criterion.

Do No Significant Harm (DNSH)

For the said activity, Annex I to the Climate Delegated Act provides for DNSH criteria with respect to other four objectives:

- Climate change adaptation: an analysis is to be performed to identify and assess vulnerability to chronic

and acute physical climate-related risks that have an impact on the activity concerned. Brembo has carried out an analysis of relevant physical risks at all its manufacturing plants, considering short-term (2023-2025) and long-term (2030-2050) scenarios, on the basis of IPCC RCP 8.5 scenario (“Fossil fuel-based development”). Accordingly, the criterion is considered to have been met.

- The sustainable use and protection of water and marine resources: an analysis of environmental risks is required in order to achieve good water condition and a water management and use plan. The criterion is considered to have been met for all manufacturing plants.
- Pollution prevention and control: a ban is established on the use of certain substances deemed hazardous. Also in light of the update applied in June 2023 and the ensuing interpretative ambiguity, the Group deems it appropriate to take a prudential approach and to consider this criterion not to have been met.
- The protection and restoration of biodiversity and ecosystems: the criterion for this objective requires an assessment of environmental impact or equivalent examination. The criterion is thus considered to have been met for all manufacturing plants.

¹⁸ The plants in Nanjing (China) and Ostrava (Czech Republic) were not considered taxonomy-aligned, despite meeting the criterion relating to tonnes of CO_{2e} per tonne manufactured and the criterion relating to electricity consumption in the manufacturing process.

ACTIVITY - 3.9 MANUFACTURE OF IRON AND STEEL

Substantial contribution to climate change mitigation

With regard to the manufacture of iron and steel, the criteria for substantial contribution to climate change mitigation require that emissions from the manufacturing process relating to coke (excluding lignite coke) used in the manufacturing process not exceed 0.144 tCO_{2e} per tonne of product and that emissions from iron casting not exceed 0.299 tCO_{2e} per tonne of product. Accordingly, the manufacture of iron and steel at the manufacturing plants in Nanjing, Dabrowa, Escobedo and Homer meets the substantial contribution criteria.

Do No Significant Harm (DNSH)

For the said activity, Annex I to the Climate Delegated Act provides for DNSH criteria with respect to other four objectives:

- Climate change adaptation: with regard to this activity as well an analysis is to be performed to identify and assess vulnerability to chronic and acute physical climate-related

risks (listed in section II of the Appendix) that have an impact on the activity concerned. In light of the analysis of the physical climate-related risks performed by Brembo, the criterion is considered to have been met.

- The sustainable use and protection of water and marine resources: an analysis of environmental risks is required in order to achieve good water condition and a water management and use plan. The criterion is considered to have been met for all manufacturing plants.
- Pollution prevention and control: a ban is established on the use of certain substances deemed hazardous. Also in light of the update applied in June 2023 and the ensuing interpretative ambiguity, the Group deems it appropriate to take a prudential approach and to consider the activity as non-compliant with the DNSH criterion.
- The protection and restoration of biodiversity and ecosystems: the criterion for this objective requires an assessment of environmental impact or equivalent examination. The criterion is thus considered to have been met for all manufacturing plants.

ACTIVITY – 9.1 CLOSE TO MARKET RESEARCH, DEVELOPMENT AND INNOVATION

Substantial contribution to climate change mitigation

With regard to close to market Research, Development and Innovation, the substantial contribution criteria require that the activity research, develop or provide innovation for technologies, products or other solutions dedicated to one or more economic activities for which the technical screening criteria have not been defined in the Commission Delegated Regulation, and that enable these activities to meet the respective criteria for substantial contribution to climate change mitigation. In the absence of sufficient elements to permit a full assessment of compliance with the criterion, according to a conservative, prudential approach the Group believes the activity is not aligned with the substantial contribution criteria.

Do No Significant Harm (DNSH)

For the said activity, Annex I to the Climate Delegated Act provides for DNSH criteria with respect to other five objectives:

- Climate change adaptation: with regard to this activity as well an analysis is to be performed to identify and assess

vulnerability to chronic and acute physical climate-related risks (listed in section II of the Appendix) that have an impact on the activity concerned. In light of the analysis of the physical climate-related risks performed by Brembo, the criterion is considered to have been met.

- The sustainable use and protection of water and marine resources: for this activity, the potential risks for the good condition or good ecological potential of bodies of water must be assessed and dealt with. The criterion is therefore considered to have been met.
- The transition to a circular economy: for this activity, the potential risks for circular economy objectives arising from the technology, product or solution of another type to which the research refers must have been assessed and dealt with. In the absence of sufficient elements to permit a full assessment of compliance with the criterion, according to a conservative, prudential approach the Group believes this activity is not compliant with such a DNSH criterion.
- Pollution prevention and control: for this activity, all potential risks relating to a significant increase in polluting

emissions arising from the technology, product or solution must have been assessed and dealt with. In the absence of sufficient elements to permit a full assessment of compliance with the criterion, according to a conservative, prudential approach the Group believes this activity is not compliant with such a DNSH criterion.

- The protection and restoration of biodiversity and ecosystems: for this activity, the potential risks to the good con-

dition or resilience of ecosystems or the state of preservation of habitats and species arising from the technology or product subject to research must have been assessed and dealt with. In the absence of sufficient elements to permit a full assessment of compliance with the criterion, according to a conservative, prudential approach the Group believes this activity is not compliant with such a DNSH criterion.

ACTIVITY 5.1 CONSTRUCTION, EXTENSION AND OPERATION OF WATER COLLECTION, TREATMENT AND SUPPLY SYSTEMS

Substantial contribution to climate change mitigation

The criteria for substantial contribution to climate change mitigation require that specific energy performance criteria have been met. As the Group does not have all the necessary evidence relating to maintenance and extension of water supply or treatment systems at its production or distribution hubs, it has taken a prudential approach and considered the criterion not to be met.

Do No Significant Harm (DNSH)

For the said activity, Annex I to the Climate Delegated Act provides for DNSH criteria with respect to other three objectives:

- Climate change adaptation: with regard to this activity as well an analysis is to be performed to identify and assess

vulnerability to chronic and acute physical climate-related risks (listed in section II of the Appendix) that have an impact on the activity concerned. In light of the analysis of the physical climate-related risks performed by Brembo, the criterion is considered to have been met.

- The sustainable use and protection of water and marine resources: for this activity, the potential risks for the good condition or good ecological potential of bodies of water must be assessed and dealt with. The criterion is therefore considered to have been met.
- The protection and restoration of biodiversity and ecosystems: the criterion requires an assessment of environmental impact or equivalent examination. All the work sites at Group's facilities comply with this criterion.

ACTIVITY 6.5. TRANSPORT BY MOTORBIKES, PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES

Substantial contribution to climate change mitigation

The substantial contribution criteria for expenses incurred for the vehicle fleet require that such vehicles belong to a specific emission class that varies depending on the type of vehicle. For the current reporting year, the Group believes that the activity is consistent with the substantial contribution criteria solely for the fleet's electric and hybrid vehicles.

Do No Significant Harm (DNSH)

For the said activity, Annex I to the Climate Delegated Act provides for DNSH criteria with respect to other three objectives:

- Climate change adaptation: with regard to this activity

as well an analysis is to be performed to identify and assess vulnerability to chronic and acute physical climate-related risks that have an impact on the activity concerned. With regard to the investments undertaken in 2023 in connection with the vehicle fleet, according to a conservative, prudential approach, as the activity is not directly performed by Brembo, and in the absence of sufficient elements to permit a full assessment of compliance with the criterion, the Group believes the activity not to be compliant with such a DNSH criterion.

- The transition to a circular economy: this requires that vehicles possess certain characteristics of reusability and recyclability and that measures be taken to manage waste during the use phase (maintenance) and end-of-life phase.

According to a conservative approach, in the absence of sufficient elements to permit a full assessment of compliance with the criterion by suppliers, the Group believes this activity is not compliant with such a DNSH criterion.

- Pollution prevention and control: this requires that vehi-

cles adhere to certain parameters relating to conformity, type approval, emissions and efficiency. The vehicles of the Group's fleet meet this criterion, since the parameters and characteristics in question are required by the European Union for all recently registered vehicles.

ACTIVITY 6.6. FREIGHT TRANSPORT SERVICES BY ROAD

Substantial contribution to climate change mitigation

The substantial contribution criteria for expenses incurred for freight transport vehicles require that such vehicles belong to a specific emission class that varies depending on the type of vehicle. For the current reporting year, the Group believes that the activity is consistent with the substantial contribution criteria solely for the fleet's electric and hybrid vehicles.

Do No Significant Harm (DNSH)

For the said activity, Annex I to the Climate Delegated Act provides for DNSH criteria with respect to other three objectives:

- Climate change adaptation: with regard to this activity as well an analysis is to be performed to identify and assess vulnerability to chronic and acute physical climate-related risks that have an impact on the activity concerned. With regard to the investments undertaken in 2023 in connection with the freight transport vehi-

cles, according to a conservative, prudential approach, and in the absence of sufficient elements to permit a full assessment of compliance with the criterion, the Group believes the activity not to be compliant with such a DNSH criterion.

- The transition to a circular economy: this requires that vehicles possess certain characteristics of reusability and recyclability and that measures be taken to manage waste during the use phase (maintenance) and end-of-life phase. According to a conservative approach, in the absence of sufficient elements to permit a full assessment of compliance with the criterion by suppliers, the Group believes this activity is not compliant with such a DNSH criterion.
- Pollution prevention and control: this requires that vehicles adhere to certain parameters relating to conformity, type approval, emissions and efficiency. The vehicles of the Group's fleet meet this criterion, since the parameters and characteristics in question are required by the European Union for all recently registered vehicles.

ACTIVITY 7.1. CONSTRUCTION OF NEW BUILDINGS

Substantial contribution to climate change mitigation

The criteria for substantial contribution to climate change mitigation require that specific energy performance criteria have been met. Since the Group does not have all the necessary evidence relating to the work to construct the new buildings at its production and sales hubs, according to a prudential approach for activities not directly performed by the Group, the criterion has been considered not to have been met.

Do No Significant Harm (DNSH)

For the said activity, Annex II to the Climate Delegated Act provides for DNSH criteria with respect to other five objectives:

- Climate change adaptation: with regard to this activity as well an analysis is to be performed to identify and assess vulnerability to chronic and acute physical climate-related risks that have an impact on the activity concerned. The criterion has been met due to initiatives at the Group's plants under analysis.

- The sustainable use and protection of water and marine resources: this requires specific techniques relating to certain plumbing systems, in respect of which the Group believes it does not have complete visibility for all plants included in the scope. Accordingly, the Group deems it appropriate to adopt a prudential approach and consider the activity not to be compliant with such a DNSH criterion.
- The transition to a circular economy: this requires that at least 70% of waste generated during construction and demolition at a work site be prepared for recovery. Since the Group does not have full visibility of all active work sites at plants not directly managed by Brembo, it deems it appropriate to adopt a prudential approach and consider the activity not compliant with such a DNSH criterion.
- Pollution prevention and control: a ban is established on the use of certain substances deemed hazardous. Also in light of the update applied in June 2023 and the ensuing interpretative ambiguity, the Group deems it appropriate to take a prudential approach and to consider the activity as non-compliant with the DNSH criterion.
- The protection and restoration of biodiversity and ecosystems: the criterion requires an assessment of environmental impact or equivalent examination. All the work sites at Group's facilities comply with this criterion.

ACTIVITY 7.2. RENOVATION OF EXISTING BUILDINGS

Substantial contribution to climate change mitigation

The criteria for substantial contribution to climate change mitigation require that specific energy performance criteria have been met. Since the Group does not have all the necessary evidence relating to the work to construct the new buildings at its production and sales hubs, according to a prudential approach, the criterion has been considered not to have been met.

Do No Significant Harm (DNSH)

For the said activity, Annex II of the Climate Delegated Act provides for DNSH criteria with respect to other four objectives:

- Climate change adaptation: with regard to this activity as well an analysis is to be performed to identify and assess vulnerability to chronic and acute physical climate-related risks that have an impact on the activity concerned. The criterion has been met due to initiatives at the Group's plants under analysis.
- The sustainable use and protection of water and marine resources: with regard to this objective, the criterion requires specific techniques relating to certain plumbing systems, in respect of which the Group believes it does not have complete visibility for all plants included in the scope. Accordingly, the Group deems it appropriate to adopt a prudential approach and consider the activity not to be compliant with such a DNSH criterion.
- The transition to a circular economy: with regard to this objective, the criterion requires that at least 70% of waste generated during construction and demolition at a work site be prepared for recovery. Since the Group does not have full visibility of all active work sites at plants not directly managed by Brembo, the Group deems it appropriate to adopt a prudential approach and consider the activity not compliant with such a DNSH criterion.
- Pollution prevention and control: a ban is established on the use of certain substances deemed hazardous. Also in light of the update applied in June 2023 and the ensuing interpretative ambiguity, the Group deems it appropriate to take a prudential approach and to consider the activity as non-compliant with the DNSH criterion.
- The protection and restoration of biodiversity and ecosystems: the criterion for this objective requires an assessment of environmental impact or equivalent examination. All the work sites at Group's facilities comply with this criterion.

ACTIVITY 7.3. INSTALLATION, MAINTENANCE AND REPAIR OF ENERGY EFFICIENCY EQUIPMENT

Substantial contribution to climate change mitigation

With regard to expenses incurred for the installation and maintenance of energy-efficient lighting and new air-conditioning systems, the activity meets the substantial contribution criteria as it is included in the list of initiatives described.

Do No Significant Harm (DNSH)

For the said activity, Annex I to the Climate Delegated Act provides for DNSH criteria with respect to other two objectives:

- Climate change adaptation: with regard to this activity

as well an analysis is to be performed to identify and assess vulnerability to chronic and acute physical climate-related risks that have an impact on the activity concerned. The criterion has been met due to initiatives at the Group's plants under analysis.

- Pollution prevention and control: a ban is established on the use of certain substances deemed hazardous. Also in light of the update applied in June 2023 and the ensuing interpretative ambiguity, the Group deems it appropriate to take a prudential approach and to consider the activity as non-compliant with the DNSH criterion.

ACTIVITY 7.5 INSTALLATION, MAINTENANCE AND REPAIR OF INSTRUMENTS AND DEVICES FOR MEASURING, REGULATION AND CONTROLLING ENERGY PERFORMANCE OF BUILDINGS

Substantial contribution to climate change mitigation

With regard to the expenses incurred for digital meters and energy performance measurement systems, the activity meets the substantial contribution criteria as it is included in the list of initiatives described in the substantial contribution section.

Do No Significant Harm (DNSH)

The only one DNSH criterion provided for by the Regulation with respect to the activity 7.5 is that relating to the climate change adaptation objective. With regard to this objective, the criterion has been met due to initiatives at the Group's plants under analysis.

ACTIVITY 7.6 INSTALLATION, MAINTENANCE AND REPAIR OF RENEWABLE ENERGY TECHNOLOGIES

Substantial contribution to climate change mitigation

With regard to the expenses incurred for the installation of photovoltaic panels, the activity meets the substantial contribution criteria as it is included in the list of initiatives described in the substantial contribution section.

Do No Significant Harm (DNSH)

The only one DNSH criterion provided for by the Regulation with respect to the activity 7.6 is that relating to the climate change adaptation objective. With regard to this objective, the criterion has been met due to initiatives at the Group's plants under analysis.

ACTIVITY 8.1. DATA PROCESSING, HOSTING AND RELATED ACTIVITIES

Substantial contribution to climate change mitigation

The criteria for substantial contribution to climate change mitigation require that specific energy efficiency criteria have been met by data centres, as verified in a third-party audit. As the Group does not have all the necessary evidence relating to data centres at its production and sales hubs, it has taken a prudential approach and considered the criterion not to be met.

Do No Significant Harm (DNSH)

For the said activity, Annex I to the Climate Delegated Act provides for DNSH criteria with respect to other three objectives:

- Climate change adaptation: with regard to this activity as well an analysis is to be performed to identify

and assess vulnerability to chronic and acute physical climate-related risks that have an impact on the activity concerned. The criterion has been met for data centres at the Group's plants under analysis.

- The sustainable use and protection of water and marine resources: for this activity, the potential risks for the good condition or good ecological potential of bodies of water must be assessed and dealt with. The criterion is therefore considered to have been met.
- The transition to a circular economy: For this objective, the criterion requires that electronic devices and the substances they contain satisfy a series of technical specifications. In this regard, the Group deems it appropriate to adopt a prudential approach and considers the criterion not to be met, as it does not have all the necessary information.

Lastly, it should be noted that for the activity 5.1 Construction, extension and operation of water collection, treatment and supply systems no alignment analysis was performed since it is not required in the first year after the Environmental Delegated Act entered into force.

Since several among taxonomy-eligible activities fall within the scope of both the climate-related objectives (specifically: 3.8, 3.9, 7.1, 7.2, 7.5, 7.6, and 8.1), the Group also performed the alignment analysis with respect to the climate change adaptation objective, as provided for in June 2023. Moreover, it should be noted that, contrary to the above mentioned activities, activities 6.5 and 6.6 are not deemed as taxonomy-eligible¹⁹ also for the climate change adaptation objective because no climate risk analysis was carried out in relation to them.

Although several DNSH criteria are met for some activities, the criterion for substantial contribution to climate change adaptation, which is the same for all taxonomy-eligible activities, requires that the adaptation solutions with respect to the climate-related risks identified are identified.

These adaptation solutions must comply with specific requirements that the Group believes it has not been implemented within the terms set forth by the Regulation. Activities proved not to be aligned with respect to the climate change adaptation objective.

Lastly, it should be noted that for the activities 2.2 Urban waste water treatment and 2.3 Collection and transport of non-hazardous and hazardous waste no alignment analysis was made since it is not required in the first year after the Environmental Delegated Act entered into force.

¹⁹ In line with the indications of the FAQ 18 of the October 2023 Commission Notice

MINIMUM SAFEGUARDS

Lastly, Brembo analysed compliance with the minimum safeguards, in accordance with the provisions of Article 18 of the Regulation. In particular, the OECD Guidelines for Multi-national Enterprises, the United Nations Guiding Principles on Business and Human Rights and the principles and rights set out in the eight core conventions identified in the International Labour Organisation (ILO)'s Declaration on Fundamental Principles and Rights at Work and the International Charter of Human Rights were taken into consideration.

Specifically, nine categories were assessed: human rights policies, human rights due diligence and risk assessment, human rights impact management, grievance mechanisms, consumer interests, anti-corruption, competition and taxation.

Brembo ensures that the topics relating to minimum safeguards are dealt with through the adoption of specific tools such as the company policies, guidelines and organisational and operational mechanisms, and in particular:

- the Group's Code of Ethics, whose provisions apply to all employees of all the Group Companies and all parties acting for achieving the Group's objectives;
- the 231 Models of the Group Companies and whistleblowing procedures for reporting any breaches of the Code and Models;
- diversity policies for the Governing Body's composition aimed at ensuring an optimal combination of skills and professional background among the members of the Board of Directors not only with regard to gender, but also experience, professionalism, integrity, independence, age and other relevant aspects, as provided for by applicable laws;
- the Remuneration policy and the related report published annually, as described in greater detail in paragraph "Remuneration policies" of the section "Company structure";
- the disclosure on issues relating to human rights, as well as gender diversity and fundamental labour rights in the Group's Disclosure of Non-Financial Information (for greater details, see the sections "People" and "The Supply Chain");

- the policies and codes of conduct published on the Group's website and whose provisions apply to all employees of all the Group Companies and all parties acting for achieving the Group's objectives; the Anti-bribery Code of Conduct, Brembo's Code of Basic Working Conditions, Brembo's Policy on Non Discrimination and Diversity, Supplier Code of Conduct, Brembo General Terms and Conditions of Purchase Direct Materials and Services. the above mentioned codes and policies are described in detail in paragraph 3.2 "Responsible business management system" of the chapter "Company structure";
- grievance mechanisms accessible to stakeholders through the Group's website.

Following this analysis, the Group verified that it had implemented all the safeguards provided for in Article 18 of the Regulation, while acknowledging the need to formalise some specific policy statements to ensure full compliance with the requirements of the OECD Guidelines and UN Guiding Principles.

For further details concerning the measures relating to minimum safeguards, see in particular the chapter "Company structure", "The supply chain" and "People", in which additional information is provided regarding the Group's measures and results in relation to the issues of human rights and the fight against corruption.

In cases of verification of the minimum safeguards for products and services purchased by the Group and originating in taxonomy-eligible economic activities (specifically, for activities 5.1, 6.5, 6.6, 7.1, 7.2, 7.3, 7.5, 7.6 and 8.1), companies are required to expand the scope of analysis to the supply chain of eligible products and services. In this regard, Brembo has prepared a set of procedures defined to ensure transparency and observance of the principles laid down in its Code of Ethics throughout its supply chain, as described in the chapter "The supply chain". However, according to a conservative, prudential approach, Brembo does not believe that it has sufficient information to ensure that current supply chain management practices ensure full alignment of its suppliers with Article 8 of the Regulation.

Accounting policy and contextual information

In accordance with the indications of Annex I to the Disclosures Delegated Act²⁰, the Group calculated the KPIs related to Turnover, CapEx and OpEx for activities identified as taxonomy-eligible, assessing their specific weight with reference to the respective consolidated amounts.

Specifically, here below are illustrated the methodological approaches used to calculate each KPI, providing a general overview for both denominators and numerators.

Turnover KPI

The Turnover denominator was determined through an analysis of the Group's statutory chart of accounts for 2023. In particular, the consolidated item concerning the Group's revenues was considered. To this end, in accordance with paragraph 1.1.1 of Annex 1 to the Disclosures Delegated Act, the revenues of the Group's core business were identified by considering the line item "Revenue from contracts with customers". These revenues represent amounts derived from the sale of products and the provision of services after deducting sales rebates²¹ and value added tax and other taxes directly linked to turnover. Accordingly, the Group's Turnover for 2023 was €3,849,220 thousand, as shown in the consolidated financial statements (Revenue from contracts with customers, note No. 20 to the consolidated annual financial report).

With regard to calculation of the numerator, in accordance with the requirements of Annex 1 to the Disclosures Delegated Act, as the Group has not identified any taxonomy-eligible activities according to the criteria laid down in the Regulation, it presented a numerator value of 0 for 2023.

OpEx KPI

Paragraph 1.1.3.1 of Annex 1 to the Disclosures Delegated Act states that the denominator of the OpEx must be calculated by identifying specific non-capitalised operating expenses relating to:

- Research and Development
- Building renovation measures
- Short-term lease
- Maintenance and repair
- Any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment.

To determine the value of these items, Brembo conducted a thorough analysis of the Group's chart of accounts. Accordingly, a broad investigation was conducted to isolate all items attributable to the above components. In particular, with regard to "any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment", plant cleaning expenses were taken into consideration²².

For the cost of personnel involved in the above activities, as it was not possible to obtain the related numbers directly from an analysis of the chart of accounts, cost centres were analysed through analytical accounting. The value resulting from this analysis for the denominator is €260,030 thousand.

The approach used for the numerator involved a more detailed and broader analysis than that applied to the denominator. The numbers associated with the identified taxonomy-eligible activities were extracted from the management system of Group companies, ensuring correspondence between the items of the consolidated chart of accounts used to calculate the denominator.

In particular, Brembo identified the following taxonomy-eligible activities:

- 3.8 Manufacture of aluminium (Climate change mitigation)
- 3.9 Manufacture of iron and steel (Climate change mitigation)
- 5.1 Construction, extension and operation of water collection, treatment and supply systems (Climate change mitigation)
- 6.5 Transport by motorbikes, passenger cars and light commercial vehicles (Climate change mitigation)

²⁰ Commission Delegated Regulation (EU) 2021/2178.

²¹ As described by IAS 1, paragraph 82, and in the definition of "net turnover" of the Directive 2013/34/EU.

²² As suggested by the FAQ 12 of the October 2022 Commission Notice (2022/C 385/01).

- 6.6 Freight transport services by road (Climate change mitigation)
- 7.3 Installation, maintenance and repair of energy efficiency equipment (Climate change mitigation)
- 7.6 Installation, maintenance and repair of renewable energy technologies (Climate change mitigation)
- 9.1 Close to market research, development and innovation (Climate change mitigation).

With regard to paragraph 1.1.3.2(C)²³, the Group identified operating expenses relating to other activities, such as the renovation of buildings, management of the vehicle fleet, energy efficiency operations, data centre management activities and renewable energy technologies. The main costs considered were maintenance costs and short-term lease costs.

CapEx KPI

Paragraph 1.1.2.1 of Annex I to the Disclosures Delegated Act provides that the CapEx denominator shall cover additions to tangible and intangible assets during the financial year considered before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. The denominator shall also cover additions to tangible and intangible assets resulting from business combinations.

For the denominator, the Group therefore took into account the increases relating to intangible assets, property, plant and equipment, and right of use assets. This data was obtained from tables relating to changes in assets, isolating only the “acquisitions” row (Property, plant and equipment and Intangible assets, presented in notes 1 and 2 of the consolidated annual financial report)²⁴.

The Group’s investments, considered for the denominator, thus amount to €433,548 thousand, as indicated in the explanatory notes to the consolidated financial statements.

These investments have been broken down by type of asset, distinguishing between property, plant and equipment, intangible assets and rights of use assets (according to IFRS 16) with respect to the increases that occurred in 2023, resulting in the following specific values:

- Investments in intangible assets of €43,733 thousand;
- Investments in property, plant and equipment of €369,084 thousand;
- Increases of leased assets of 20,731 thousand euro.

With regard to the numerator of the KPI, the Group conducted a detailed analysis of changes in assets to identify the components associated with assets deemed eligible. In particular, as the Group is present in various territories, the approach taken involved engaging all the administrative and accounting personnel of all plants and legal entities within the scope of consolidation. Detailed numbers were then obtained by extracting them from management systems.

The activities identified as source of investments in 2023 included:

- 2.2 Urban waste water treatment (The sustainable use and protection of water and marine resources)
- 2.3 Collection and transport of non-hazardous and hazardous waste (The transition to a circular economy)
- 3.8 Manufacture of aluminium (Climate change mitigation)
- 3.9 Manufacture of iron and steel (Climate change mitigation)
- 5.1 Construction, extension and operation of water collection, treatment and supply systems (Climate change mitigation)
- 6.5 Transport by motorbikes, passenger cars and light commercial vehicles (Climate change mitigation)
- 7.1 Construction of new buildings (Climate change mitigation)
- 7.2 Renovation of existing buildings (Climate change mitigation)

²³ Paragraph 1.1.3.2(C) of the Commission Delegated Regulation (EU) 2021/2178: OpEx related to assets or processes associated with Taxonomy-aligned (Taxonomy-eligible) economic activities, including training and other human resources adaptation needs, and direct non-capitalised costs that represent research and development..

²⁴ As suggested by paragraph 1.1.2.1, the following standards were used as reference: • IAS 16 Property, Plant and Equipment • IAS 38 Intangible Assets • IFRS 16 Leases.

- 7.3 Installation, maintenance and repair of energy efficiency equipment (Climate change mitigation)
- 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (Climate change mitigation)
- 7.6 Installation, maintenance and repair of renewable energy technologies (Climate change mitigation)
- 8.1 Data processing, hosting and related activities (Climate change mitigation).

With regard to paragraph 1.1.2.1(C)²⁵, capitalised expenses were identified relating to other activities, such as the construction and renovation of buildings, vehicle fleet, energy efficiency operations, data processing and renewable energy technologies. In parallel, investments in tangible (property, plant and equipment) and intangible assets (research and development) were taken into account.

Comparison with the previous year

As required by the Disclosures Delegated Act, 2023 is the first fiscal year in which non-financial undertakings within the scope of application must provide comparisons with the previous year.

Please refer to the KPI summary tables for the details of the changes in the numbers and percentages of indica-

tors required by the regulations.

As required by point 1.2.1 “Accounting policy” of the Disclosures Delegated Act, “where the application of any calculations has changed since the previous reporting period, non-financial undertakings shall explain why those changes result in more reliable and relevant information and provide for restated comparative figures”.

Accordingly, it is specified that the change in KPIs compared to 2022 is to be associated with the inclusion of additional activities beyond those considered in the previous financial year, as well as with a change in the accounting approach taken to deriving numbers and the reporting of KPIs. Specifically, in order to be more consistent with the regulatory requirements for calculating the OpEx, the analysis carried out this year led to the inclusion of certain items relating to specific maintenance accounts. In addition, accounts relating to auxiliary materials were excluded from the calculation, as they are not associable with the categories mentioned in Annex 1-5.

In particular, the assessment as to whether to include or exclude given line items of the chart of accounts was made in reference to the specific categories relating to the Disclosures Delegated Act.

Information concerning the various assets, as presented in the previous fiscal period, is presented below.

INITIAL VALUE OPEX FY 2022

CODE	ACTIVITY	INITIAL VALUE FY 2022	INITIAL (%) VALUE FY 2022
3.8	Manufacture of aluminium	12,833	6.81%
3.9	Manufacture of iron and steel	16,399	8.71%
7.6	Installation, maintenance and repair of renewable energy technologies	3,055	1.86%
9.1	Close to market research, development and innovation	4,701	2.50%
Total		37,438	19.87%

²⁵ Paragraph 1.1.2.1(C) of the Commission Delegated Regulation (EU) 2021/2178: CapEx related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, as well as individual measures for the renovation of buildings identified in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.



PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED AND TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2023 (DATA IN € THOUSAND)

ECONOMIC ACTIVITIES (1)	CODE(S) (2)	ABSOLUTE TURNOVER (3)	PROPORTION OF TURNOVER (4)	SUBSTANTIAL CONTRIBUTION CRITERIA						CIRCULAR ECONOMY (9) %	BIODIVERSITY AND ECOSYSTEMS (10) %
				CLIMATE CHANGE MITIGATION (5) %	CLIMATE CHANGE ADAPTATION (6) %	WATER AND MARINE RESOURCES (7) %	POLLUTION (8) %	Y; N; N/EL %	Y; N; N/EL %		
		€ thousand	%	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	
A. TAXONOMY-ELIGIBLE ACTIVITIES											
A.1 Environmentally sustainable activities (Taxonomy-aligned)											
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.00	0.00%								
A.2 Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities)											
Turnover of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.00	0.00%								
Total (A.1 + A.2)		0.00	0.00%								
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES											
Turnover of Taxonomy-non-eligible activities (B)		3,849,220	100.00%								
Total (A + B)		3,849,202	100.00%								

KEY TAXONOMY TABLE

	SUBSTANTIAL CONTRIBUTION CRITERIA	"DO NO SIGNIFICANTLY HARM" CRITERIA	CATEGORY
Y	Taxonomy-eligible and Taxonomy-aligned activity with the objective	The activity is compliant with the DNHS criteria	
N	Taxonomy-eligible, but not Taxonomy-aligned activity with the objective	The activity is not compliant with the DNHS criteria	
N/EL	Taxonomy-non-eligible for the objective		
E			Enabling
T			Transitional

**PROPORTION OF TURNOVER /
TOTAL TURNOVER**
DNSH CRITERIA ("DOES NOT SIGNIFICANTLY HARM")

CLIMATE CHANGE MITIGATION ⁽¹¹⁾	CLIMATE CHANGE ADAPTATION ⁽¹²⁾	WATER AND MARINE RESOURCES ⁽¹³⁾	POLLUTION ⁽¹⁴⁾	CIRCULAR ECONOMY ⁽¹⁵⁾	BIODIVERSITY AND ECOSYSTEMS ⁽¹⁶⁾	MINIMUM SAFEGUARDS ⁽¹⁷⁾	PROPORTION OF TAXONOMY-ALIGNED TURNOVER, YEAR 2022 ⁽¹⁸⁾	CATEGORY (ENABLING ACTIVITY) ⁽¹⁹⁾	CATEGORY (TRANSITIONAL ACTIVITY) ⁽²⁰⁾	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE	
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	E	T			
										CCM ²⁶	0.00%	0.00%
										CCA ²⁷	0.00%	0.00%
										WTR ²⁸	0.00%	0.00%
										CE ²⁹	0.00%	0.00%
										PPC ³⁰	0.00%	0.00%
										BIO ³¹	0.00%	0.00%

- 26 CCM: Climate change mitigation.
27 CCA: Climate change adaptation.
28 WTR: Water and marine resources.
29 CE: Circular economy.
30 PPC: Pollution.
31 BIO: Biodiversity and ecosystems.



PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2023 (€ THOUSAND)

ECONOMIC ACTIVITIES (*)	CODE(S) (2)	ABSOLUTE CAPEX (3)	PROPORTION OF CAPEX (4) %	SUBSTANTIAL CONTRIBUTION CRITERIA						CIRCULAR ECONOMY (9) %	BIODIVERSITY AND ECOSYSTEMS (10) %
				CLIMATE CHANGE MITIGATION (5) %	CLIMATE CHANGE ADAPTATION (6) %	WATER AND MARINE RESOURCES (7) %	POLLUTION (8) %	Y; N; N/EL %	Y; N; N/EL %		
		€ thousand	%	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	
A. TAXONOMY-ELIGIBLE ACTIVITIES											
A.1 Environmentally sustainable activities (Taxonomy-aligned)		0.00	0.00%								
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.00	0.00%								
of which enabling											
of which transitional											
A.2 Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities)											
Urban waste water treatment	2.2 WTR	58.4	0.01%	N/EL	N/EL	Y	N/EL	N/EL	N/EL	N/EL	
Collection and transport of non-hazardous and hazardous waste	2.3 CE	82.4	0.02%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	N/EL	
Manufacture of aluminium	3.8 CCM/ 3.8 CCA	154.94	0.04%	Y	Y	N/EL	N/EL	N/EL	N/EL	N/EL	
Manufacture of iron and steel	3.9 CCM / 3.9 CCA	2,780.97	0.64%	Y	Y	N/EL	N/EL	N/EL	N/EL	N/EL	
Construction, extension and operation of water collection, treatment and supply systems	5.1 CCM/ 5.1 CCA	174.64	0.04%	Y	Y	N/EL	N/EL	N/EL	N/EL	N/EL	
Transport by motorbikes, passenger cars and light commercial vehicles	6.5 CCM	18.11	0.00%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	
Construction of new buildings	7.1 CCM/ 7.1 CCA / 3.1 CE	1,500.29	0.35%	Y	Y	N/EL	Y	N/EL	N/EL	N/EL	
Renovation of existing buildings	7.2 CCM/ 7.22 CCA / 3.2 CE	1,913.66	0.44%	Y	Y	N/EL	Y	N/EL	N/EL	N/EL	
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM/ 7.3 CCA / 3.3 CE	129.35	0.03%	Y	Y	N/EL	Y	N/EL	N/EL	N/EL	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5 CCM / 7.5 CCA	95.64	0.02%	Y	Y	N/EL	N/EL	N/EL	N/EL	N/EL	
Installation, maintenance and repair of renewable energy technologies	7.6 CCM / 7.6 CCA	516.80	0.12%	Y	Y	N/EL	N/EL	N/EL	N/EL	N/EL	
Data processing, hosting and related activities	8.1 CCM / 8.1 CCA	12.55	0.00%	Y	Y	N/EL	N/EL	N/EL	N/EL	N/EL	
Close to market research, development and innovation	9.1 CCM	0.00	0.00%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	
CapEx of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		7,437.75	1.72%								
Total (A.1 + A.2)		7,437.75	1.72%								
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES											
CapEx of Taxonomy-non-eligible activities (B)		426,110	98.28%								
Total (A + B)		433,548	100.00%								



PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2023 (DATA IN € THOUSAND)

ECONOMIC ACTIVITIES ⁽¹⁾	CODE(S) ⁽²⁾	ABSOLUTE OPEX ⁽³⁾	PROPORTION OF OPEX ⁽⁴⁾ %	SUBSTANTIAL CONTRIBUTION CRITERIA						BIODIVERSITY AND ECOSYSTEMS ⁽¹⁰⁾ %
				CLIMATE CHANGE MITIGATION ⁽⁵⁾ %	CLIMATE CHANGE ADAPTATION ⁽⁶⁾ %	WATER AND MARINE RESOURCES ⁽⁷⁾ %	CIRCULAR ECONOMY ⁽⁸⁾ %	POLLUTION ⁽⁹⁾ %		
	€ thousand	%	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	Y; N; N/EL %	
A. TAXONOMY-ELIGIBLE ACTIVITIES										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%							
of which enabling										
of which transitional										
A.2 Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities)										
Manufacture of aluminium	3.8 CCM/ 3.8 CCA	1,110.75	0.43%	Y	Y	N/EL	N/EL	N/EL	N/EL	
Manufacture of iron and steel	3.9 CCM / 3.9 CCA	11,300.50	4.35%	Y	Y	N/EL	N/EL	N/EL	N/EL	
Construction, extension and operation of water collection, treatment and supply systems	5.1 CCM / 5.1 CCA	138.55	0.05%	Y	Y	N/EL	N/EL	N/EL	N/EL	
Transport by motorbikes, passenger cars and light commercial vehicles	6.5 CCM	211.16	0.08%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	
Freight transport services by road	6.6 CCM	74.19	0.03%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM / 7.3 CCA / 3.3 CE	44.58	0.02%	Y	Y	N/EL	Y	N/EL	N/EL	
Installation, maintenance and repair of renewable energy technologies	7.6 CCM / 7.6 CCA	3.71	0.00%	Y	Y	N/EL	N/EL	N/EL	N/EL	
Close to market research, development and innovation	9.1 CCM	3,832.56	1.47%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	
OpEx of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		16,716.01	6.43%							
TOTAL (A.1 + A.2)		16,716.01	6.43%							
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES										
OpEx of Taxonomy-non-eligible activities (B)		243,314	93.57%							
Total (A + B)		260,030	100%							

32 The figure reported (9.05%) does not match with the figure reported in the previous fiscal year. For further details, please refer to the final paragraph "Comparison with the previous year".

