

10

SUSTAINABILITY
OBJECTIVES
PUBLISHED

AN ANNIVERSARY TO BE CELEBRATED

It is the tenth anniversary of the Corporate Social Responsibility Department, which has taken a strong, systematic approach to the environment, social and governance matters — always a part of Brembo's identity. This path continues to be strengthened, through a tangible daily commitment.

220

IDEAS COMPETING
FOR THE BREMBO
SUSTAINABILITY
AWARDS

13

CSR
AMBASSADORS
WITHIN THE GROUP

20

CSR
CHAMPIONS
WITHIN
THE GROUP

2. SUSTAINABILITY



13

CSR Ambassadors within the Group



28

CSR Champions within the Group



228

Ideas competing for the Brembo Sustainability Awards



15

Sustainability objectives published

2.1 SUSTAINABILITY FOR BREMBO

To Brembo, sustainability has now become a distinctive trait integrated into the Group's business model and guides its growth and development, year after year. Sustainability is part of Brembo's strategic vision — "Turning Energy Into Inspiration" — within the framework of the Digital, Global and Cool Brand pillars.

This commitment started in the late 1990s:

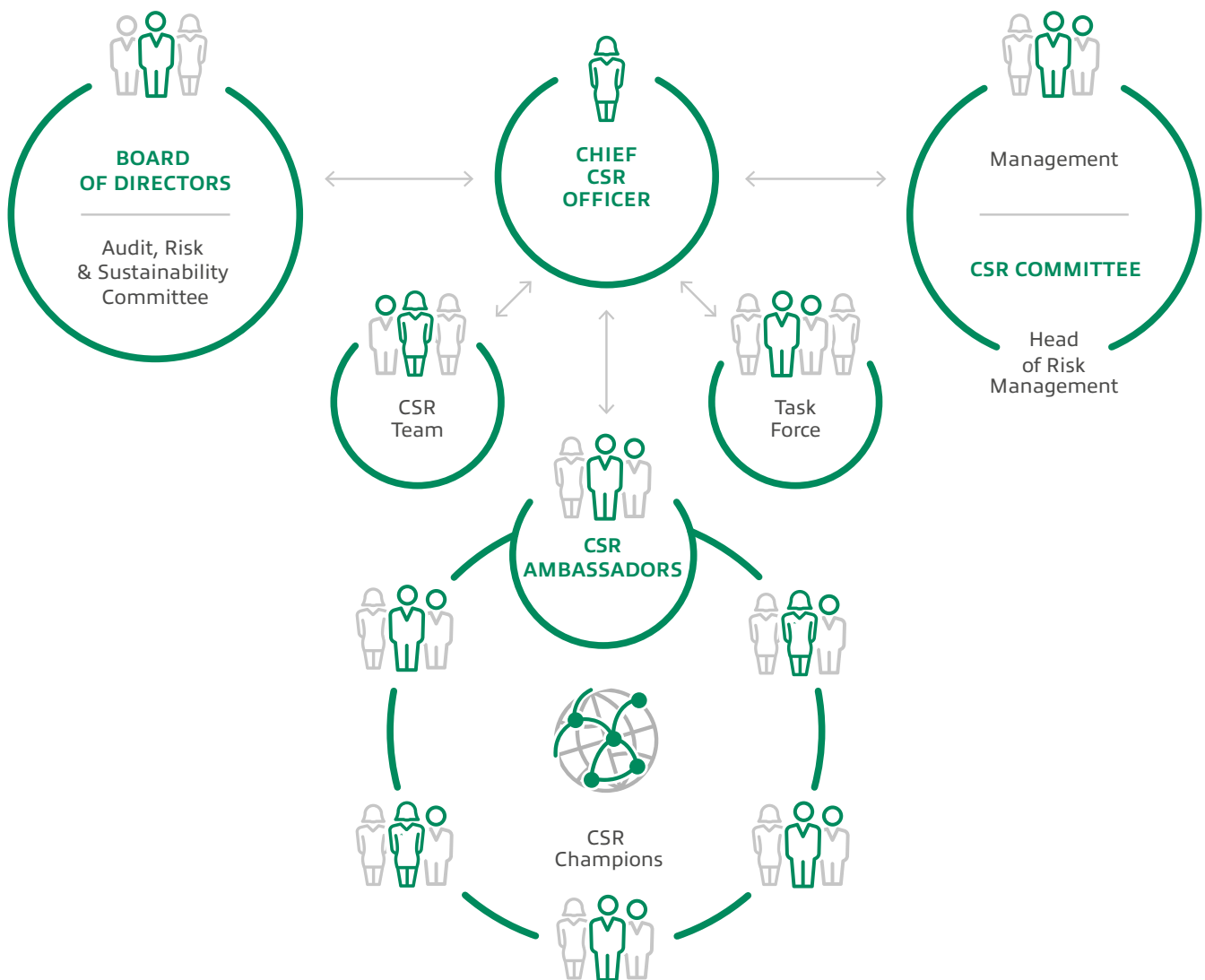
- Late 90s:** Brembo is beginning to commit to analysing the value of intangibles by evaluating its ability to create not just economic, but also social, environmental and other value.
- 1999:** The drafting of the first Intangible Capital Report formalises this process.
- 2004-2007:** The Value Report is published, emphasising the close relationship between the Group's economic results and its environmental and social performance.
- 2008 - 2015:** The reporting process continues through the inclusion of the sustainability performance into the company's business model. Aspects such as the macro-economic scenario, safety and environmental risks, company organisation, research and human resources are included in the Directors' Report on Operations within the Financial Report.
- 2016:** The Group publishes its first Sustainability Report (on a voluntary basis).
- 2017 to date:** The Group reports its environmental and social performance within its Disclosure of Non-Financial Information which also includes all the policies that have since always been part of its actions at global level in the areas of compliance, ethics, responsibility, sustainability and transparency. The document illustrates the values that Brembo considers to be the foundation of the precious 'intangible' heritage formed by its brand, its reputation and the set of principles that characterise the way in which a socially responsible company acts.

2.2 THE GOVERNANCE OF SUSTAINABILITY

The Group's willingness to operate in an increasingly responsible manner and include in all respects sustainability in its business practices has prompted the implementation at Brembo of a Governance system that is dedicated to supervising and managing these topics at global level.

The key figure at the heart of Brembo's sustainability governance is the **Chief CSR Officer**, a role entrusted to the Director in charge of the Internal Control and Risk Management System.

Besides interacting with the Audit, Risk & Sustainability Committee, the Chief CSR Officer is responsible for proposing, coordinating and deploying social responsibility projects and initiatives, monitoring action plans in the various organisational units (also in light of external best practices), analysing information documents and stakeholders' requests regarding sustainability-related topics, as well as coordinating activities involved in the drafting of the annual Disclosure of Non-Financial Information.



To support the Chief CSR Officer, Brembo has set up a dedicated **Task Force**, consisting of experts belonging to the various Global Central Functions (GCF) involved in sustainability matters, with the task of thoroughly analysing — each within its remit — specific aspects in the field of corporate projects, as well as data collection for the Disclosure of Non-Financial Information.

In particular, one internal resource within the Communication GCF area deals with the promotion and communication of sustainability projects, collaborating on an ongoing basis with the CSR team. In the same way, a resource from Human Resources & Organisation GCF collaborates on an ongoing basis with the team's project planning.

Brembo has also set up a **CSR Committee** consisting of the company's top managers and the heads of the GCFs that are more closely involved with sustainability. The Committee is tasked with determining the Sustainability Guidelines, adopting the related policies, proposing a plan containing the environmental and social strategic objectives, approving the projects submitted by the Chief CSR Officer and validating the preparatory activities needed to launch the sustainability reporting process.

The CSR Committee is also required to effectively oversee the stakeholder engagement process and the sustainability-related risks, as well as to assess the draft Disclosure of Non-financial Information.

Lastly, in accordance with the provisions of Borsa Italiana's Corporate Governance Code, the Group has set up an **Audit,**

Risk & Sustainability Committee within the Board of Directors, consisting of 3 Independent Directors, each with a 3-year term. The current Committee was appointed on 20 April 2023 and will remain in office until the General Shareholders' Meeting called to approve the Financial Statements at 31 December 2025.

The Audit, Risk & Sustainability Committee supports the Board of Directors, on the basis of an adequate preliminary analysis process, in its evaluations and decisions concerning the internal control system and risk management, sustainability matters and interaction with stakeholders. In particular, this Committee analyses and expresses opinions on the sustainability policies and procedures, as well as the guidelines and the company goals with related processes linked to social and environmental topics. Moreover, the Committee monitors sustainability-related international initiatives and actively involves the Group with such initiatives to raise the company's profile in the international arena. It also expresses its opinions in relation to the identification of the main corporate risks, particularly those involving sustainability, environmental and social topics. Finally, it analyses and assesses the draft Disclosure of Non-Financial Information, which is submitted for approval to the Board of Directors on a yearly basis.

In this context, it should be noted that the Audit, Risk & Sustainability Committee reports to the Board of Directors, at least on a half-yearly basis, upon the approval of the annual and six-monthly report, on the activity performed, as well as the adequacy of the internal control



and risk management system and, in any case, upon the first meeting of the Board of Directors should significant issues emerge during its meetings.

With regard to the activities carried out in 2023 by the Audit, Risk & Sustainability Committee, please refer to the 2023 Brembo Corporate Governance and Ownership Structure Report (Paragraph 9.2).

CSR Ambassador and **CSR Champion** positions were created in 2019 to raise awareness of sustainability at the various Brembo plants worldwide and to establish a direct, active communications channel. Their mission is to spread a CSR culture, promote activities and support local initiatives relating to sustainability, in addition to interacting regularly with the CSR GCF to share information, events and projects in favour of sustainable development. The differences between the two positions are the level of responsibility and scope of action: CSR Ambassadors operate at the level of the region/legal entity and rely on assistance from the CSR Champions

who operate at the site level and report the information to the appropriate CSR Ambassador. In 2023, the CSR Ambassadors and CSR Champions took part in dedicated sessions, both to train on environmental issues (e.g. the Sustainability Self-Assessment, the Sustainability Report, the Brembo Sustainability Awards competition, third-party sustainability audits and a session dedicated to the activities relating to the Pillars and the Gen Z Forum) and share projects and initiatives. At the end of 2023, there were 13 CSR Ambassadors and 28 CSR Champions at work within the Group.

Starting in 2023, a Sustainability Self Assessment (SSA) was implemented, marking a significant step towards more integrated governance. This is a self-assessment questionnaire based on the main requests from the Group's stakeholders, industry best practices and third-party audit requests. The project's goal is to periodically collect and monitor the status of each plant and legal entity within the Group with regard to ESG matters, identifying any improvement actions.



BREMBO'S SUSTAINABILITY MANAGEMENT PROCEDURES

Brembo has adopted several procedures aimed at regulating the roles, activities, responsibilities and timetables relating to the preparation process of the Disclosure of Non-financial Information.

In particular, the **"Preparation Process of Consolidated Disclosure of Non-Financial Information"** procedure aims at describing the mechanisms and the operational process used for preparing the disclosure, in accordance with GRI Sustainability Reporting Guidelines. It describes the stages, activities, roles, responsibilities and timetables of the GCFs involved in the planning, information gathering, and control needed to implement the reliability, consistency, traceability, timeliness, accuracy, completeness and substance requirements. Lastly, the procedure also contains details relating to the validation process of data and information of a non-financial nature, as well as the ac-

tivities underlying the drafting of the Disclosure of Non-Financial Information and its approval and verification.

An important role in this process is played by the Task Force responsible for collecting data for the preparation of the Disclosure of Non-Financial Information, supported by the CSR Team in day-to-day activities.

As of 2019, Brembo implemented software, called "b-Sustainable" (formerly CSR 365), to collect the data and information included in the Disclosure of Non-Financial Information in order to improve the traceability of approval processes and minimise the risks of error in the data collection and consolidation phase.

This procedure was updated by the Board of Directors on 17 December 2020, with the favourable opinion of the Audit, Risk & Sustainability Committee of 10 December 2020, so as to report on the collection process

through the "B-Sustainable" tool.

The **"Institutional Bodies involved in Corporate Social Responsibility"** procedure, on the other hand, describes the roles and responsibilities of Brembo's institutional bodies involved in Corporate Social Responsibility issues, regulating their relations and communication flows.

The **"Requests from stakeholders"** procedure is aimed at illustrating the proper information and responsibility flow when answering to stakeholders on sustainability-related topics.

The CSR GCF is responsible for coordinating answers, availing to this end of the support of the Task Force.

The procedure was updated in 2023 following the development of an IT tool that allows for better monitoring of requests. In addition, training sessions were provided to the sales area to illustrate the new tool.

THE GROUP'S VALUES

Ethics, Quality, Acknowledgement, Proactivity and Belonging are the five guiding values, enshrined in the company's Code of Ethics, that make up the wealth of Brembo's

shared culture, as well as a benchmark for conducting the company's business and operations in full respect for all the Group's stakeholders.



For further information:
www.brembo.com/en/sustainability/esg/governance/codes-policies

2.3 THE HISTORY OF CSR

Brembo's strong focus on people, the environment, the community and its representatives has always been a distinguishing feature of the Group, which has shown itself to be responsible and capable of responding to the needs of all its stakeholders.

Building upon solid values, since its early years Brembo has implemented practices and strategies that demonstrate its focus on the impact of its activities on the world around it, while also ensuring a perfect balance of economic growth, social development and environment protection.



1961

Origins and values

On 11 January 1961, Emilio Bombassei and Italo Breda founded **Officine Meccaniche di Sombreno**, the original nucleus of today's Brembo

1989

Scholarships were provided for the first time to employees and their children

1999

Publication of the **Intangible Capital Report**

Automotive Quality certification
(QS 9000 – AVSQ 94)

2000

ISO 14001 Environmental Certification

2001

Financial Statements Oscar (listed companies)

2003

Adoption of the Code of Ethics on a Group level

OHSAS 18001
Occupational Health and Safety Certification

2004

Publication of the **Value Report**

2005

Receipt of the **PrNational Prize for Corporate Social Responsibility**, Città di Rovigo

2006

First **Family Day** in Poland

2007

Publication of the **Charter of Values**



Opening of the Stezzano Kilometro Rosso campus site, in Italy

2009

Brembo North America takes part in the **National Take Our Daughters and Sons To Work Day**

2010

Creation of the **Brembo Kids** in Italy: recreation centre for the employees' children

**2011**

Completion of the first **CDP** questionnaire - Climate Change

2012

Ambrogio Lorenzetti Award for business governance (listed companies)

Launch of the Brembo WHP (Workplace Health Promotion) Project, Italy **Brembo for Family, Brembo to You in Italy**: meetings for discussion about healthy lifestyles, what it means to be a parent and individual wellbeing

2013

Appointment of the **Chief CSR Officer** and institution of the **CSR Steering Committee³³** and **CSR Task Force**

Brembo India, Water Saving Project

Sustainability Supplier of the Year Award from Fiat-Chrysler

Adoption of the **Anti-Corruption Code of Conduct**, which applies to all Group companies,

**2014**

The **Social and Cultural Sponsorships and Donations Committee** is set up

First Family Day in the Czech Republic

Publication of the **Policy on Non Discrimination and Diversity**

Launch of the **"Brembo Strong"** project in **Brembo North America** aimed at promoting a healthy lifestyle at work and at home for employees

³³ It should be noted that the CSR Steering Committee, set up in 2013, changed its name to CSR Meeting in 2020 and again to CSR Committee in 2021.



2015

- **Biofilter**, Cast Iron Foundry in Mapello, Italy
- **Sustainability audit by BMW**, Car Division, Curno plant, in Italy
- Support for the **I Was a Sari Association**, in India
- Launch of the **Brembo Car Pooling Project** in Italy

2016

- Launch of the **SOSteniamoci** project in partnership with the NGO Cesvi
- Completion of the **first CDP questionnaire – Water Security**

2017



- Publication of the **first Sustainability Report** (on a voluntary basis)
- Definition of a **CSR Management System** for the Group
- **Sustainability audit by Volkswagen**, Dabrowa plant, in Poland
- Inclusion of **Brembo in the A-list Climate Change 2017** by CDP (CO2 emissions)

- Launch of the project - **House of Smile Brembo India - Cesvi**
- **House of Smile** and **I was a Sari** receive the Impresa Awards prize

2018

- **Adherence to the sustainable development goals** of the 2030 Agenda
- Worldwide Publication of the **Supplier Code of Conduct**
- Launch of the **Internal Awareness-raising Campaign on Safety at Work**



- **Brembo again included into the Climate Change A-list and inclusion into the Water Security A-list of CDP**
- Inclusion in the **Integrated Governance Index**

2019

- The roles of **CSR Ambassador** and **CSR Champion** were created

- Launch of the **Sustainability Awards**

- Project **"We support SDGs"**

- Cluster de Automoción de Aragón – assignment of the **Social Responsibility Prize to Brembo Corporacion**

- **PFCA Green Status** award

- **"Welcome - Working for refugee integration"** recognition from the **UNHCR** to the **"SOSTeniamoci"** project

- Inclusion of Brembo into the **Sustainability Map** of the organisation **CSR Natives**

- Signing of the **CEOs Call to Action** of the **Fondazione Sodalitas**

- Launch of the **"School on Wheels"** project in collaboration with the **NGO Door Step School in India**

- Awarding, for the second year, of the **AA score** by **CDP** (Climate Change and Water Security)



2020

- **Daimler Supplier Award 2020**

- **Supplier Quality Excellence Award 2020** bestowed by **General Motors**

- **Corporate Social Responsibility Award 2020**, awarded by the **European Union's Chamber of Commerce in China (EUCCC)**. Brembo ranked second

- **Brembo S.p.A. and Brembo Poland** awarded with the **"silver"** status by the **Achilles platform EcoVadis' GOLD CSR Rating**

- **EcoVadis' GOLD CSR Rating**

- Assignment of an **AA score** by **CDP** for the third year (Climate Change and Water Security)

- Launch of the **Dream Center** project in China in partnership with the **NGO Adream**.



2021



Assignment of an **AA score by CDP for the fourth year** (Climate Change and Water Security)

The Brembo Forest is created in Kenya in partnership with Treadm

Main Sponsor of the Sustainability Gallery at the **Science Museum (MUSE)** in Trento

Collaboration with the Italian newspaper *Corriere della Sera* for the **"Towards 2030 — roads to the sustainable future"** podcast

Participation in the **INPROVES Project** for the development of a new generation of electric motors

First edition of the internal engagement initiative **Gen Z Forum**

APP Brembo Check for identifying and combating product counterfeiting

Launch of SENSIFY™, the new pioneering intelligent braking system

2022



Assignment of an **AA score by the CDP** for the fifth consecutive year (Climate Change and Water Security)

Collaboration with the **MUDEC** for the creation of the exhibition **"The Art of Breaking – an engaging exhibition about brakes"**

Implementation of the new **Brembo's Sustainable Procurement Policy**

"Put Your Face on It" campaign to share the important role that each person has in creating a sustainable world

Iveco Sustainability Together Award 2022 awarded during the **"BEYOND - Iveco Group Days"** thanks to the innovative spring Enesys - Energy Saving System ®

Update to the Policy on Non Discrimination and Diversity and Brembo DEI Charter

Collaboration with the **non-profit CESVI** as part of the **Safe Haven** project, involving the provision of a hotel in Poland to host the most fragile individuals fleeing the Russia-Ukraine conflict



2023

Ten years of the CSR area: A point of reference in the promotion of sustainable practices, Brembo's CSR GCF is celebrating its tenth anniversary this year. Over the past ten years, the GCF has guided the Group in defining and implementing the strategies that put sustainability and ethics at the heart of the company's operations. This milestone represents concrete recognition of the constant dedication to a more responsible, sustainable future



Launch of the online sustainability e-learning course "Turning Sustainability into Action" in the CSR GCF's tenth anniversary year. The course aims to spread the Group's sustainability culture and main activities through three modules dedicated to environmental, social and governance (ESG) aspects

Launch of the Sustainability Self-Assessment: a self-assessment questionnaire based on stakeholders' requests and best practices and administered to the Group's legal entities/countries and sites to collect and periodically monitor the state of progress on ESG matters

Release of the first Stakeholder Engagement Policy, which defines the Group's stakeholder engagement methods

Involvement in audits by the Responsible Business Alliance (RBA), the world's largest industry coalition, with over 150 leading companies, dedicated to corporate social responsibility in global supply chains, according to the "Validated Assessment Programme" (VAP), aimed at verifying onsite compliance and conducting effective, shareable audits



Launch of the Child Friendly Space project in collaboration with the CESVI Foundation: a project dedicated to supporting women and children affected by the earthquake in Turkey in February 2023

Assignment of a double A- score by the CDP: Brembo was confirmed among the leading companies at global level for its actions against climate change and for water management (Climate Change and Water)

Bergamo Brescia Italian Capital of Culture 2023: Brembo has decided to support Bergamo Brescia Italian Capital of Culture 2023 as a system partner, an exceptionally important initiative that is committed to gathering energy and listening to the protagonists of the local area in which Brembo has its roots, promoting reflections on the present and possible future

House of Smile: the project, in collaboration with the **CESVI Foundation**, reached over 5,000 beneficiaries (children and women) since its inauguration in 2015

BERGAMO
BRESCIACapitale Italiana
della Cultura

2.4 DIALOGUE WITH STAKEHOLDERS

Over the years, Brembo has established an active and constant dialogue with its internal and external stakeholders, based on the values of transparency, trust and consensus in decisions. Thanks to this dialogue the Group has the opportunity to obtain important information about the reference context and receive feedback on its operations, so that it can continually improve the impact of the company's activities on the environment and on society. Through this process of listening and dialogue, Brembo is able to assess the extent to which it is understanding and satisfying the expectations and interests of its stakeholders by identifying the areas in which to increase its commitment and those in which to confirm the approach adopted. Testifying to its commitment to building solid relationships with its stakeholders, in 2023 the Group published the

“Brembo Stakeholder Engagement Policy”, which defines the channels of dialogue between the Group and its stakeholders.

Establishing ongoing, mutually fruitful dialogue requires:




- the identification of key stakeholders with which to promote periodic dialogue initiatives: in this regard, the map of stakeholders, which includes the associated expectations, has been drawn up thanks to internal investigations within the company structures responsible for the daily management of relations with the respective stakeholder categories;
- the definition of the most appropriate methods of ensuring stakeholder engagement.

BREMBO'S STAKEHOLDERS



The following table sums up the listening and engagement tools and the expectations of all the Group’s stakeholders, illustrating the various interests to which Brembo is required to respond. In addition to the tools listed in the table, anyone connected to the Group’s activities — such as employees, contractors, suppliers, customers,

shareholders and individuals in administration, management, control, supervisory or representation functions — can report any violations through a dedicated reporting channel (for further information, see the Brembo Stakeholder Engagement Policy, available from the website www.brembo.com).

GROUP STAKEHOLDERS	FEEDBACK AND ENGAGEMENT TOOLS	STAKEHOLDERS' EXPECTATIONS AND INTERESTS WITH REGARD TO BREMBO
<p>Investors</p> 	<p>General Shareholders’ Meeting</p> <p>Feedback and support channels offered by the Investor Relations area</p> <p>Brembo Shareholder Engagement Policy</p> <p>Meetings, roadshows and conference calls with analysts and investors</p> <p>Corporate website and dedicated e-mail accounts</p> <p>Engagement Survey on the relevance of material topics for Brembo</p>	<p>Increase in the value of the Brembo Group’s shares</p> <p>Reduction of the risks associated with the investment</p> <p>Transparency of Corporate Governance structures, long-term strategy and objectives, management actions and company performance, as also extended to the environmental and social arena</p>
<p>Customers</p> 	<p>Daily activities and reports of the Global Business Units: Aftermarket, Discs, Motorbikes, Performance and Systems.</p> <p>Joint development programmes</p> <p>Supplier assessment questionnaires and qualification processes</p> <p>Customer support channels</p> <p>Support and training network for Brembo Expert repair professionals</p> <p>Surveys to identify customers’ needs and expectations for the development of new products</p> <p>Corporate website</p> <p>Engagement Survey on the relevance of material topics for Brembo</p> <p>Dedicated events</p>	<p>Product reliability and safety</p> <p>Reliability and flexibility of production processes to ensure business continuity and delivery times</p> <p>Constant product innovation, including the improvement of environmental performance and attention to product design</p> <p>Support for joint development of custom solutions</p> <p>Technical support for the network of repair and maintenance service professionals in the transfer of know-how</p> <p>Protection of the value of the Brembo brand as a distinctive element for vehicles and motorbikes and of the ingredient branding strategy</p>
<p>End User</p> 	<p>Customer support channels</p> <p>Monitoring and interaction on social networks</p> <p>Feedback from vehicle and motorbike manufacturers</p> <p>Participations in trade fairs and events with engagement activities for new users and new generations</p>	<p>Reliability and safety of Brembo products</p> <p>Information about proper brake system maintenance</p> <p>Protection of the value of the Brembo brand as a distinctive element for vehicles and motorbikes</p> <p>Interaction with, and reaction to, the new digital activities in new engagement areas and areas relating to new generations</p>

GROUP STAKEHOLDERS	FEEDBACK AND ENGAGEMENT TOOLS	STAKEHOLDERS' EXPECTATIONS AND INTERESTS WITH REGARD TO BREMBO
<p>Brembo Employees</p> 	<p>Global Engagement Survey and Pulse Survey</p> <p>Industrial relations</p> <p>Internal communication channels (eg., Red portal, My B Magazine, information notice boards)</p> <p>Internal communication campaigns</p> <p>Town hall meetings</p> <p>Communication and engagement with regard to the Group's objectives and performance</p>	<p>Transparency and engagement with regard to Company objectives and performance</p> <p>Discussions of related topics with the company employee participation body, where applicable</p>
<p>Suppliers</p> 	<p>Daily activities and reports of the Purchasing GCF</p> <p>Engagement Survey on the relevance of material topics for Brembo</p> <p>Conflict Minerals Engagement Survey for the annual Supplier Survey in relation with their use of conflict minerals</p> <p>Cobalt Engagement Survey and Mica Engagement Survey</p> <p>Corporate Social Responsibility-related training provided to the Purchasing GCF personnel, with an in-depth analysis of the supply chain</p> <p>Brembo Supplier Portal</p> <p>Workshops dedicated to suppliers</p>	<p>Timely and proper fulfilment of contractual conditions</p> <p>Continuity of supply requests</p> <p>Possibility of developing strategic partnerships to improve activities</p> <p>Attention to human resources management, in particular to workplace health and safety as a primary risk factor</p> <p>Reduction of the environmental footprint, with particular regard to the monitoring of climate risks</p>
<p>Local Communities</p> 	<p>Orientation and involvement of secondary school and university students and related recruiting programmes</p> <p>Roundtables and discussions with the Public Administration</p> <p>Initiatives involving the opening of Brembo's facilities to visits from workers' families ("open door" days) in various countries where the Group is present</p> <p>Initiatives in support of the social and cultural development of local communities promoted by the Group</p> <p>Whistleblowing mechanism for alleged violations of the Code of Ethics</p> <p>Monitoring through the media (press, specialist publications, TV, Web and social networks)</p>	<p>Support to the world of schools, also through a willingness to host students on alternating school-work paths</p> <p>Collaboration with Universities and research centres in the development and spread of engineering, technical and scientific knowledge and skills</p> <p>Offering of job opportunities and transparent, merit-based recruitment processes</p> <p>Creation and protection of employment within the Group and its ancillary businesses</p> <p>Development of production and logistics processes that safeguard environmental conditions and the health of populations near Brembo's production facilities and those of the suppliers</p> <p>Participation and support by Brembo in cultural development and social inclusion projects</p> <p>Support in favour of centres of medical research</p> <p>Support in favour of local communities through the distribution of personal protective equipment</p>

GROUP STAKEHOLDERS	FEEDBACK AND ENGAGEMENT TOOLS	STAKEHOLDERS' EXPECTATIONS AND INTERESTS WITH REGARD TO BREMBO
<p>Institutions</p> 	<p>Roundtables and initiatives involving discussion with institutions, at national and international level</p> <p>Hearings before parliamentary committees through the associations</p>	<p>Ensuring full compliance with and observance of applicable legislation</p> <p>Contributing to the development of regulations concerning the monitoring of polluting emissions in the automotive sector through the sharing of know-how and of specific industry knowledge</p> <p>Promotion of local development and the achievement of the objectives established by the international agenda</p> <p>Monitoring of the process to manage social and environmental risks throughout the value chain</p>
<p>Future Generations</p> 	<p>Focus on the awareness campaigns of environmental associations and on analyses of the scientific community</p> <p>Orientation and involvement of secondary school and university students and related recruiting programmes</p> <p>Launch of targeted engagement projects Annual incubator for innovative ideas powered by the new generations</p>	<p>Fight against atmospheric pollution and global warming</p> <p>Conservation of natural resources and circularity of the economy</p> <p>Protection of ecosystems and natural biodiversity</p> <p>Contribution to the achievement of the UN Sustainable Development Goals</p>
<p>Industry Companies and Competitors</p> 	<p>Participation in the proceedings and themed committees of trade associations</p> <p>Participation in advanced research projects through Italian or European consortia (e.g. The LIFE Programme: the EU's funding instrument for the environment and climate action)</p>	<p>Involvement in the analysis of the industry's performance and needs to define common strategies for improving the sector and developing industry-wide policies</p> <p>Collaboration through advanced research projects for pre-competitive technological development</p> <p>Protection of freedom of competition</p>
<p>Insurance Companies</p> 	<p>Engagement Survey on the relevance of material topics for Brembo</p> <p>Visits to the Group's plants by the insurer for property risk assessment</p> <p>Periodic audits by the insurer regarding liability risks</p>	<p>Effective risk management system, in particular risks of product and product recall Civil Liability losses and those related to accidents and occupational diseases</p> <p>Definition and implementation of technical and organisational measures aimed at preventing and controlling risks related to losses to property and activity</p>
<p>Trade Associations</p> 	<p>Roundtables and initiatives involving discussion with institutions, at national and international level</p> <p>Hearings before parliamentary committees</p> <p>Engagement Survey on the relevance of material topics for Brembo</p>	<p>Ensuring full compliance with and observance of applicable legislation</p> <p>Contributing to the development of regulations concerning the monitoring of polluting emissions in the automotive sector through the sharing of know-how and of specific industry knowledge</p> <p>Promotion of local development and the achievement of the objectives established by the international agenda</p> <p>Monitoring of the process to manage social and environmental risks throughout the value chain</p>

IALOGUE WITH THE KEY PLAYERS IN THE AUTOMOTIVE INDUSTRY

Dialogue with institutions and discussion with major players in the sector are the lifeblood necessary to maintain relationships of trust with stakeholders and ensure being able to remain up to date with industry developments. It is for this reason that Brembo is a member of various associations and takes part in working groups at both local and international level. It is committed to

working in partnership with an industry-oriented approach that allows the automotive and motoring sector to grow, innovation to be stepped up and progress achieved in the general interest.

At supranational level the Group collaborates with the following associations/organisations:

ASSOCIATION	MAIN OBJECTIVES
AUTOSAR (Safety Group) - Automotive Open System Architecture	A global development alliance founded in 2003 that brings together companies, suppliers, service providers and businesses in the automotive, semiconductor and software sectors to create an open, standardised software architecture for vehicle system electronic control units
CLEPA - European Association of Automotive Suppliers	Brings together the automotive suppliers at European level, representing their interests in dealings with the European institutions, the United Nations and related organisations, including ACEA, JAMA and MEMA. Brembo is a member of the Board
UNECE – United Nations Economic Commission for Europe	Its main aim is to promote economic integration amongst the 56 member states in Europe, North America and Asia

At national level the Group takes an active part in the following initiatives:



ITALY

AIDAF - Italian Family Business: founded in 1997 by Alberto Falck and a group of entrepreneurs who share the same principles, AIDAF aims to be a point of reference for Italian family businesses.

AIRI: the Italian Association for Industrial Research plays an active role in promoting national and international cooperation in industrial research. Brembo is a member of the Board.

AODV: association of Regulatory Body members pursuant to Legislative Decree 231/2001.

ANCMA: represents manufacturers of motorbikes and their components operating in Italy, safeguarding their interests

and promoting the resolution of economic, technical and regulatory issues in the industry.

ANFIA: brings together more than 260 Italian enterprises operating in the motor vehicle construction, conversion and equipment sectors for the individual and collective transport of people and goods. Brembo is a member of the Board of Directors.

ASPEN INSTITUTE ITALIA: a private, independent, international, nonpartisan non-profit association. The Institute analyses problems and challenges currently faced by politics, economy, culture and society, with a particular focus on the Italian and international business community. Its mission is the internationalisation of the country's business, political and cultural leadership through free exchange of ideas and between people of various origins to identify and promote common values, knowledge and interests. Brembo takes part with interest in the roundtables and conferences organised by the Aspen Institute as a Tavole Rotonde e Conferenze organizzate da Aspen.

ASSONIME: represents Italian joint stock companies. It studies and discusses issues concerning the Italian economy's interests and development. In June 2017, the Brembo's Chairman Emeritus was appointed a member of the Board of Directors for the 2017- 2018 two-year period.

Italian-Russian Chamber of Commerce: contributes to the development of economic, commercial, technical, legal, scientific and cultural collaboration between Italy, the Russian Confederation and other CIS states.

Lombardy Mobility Cluster: this is one of the nine Technology Clusters recognised by the Lombardy Region, for which it acts as institutional representative for Research and Innovation; it covers the automotive, nautical, railway, and intermodality sectors (transport and infrastructures). Brembo is a member of the Board.

Italian National Transport Cluster: the National Technology Cluster "Trasporti Italia 2020" (CTN Tra.IT2020) is an association recognised by the Italian Ministry of Education, Universities and Research as a reference for the land and maritime mobility vehicles and systems sector.

CONFINDUSTRIA: represents manufacturers and services operating in Italy, promoting the protection of their legitimate interests in relations with institutions, public administrations and economic, political, trade union and social organisations. Brembo is the general representative for large enterprises within the association's General Council.

ISPI – Italian Institute for International Political Studies, established in Milan in 1934 with the aim of promoting in Italy the study of international issues.

KILOMETRO ROSSO: one of the leading private innovation districts in Europe which combines the worlds of research and business.

SAE – Society of Automotive Engineers: a global association of more than 100,000 engineers and related technical experts in the aerospace, automotive and commercial vehicle industries.

AEMI: the Economic Association of Mexico in Italy pursues the mission of consolidating industrial, commercial, cultural, tourism, scientific and academic ties between the two countries. Its members include small, medium and large companies from various industries, from energy to

infrastructure and automotive. Its goals include expanding the community to operators that already collaborate with, or an interested in collaborating with, Mexico

Brembo is also a member of the following associations:

AICIPI - Italian association of consultants and experts in business and enterprise intellectual property; **AIIA** – Italian Association of Internal Auditors; **AIGI** – Italian Company Lawyers Association; **AUTO-ISAC** - Automotive Information Sharing and Analysis Center; **Automotive SPIN Italia** – Software Process Improvement; **Forum** of the Secretaries of the Boards of Directors of FTSE-MIB Companies; **"Mario Negri" Institute for Pharmacological Research**; **NED COMMUNITY** - Italian association of non-executive and independent directors; **Safety for driving automation systems** (ISO TC22/SC32/WG13); **Functional safety –ISO 26262** – (ISO TC22 / SC32/ WG8); **AIPI** - Italian Interior Design Association; **LES** – Licensing Executives Society; **UNI** – Italian national body for standardisation.



SPAIN

ANESDOR: Asociación Nacional Empresas del Sector de Dos Ruedas which represents the brands of the two-wheel vehicle sector in Spain. Brembo is a member of the Board.

CAAR: Clúster de Automoción de Aragón which seeks to strengthen the automotive and mobility sector in the Aragón community. Brembo holds the chairmanship.

CEJE: Círculo empresarial Japón España which is the association encompassing the Japanese companies operating in Spain. Brembo is a member of the Board.

Italian Chamber of Commerce: contributes to the development of the economic and commercial partnership between Italy and Spain.

SERNAUTO: brings together enterprises operating in the sector of motor vehicle spare part equipment production, looking after their relations with key national and international organisations.

Brembo is also part of the following associations and research centres:

CEAM: Centro de estudios y asesoramiento metalúrgico; **Círculo Empresarial Japón-España;** **Clustermoto;** **FEMZ** (Federación de Empresarios del Metal de Zaragoza); **Pimec-Sefes;** **UPMBALL:** Unión Patronal Metalúrgica de l'Hospitalet y Baix Llobregat.

POLAND



PKPP Lewiatan: brings together enterprises operating in the country, encouraging the protection of their legitimate interests in relations with public institutions and trade union organisations.

Silesia Automotive & Advanced Manufacturing Association – Katowice Special Economic Zone: industrial cluster whose goal is to support the development of strategic competencies for the automotive sector.

DENMARK



Confederation of Danish Industry: the Confederation of Danish Industry is the largest business and employers' organisation in Denmark.

INDIA



Automotive Component Manufacturers Association: association representing the interests of the Indian automotive industry.

Indo-Italian Chamber of Commerce and Industry: promotes economic and trade activities between India and Italy.

Confederation of Indian Industry: promotes industrial development in India, representing the interests of the business community and fostering collaboration with the Government and civil society.

International Market Assessment India Pvt. Ltd: an association offering consultancy services. Brembo participates in the CEO & CFO forum.

Maharatta Chamber of Commerce & Industries: an association for the industrial and economic development of the Pune region.

Society of Indian Automobile Manufacturers: brings together and represents the main motor vehicle and component manufacturers.

CHINA



European Chamber of Commerce Nanjing Chapter: organisation which supports European companies in Nanjing, fostering dialogue with local authorities and the development of the city as an investment destination.

Italian Chamber of Commerce Shanghai Office: office charged with promoting internationalisation of Italian companies and the Made in Italy.

Nanjing Association of Enterprises with Foreign Investment: association that promotes foreign business investments.

UNITED STATES



MiX - Modern Industry Expertise: a consultation council for aftermarket executives with the objective of educating and tackling business concerns from the standpoint of millennials.

OESA - Original Equipment Supplier Association: brings together the main enterprises operating in the United States automotive sector with the aim of promoting industry supply chain collaboration and safeguarding mutual interests.

PRSA - Public Relations Society of America.

Moreover, Brembo is also a member of the following associations:

Women of Auto Care Council, Purchasing Council, Communications Executive Council. Brembo is also a member of **local Chambers of Commerce** that encourage the development of economic activities in the state of Michigan, including that in **Plymouth**.



MEXICO



Cámara Nacional de la Industria de la Transformación, which represents the whole industrial sector at national level.

UNITED KINGDOM



MIA Motorsport Industry Association: the main world commercial association for the Motorsport, Performance Engineering, Services and Tuning sectors.

JAPAN



ICCJ – Italian Chamber of Commerce in Japan: association of Italian companies and entrepreneurs in Japan, which promotes commercial trade and economic relations between the two countries.

JSAE - Society of Automotive Engineers of Japan: Japanese society that promotes the development of automotive science and technology.

BRAZIL



AMCHAM: American Chamber of Commerce in Italy, which promotes the development of trade between Italy and the United States.

SINDIPEÇAS: an association of businesses that promotes the development of trade and mediates collective bargaining with the Trade Unions.

CZECH REPUBLIC



Autoklastr: an association of businesses operating in the automotive sector. Brembo is a member.

Italian-Czech Chamber of Commerce and Industry: an association of Italian companies operating in the Czech Republic.

2.5 MATERIALITY ANALYSIS

As every year, the Brembo Group has updated its materiality analysis — the tool used to identify its material sustainability topics — and therefore aligned the content of its Disclosure of Non-Financial Information, instrumental to providing an overview of the Company’s operations, performance, results and, above all, future strategies and targets. These topics are also material aspects for Brembo’s stakeholders and are identified and constantly updated, including with its stakeholders’ direct engagement.

In 2022, in advance of the requirements imposed by the new **European Directive 2022/2464 (the Corporate Sustainability Reporting Directive)**, Brembo began the **double materiality** process, also integrating an “outside-in” perspective (financial materiality) into its “inside-out” impact assessment process (impact materiality) according to the GRI Universal Standards 2021. Whereas the “inside-out”

approach identifies the impacts generated, actually or potentially, by the organisation and its value chain on the outside world, the “outside-in” perspective looks at the risks and opportunities that may influence the Group’s creation of value, strategy, operating and financial performance and positioning in the short, medium or long term.

For 2023, the assessment of the “outside-in” perspective (financial materiality) was conducted on the basis of the European Sustainability Reporting Standards (ESRSs) made available by the EFRAG, i.e. the reporting standard that is to be used by companies subject to the Corporate Sustainability Reporting Directive. This assessment is thus to be regarded as fully voluntary and not subject to assurance by the third-party entity that certifies this Disclosure of Non-Financial Information according to the ISAE 3000 Revised standard.

IMPACT MATERIALITY – THE “INSIDE-OUT” PERSPECTIVE ACCORDING TO GRI

In line with the analysis conducted for the previous year’s Disclosure of Non-Financial Information, in 2023 impact materiality was analysed in accordance with the GRI Universal Standards 2021.

This analysis involves determining the impacts (positive and negative, actual and potential) generated by

organisations and their value chains on the economy, the environment and people — including the impacts on human rights.

In accordance with the principles of the reporting standard, the process of updating Brembo Group’s materiality analysis — and the ensuing identification of material topics — was structured into the four following steps:



For the steps of understanding the context and identifying the impacts generated, various sources of information and analysis were considered, such as:

- Analysis of the main sustainability topics at the regional and international level, through a verification of the documents and reports of the most important and influential non-governmental organisations and policy-makers;
- Analysis of the main documents prepared by associations, NGOs and industry organisations (such as CDC and SASB) to identify the main sustainability topics in the automotive industry;
- Analysis of the sustainability reporting tools adopted by industry companies;
- High-level analysis of the most important sustainability-related articles in the press concerning Brembo Group, to identify media and public opinion pressures;
- Analysis of the main internal company documents (such as the Code of Ethics, 231 Model and Policies).

These analyses and the Brembo Group's peculiarities formed the basis for identifying the impacts – actual and potential, negative and positive – that the Group and its

value chain have or may potentially generate at the external level.

Once the impacts were identified, their significance was determined in accordance with the GRI Standards and through a separate analysis by type. In particular, the significance of an actual impact was determined on the basis of its severity, whereas that of a potential impact also took account of its probability of occurrence. The following analysis was performed to assess the severity of each impact: Scale, Scope and, for negative impacts, irremediable character.

Impacts were then prioritised on the basis of their materiality, and a materiality threshold was defined, enabling the identification of the most significant impacts. Finally, these impacts were grouped into the material topics that guided Brembo Group in preparing its 2023 NFI.

In the update of the materiality analysis, led by the Chief CSR Officer in concert with the Top Management, Brembo involved the Board of Directors, the Board of Statutory Auditors, the CSR Committee and a selection of external stakeholders, asking them to express an opinion of the assessment of sustainability impacts.

STAKEHOLDER ENGAGEMENT






































To identify and assess sustainability impacts and define material topics according to the "inside-out" perspective, in 2023 Brembo directly engaged its internal and external stakeholders in the assessment of the severity of the impacts identified.

Internally, for the CSR Committee a dedicated workshop was organised for the presentation of the main developments in reporting and in prioritisation of impacts, divided into "Environment", "People" and "Economy". The Group's Directors and Statutory Auditors were also asked to assess impact severity by completing an online questionnaire.

The same questionnaire was also administered to the main external stakeholders, following a webinar dedicated to presenting it and explaining the purposes of their engagement. In 2023, the response rate of those involved — i.e. a selection of suppliers, customers, insurance companies and investors — was 49%.

The assessments received from the CSR Committee, members of the BoD, members of the Board of Statutory Auditors and individual Stakeholders were aggregated, and the resulting impact severity scale — along with the identification of the probability of occurrence for potential impacts — made it possible to identify the most significant impacts and thus the related material topics.

MATERIAL TOPICS AND IMPACTS

MATERIAL TOPICS	ACTUAL IMPACTS (positive/negative)	POTENTIAL IMPACTS (positive/negative)
 GREENHOUSE GAS EMISSIONS	<ul style="list-style-type: none">  Climate change caused by greenhouse gas emissions  Reduction of greenhouse gas and polluting emissions generated by final users through the development of innovative technologies 	
 POLLUTING EMISSIONS	<ul style="list-style-type: none">  Damage to the environment and human health due to polluting emissions in the air  Reduction of greenhouse gas and polluting emissions generated by final users through the development of innovative technologies 	
 ENERGY EFFICIENCY		 Reduction of energy availability due to non-efficient production processes
 PROTECTION OF WATER RESOURCES	<ul style="list-style-type: none">  Water scarcity, in particular in water-stressed areas, due to water consumption in the production process 	
 WASTE MANAGEMENT		 Soil occupation and pollution due to non-virtuous waste management
 PROTECTION OF BIODIVERSITY	<ul style="list-style-type: none">  Soil occupation and loss of biodiversity 	
 ENVIRONMENTALLY SUSTAINABLE PRODUCT	<ul style="list-style-type: none">  Primary raw material saving through the use of recycled and recyclable materials 	
 DIVERSITY, EQUITY AND INCLUSION		 Non-compliance with equal opportunities legislation in the workplace
 PROTECTION OF HUMAN RIGHTS		 Human rights violations
 WORKERS' HEALTH AND SAFETY	<ul style="list-style-type: none">  Workers' accidents and occupational diseases 	
 WELLBEING OF PERSONNEL		 Failure to ensure workers' wellbeing due to the absence of dedicated company initiatives
 TRAINING AND DEVELOPMENT OF PERSONNEL	<ul style="list-style-type: none">  Development of skills and know-how through ad hoc training activities 	
 DATA PROTECTION AND IT SECURITY		 Privacy violation and loss of sensitive data
 PRODUCT SAFETY	<ul style="list-style-type: none">  Increased safety of the end user through the implementation of innovative technologies in products 	 Damage to consumers due to the absence of product quality and safety checks
 PROTECTION AND DEVELOPMENT OF LOCAL COMMUNITIES	<ul style="list-style-type: none">  Impacts on the social and economic growth of the local areas and communities 	
 SUSTAINABLE SUPPLY CHAIN	<ul style="list-style-type: none">  Transparency and involvement of the supply chain in sustainable practices through monitoring and training programmes 	
 BUSINESS ETHICS AND INTEGRITY		 Damage to the economic system due to unfair business practices

 Positive impact  Negative impact

All the material topics identified are generated throughout Brembo’s value chain, except for “Privacy violation and loss of sensitive data” and “Development of skills and know-how through ad hoc training activities” which only refer to the Group’s direct operations.

In addition to those set out in the table above, the following impacts not deemed material were also identified and analysed: “Pollution of water resources due to discharges of harmful substances”, “Visual impact of production facilities and extraction sites” and “Damage to local communities due to noise pollution”.

Compared to the materiality analysis of the previous year, a new material topic, “Protection of biodiversity”, was identified, whereas the topic “Wellbeing of personnel”, previously not explicitly stated, was identified as a separate topic. On the other hand, the two previous material topics “Research and innovation” and “Digital Transformation Roadmap” were excluded as they were considered transversal and part of the business strategy.

In the interest of a clearer understanding of material topics, a description of the associated impacts and how the Group monitors and manages them is provided below.

GREENHOUSE GAS EMISSIONS



The consumption of fossil fuels and electricity in its buildings and facilities, the combustion of fuel for the company fleet and the use of materials during production contribute to climate change caused by greenhouse gas emissions (Scope 1 and 2). In addition, the transport of company products by third parties, as well as the purchase of services, materials and finished products from suppliers, including their transport, entail greenhouse gas emissions caused by such suppliers during their production activities (Scope 3). Aware of these impacts, the Brembo Group is committed to pursuing the ambitious goal of achieving net zero emissions by 2040, supported by a defined roadmap designed to gradually reduce Scope 1, 2 and 3 greenhouse gas emissions. Brembo’s commitment to reducing greenhouse gas emissions also extends to end users through the use of innovative technologies in its products, which make it possible to limit the weight of brake systems and therefore to reduce GHG emissions.

POLLUTING EMISSIONS



The processes of extracting raw materials and manufacturing and painting brake components generate polluting emissions such as carbon monoxide (CO), nitrogen oxides (NOx), particulate matter (PM) and sulphur oxides (SOx), which may cause harm to the environment and human health. Thanks to the Environment and Energy Management System, Brembo has introduced requirements common to all the Group’s plants aimed at containing emissions well below the emission limits imposed by the legislation of the Countries in which it operates. In addition, thanks to the use of particular materials and innovative technical solutions, Brembo’s products permit a reduction of the polluting emissions caused by brake wear and tear during use.

ENERGY EFFICIENCY



Inefficient production processes not only use more energy to achieve the same result in production, but also contribute to reducing overall energy availability. This phenomenon accelerates fossil fuel consumption, exhausts energy resources more rapidly and increases greenhouse gas emissions. The environmental consequences of such inefficiency may be significant, resulting in higher energy costs and in economic penalisation for the Company. Faced with these challenges, Brembo is actively committed to seeking constant reduction of direct and indirect energy consumption. Through investments aimed at the adoption of the best available technologies in terms of energy efficiency, the Group aims to achieve the goals of its Sustainability Plan.

PROTECTION OF WATER RESOURCES



Excessive consumption of water in water-stressed areas threatens the regional hydrological balance and results in scarcity of water resources. Intensive industry — often inefficient — contributes to a reduction in water availability and degradation of water quality, with an impact on the environment and on the access to potable water. Aware of the importance of preserving this fundamental resource, as part of its Environment and Energy Management System Brembo has implemented a Water Management procedure that imposes requirements and restrictions on all the Group’s plants for sustainable use and protection against pollution. The Group has also set itself the goal of reaching 100% monitoring of flows (withdrawal, discharge and significant internal use) by 2025 at each of its sites in order to implement improvement actions.

WASTE MANAGEMENT



Inadequate waste management by the Group could result in soil pollution, harm to natural resources and threats to biodiversity. In addition, a lack of attention to waste recycling/recovery and the consequent sending of waste to dumps could contribute to soil consumption. Brembo Group is dedicated to efficient waste management, avoiding generating negative impacts on the environment and actively seeking to reuse and develop waste materials. The Group has set itself the goal of increasing the percentage of waste to be recycled.

PROTECTION OF BIODIVERSITY

The extraction of primary raw materials may contribute to deforestation and environmental pollution. In addition, the surface extension of extraction sites, as well as the presence of buildings and plants, entail soil consumption, which may result in biodiversity loss. With regard to its plants, Brembo has identified a need to act in a way that contributes to maintaining and protecting biodiversity near its assets. The first step involved an analysis to define and apply a biodiversity screening methodology to the geographical areas in which its manufacturing plants are located. The second step will be defining any improvement, prevention and mitigation actions.

ENVIRONMENTALLY SUSTAINABLE PRODUCT

The design, production and use of products aimed at reducing environmental impact throughout their life cycle involves minimising the use of natural resources, limiting greenhouse gas emissions and reducing waste generation. This entails the adoption of recyclable materials, the optimisation of production processes to reduce energy and greenhouse gas emissions and the promotion of ethical, socially responsible practices. The sustainability of such products is also manifest in their durability and ease of disposal or recycling at the end of their useful lives. Within the framework of this philosophy, Brembo integrates environmental performances into its products, developing braking systems with low particulate and CO₂ emissions, while also enhancing the durability and recyclability of materials. Brembo's commitment to reinforcing the development of innovative products, featuring environmentally sustainable, circular designs, translates concretely into promoting sustainable mobility through the reduction of polluting emissions thanks to its advanced braking systems and the Group's commitment to subjecting all its products to a Life Cycle Assessment (LCA). plants are located. The second step will be defining any improvement, prevention and mitigation actions.

DIVERSITY, EQUITY AND INCLUSION

Brembo firmly believes that people must have equal access to work, facilities, services and programmes, solely on the basis of their knowledge, qualifications, expertise, performance and motivations, regardless of other personal conditions. In recognition of this responsibility, Brembo adopts an active, concrete policy in these areas, reflected in its Policy on Non Discrimination and Diversity, as well as in the Brembo Charter on Diversity, Equity and Inclusion. In particular, the Group is committed to promoting these aspects along the three main axes (gender, generation and cultural background) through concrete projects that contribute to the wellbeing of the Group's people.

PROTECTION OF HUMAN RIGHTS

The protection of human rights requires policies and practices against exploitation and discrimination, both internally and throughout the value chain. Brembo, which is committed to respecting the rights of its workers, also extends this commitment to its suppliers, requiring that they abide by its Sustainable Procurement Policy in all Countries in which it operates. The Group pays attention to the direct purchase of minerals from conflict zones, asking its suppliers to declare the origin of Conflict Minerals in supplies intended for the Group. Moreover, the Group conducts audits to ensure respect for human rights among its suppliers.

WORKERS' HEALTH AND SAFETY

Employment in the automotive industry exposes workers to potential risks and permanent harm due to the lack of adequate safety measures. This risk also extends to workers upstream and downstream the value chain, increasing the probability of serious physical injuries associated with work activities. In response to this problem, the Group has implemented an ISO 45001 management system at all its plants, in addition to promoting a culture of safety through its "I Am Safety" campaign in Italy and China. Throughout its supply chain, Brembo's sustainability policy, included in its Sustainable Procurement Policy, sets specific requirements to ensure protection of health and safety in suppliers' workplaces.

WELLBEING OF PERSONNEL

If the Group were not to ensure compliance with minimum wage and employee welfare, this would result in deterioration of the working conditions and well-being of its employees, entailing an increase in personnel turnover. Failure to monitor practices throughout the value chain could encourage incorrect behaviour, thus causing damages to third-party workers. In response to these challenges, the Group has intensified its vigilance over the job market, focusing on pay for critical roles and reinforcing its methods of monitoring outgoing personnel and voluntary resignations. In addition, it actively promotes employee health, not only through initiatives relating to the workplace, but also through programmes providing information on healthy lifestyles and courses on proper nutrition, such as the Brembo Wellness programme.

TRAINING AND DEVELOPMENT OF PERSONNEL

The implementation of policies and investments in employee training not only ensures the development of the Group's resources, but also contributes significantly to increasing the innovative skills required to respond promptly to the demands of the business. Within this framework, Brembo adopts a specific procedure for effectively managing training and development offerings, designed to be increasingly global and inclusive, from the annual survey and analysis of training needs to attentive monitoring of quality indicators for the training provided.

DATA PROTECTION AND IT SECURITY



The implementation and application of digital security systems are absolutely essential to preventing the risk of data breaches and cyberattacks, which could have severe consequences, including privacy breaches and the loss of sensitive customer data. In order for the Group to manage such threats effectively, it is fundamental to adopt policies and advanced technologies that take a proactive approach to protecting digital data. The Brembo Group has thus set up a Privacy Supervisory Committee, and has introduced the position of Data Protection Officer and of specific Privacy Officers for each area of the company. These professionals operate in strict compliance with personal data protection legislation, following specific procedures to handle issues, obligations, new processing and reporting, while ensuring maximum security and regulatory compliance.

PRODUCT SAFETY



Product safety is a fundamental priority for ensuring that the design, manufacture and marketing of products adhere to strict safety standards. This commitment entails the implementation of robust quality control processes during production, active risk management and compliance with applicable legislation, in order to prevent accidents or damages arising from the use of products by consumers. This approach is crucial to preserving the company's reputation, protecting consumers and complying with applicable safety legislation. Following a preventive and proactive approach, Brembo is committed to applying the voluntary technical standards that national and international standards bodies have developed to ensure the production of excellent products, while guaranteeing safety, quality and certain performance. In addition, through the use of innovative technologies, Brembo seeks to improve the performance of its braking systems, while continuing to offer its end users the utmost reliability and safety.

PROTECTION AND DEVELOPMENT OF LOCAL COMMUNITIES



The presence of manufacturing plants and extraction sites disfigures the landscape, with adverse impacts, in visual and other terms, for local communities. The company's commitment to the well-being of local communities translates into active management to protect the interests and health of people in the affected areas. At the same time, companies contribute to economic and social development, promoting job opportunities, developing local skills and taking an active part in community initiatives. Responsible relationship management is essential to consolidating trust and ensuring a positive impact. Brembo Group's global presence offers a significant opportunity to improve external positive impacts through the transfer of investments, technology and skills. The Group actively promotes the growth of local ancillary industry, supporting infrastructure, jobs and training programmes and recognising the importance of fostering intellectual capital in its districts. It also makes its know-how available, reinforcing its commitment to social responsibility and sustainable development in the surrounding communities.

SUSTAINABLE SUPPLY CHAIN



Responsible, sustainable management of the supply chain focuses on an ethical, transparent approach respectful of human rights, social fairness and the environment. The Brembo Group asks all suppliers operating in Countries in which it is present with its plants to comply with the Sustainable Procurement Policy. This Policy concerns key issues, including respect for human rights, environmental protection, workplace safety, and prevention of corruption. In addition, verification programmes, audits, monitoring, training sessions and corrective measures are also implemented in cooperation with suppliers to ensure a sustainable supply chain aligned with high ethical standards and corporate responsibility.

BUSINESS ETHICS AND INTEGRITY



Non-compliance with business best practices, such as unfair competition and a lack of reliable tax risk governance, control and management systems can cause damage to the economy and result in violation of laws and regulations. Insufficient supervision of company ethics and integrity could foster phenomena of corruption in tenders and supply contracts for both companies and individuals. Brembo has implemented various tools, including the Organisational, Management and Control Model (according to Legislative Decree No. 231/2001), the Anti-bribery Code of Conduct, the Supervisory Board and an entities' administrative and criminal liability compliance programme in accordance with applicable local legislation of Countries where it operates through subsidiaries.

DOUBLE MATERIALITY

As previously anticipated, ESRS (European Sustainability Reporting Standards, which will become effective with the Corporate Sustainability Reporting Directive) for the Brembo Group's Sustainability Report at 31 December 2024 require to report on sustainability issues on the basis of the double materiality principle: impact materiality ("inside-out" perspective) and financial materiality ("outside-in" perspective).

In advance of compulsory application of the ESRS, Brembo decided to conduct a voluntary financial materiality assessment.

The material topics and impacts identified through the impact materiality were inputs to define operating and financial risks and opportunities.

FINANCIAL MATERIALITY – THE "OUTSIDE-IN" PERSPECTIVE

The financial materiality analysis is aimed at identifying the risks and opportunities that have, or may have, a significant influence on the Group's operating and financial performance.

In particular, the risks and opportunities consider uncertain environmental, social or governance events or conditions that, were they to occur, could cause a potential material negative or positive effect, respectively, on the company's business model or strategy and sustainability strategy, or its capability to achieve its goals and targets and create value, and therefore may influence its decisions and those of its business relationships as regard to sustainability matters.

In order to identify the material risks and opportunities for Brembo, the following inputs were taken into account:

- Impacts generated by Brembo and mapped in the impact materiality;
- Impacts or risks arising from Group's actions aimed at addressing sustainability matters;
- Brembo's dependence on natural, human and social resources. Dependencies may trigger risks and opportunities in two possible ways:
 - By influencing the company's ability to continue to use or obtain the resources required for its company processes, as well as the quality and price of such resources;

– By affecting the company's ability to rely on the relationships necessary to its business processes at acceptable conditions.

- Risks and opportunities already mapped by the Group's Risk Management (such as the ERM Report and Climate Change Risk Assessment)

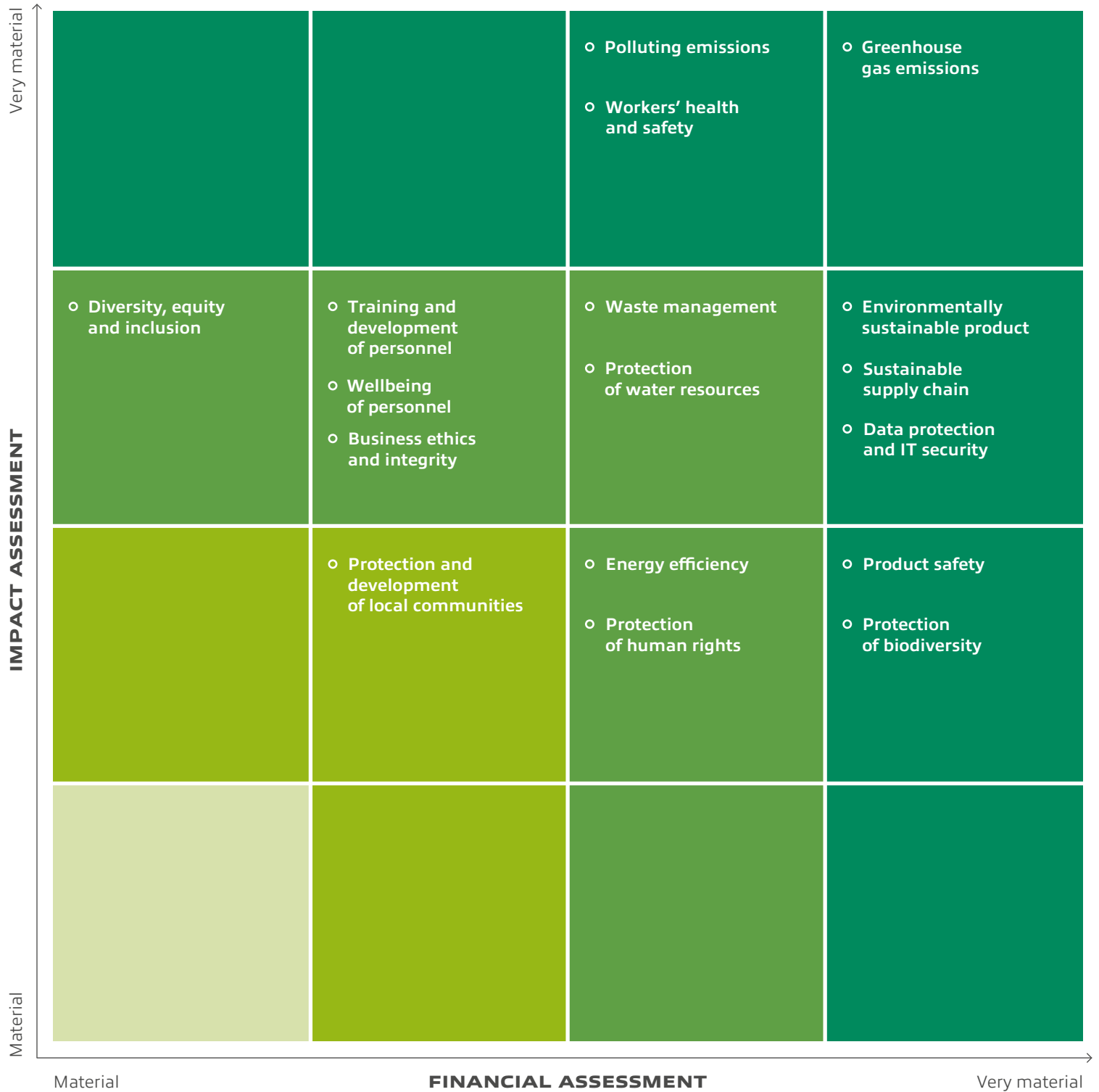
The analyses made it possible to identify a universe of risks and opportunities that were then broken down into materiality classes on the basis of the combination of the probability of occurrence and potential magnitude of the related financial effects.

As for impact materiality, a materiality threshold was also defined in this case, making it possible to identify the most significant risks and opportunities. Finally, these most significant risks and opportunities were associated with the Brembo material topics, thus making it possible to obtain, for each topic, a bi-dimensional representation within a double materiality matrix.

The proposed double materiality, assessed in advance by the CSR Committee on 13 December 2023, was shared with the Audit, Risk & Sustainability Committee, the Supervisory Committee and the Board of Statutory Auditors during the meeting held on 18 December 2023 and was subsequently submitted for approval to the Board of Directors on 19 December 2023.



DOUBLE MATERIALITY – BREMBO GROUP’S MATERIALITY MATRIX



2.6 TURNING SUSTAINABILITY INTO ACTION

Brembo faces today's challenges collaborating with various stakeholders to create solutions that have a positive impact on the environment, economy and people, on a long-term horizon. To bring the Group's growth into line with that of the Countries in which its production sites are located, Brembo continues to pursue its Sustainability Plan: **"Turning Sustainability into Action"**. This clear, concrete strategy conducted by the CSR function also involved the Top Management in setting targets, considering industry best practices and the main global ESG trends. These targets, which are primarily quantitative, are organised into five strategic areas that refer to the material topics in order to ensure the consistency of the Plan and the Disclosure of Non-Financial Information, as well as greater accountability of management. The related targets were updated in 2023.

It should be noted that the goals published in the Sustainability Plan, and in this document, are a selection of the goals and targets that Brembo pursues and that refer to its various functions.

Through the "We support SDGs" project as well, the Brembo Group pursues a sustainable strategy and adopts an integrated business model that allow to contribute to reaching all the 17 UN sustainable development goals.

Reaching the Net Zero emission objective by 2040 is among the Brembo's Sustainability Plan objectives aimed at reducing the environmental impact. The Group is aware that this necessarily entails a deep change in the industry, not only in terms of energy savings. It is precisely for this reason that "Turning sustainability into action" also provides for objectives connected with waste disposal procedures.

Moreover, Brembo is committed to strengthening the development of innovative products designed from the be-

ginning with an eco-sustainable and circular approach. The Group is thus committed to expand the product families included in the Life Cycle Assessment (LCA).

Since it operates in an international, multicultural context, through the Plan Brembo also aims to underscore the importance of diversity as capital to be enhanced by investing in awareness-raising projects and processes that strengthen the culture of diversity, equity and inclusion and create opportunities for dialogue and sharing among both colleagues and members of the local community that foster the exchange of ideas and opinions. Other goals relate to activities involving active engagement of individuals to support the creation of an inclusive, positive and safe work environment. The ambition is to make individuals the focus of every process, in an environment in which employees are proud of what they do and get along with their coworkers.

Brembo regards the relationship with its value chain as an important occasion for collaboration and a mutual opportunity for growth and enrichment. In this sense, the Plan provides for an ever greater involvement of customers and suppliers in a community perspective but also of synergistic fusion of skills and best practice. Brembo is therefore committed to favouring a local supply chain and selecting its suppliers according to sustainability-based criteria.

These measures converge towards a product range that is in line with the company principles and values described above. An activity that thus translates into clear communication of Brembo's actions in pursuit of sustainable development, through an extensive, consistent communications campaign based on press releases, interviews and various content, such as speeches, letters and videos.














An excerpt of the Group Sustainability Plan is reported below.

MATERIAL TOPICS	TARGET DESCRIPTION	BASELINE	SITUATION IN 2023	TARGET
Greenhouse Gas Emissions Energy Efficiency	1. Net Zero emissions at Group level Scope 1 and market-based Scope 2 Scope 3	FY 2020: ³⁴ 371,903 tCO _{2e} 1,662,708 tCO _{2e}	280,887 tCO_{2e} 2,195,728 tCO_{2e} ³⁵	-42% by 2030 -90% by 2040
	2. Reduction of indirect absolute emissions (market-based Scope 2)	FY 2020: ³¹ 298,736 tCO _{2e}	174,426 tCO_{2eq}	-100% by 2030
	3. % increase of renewable electricity	FY 2020: 43%	75%	+70% by 2025 +100% by 2030
	4. CO ₂ emissions avoided compared to the emissions generated in the previous year ³⁶	FY 2022: 288,848 tCO _{2eq}	31,7%	≥20% by 2023
	5. % increase of recycled waste	FY 2022: 85%	88%	≥90% by 2025 ≥95% by 2030
Environmentally Sustainable Product	6. Performance of LCAs (Life Cycle Assessment) on several product families	FY 2021: 4%	21%	100% by 2027
Diversity, Equity and Inclusion	7. Promoting diversity and inclusion with regard to the three main Brembo axes (gender, generation, cultural background) through the implementation of projects and initiatives relevant for the Group and/or local communities	FY 2022: 5 initiatives	6 initiatives	At least 5 initiatives per year
Training and development of personnel	8. Mitigating unconscious biases, overcoming stereotypes and supporting the development of an inclusive working environment in view of a "new normal" dimension, while strengthening these aspects in both existing and new training courses (managerial training)	FY 2021: 20%	100%	Renewal of managerial training paths enriched with short training pills dedicated to unconscious biases 100%

34 FY2020 baseline was restated to include the contribution, in terms of emissions, of J.Juan and SBS Friction and the update of the calculation methodology of several emission categories..

35 Scope 3 emissions increased compared to 2020 following a significant growth of production volumes

36 Reduction of emissions Scope 1 & 2 market-based obtained thanks to improvement actions $\geq 20\%$
emissions Scope 1 & 2 market-based for the previous year

MATERIAL TOPICS	TARGET DESCRIPTION	BASELINE	SITUATION IN 2023	TARGET
Training and Development of Personnel	9. Ensuring that employees remain strongly motivated to participate in company life through extensive participation in the Global Engagement Survey	FY 2021: 78%	Global Engagement Survey to be held by the end of 2024	Ensuring a $\geq 74\%$ response rate at Group level by early 2025
	10. Maintaining a high level of engagement	FY 2021: 66%	Global Engagement Survey to be held by the end of 2024	Index is maintained at a level $\geq 65\%$ by early 2025
 4 QUALITY EDUCATION  5 GENDER EQUALITY  8 DECENT WORK AND ECONOMIC GROWTH  10 REDUCED INEQUALITIES				
Workers' Health and Safety	11. Ongoing improvement of the "Incident Rate" (I.R. ³⁷)	FY 2022: 0.66	-17%	-10% YoY – Target relating to all the Group' employees Yearly
	12. Provision of hours of training (classroom and mentoring)/awareness-raising initiatives on H&S topics - all categories (average per capita)	FY 2022: 6h	3h³⁸	$\geq 5h$ by 2025
 3 GOOD HEALTH AND WELL-BEING  8 DECENT WORK AND ECONOMIC GROWTH				
Business ethics and integrity	13. Communicating Brembo's actions in the ESG area on objective and measurable criteria	FY 2022: Not available	Definition of the methodology relating to the CSR content communication process, currently being formalised	Definition of a communication methodology by 2024
 1 NO POVERTY  10 REDUCED INEQUALITIES  12 RESPONSIBLE CONSUMPTION AND PRODUCTION  16 PEACE, JUSTICE AND STRONG INSTITUTIONS  17 PARTNERSHIPS FOR THE GOALS				
Sustainable supply chain	14. Extending the assessment and monitoring of the supply chain in the CSR area	FY 2020: 70%	78.2%	80% of the turnover of the direct material relevant suppliers by 2026
	15. Favouring a Supply chain based in the Countries in which Brembo operates through production sites (Local for Local Index)	FY 2020: 87%	90.6%³⁹	Ensuring the maintenance of the Local for Local Index $>85\%$ by 2030
 8 DECENT WORK AND ECONOMIC GROWTH  12 RESPONSIBLE CONSUMPTION AND PRODUCTION				

³⁷ Incident rate: (No. of work-related injuries/ No. of hours worked) x 200,000.

³⁸ 2023 did not present the same training hours as 2022, which was characterised by a high number of new personnel from outside the company entailing a significant investment in the initial training, especially with reference to Safety and the Environment training.

³⁹ This includes the costs of purchasing goods and services directly involved in the manufacturing of finished products, namely purchases of: raw materials, components, semi-finished and finished products, ancillary materials and services (mostly transport, utilities, packaging and MRO). The scope of analysis was expanded to also include the provision of services not closely associated with production, such as the costs of ICT and telephony, cleaning, security and canteen services. Tax and legal advice, insurance, sponsorships, business travel, recruitment and training activities, building leases and industrial assets are excluded.

2.7 THE UNITED NATIONS 2030 AGENDA

THE GLOBAL AGENDA FOR SUSTAINABLE DEVELOPMENT AND SUSTAINABLE DEVELOPMENT GOALS (SDGS)

On 25 September 2015, the governments of the 193 United Nations member states signed the 2030 Agenda for Sustainable Development, containing 17 Sustainable Development Goals (SDGs). The SDGs are a “call to action” for all member states to promote sustainable development for the benefit of people, the planet and prosperity.

The Agenda is structured around three key pillars: acting for people (eradicating poverty), acting for the planet (adopting conscious consumption and production) and

acting for prosperity (ensuring the economic, social and technological progress for all humanity).

The 17 SDGs consist of 169 targets to be reached by 2030 and all countries and individuals are called upon to contribute, developing sustainable development strategies and involving all components of society. Businesses as well are called upon to have an active role, using their resources and skills to make a contribution to achieving the SDGs.

SUSTAINABLE DEVELOPMENT GOALS



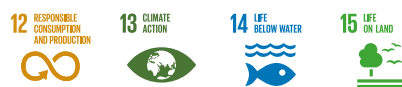
To learn more about:
United Nations Sustainable Development Goals
<https://www.un.org/sustainabledevelopment/>

In accordance with international best practices, Brembo has identified the links between the priorities defined in the materiality analysis and their impact on the Global Agenda’s goals, using the “Linking the SDGs and the GRI

Standards” (Global Reporting Initiative, May 2022 update) document, developed by GRI and the UN Global Compact.

The result of this activity is summarised in the table below.

GREENHOUSE GAS EMISSIONS



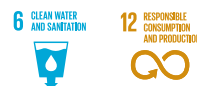
POLLUTING EMISSIONS



ENERGY EFFICIENCY



PROTECTION OF WATER RESOURCES



WASTE MANAGEMENT



PROTECTION OF BIODIVERSITY



ENVIRONMENTALLY SUSTAINABLE PRODUCT



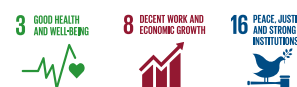
DIVERSITY, EQUITY AND INCLUSION



PROTECTION OF HUMAN RIGHTS



WORKERS’ HEALTH AND SAFETY



WELLBEING OF PERSONNEL



TRAINING AND DEVELOPMENT OF PERSONNEL



DATA PROTECTION AND IT SECURITY



PRODUCT SAFETY



PROTECTION AND DEVELOPMENT OF LOCAL COMMUNITIES



SUSTAINABLE SUPPLY CHAIN



BUSINESS ETHICS AND INTEGRITY





PUT YOUR
FACE
ON IT