This Code of Basic Working Conditions is an expression of the BSCCB's acknowledgment at all of its worldwide facilities that the Company's employees are its most important resource and asset.

The BSCCB utilizes a global approach, together with several tools, procedures, practices and policies, to guarantee proper application of the Code's principles. Although the Code's principles are not new to BSCCB, in preparing the Code, the BSCCB was inspired by the following International Standards: The **UN Universal Declaration of Human Rights**, the **ILO Tripartite Declaration of Principles concerning Multinational Entreprises and Social Policy**, the **OECD Guidelines for Multinational Entreprises**.

These principles represent the overall framework of the BSCCB's universal beliefs and the basis for the relationship be-tween employer and employees.

Due to the global presence of the BSCCB, the present Code is a general framework which will allow some local laws and regulations, collective bargaining agreements, and other agreements freely entered into by our employees and the BSCCB, to supersede portions of the Code itself. The principles of the Code are:

- **Child labour**: We will not use child labour. We will never employ any person below the age of 15, unless this is part of a government-authorized job training, training, apprenticeship program clearly beneficial to the participating person.
- **Compensation**: We will provide compensation and benefits complying with applicable law in order to promote as much as possible our employees' material well-being.
- **Forced labour**: We will not use forced labour, regardless of its form. We will not tolerate physically abusive disciplinary practices.
- **Right to Work and Freedom of Association:** We recognize and respect our employees' right to work and to freely associate. We will work constructively with our employees, or any organization that represents our employees, to promote our employees best interests. We will seek to provide opportunities for employees' concerns to be heard.
- **Harassment and discrimination:** We will not tolerate harassment or discrimination on the basis of sex, race, color, religion, creed, age, ethnic origin, National origin, marital / parental status, pregnancy, disability, sexual orientation or any other personal condition.
- **Health and safety:** We will provide and maintain for all employees a safe and healthy working environment that meets or exceeds applicable regulations for occupational safety and health.
- **Work hours:** We will comply with applicable law regulating hours of work.
- **Community engagement and local populations:** We will fully consider local populations and communities among our primary stakeholders in all projects we plan to carry out. We will openly share our plans with all recognized members of our stakeholders.
- **Bribery and corruption:** We will not tolerate the giving or receiving of undue reward to influence the behavior of another individual, organization, politician and/or government body in order to acquire a commercial advantage, regardless of local rules and mores.
- **Environment and sustainability:** We will conduct business in an environmental-friendly and responsible way. We will seek to reduce and minimize the environmental impact of all our operations in the short term in order to ensure sustainability in the long term.

After having communicated, shared and implemented this Code in every location, we will promote the application of similar policies through the value chain and in our business partners' organizations. We will seek to enforce business partnerships mainly with the players willing to promote behaviors and policies consistent with this Code. We will also verify directly and/or indirectly, first of all internally to the BSCCB, the respect of the Code.

Any employee with a good-faith belief that there may have been a violation of this Code should report it through established channels and/or to BSCCB HR. No retaliation will be taken against any employee who makes such a report or cooperates in an investigation related to any report.

Organisation, Management and Control Model

Seventh Edition (February 2026)

Pursuant to Art. 6 of Legislative Decree 231/2001

TABLE OF CONTENTS

GENERAL SECTION

DEFINITIONS

BSCCB or Company or Parent Company: Brembo SGL Carbon Ceramic Brakes S.p.A.;

Business Partners: any third party acting on behalf of BSCCB (including suppliers, intermediaries, agents, consultants, etc.)

CCNL: the National Collective Labour Agreements entered into by the most representative trade unions for employees currently in force and applied by BSCCB;

Company Officers: individuals at the highest level of representation, administration and management of the Company or one of its organisational units, endowed with independent powers of expenditure and action, as well as persons who, even if only *de facto*, manage and exercise control over the Company.

Chair: the Chair of the Board of Directors of BSCCB S.p.A.

Employees: persons employed by BSCCB;

Group companies: companies directly or indirectly controlled by BSCCB, pursuant to Article 2359 of the Italian Civil Code;

Internal Meldestelle (Ombudsperson): the institutional representative of the information channels established at BSCCB GmbH;

Internal delegation: internal attribution of powers related to the function, which do not require a notarial power of attorney for their exercise, reflected in the organisational communication system;

Legislative Decree 231/2001 or Decree: Legislative Decree No. 231 of 8 June 2001, "Regulation of the administrative liability of legal persons, companies and associations, including those without legal personality" and subsequent amendments and additions;

Legislative Decree 24/2003 or Decree 24/2023: Legislative Decree No. 24 of 10 March 2023 [1] implemented Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law that they have become aware of in a public or private work environment (the so-called Whistleblowing Directive) into Italian law.

Model: this Organisation, Management and Control Model;

Offences/Predicate offences: the types of offences to which the provisions of Legislative Decree 231/2001 apply, including subsequent amendments and additions;

1 Legislative Decree 24/2023 came into force on 15 July 2023, except for the longer deadline of 17 December 2023 for private sector entities that employed up to 249 workers in the last year.

Power of attorney: unilateral legal transaction, formalised before a notary, whereby BSCCB grants powers of representation vis-à-vis third parties and which is registered in the Register of Companies at the Chamber of Commerce;

Supervisory Committee: the Committee provided for in this Model;

Sensitive Activities: BSCCB activities in which there is a risk of offences being committed;

ABBREVIATIONS

c.p. :	Italian Criminal Code
c.p.p.:	*Code of Criminal Procedure*
c.p.c:	*Code of Civil Procedure*
c.c.:	Civil Code
OdV:	Supervisory Committee

HISTORY OF THE COMPANY/BUSINESS/ORGANISATION

BSCCB S.p.A., originally named BCBS S.p.A. (Brembo Ceramic Brake Systems S.p.A), from a joint venture between the then Brembo S.p.A. and the German company Daimler AG, was established in 2004 and is engaged in the design, development, production and marketing of braking systems in general and, in particular, carbon ceramic brake discs for original equipment in high-performance cars. The Company also carries out research and development into new materials and new applications.

In May 2009, the company, wholly owned by Brembo S.p.A. since September 2008, carried out a capital increase fully subscribed by SGL Technologies GmbH and acquired the entire share package of SGL Brakes GmbH in Meitingen. These transactions led to the formation of a joint venture between the SGL and Brembo Groups in the field of carbon-ceramic brake discs, with each partner holding an equal stake in the company's capital (50-50%). Since 28 May 2009, the date on which the joint venture was formed, the company has not been subject to any management or coordination by companies or entities pursuant to Article 2497bis of the Italian Civil Code. Following the joint venture, the company also changed its name to Brembo SGL Carbon Ceramic Brakes S.p.A. (BSCCB S.p.A. in abbreviated form).

The joint venture has two carbon-ceramic disc production plants, one in Stezzano (Bergamo) and one in Meitingen (Germany, near Augsburg), at the headquarters of BSCCB GmbH, a company incorporated under German law and wholly owned by BSCCB S.p.A..

The Company entertains business ties with Brembo N.V. that provides support to BSCCB S.p.A. with logistic and administrative services in the broad sense. BSCCB S.p.A. conducts its business in a building leased by Brembo N.V.. These relationships are governed by contracts.
Ever since the establishment of the joint-venture between SGL and Brembo, the Company has been run by two General Managers. After a long period, from 10 January 2012 to 31 July 2020, during which the management function was held by a single General Manager,the company is now headed by two General Managers, assisted by some

executives, who are division managers, and who all together form the Management Committee.

The divisions are: Sales and Marketing held ad interim by the Italian Managing Director, Operations (which includes production, purchasing and applied technology), Administration and Finance held by the German Managing Director, HR and Research and Development. The detailed organisation chart of each division is regularly brought to the attention of all stakeholders.

RELEVANT REGULATIONS

LEGISLATIVE DECREE 231/2001

Legislative Decree No. 231/2001, as further amended and extended, which sets forth the "*Regulatory Framework governing the vicarious corporate liability of legal entities, corporations and associations, including bodies devoid of legal personality*" (hereafter the "Decree"), introduced into the Italian legal system, for the first time, the concept of vicarious corporate liability for specific offences committed in the interest or to the benefit of the entity in question, by:

a) individuals at the highest levels of corporate representation, administration and management of the company or one of its organisational units endowed with independent powers of expenditure and action (*Company Officers*), as well as natural persons who, even if only *de facto*, manage and exercise control over the company in question;
b) individuals subjected to the management or oversight of one of the persons at the highest levels of corporate management indicated under letter a) above (for instance, employees).

In the case where one of the offences specifically indicated in the list of " underlying offences" is committed, the criminal liability of the individual who materially carried out the offence also entails the "administrative" liability of the company (if and to the extent that all other regulatory assumptions apply).
The Company's liability, therefore, is

- *"in addition to and not in replacement of"* the criminal liability incurred by the individuals who materially committed the offence (such liability remaining within the remit of the normal criminal law)
- "*direct and independent"* of the criminal liability incurred by the individual offenders

Vicarious corporate liability, introduced by the Decree, is aimed, first and foremost, at occasioning prejudice to the assets of legal entities that have benefitted or profited from the commission of certain specific criminal offences (the underlying offences)

Consequently, with a view to directly and effectively targeting the legal entity that incurs vicarious corporate liability (which is subject to a statute of limitations of five years following the date on which the underlying offence was committed — Article 22 of the Decree), the current regulatory framework provides for four distinct types of punitive measures: fines (Article 10), disqualifications/suspensions (Article 13), the publication of the judgement (Article 18) and confiscation of undue gains (Article 19).

Fines are the main form of penalty inflicted in the event of vicarious corporate liability for criminal offences, and accordingly play a central role in the punitive framework entrenched in the Decree.

In determining the amount of the above penalty, reference is made to a dual quantitative and qualitative limit through the quota system: for each offence, a quota is established, which must necessarily comply with a minimum and maximum amount, ranging from 100 to 1,000 quotas and with a value ranging from €258 to €1,549.

The criteria for determining the number of quotas to be imposed (Article 11 of the Decree) are the seriousness of the offence, the degree of responsibility of the entity and the measures taken by the latter to prevent the offence.

In case of the more serious offences, the legal entity is also exposed to temporary disqualification/suspension (of no less than 3 months and no more than 2 years) [2], such as:

a) disqualification from engaging in business;
b) the suspension or revocation of authorisations, licences, or contracts allowing to commit the offence;
c) disqualification from contracting with the Public Administration;
d) disqualification from low-interest financing or similar subsidies or the revocation of those already granted;
e) disqualification from advertising goods and services.

The aforementioned measures may be imposed if at least one of the following conditions is met:

- the legal entity has derived significant profits from an underlying Offence that was committed by a Company Officer, or a person subject to the supervision of others (in such latter case, the organizational failures must be found to have caused or enabled the commission of the offence);
- the legal entity had previously been held vicariously liable for the same offence.

Penalties entailing disqualifications or suspensions may be accompanied by an order requiring the publication of the related judgement.

THE OFFENCES CONTEMPLATED IN THE LEGISLATIVE DECREE

The offences which, pursuant to the Decree, could give rise to vicarious corporate liability, if committed in the interest or for the benefit of a legal entity (hereinafter, the "Offences"), include:

Art. 24) Undue receipt of payments, fraud against the State, a public Committee or the European Union or for the purpose of obtaining public funds, computer fraud against the State or a public Committee and fraud in public procurement

(Articles 24 and 25 of Legislative Decree 231/2001 and subsequent amendments, most recently replaced by Article 5 of Legislative Decree No. 75/2020, replaced by Article 6-ter of Law No. 137/2023, amended by Conversion Law No. 112 of 8 August 2024, *Nordio Law No. 114 of 9 August 2024 and Law No. 80/2025* 'Security Decree')

- *Embezzlement to the detriment of the State (Article 316-bis of the Criminal Code) [amended by Decree Law No. 13/2022];*

[2] The disqualification sanction may be final if the entity has derived a significant profit from the offence and if it has already been sentenced to temporary disqualification at least three times in the last seven years.

- *Unlawful receipt of payments to the detriment of the State (Article 316-ter of the Criminal Code) [amended by Legislative Decree No. 75/2020 and Decree Law No. 13/2022];*
- Interference with the freedom of auctions (Article 353 of the Italian Criminal Code) [article added by Law No. 137/2023] ;
- *Interference with the freedom of the contractor selection process (Art. 353-bis) [article added by Law No. 137/2023];*
- *Fraud in public procurement (Art. 356 of the Criminal Code) [offence included by Art. 5 of Legislative Decree No. 75/2020];*
- *Fraud against the State or another public Committee or the European Communities (Article 640 of the Criminal Code)[amended by Legislative Decree No. 75/2020, Legislative Decree No. 150/2022, Law No. 90/2024, Decree Law No. 48 2025 converted by Law No. 80/2025][3] ;*
- *Aggravated fraud for the purpose of obtaining public funds (Article 640-bis of the Italian Criminal Code) [amended by Decree Law No. 13/2022];*
- *Computer fraud against the State or other public Committee (Article 640-ter of the Italian Criminal Code) [amended by Legislative Decree No. 184/2021 and Legislative Decree No. 150/2022];*
- *Applicability of Article 322-ter (Article 640-quater of the Italian Criminal Code) [introduced by Law No. 90/2024];*
- *Fraud against the European Agricultural Fund (Article 2 of Law No. 898 of 23 December 1986) [offence included in Article 5 of Legislative Decree No. 75/2020, amended by Legislative Decree No. 184/2021 and Legislative Decree No. 156/2022];*

Article 24-bis) Cybercrimes and illegal handling of data (introduced by Law No. 48/2008 and amended by Law No. 90 of 28 June 2024[4])

- *Misrepresentation in public or private digital documents (Art. 491 bis of the Criminal Code);*
- *Unauthorised access to a computer or telecommunications system (Art. 615 ter of the Criminal Code) [amended by Law No. 90/2024];*
- *Unlawful possession and dissemination of access codes to computer or telecommunications systems (Article 615-quater of the Italian Criminal Code) [amended by Law No. 238/2021 and Law No. 90/2024];*
- *Dissemination of equipment, devices or computer programmes designed to damage or interrupt a computer or telecommunications system (Article 615 quinquies of the Criminal Code) [amended by Law No. 238/2021 - repealed by Law No. 90/2024];*
- *Possession, dissemination and unlawful installation of equipment and other means designed to intercept, prevent or interrupt telegraphic or telephone communications or conversations (Article 617-bis of the Criminal Code) [article introduced by Law No. 90/2024];*

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[3] Number 2-bis) of Article 640, paragraph 2, of the Italian Criminal Code (Fraud) referred to in the predicate offence under Article 24 of Legislative Decree 231/2001 has been repealed. 'Unlawful receipt of payments, fraud against the State, a public body or the European Union or for the purpose of obtaining public funds, computer fraud against the State or a public body and fraud in public procurement', introducing the relevant aggravated offence with an impact on the cumulative sentence.

[4] Law No. 90 of 28 June 2024 (published in the Official Gazette No. 153 of 02/07/2024 and entered into force on 17 July 2024) containing 'Provisions on strengthening national cybersecurity and cybercrime' , addresses cybercrime by increasing penalties and revising certain offences.
In particular, Article 20, paragraph 1, letters b), c) and d) of Law No. 90 of 28 June 2024 amended Article 24-bis of Legislative Decree 231/01_'Cybercrimes and unlawful data processing', introducing, *inter alia,* an increase in penalties for the offences already provided for and an expansion of the list of 'predicate offences'.

- *Illegal interception, prevention or interruption of computer or telecommunications communications (Article 617-quater of the Criminal Code) [amended by Law No. 238/2021 and Law No. 90/2024];*
- *Installation of equipment designed to intercept, prevent or interrupt computer or telecommunications communications (Article 617-quinquies of the Criminal Code) [amended by Law No. 238/2021 and Law No. 90/2024];*
- *Falsification, alteration or suppression of the content of computer or telecommunications communications (Article 617-sexies of the Criminal Code) [article introduced by Law No. 90/2024];*
- *Mitigating circumstances (Article 623-quater of the Italian Criminal Code) [article introduced by Law No. 90/2024];*
- *Computer extortion (Article 629 of the Criminal Code) [article introduced by Law No. 90/2024];*
- *Damage to information, data and computer programmes (Article 635-bis of the Criminal Code) [amended by Law No. 90/2024];*
- *Damage to information, data and computer programmes used by the State or other public Committee or in any case of public utility (Article 635-ter of the Criminal Code) [article introduced by Law No. 90/2024];*
- *Damage to computer or telecommunications systems (Article 635-quater of the Criminal Code) [amended by Law No. 90/2024];*
- *Possession, dissemination and unlawful installation of computer equipment, devices or programmes intended to damage or interrupt a computer or telecommunications system (Article 635-quater 1 of the Criminal Code) [introduced by Law No. 90/2024];*
- *Damage to public computer or telecommunications systems (Article 635-quinquies of the Criminal Code) [amended by Law 90/2024];*
- *Mitigating circumstances (Article 639-ter of the Italian Criminal Code) [article introduced by Law 90/2024];*
- *Computer fraud (Article 640-ter of the Italian Criminal Code) [amended by Legislative Decree No. 184/2021 and Legislative Decree No. 150/2022];*
- *Computer fraud by a person providing electronic signature certification services (Article 640-quinquies of the Italian Criminal Code);*
- *Violation of regulations concerning national cyber security [offence included in Article 1, paragraph 11, of Decree Law No. 105 of 21 September 2019].*

Art. 24-ter) Organised crime offences [Article added by Law No. 94 of 15 July 2009, Art. 2, para. 29, amended by Law No. 69/2015]

- *Criminal conspiracy (Article 416 of the Criminal Code, with the exception of the sixth paragraph) [amended by Law No. 236/2016];*
- *Mafia-type association (all offences if committed under the conditions set out in Article 416-bis of the Criminal Code) [amended by Law No. 69/2015];*
- *Aggravating and mitigating circumstances for offences related to mafia activities (Article 416-bis1 of the Criminal Code) [introduced by Legislative Decree No. 21/2018 and amended by Law No. 60/2023];*
- *Political-mafia electoral exchange (Article 416-ter of the Italian Criminal Code) [replaced by Law No. 62/2014];*
- *Kidnapping for the purpose of extortion (Article 630 of the Criminal Code);*
- *Association for the purpose of illicit trafficking in narcotic or psychotropic substances (Article 74 of Presidential Decree No. 309 of 9 October 1990) [paragraph 7-bis added by Legislative Decree No. 202/2016].*

Art. 25) Embezzlement, misappropriation of money or movable property, extortion, undue inducement to give or promise benefits, corruption [heading amended together with the text by Conversion Law No. 122 of 8 August 2024]

- *Temporary prohibition from dealing with the public administration (Art. 289-bis of the Code of Criminal Procedure) [introduced by Law No. 3/2019]*
- *Embezzlement (Article 314 of the Criminal Code) [offence included in Article 5, paragraph 1, letter b) of Legislative Decree No. 75/2020 and amended by Law No. 69/2015];*
- *Misappropriation of money or movable property (Article 314-bis of the Italian Criminal Code) [introduced by Decree Law No. 92/2024 and amended by Conversion Law No. 112/2024]*
- *Embezzlement by taking advantage of another person's mistake (Article 316 of the Criminal Code) [offence included in Article 5, paragraph 1, letter b) of Legislative Decree No. 75/2020];*
- *Extortion (Article 317 of the Italian Criminal Code) [amended by Laws No. 190/2021 and No. 96/2015];*
- *Corruption in the exercise of public office (Article 318 of the Criminal Code) [amended by Law No. 190/2012, Law No. 69/2015 and Law No. 3/2019];*
- *Corruption for an act contrary to official duties (Article 319 of the Criminal Code) [amended by Law No. 69/2015];*
- *Aggravated corruption for an act contrary to official duties if the entity has derived significant profit (Article 319-bis of the Criminal Code);*
- *Corruption in judicial proceedings (Article 319-ter);*
- *Undue inducement to give or promise benefits (Article 319-quater of the Criminal Code) [introduced by Law No. 190/2012 and amended by Law No. 69/2015 and Legislative Decree No. 75/2020];*
- *Corruption of a person in charge of a public service (Article 320 of the Italian Criminal Code);*
- *Penalties for the corruptor (Article 321 of the Italian Criminal Code);*
- *Instigation to corruption (Article 322 of the Italian Criminal Code);*
- *Embezzlement, extortion, undue inducement to give or promise benefits, corruption and incitement to corruption of members of international courts or bodies of the European Communities or international organisations and officials of the European Communities and foreign states (Article 322-bis of the Criminal Code) [amended by Law No. 190/2012, Law No. 3/2019, Legislative Decree No. 75/2020, Legislative Decree No. 156/2022, Conversion Law No. 112/2024 and Law No. 114/2024 in the text and heading];*
- *Financial compensation (Article 322-quater of the Italian Criminal Code) [amended by Law No. 3/2019];*
- *Abuse of office (Article 323 of the Criminal Code) [offence included in Article 5, paragraph 1, letter b, of Legislative Decree No. 75/2020] [repealed by the Nordio Law of 9 August 2024 No. 114];*
- *Mitigating circumstances (Article 323-bis of the Criminal Code)[amended by Conversion Law No. 112/2024 and Law No. 114/2024];*
- *Causes of non-punishability (Article 232-ter of the Criminal Code) [amended by Law No. 114/2024];*
- *Trafficking in illicit influences (Article 346-bis of the Criminal Code) [offence included in Article 1, paragraph 9, letter b-1, of Law No. 3 of 9 January 2019 and amended by the Nordio Law of 9 August 2024 No. 114].*

Art. 25-bis) Counterfeiting of coins, public credit cards, revenue stamps and identification instruments or marks [Article added by Decree Law No. 350 of 25 September 2001, Art. 6, Decree Law converted with amendments by Law No. 409 of 23/11/2001; amended by Law No. 99 of 23 July 2009 and Legislative Decree No. 125/2016].

- *Counterfeiting of coins, spending and introduction into the State, by prior agreement, of counterfeit coins (Article 453 of the Criminal Code);*
- *Alteration of coins (Article 454 of the Criminal Code);*
- *Spending and introducing counterfeit coins into the country without prior agreement (Article 455 of the Criminal Code);*
- *Spending counterfeit coins received in good faith (Article 457 of the Italian Criminal Code);*
- *Counterfeiting of revenue stamps, introduction into the State, purchase, possession or circulation of counterfeit revenue stamps (Article 459 of the Criminal Code);*
- *Counterfeiting of watermarked paper used for the manufacture of public credit cards or revenue stamps (Article 460 of the Italian Criminal Code);*
- *Manufacture or possession of watermarks or instruments intended for the counterfeiting of coins, revenue stamps or watermarked paper (Article 461 of the Italian Criminal Code);*
- *Use of counterfeit or altered revenue stamps (Article 464 of the Italian Criminal Code);*
- *Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and industrial designs (Article 473 of the Italian Criminal Code);*
- *Introduction into the country and trade in products with false marks (Article 474 of the Italian Criminal Code);*
- *Unlawful use and falsification of credit and payment cards (Article 493-ter of the Italian Criminal Code) [introduced by Legislative Decree No. 21/2018];*
- *Fraudulent transfer of securities (Article 512-bis of the Italian Criminal Code) [introduced by Legislative Decree No. 21/2018].*

Art. 25-bis.1) Crimes against industry and trade [Article added by Law No. 99 of 23/07/09 and subsequent amendments, amended by Law No. 206/2023]

- *Disruption of industry or commerce (Article 513 of the Italian Criminal Code);*
- *Unlawful competition with threats or violence (Article 513-bis of the Criminal Code);*
- *Fraud against national industries (Article 514);*
- *Fraud in the exercise of trade (Article 515 of the Criminal Code);*
- *Sale of non-genuine foodstuffs as genuine (Article 516 of the Criminal Code);*
- *Sale of industrial products with false markings (Art. 517 of the Criminal Code)* [amended by Law No. 206/2023];
- *Manufacture and trade of goods made by usurping industrial property rights (Article 517-ter of the Criminal Code);*
- *Counterfeiting of geographical indications or designations of origin of agri-food products (Article 517-quater of the Italian Criminal Code).*

Art. 25-ter) Corporate offences (introduced by Legislative Decree 231/2001 and subsequent amendments[5] , added by Legislative Decree No. 61/2002; amended by Law no. 190/2012, Law 69/2015, Legislative Decree no. 38/2017, Legislative Decree no. 19/2023 and Law no. 132/2025)

[5] Offence of falsehood in the reports or communications of auditing firms (Article 2624 of the Italian Civil Code) repealed by Legislative Decree 39/2010, Article 37, paragraph 34. See Judgment - 22 September 2011 (Civil Code 23 June 2011) No. 34476 – Court of Cassation – Joint Criminal Divisions, which specifies that Legislative Decree 39/2010 (statutory audit), in repealing and reformulating the prescriptive content of Article 174-bis of the Consolidated Law on Finance (Falsehood in the reports or communications of auditing firms), did not in any way affect the rules on administrative liability for offences laid down in Article 25-ter of Legislative Decree 231/2011, since the relevant cases are not referred to in this legislative text and cannot therefore constitute the basis for such liability.

- *False corporate communications* (Article 2621 of the Italian Civil Code) [amended by Law No. 69/2015];
- *Minor offences (Article 2621 bis of the Italian Civil Code) [introduced by Law No. 69/2015];*
- *Non-punishability due to particular insignificance (Article 2621-ter of the Italian Civil Code) [introduced by Law No. 69/2015];*
- *False corporate communications by listed companies* (Article 2622 of the Italian Civil Code) [amended by Law No. 69/2015];
- *Prevention of control causing damage to shareholders* (Article 2625 of the Italian Civil Code);
- *Undue return of contributions* (Article 2626 of the Italian Civil Code);
- *Illegal distribution of profits and reserves* (Article 2627 of the Italian Civil Code);
- *Unlawful transactions involving shares or quotas of the company or its parent company* (Article 2628 of the Italian Civil Code);
- *Transactions to the detriment of creditors (Article 2629 of the Italian Civil Code);*
- *Failure to disclose conflicts of interest (Article 2629 bis of the Italian Civil Code) [introduced by Law No. 262/2005]*
- *Fictitious formation of share capital (Article 2632 of the Italian Civil Code);*
- *Improper distribution of company assets by liquidators (Article 2633 of the Italian Civil Code)*
- *Corruption between private individuals limited to active corruption (Article 2635 of the Italian Civil Code, as amended by Legislative Decree No. 38 of 15 March 2017 and Law No. 3 of 9 January 2019);*
- *Instigation to corruption between private individuals limited to active conduct (Article 2635-bis of the Italian Civil Code) [offence included in Article 4 of Legislative Decree No. 38 of 15 March 2017 and amended by Law No. 3 of 9 January 2019];*
- *Additional penalties (Article 2635-ter of the Italian Civil Code)*
- *Unlawful influence on the shareholders' meeting (Article 2636 of the Italian Civil Code);*
- *Market manipulation (Article 2637 of the Italian Civil Code) [amended by Law No. 132/2025];*
- *Obstruction of the functions of public supervisory authorities (Article* 2638 of the Italian Civil Code);
- *False or omitted declarations for the issue of the preliminary certificate (Article 54 of Legislative Decree No. 19/2023) [offence added by Legislative Decree No. 19/2023][6].*

Art. 25-quater) Offences pertaining to terrorism and subversion of the democratic order contemplated in the Italian Penal Code and special laws (article added by Law no. 7/2003 and amended by Law no. 80 of 9 June 2025 'Security Decree')

- *Subversive associations (Article 270 of the Criminal Code);*
- *Associations with the aim of terrorism, including international terrorism, or subversion of the democratic order (Article 270-bis of the Criminal Code);*
- *Aggravating and mitigating circumstances (Article 270-bis 1 of the Criminal Code) [introduced by Legislative Decree No. 21/2018 and amended by Law No. 60/2023];*
- *Assistance to members (Article 270-ter of the Italian Criminal Code);*

[6] Implementation of Directive (EU) 2019/2121 of the European Parliament and of the Council of 27 November 2019 amending Directive (EU) 2017/1132 as regards cross-border conversions, mergers and divisions. Pursuant to Article 55 of this decree, as of 3 July 2023, the provisions relating to 'cross-border and international transactions in which none of the participating companies has published the draft at that date' shall enter into force.

- *Recruitment for the purposes of terrorism, including international terrorism (Article 270-quater of the Criminal Code);*
- *Organisation of transfers for terrorist purposes (Article 270-quater.1 of the Criminal Code) [introduced by Decree Law No. 7/2015 and converted with amendments by Law No. 43/2015];*
- *Training for activities for the purposes of terrorism, including international terrorism (Article 270-quinquies of the Italian Criminal Code);*
- *Financing of conduct for terrorist purposes (Article 270-quinquies.1 of the Italian Criminal Code, introduced by Law No. 153/2016);*
- *Misappropriation of seized property or money (Article 270-quinquies.2 of the Criminal Code);*
- *Possession of material for terrorist purposes (Article 270-quinquies.3 of the Criminal Code);*
- *Conduct for terrorist purposes (Article 270-sexies of the Italian Criminal Code);*
- *Attack for terrorist or subversive purposes (Article 280 of the Criminal Code);*
- *Terrorist acts involving deadly devices or explosives (Article 280-bis of the Italian Criminal Code);*
- *Acts of nuclear terrorism (Article 280-ter of the Criminal Code);*
- *Kidnapping for the purpose of terrorism or subversion (Article 289-bis of the Italian Criminal Code);*
- *Kidnapping for the purpose of coercion (Article 289-ter of the Criminal Code) [introduced by Legislative Decree No. 21/2018];*
- *Instigation to commit any of the offences referred to in the first and second sections (Article 302 of the Criminal Code);*
- *Political conspiracy through agreement (Article 304 of the Italian Criminal Code);*
- *Political conspiracy through association (Article 305 of the Criminal Code);*
- *Armed gang: formation and participation (Article 306 of the Criminal Code);*
- *Assistance to participants in conspiracy or armed gang (Article 307 of the Criminal Code).*
- *Manufacture or possession of explosive materials (Article 435 of the Criminal Code) [introduced and amended by Decree Law No. 48/2025 converted by Law No. 80/2025];*
- *Seizure, hijacking and destruction of an aircraft or damage to ground installations (Articles 1 and 2 of Law No. 342/1976).*

Art. 25-quater.1) Practices involving the mutilation of female genital organs (Law 7/2006)

- Practices involving the mutilation of female genital organs (Article 583 bis of the Criminal Code).

Art. 25-quinquies) Crimes against the individual (article added by Law No. 228/2003 and amended by Law No. 199/2016)

- *Reduction or maintenance in slavery or servitude (Article 600 of the Criminal Code);*
- *Child prostitution* (Article *600-bis* of the Criminal Code);
- *Child pornography* (Article *600-ter* of the Criminal Code);
- *Possession of pornographic material* (Article *600-quater* of the Criminal Code) [amended by Law No. 238/2021];
- *Virtual pornography (Article 600-quater 1 of the Criminal Code) [introduced by Article 4 of Law No. 38/2006];*

- *Tourism initiatives aimed at the exploitation of child prostitution (Article 600-quinquies of the Criminal Code);*
- *Tourism initiatives aimed at the exploitation of child prostitution* (Article *600-quinquies*, Criminal Code);
- *Trafficking in persons* (Article 601 of the Criminal Code);
- Trafficking in organs removed from living persons (Article 601-bis of the Criminal Code) [introduced by Article 1 of Law No. 236/2016];
- *Sale and purchase of slaves* (Article 602 of the Criminal Code);
- *Illegal intermediation and exploitation of labour (Article 603-bis of the Criminal Code) [offence included by Article 6 of Law No. 199 of 29 October 2016];*
- *Solicitation of minors (Article 609-undecies of the Criminal Code) [amended by Law No. 238/2021];*
- Torture (Article 613-bis of the Criminal Code) [introduced by Article 1 of Law No. 110/2017];
- Instigation of a public official to commit torture (Article 613-ter of the Criminal Code) [introduced by Article 1 of Law No. 110/2017].

Article 25-sexies) Market abuse offences (article added by Law No. 62/2005) and other cases of market abuse (Article 187-quinquies of the Consolidated Law on Finance) [article amended by Legislative Decree No. 107/2018 and Law No. 238/2021]

- *Abuse or unlawful disclosure of inside information. Recommendation or inducement of others to commit insider trading (Article 184 of the Consolidated Law on Finance) [amended by Legislative Decree No. 107/2018];*
- *Market manipulation (Article 185 of the Consolidated Law on Finance) [amended by Legislative Decree No. 107/2018, Law No. 328/2021 and Law No. 132/2025];*
- *Abuse and unlawful disclosure of inside information (Article 187-bis of the Consolidated Law on Finance) [amended by Legislative Decree No. 107/2018]*
- *Market manipulation (Article 187-ter of the Consolidated Law on Finance) [amended by Legislative Decree No. 107/2018];*
- *Penalties for violations of the provisions of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2024 (Article 187-ter 1. TUF) [introduced by Legislative Decree No. 107/2018];*
- *Liability of the entity (Article 187-quinquies of the Consolidated Law on Finance) [amended by Legislative Decree No. 107/2018];*
- *Prohibition of insider dealing and unlawful disclosure of inside information (Article 14 of EU Regulation No. 596/2014);*
- *Prohibition of market manipulation (Article 15 of EU Regulation No. 596/2014);*
- *Prohibition of insider dealing (Art. 89 of EU Regulation No. 1114/2023) [transposed by Legislative Decree No. 129/2024];*
- *Prohibition of unlawful disclosure of inside information (Art. 90 of EU Regulation No. 1114/2023) [transposed by Legislative Decree No. 129/2024];*
- *Prohibition of market manipulation (Art. 91 EU REG. No. 1114/2023) [transposed by Legislative Decree No. 129/2024].*

Art. 25-septies) Manslaughter (Art. 589 of the Italian Criminal Code) and serious or very serious negligent injury (Art. 590 of the Italian Criminal Code), committed in violation of accident prevention and occupational health and safety regulations (added by Law No. 123/2007)

- Manslaughter (Article 589 of the Criminal Code);

- Negligent personal injury (Art. 590 of the Criminal Code);
- Penalties for employers and managers (Article 55 of Legislative Decree No. 81/2008).

Art. 25-octies) Receiving, laundering and use of money, goods or benefits of illegal origin, as well as self-laundering [Article added by Legislative Decree No. 231/2007, amended by Law No. 186/2014 and Legislative Decree No. 195/2021[7] ,]

- *Receiving stolen goods (Article 648 of the Italian Criminal Code);*
- *Money laundering (Article 648 bis of the Italian Criminal Code);*
- *Use of money, goods or benefits of illegal origin (Article 648 ter of the Italian Criminal Code)*;
- *Self-laundering (Article 648-ter 1 of the Criminal Code) – [offence included in Article 3, paragraph 5, of Law No. 186 of 15 December 2014][8] .*

Art. 25-octies.1) - Offences relating to non-cash payment instruments and fraudulent transfer of valuables

[Article added by Legislative Decree 184/2021, amended by Decree Law No. 105/2023 coordinated with Law No. 137/2023 and *amended by Decree Law No. 19/2024 with Conversion Law No. 56/2024*]

- *Unlawful use and falsification of non-cash payment instruments (Article 493 ter of the Criminal Code) – [offence included in Article 3 of Legislative Decree No. 184 of 8 November 2021];*
- *Possession and dissemination of equipment, devices or computer programs intended for committing offences relating to non-cash payment instruments (Article 493 quater of the Criminal Code) – [offence added by Article 3 of Legislative Decree No. 184 of 8 November 2021];*
- *Fraudulent transfer of valuables (Article 512-bis) [article added by Law No. 137/2023, amended by Law of 29 April 2024[9]];*
- *Computer fraud (Article 640 ter of the Criminal Code) – [offence added by Article 3 of Legislative Decree No. 184 of 8 November 2021 and amended by Legislative Decree No. 150/2022];*

Art. 25-octies.2) – Offences relating to the violation of European Union restrictive measures

[Article added by Legislative Decree No. 211/2025 implementing EU Directive 2024/1226[10]]

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7 Legislative Decree No. 195 of 8 November 2021 - implementing Directive (EU) 2018/1673 on the prevention of money laundering by criminal law - introduces in Article 25-octies of Legislative Decree 231/2001 new predicate offences of 'receiving stolen goods, money laundering, self-laundering and use of money, goods or benefits of illicit origin', including - for the sake of simplicity - also acts involving money or goods derived from offences and, in the case of money laundering and self-laundering, also negligent offences.

8 The principle of the strict definition of predicate offences has been called into question by the most recent interpretative guidelines, according to which the entity could also incur 231 liability for cases (from which the illicit proceeds characterising self-laundering derive) not included in the list of predicate offences in Decree 231. In this regard, BSCCB adheres to the interpretative guideline according to which the entity's 231 liability must instead be limited to cases in which the basic offence of self-laundering is also one of the predicate offences indicated in Decree 231; in any case, if such liability is deemed to apply even in the presence of additional predicate offences, in order to protect BSCCB from the risk of money laundering and self-laundering offences, the Model provides for preventive measures and control tools to guard against the above-mentioned crime risks that may also arise from offences other than the predicate offences covered by Decree 231.

9 Decree Law No. 19 of 2 March 2024 (published in the Official Gazette No. 52 of 02/03/2024 and entered into force on 2 March 2024) converted into Law No. 56 of 29 April 2024 (Official Gazette No. 100 of 30/04/2024), with Article 3 *'Measures to prevent and combat fraud in the use of resources relating to the PNRR and cohesion policies'*, amended Article 512-bis of the Italian Criminal Code, already a predicate offence pursuant to Article 25-octies.1 of Legislative Decree 231/2001, introducing, in the second paragraph, a new criminal offence

10 Legislative Decree No. 211 of 30 December 2025, implementing EU Directive 2024/1226 on the definition of offences and sanctions for the violation of European Union restrictive measures (Official Journal General Series No. 6 of 09-01-2026) (in force since 24 January 2026), provides for the creation of new offences, with the introduction of the new Chapter I-bis 'Offences against the foreign policy and common security of the European Union', Book II, Title I of the Criminal Code, and the inclusion of the related offences in the Catalogue of Predicate Offences 231, through the introduction of Article 25 Octies 2 in Legislative Decree 231/2001. also provides for the amendment of Article 10 of Legislative Decree 231/2001 by adding a new paragraph 3-bis, pursuant to which, in addition to the penalties of quotas, a system for determining the penalty based on the entity's global turnover is also provided for (from 1% to 5% of global turnover, while if the turnover cannot be determined, from €3 to €40 million).

- *Violation of European Union restrictive measures (Article 275-bis of the Criminal Code) [introduced by Legislative Decree No. 211/2025];*
- *Violation of information obligations imposed by a European Union restrictive measure (Article 275-ter of the Criminal Code) [introduced by Legislative Decree No. 211/2025];*
- *Violation of the conditions of authorisation to carry out activities (Article 275-quater of the Criminal Code) [introduced by Legislative Decree No. 211/2025];*
- *Negligent violation of European Union restrictive measures (Article 275-quinquies of the Criminal Code) [introduced by Legislative Decree No. 211/2025].*

Art. 25-novies) Offences relating to copyright infringement [Article added by Law No. 99 of 23/07/09, amended by Law No. 93/2023 and Law No. 166 of 14 November 2924]

- *Making available to the public, in a telematic network system, through connections of any kind, a protected intellectual work, or part thereof (Art. 171, Law No. 633/1941, paragraph 1, letter a) bis);*
- *Offences referred to in the previous point committed on works by others not intended for publication if they result in damage to honour or reputation (Art. 171, Law 633/1941, paragraph 3)[amended by Law No. 406/81, Law No. 248/2000, Decree Law No. 7/2005 and Law No. 132/2025];*
- *Law on the protection of copyright (Unlawful publication contained in media not marked in accordance with Law No. 166/2024) (Art. 171-bis I, paragraph 1. 633/1941, paragraph 1)[amended by Law No. 248/2000 and Conversion Law No. 166/2024];*
- *Reproduction, transfer to another medium, distribution, communication, presentation or demonstration in public of the contents of a database; extraction or reuse of the database; distribution, sale or leasing of databases (Art. 171-bis Law 633/1941, paragraph 2) amended by Law No. 248/2000 and Conversion Law No. 166/2024];*
- *Unlawful duplication, reproduction, transmission or public dissemination by any means, in whole or in part, of intellectual works intended for television, cinema, the sale or rental of discs, tapes or similar media or any other medium containing phonograms or videograms of musical, cinematographic or similar audiovisual works or sequences of moving images; literary, dramatic, scientific or educational works, musical or dramatic musical works, multimedia works, even if included in collective or composite works or databases; unauthorised reproduction, duplication, transmission or dissemination, sale or trade, transfer for any reason or unauthorised importation of more than fifty copies or specimens of works protected by copyright and related rights; the introduction into a telematic network system, through connections of any kind, of a work of intellectual property protected by copyright, or part thereof (Article 171-ter of Law 633/1941) [amended by Law No. 191/2009, Law No. 248/2000, Decree Law No. 7/2005, Law No. 93/2023 and Conversion Law No. 166/2024];*
- *Failure to communicate to the SIAE (Italian Society of Authors and Publishers) the identification data of media not subject to marking or false declaration (Article 171-septies of Law 633/1941) [amended by Conversion Law No. 166/2024];*
- *Fraudulent production, sale, import, promotion, installation, modification, use for public and private use of equipment or parts of equipment designed to decode conditional access audiovisual transmissions carried out via the airwaves, satellite, cable, in both analogue and digital form (Art. 171-octies Law 633/1941);*
- *Abusive use, duplication or reproduction of protected works or materials (Article 174-ter of Law No. 633/1941) [amended and inserted by Law No. 93/2023];*

- *Reporting and notification obligations (Article 174-sexies of Law No. 633/1941) [introduced by Law No. 143/2024];*
- *Agreements between SIAE, other collective management organisations and independent management entities (Article 181-bis of Law No. 633/1941) [amended by Conversion Law No. 166/2024].*

Art. 25-decies) Inducement not to make statements or to make false statements to the judicial authorities [Article added by Law No. 116 of 3 August 2009, Art. 4, and renumbered by Legislative Decree No. 121 of 7 July 2011, Art. 2, as amended]

- *Inducement not to make statements or to make false statements to the judicial authorities (Article 377-bis of the Criminal Code).*

Art. 25-undecies) Environmental offences [Article added by Legislative Decree No. 121 of 7 July 2011, Art. 2, amended by Law No. 68/2015, amended by Legislative Decree No. 21/2018,amended by Law No. 22 of 9 March 2022, amended by Law No. 137/2023 and amended in the penalty system by Law No. 82/2025, and by Decree Law No. 116/2025 converted into Law No. 147/2025[11]]

- *Environmental pollution (Article 452-bis of the Criminal Code) [article amended by Decree Law No. 105/2023 and coordinated with Conversion Law No. 137/2023];*
- *Environmental disaster (Article 452-quater of the Criminal Code) [article amended by Decree Law No. 105/2023 and coordinated with Conversion Law No. 137/2023];*
- *Environmental pollution and environmental disaster caused by negligence (Article 452-quinquies of the Criminal Code);*
- *Trafficking and abandonment of highly radioactive material (Article 452-sexies of the Criminal Code) [article amended by Decree Law No. 116/2025 converted into Law No. 147/2025];*
- *Obstruction of control (Article 452-septies of the Italian Criminal Code) [article introduced by Decree Law No. 116/2025 converted into Law No. 147/2025];*
- *Aggravated criminal association offences (Article 452-octies of the Italian Criminal Code);*
- *Failure to remediate (Article 452-terdecies of the Criminal Code) [article introduced by Decree Law No. 116/2025 converted into Law No. 147/2025];*
- *Organised activities for the illegal trafficking of waste (Article 452-quaterdecies of the Criminal Code) [amended by Decree Law No. 116/2025 and Law No. 147/2025]*
- *Killing, destruction, capture, removal or possession of specimens of protected wild animal or plant species (Article 727-bis of the Criminal Code) [article amended by Law No. 22 of 9 March 2022 and Law No. 82/2025];*
- *Destruction or deterioration of habitats within a protected site (Article 733-bis of the Criminal Code) [article amended by Law No. 22 of 9 March 2022 and Law No. 82/2025];*
- *Violation of the provisions of the TUA (Consolidated Environmental Act) on water discharges and, in particular, illegal discharges of industrial waste water containing hazardous substances (Art. 137 TUA);*
- *National Register of Environmental Managers (Article 212 of the TUA) [article introduced by Decree Law No. 116/2025 and amended by Law No. 147/2025];*
- *Abandonment of non-hazardous waste (Article 255 of the TUA) [article introduced by Decree Law No. 105/2023 coordinated with Conversion Law No. 137/2023, text and heading amended by Decree Law No. 116/2025 and Law No. 147/2025];*

11 Decree Law No. 116 of 8 August 2025 (Official Gazette No. 183 of 8 August 2025 - converted into Law No. 147 of 3 October 2025) containing 'Urgent provisions for combating illegal activities relating to waste, for the reclamation of the area known as Terra dei Fuochi, and for assisting the population affected by natural disasters'.

- *Abandonment of non-hazardous waste in special cases (Article 255-bis TUA) [article introduced by Decree Law No. 116/2025 and Law No. 147/2025];*
- *Abandonment of hazardous waste (Article 255-ter TUA) [article introduced by Decree Law No. 116/2025 and Law No. 147/2025];*
- *Unauthorised waste management activities (Article 256 TUA) [article amended by Decree Law No. 116/2025 and Law No. 147/2025];*
- *Illegal waste incineration (Article 256-bis TUA) [article introduced by Decree Law No. 116/2025 and Law No. 147/2025];*
- *Pollution/Failure to remediate contaminated sites (Article 257 TUA);*
- *Violation of obligations to communicate, keep mandatory records and forms relating to waste (Article 258 TUA) [article amended by Legislative Decree No. 116/2020, Decree Law No. 116/2025 and Law No. 147/2025];*
- *Illegal shipment of waste (Art. 259 TUA) [article amended by Decree Law No. 116/2025 and Law No. 147/2025];*
- *Aggravating circumstances in business activities (Article 259-bis TUA) [article introduced by Decree Law No. 116/2025 and Law No. 147/2025];*
- *Negligent offences relating to waste (Article 259-ter TUA) [article introduced by Decree Law No. 116/2025 and Law No. 147/2025];*
- *Organised activities for the illegal trafficking of waste (Article 260 TUA – reference to be understood as referring to Article 452-quaterdecies of the Criminal Code pursuant to Article 7 of Legislative Decree No. 21 of 01/03/2018) [article amended by Decree Law No. 116/2025 converted into Law No. 147/2025];*
- *Violations of the obligations of the computerised waste traceability control system (SISTRI) (Article 260-bis TUA);*
- *Penalties relating to the operation of establishments – Violations of authorisation regulations for atmospheric emissions (Article 279 TUA);*
- *Use of ozone-depleting substances (Article 3 of Law No. 549/1993);*
- *Intentional and negligent pollution of the marine environment through ship discharges (Articles 8 and 9 of Legislative Decree 202/2007).*

Article 25-undevicies) Crimes against animals [Article added by Law No. 82 of 6 June 2025]

- *Killing of animals (Art. 544-bis of the Criminal Code) [amended and introduced by Law No. 82/2025];*
- *Mistreatment of animals (Art. 544-ter of the Criminal Code) [amended and introduced by Law No. 82/2025];*
- *Prohibited shows or events (Art. 544-quater of the Criminal Code) [amended and introduced by Law No. 82/2025];*
- *Prohibition of animal fighting (Art. 544-quinquies of the Criminal Code) [amended and introduced by Law No. 82/2025];*
- *Aggravating circumstances (Art. 544-septies of the Criminal Code) [introduced by Law No. 82/2025];*
- *Killing or harming animals belonging to others (Art. 638 of the Criminal Code) [replaced and introduced by Law No. 82/2025].*

Art. 25-duodecies) Employment of third-country nationals with irregular residence status [Article added by Legislative Decree No. 109 of 16 July 2012, as amended by Law No. 161 of 17 October 2017, Decree Law No. 20/2023 and Law No. 187 of 9 December 2024]

- *Employment of third-country nationals with irregular residence status (Article 22, paragraph 12-bis of Legislative Decree No. 286/1998) [amended by Law No. 187/2024];*

- *Provisions against illegal immigration (Article 12, paragraphs 3, 3-bis and 3-ter and paragraph 5 of Legislative Decree No. 286/1998) [amended by Decree Law No. 20/2023];*
- *Death or injury as a result of crimes relating to illegal immigration (Article 12-bis of Legislative Decree No. 286/1988) [introduced by Decree Law No. 20/2023];*
- *Residence permit for foreign nationals who are victims of illegal intermediation and labour exploitation (Article 18-ter of Legislative Decree No. 286/1998) ;*
- *Additional administrative penalty of payment of the average cost of repatriation of illegally employed foreign workers (Article 22, paragraph 12-ter of Legislative Decree No. 286/98).*

Art. 25-terdecies) Racism and Xenophobia

[Article added by Law No. 167 of 20 November 2017 and amended by Legislative Decree No. 21/2018]

- *Propaganda and incitement to commit crimes on grounds of racial, ethnic and religious discrimination (Article 3, paragraph 3 bis, of Law No. 654/1975 – reference to be understood as referring to Article 604-bis of the Criminal Code pursuant to Article 7 of Legislative Decree No. 21 of 01/03/2018)***;**
- Aggravating circumstances (Article 604-ter of the Criminal Code) [introduced by Legislative Decree No. 21/2018].

Art. 25-quaterdecies) Fraud in sporting competitions, illegal gambling or betting, and gambling using prohibited devices

[Article added by Law No. 39 of 3 May 2019, which implemented the Council of Europe Convention on the Manipulation of Sports Competitions into our legal system]

- *Fraud in sporting competitions (Article 1 of Law 401/1989);*
- *Illegal gambling or betting (Article 4 of Law 401/1989).*

Art. 25-quinquiesdecies) Tax offences

[Article added by Law No. 157 of 19 December 2019 (known as the Fiscal Decree) – converting Decree Law No. 124 of 26 October 2019 containing 'Urgent provisions on tax matters and for unavoidable needs' and subsequently amended by Legislative Decree No. 75/2020 and Legislative Decree No. 156/2022]

- *Fraudulent declaration through the use of invoices or other documents for non-existent transactions (Article 2, paragraphs 1 and 2-bis of Legislative Decree No. 74/2000) [amended by Article 39 of Decree Law No. 124/2019];*
- *Fraudulent declaration through other means (Art. 3 of Legislative Decree No. 74/2000) [amended by Art. 39 of Decree Law No. 124/2019];*
- *Unfaithful declaration (Article 4 of Legislative Decree 74/2000) [Offence added by Legislative Decree No. 75/2020];*
- *Failure to declare (Article 5 of Legislative Decree 74/2000) [Offence added by Legislative Decree No. 75/2020];*
- *Issuing invoices or other documents for non-existent transactions (Art. 8, paragraphs 1 and 2-bis of Legislative Decree 74/2000) [amended by Art. 39 of Decree Law No. 124/2019];*
- *Concealment or destruction of accounting documents (Article 10 of Legislative Decree 74/2000) [amended by Article 39 of Decree Law No. 124/2019];*
- *Undue compensation (Article 10-quater of Legislative Decree 74/2000) [Offence included by Legislative Decree No. 75/2020 and amended by Legislative Decree No. 87/2024];*
- *Fraudulent evasion of tax payments (Article 11 of Legislative Decree 74/2000).*

Art. 25-sexiesdecies) Smuggling

[Article added by Legislative Decree 75/2020 implementing Directive PIF (EU 2017/1371) and amended by Legislative Decree No. 141 of 26 September 2024 through the repeal of TULD (Articles 282-292) and the introduction of cases covered by Legislative Decree No. 504 of 26 October 1995 and updated by Legislative Decree No. 81 of 12 June 2025]

- *Smuggling in the movement of goods across land borders and customs areas (Article 282 of Presidential Decree No. 43/1973) [repealed];*
- *Smuggling in the movement of goods in border lakes (Article 283 of Presidential Decree No. 43/1973) [repealed];*
- *Smuggling in the maritime movement of goods (Art. 284 of Presidential Decree No. 43/1973) [repealed];*
- *Smuggling in the movement of goods by air (Art. 285 of Presidential Decree No. 43/1973) [repealed];*
- *Smuggling in extra-customs areas (Art. 286 of Presidential Decree No. 43/1973) [repealed];*
- *Smuggling through the improper use of goods imported with customs concessions (Art. 287 of Presidential Decree No. 43/1973) [repealed];*
- *Smuggling in customs warehouses (Art. 288 of Presidential Decree No. 43/1973) [repealed];*
- *Smuggling in coastal shipping and circulation (Art. 289 of Presidential Decree No. 43/1973) [repealed];*
- *Smuggling in the export of goods eligible for duty refunds (Article 290 of Presidential Decree No. 43/1973) [repealed];*
- *Smuggling in temporary import or export (Art. 291 of Presidential Decree No. 43/1973) [repealed];*
- *Smuggling of foreign manufactured tobacco (Art. 291-bis of Presidential Decree No. 43/1973) [repealed];*
- *Criminal association for the purpose of smuggling foreign manufactured tobacco (Art. 291-quater of Presidential Decree No. 43/1973) [repealed];*
- *Other cases of smuggling (Art. 292 of Presidential Decree No. 43/1973) [repealed];*
- *Customs duties and border duties (Article 27 of Legislative Decree No. 141/2024);*
- *Evasion of assessment or payment of excise duty on energy products (Article 40) [amended and introduced by Legislative Decree No. 141/2024];*
- *Evasion of assessment or payment of excise duty on manufactured tobacco products, also introduced by Legislative Decree No. 141 of 26 September 2024 (Articles 40-bis et seq. of the Consolidated Law on Excise Duties) [amended and introduced by Legislative Decree No. 141/2024];*
- *Aggravating circumstances of the offence of evading the assessment or payment of excise duty on tobacco (Article 40-ter of Legislative Decree No. 504/1995) [amended and introduced by Legislative Decree No. 141/2024];*
- *Mitigating circumstances (Article 40-quater of Legislative Decree No. 504/1995) [amended and introduced by Legislative Decree No. 141/2024];*
- *Sale of manufactured tobacco without authorisation or purchase from persons not authorised to sell (Article 40-quinquies of Legislative Decree No. 504/1995) [amended and introduced by Legislative Decree No. 141/2024];*
- *Additional provisions on the sale of manufactured tobacco (Article 40-sexies of Legislative Decree No. 504/1995 [amended and introduced by Legislative Decree No. 141/2024];*
- *Illegal manufacture of alcohol and alcoholic beverages (Article 41 of Legislative Decree No. 504/1995) [amended and introduced by Legislative Decree No. 141/2024];*

- *Association for the illegal manufacture of alcohol and alcoholic beverages (Article 42 of Legislative Decree No. 504/1995) [amended and introduced by Legislative Decree No. 141/2024];*
- *Evasion of excise duty on alcohol and alcoholic beverages (Article 43 of Legislative Decree No. 504/1995) [amended and introduced by Legislative Decree No. 141/2024];*
- *Confiscation (Article 44 of Legislative Decree No. 504/1995) [amended and introduced by Legislative Decree No. 141/2024];*
- *Aggravating circumstances (Art. 45 Legislative Decree No. 504/1995) [amended and introduced by Legislative Decree No. 141/2024];*
- *Alteration of devices, markings and signs (Art. 46 Legislative Decree No. 504/1995) [introduced by Legislative Decree No. 141/2024];*
- *Deficiencies and surpluses in the storage and circulation of products subject to excise duty (Article 47 of Legislative Decree No. 504/1995) [introduced by Legislative Decree No. 141/2024];*
- *Irregularities in the operation of processing and storage facilities for products subject to excise duty (Article 48 of Legislative Decree No. 504/1995) [introduced by Legislative Decree No. 141/2024];*
- *Irregularities in the circulation of products subject to excise duty (Article 49 of Legislative Decree No. 504/1995) [introduced by Legislative Decree No. 141/2024];*
- *Smuggling due to failure to declare (Art. 78 Legislative Decree No. 141/2024);*
- *Smuggling due to false declaration (Art. 79 Legislative Decree No. 141/2024);*
- *Smuggling in the movement of goods by sea, air and on border lakes (Article 80 of Legislative Decree No. 141/2024);*
- *Smuggling due to improper use of goods imported with total or partial reduction of duties (Art. 81 Legislative Decree No. 141/2024);*
- *Smuggling in the export of goods eligible for duty refunds (Article 82 of Legislative Decree No. 141/2024);*
- *Smuggling in temporary export and in special use and processing regimes (Article 83 of Legislative Decree No. 141/2024);*
- *Smuggling of manufactured tobacco (Article 84 of Legislative Decree No. 141/2024);*
- *Aggravating circumstances of the offence of smuggling manufactured tobacco (Article 85 of Legislative Decree No. 141/2024);*
- *Criminal association for the purpose of smuggling manufactured tobacco (Article 86 of Legislative Decree No. 141/2024);*
- *Aggravating circumstances of smuggling (Article 88(2)(e-bis) of Legislative Decree No. 141/2024) [amended by Legislative Decree No. 81/2025];*
- *Asset security measures. Confiscation. (Article 94 of Legislative Decree No. 141/2024).*

Art. 25-septiesdecies) Crimes against cultural heritage

[Article added by Law No. 22 of 9 March 2022, amended by Law No. 6 of 22 January 2024]

- *Theft of cultural property (Article 518 bis of the Criminal Code);*
- *Misappropriation of cultural property (Article 518 ter of the Criminal Code);*
- *Receiving stolen cultural property (Article 518 quater of the Criminal Code);*
- *Falsification of private documents relating to cultural heritage (Article 518-octies of the Criminal Code);*
- *Violations relating to the disposal of cultural property (Article 518-novies of the Criminal Code);*

- *Illegal importation of cultural heritage (Art. 518-decies of the Italian Criminal Code);*
- *Illegal removal or export of cultural heritage (Art. 518-undecies of the Italian Criminal Code);*
- *Destruction, dispersion, deterioration, defacement, vandalism and unlawful use of cultural or landscape heritage (Article 518-duodecies of the Italian Criminal Code);*
- *Counterfeiting of works of art (Art. 518-quaterdecies of the Italian Criminal Code);*

Art. 25-duodevicies) Money laundering of cultural heritage and devastation and looting of cultural and landscape heritage

[Article added by Law No. 22 of 9 March 2022]

- *Recycling of cultural property (Article 518-sexies of the Criminal Code)*
- *Devastation and looting of cultural and landscape heritage (Art. 518-terdecies of the Italian Criminal Code)*

Art. 26) Attempted crimes

- Attempted crime (Art. 56 of the Italian Criminal Code)

Art. 12, Law n.9/2013) Liability of entities for administrative offences resulting from crimes [applies to entities operating in the virgin olive oil supply chain]

- Adulteration and counterfeiting of food substances (Article 440 of the Italian Criminal Code);
- Trade in counterfeit and adulterated food substances (Art. 442 of the Italian Criminal Code);
- Trade in harmful foodstuffs (Article 444-ter of the Italian Criminal Code);
- Counterfeiting, alteration, or use of distinctive signs of intellectual works or industrial products (Article 473 of the Italian Criminal Code);
- Introduction into the country and trade in products with false marks (Article 474 of the Italian Criminal Code);
- Fraud in the exercise of trade (Article 515 of the Italian Criminal Code);
- Sale of non-genuine food substances as genuine (Article 516 of the Criminal Code);
- Sale of food products with false marks (Article 517 of the Italian Criminal Code) [article amended by Law No. 206/2023];
- Counterfeiting of geographical indications and designations of origin of agri-food products (Article 517-quater of the Criminal Code).

Transnational offences *[Law No. 146/2006]*

- *Criminal association (Article 416 of the Italian Criminal Code);*
- *Mafia-type association, including foreign associations (Article 416 bis of the Criminal Code);*
- *Aggravating and mitigating circumstances for offences related to mafia activities (Article 416-bis 1 of the Criminal Code) [introduced by Legislative Decree No. 21/2018 and amended by Law No. 60/2023];*
- *Criminal association for the purpose of smuggling manufactured tobacco (Article 86 of Legislative Decree No. 141/2024);*
- *Association for the purpose of illicit trafficking in narcotic or psychotropic substances (Article 74 of Presidential Decree No. 309/1990);*
- *Provisions against illegal immigration (Article 12, paragraphs 3, 3-bis, 3-ter and 5 of the consolidated text referred to in Legislative Decree No. 286 of 25 July 1998);*

- *Inducement to make false statements or not to make statements to the judicial authorities (Article 377 bis of the Criminal Code);*
- *Aiding and abetting (Article 378 of the Criminal Code).*

OFFENCES COMMITTED ABROAD

BSCCB may be liable in relation to offences committed abroad (as provided for in Article 4 of the Decree).
Where these are committed partly abroad and partly in Italy, pursuant to Article 6(2) of the Criminal Code[12] , the liability provided for in the Decree may also apply when only part of the conduct or event has taken place in Italy.
With regard to offences committed entirely abroad by persons, whether senior managers or subordinates, who can be traced back to the Company, the latter is liable in the cases provided for in Articles 7, 8, 9 and 10 of the Criminal Code, provided that the State where the offence was committed does not prosecute them.

CONSTITUENTS AND REQUREMENTS FOR THE EXCLUSION OF LIABILITY FOR THE ENTITY

A constituent element of the entity's liability is the requirement that the alleged unlawful conduct was carried out 'in the interest or for the benefit of the company' and not 'in the exclusive interest of the entity itself or of third parties'.

According to the Ministerial report accompanying the Decree, the notion of 'interest' has a subjective basis, indicating the purpose for which the person committed the offence, while 'advantage' refers to the objective acquisition of a profit by the entity[13] .

In this regard, in preparing the Model and in the underlying risk assessment, account was taken of the recent ruling by the Court of Cassation – also reiterated in the Confindustria Guidelines – which highlights the notion of interest in an objective sense, emphasising the finalistic component of the conduct[14] . In intentional offences, on the other hand, the advantage is characterised as the set of benefits – especially of a financial nature – derived from the offence, which can be assessed after the offence has been committed[15] , including in terms of cost savings[16] . The concept of advantage takes on a different connotation in negligent offences (health and safety offences and environmental offences) in which the harmful event does not express the interest of the entity and does not translate into an advantage for it: in such cases, the interest or advantage should rather refer to non-compliance with precautionary rules (e.g. in saving on safety costs or in increasing the speed of performance or productivity, sacrificing the adoption of accident prevention measures)[17].

[12] Article 6, paragraph 2 of the Criminal Code: 'the offence is considered to have been committed in the territory of the State when the action or omission constituting it took place there in whole or in part, or when the event resulting from the action or omission occurred there'.
[13] As confirmed by the case law of the Court of Cassation, according to which the interest is that which motivated the conduct of the qualified person *ex ante*, while the advantage is that objectively achieved ex post as a result of the offence (Court of Cassation, Criminal Section II, 20 December 2005 - 30 January 2006, No. 3615).
[14] Court of Cassation, Criminal Section II, judgment no. 295/2018; Court of Cassation, Criminal Section IV, judgment no. 3731/2020.
[15] Court of Cassation, Criminal Section II, judgment no. 295/2018.
[16] Court of Cassation, IV Criminal Section, judgment no. 31210/2016, Court of Cassation, IV Criminal Section, judgment no. 3731/2020.
[17] Court of Cassation, Criminal Section IV, judgment no. 16713/2018, Court of Cassation, Criminal Section IV, judgment no. 48779/2019, Court of Cassation, Criminal Section III, judgment no. 3157/2019, Court of Cassation, Criminal Section IV, judgment no. 3731/2020.

Turning to the subjective criteria for attributing liability to the entity for the offence, it should be noted that the liability of the legal person is linked to a lack of organisation, consisting of failure to put in place a management and control plan suitable for preventing the commission of offences.

Articles 6 and 7 of the Decree provide for exemption from liability for the company when it demonstrates:

- it has adopted and effectively implemented an 'Organisational, Management and Control Model' suitable for preventing the commission of offences;
- that it has established a Supervisory Committee within the company, with complete autonomy of initiative and control, as well as specific obligations to supervise the functioning, compliance with and updating of the Model;
- that the persons who committed the offence acted by fraudulently circumventing the Model;
- that there were no omissions or insufficient supervision by the Supervisory Committee appointed for this purpose.

Therefore, BSCCB is not liable for offences committed by Senior Management or persons subject to the management or supervision of Senior Management if, in addition to having adopted and implemented the Model, it proves that:

a) it has initiated an adequate risk assessment process.
b) BSCCB has established a Supervisory Committee with tasks, requirements and powers as detailed below.
c) The SB is not guilty of omitted or insufficient supervision.
d) The perpetrator of the offence acted by **fraudulently** circumventing[18] the provisions of the Model.

In particular, in order to avoid liability, the company must demonstrate the absence of organisational fault, i.e. that the offence was committed despite the fact that it had taken all appropriate measures to prevent offences and reduce the risk of their commission.
It is understood that, in order to be effective, the Model must meet the following requirements:

- identify areas of risk for the commission of offences through an adequate risk assessment process;
- prepare specific protocols in order to plan the formation and implementation of the entity's decisions in relation to the offences to be prevented;
- identify methods of managing financial resources that are suitable for preventing the commission of offences;
- provide for reporting obligations to the Supervisory Committee;
- set up a disciplinary system of sanctions for violations of the rules of the code of ethics, as well as the procedures provided for in the Model itself, including those of the Reporting Procedure referred to in the following paragraph 'Channels for Reporting Irregularities (Whistleblowing)'.

The adoption of the Model is the responsibility of the management Committee.
The Decree provides that Models may be adopted, ensuring the above requirements are met, on the basis of codes of conduct drawn up by representative trade associations.

[18] Without prejudice to the offence of manslaughter and serious or very serious negligent injury committed in violation of accident prevention and occupational health and safety regulations, the Company shall be exempt from liability for such offences of a negligent nature, even in the absence of malicious conduct.

THE BSCCB MODEL

STRUCTURE OF THE MODEL

The BSCCB Model consists of:

- the General Section, which outlines the company profile, the relevant legislation, the guiding principles and the constituent elements of the model (corporate governance system, internal control system, principles of the delegation system, code of ethics), the function of the Model, how the Model is constructed, the structure of the Model, the recipients, the Regulations of the Supervisory Committee, as well as the disciplinary system and the measures to be adopted for its training, dissemination, modification and updating.
- the Special Sections and the related 'Sensitive Activity Analysis' sheets (for internal use only within the Company) relating to the specific types of offences whose commission is considered theoretically possible at BSCCB due to its profile and the activities it carries out, listed below:
  - Special Parts I_Offences against the Public Administration, Corruption and Inducement Offences and Smuggling Offences
  - Special Sections II_Corporate Offences
  - Special Sections III_Offences relating to Health and Safety at Work
  - Special Sections IV_Computer Crimes and Illegal Data Processing
  - Special Parts V_Environmental Crimes
  - Special Parts VI_Receiving Stolen Goods and Money Laundering
  - Special Parts VII_Offences relating to counterfeiting, alteration or use of trademarks
  - Special Parts VIII_Employment of Third-Country Nationals
  - Special Parts IX_Organised Crime Offences
  - Special Sections_X_Tax Offences
- The Code of Ethics and Business Conduct, considered an integral part of the Model despite having different purposes and scope. In particular:
  (i) the Code of Ethics and Business Conduct is a tool that promotes, both within and outside BSCCB, behaviour inspired by guiding values and contains the rules of conduct that all BSCCB employees, at all levels, are required to observe and enforce for the benefit of all stakeholders, including with regard to intentional crimes and the crime of manslaughter and negligent personal injury committed in violation of occupational health and safety regulations;
  (ii) The Model, on the other hand, responds to specific requirements contained in Legislative Decree 231/01, aimed at preventing the commission of particular types of offences (for acts which, although apparently committed for the benefit of the company, may entail administrative liability for offences under the provisions of the decree itself);
- The Anti-Corruption Code of Conduct, which guarantees the principles of transparency and ensures clarity in the context of permitted conduct and compliance with the relevant anti-corruption regulations where BSCCB carries out its activities.
- The Company Disciplinary System in accordance with the system referred to in the National Collective Labour Agreement applied as specified below.
- The Regulations of the Supervisory Committee.

RECIPIENTS OF THE MODEL

The rules contained in the model apply to those who perform, even de facto, management, administration, direction or control functions in the Company, to BSCCB employees, even if seconded abroad to carry out their activities, as well as to those who, although not belonging to BSCCB, operate on behalf of or are linked to BSCCB by contracts falling within the so-called para-subordination.

The Company communicates this Model through the most appropriate means to ensure that all interested parties are fully aware of it and comply with all its provisions, including in fulfilment of the duties of loyalty, fairness and diligence arising from their legal relationships with BSCCB. To this end, BSCCB organises training activities aimed at making all interested parties aware of the Model, as specified below.

BSCCB condemns any behaviour that is contrary to the law and the provisions of the Model and the Code of Ethics and Business Conduct, even if such behaviour is carried out in the interests of BSCCB or with the intention of benefiting it.

The Model also applies to Business Partners, as specified below.

GUIDING PRINCIPLES OF THE MODEL

The preparation and subsequent updating of the Model provided an opportunity to further develop risk assessment activities and raise awareness among the resources involved in this process, also with a view to actively preventing offences.

In preparing its Model, BSCCB drew inspiration from the 'Guidelines for the construction of Organisation, Management and Control models', drawn up by Confindustria, issued on 7 March 2002, and updated on 31 March 2008, 23 July 2014 and, most recently, on 25 June 2021.
The process indicated by these guidelines for the development of the Model can be summarised according to the following fundamental points:

- identification of areas at risk, aimed at verifying in which areas/sectors of the company it is possible for offences to be committed;
- assessment of the internal control system already implemented by the company and identification of any areas for improvement with a view to preventing offences;
- preparation/updating of the control system in order to reduce risks through the adoption of specific protocols.

The achievement of these objectives is supported by the coordinated set of all organisational structures, activities and operating rules applied – as directed by senior management – by management and company personnel, aimed at providing reasonable assurance regarding the achievement of the objectives of a good internal control system. The most relevant components of the preventive control system proposed by Confindustria are:

- code of ethics and corporate conduct;
- organisational system;
- manual and IT procedures;
- authorisation and signing powers;
- control and management systems;
- staff communications and training.

The control system must also comply with the following principles:

- verifiability, documentability, consistency and congruence of each operation;
- separation of duties (no one can independently manage all stages of a process);
- documentation of controls.

COSTITUENT ELEMENTS OF THE MODEL

As seen above, in addition to this General Section and the subsequent Special Sections, the Model also consists of the so-called BSCCB Corporate and Compliance Tools, which are additional tools designed to ensure the effectiveness of the preventive control system set up in the company and also relevant for the purposes of Legislative Decree 231/2001 (see above § Structure of the Model).

The need to include within the scope of the Model adopted by BSCCB in accordance with Legislative Decree 231/2001 a set of controls, procedures and documents called BSCCB Corporate Compliance Tools stems not only from the need for the Company to take into account existing and already operational controls and procedures where deemed suitable to also serve as measures for the prevention of Offences and control over Sensitive Activities, but also: (a) from the fact that the heterogeneity of the types of Offences and the different impact they have on company activities requires a structured approach to the preparation and implementation of the related controls and procedures, and (b) the fact that the applicable legislation itself requires the preparation and implementation of specific compliance documents (e.g. the Code of Ethics or the Risk Assessment and Prevention Document referred to in Article 18 of Legislative Decree 81/2008).

For BSCCB, Corporate and Compliance Tools - to be considered an integral part of the Model - refer to the following types of documents, controls and procedures, organised hierarchically as follows:

- the **Code of Ethics and Business Conduct**, which sets out the general principles and values that must inspire the activities of all those who work for BSCCB in any capacity, including for the benefit of all stakeholders and with reference to both intentional crimes and the crime of manslaughter and negligent personal injury committed in violation of occupational health and safety regulations.
- The **Anti-Corruption Code of Conduct**, approved by the Board of Directors, which guarantees the principles of transparency, ensures clarity in the scope of permitted conduct and compliance with the relevant anti-corruption regulations in any place where BSCCB and all those who work for BSCCB in any capacity carry out their activities. This document also sets out BSCCB's policy on receiving and offering gifts, hospitality and entertainment (i.e. free provision of goods and services, for promotional or public relations purposes) and defines the responsibilities of each individual to ensure that the highest standards of integrity are upheld and that there is no suspicion of inappropriate motivation behind the offering or acceptance of gifts

or hospitality, or undue influence exerted on the recipient or by the recipient accepting such an offer.

- The BSCCB **Code of Basic Working Conditions** (for exclusive use within the Company and by persons working for BSCCB in any capacity), which identifies the principles that guide BSCCB in its relations with its employees.
- The BSCCB **Management Procedures, Instructions and related Internal Authorisation Matrices** referred to in the Sensitive Activities Sheets as relevant for the preventive purposes provided for by the Decree. Other management systems and/or procedures in place in certain areas of the company in compliance with specific applicable regulations but also relevant for the purposes of the Decree, such as:
    - the Quality Management System, certified in accordance with the ISO/TS 16949 technical specification;
    - the Safety, Environment and Energy Management System, certified according to ISO 45001:2018 standards for the safety part, certified according to ISO 14001:2015 standards for the environmental part and ISO 50001:2018 standards for the energy part;
    - the Information Security Management System, certified according to ISO 27001, which also includes aspects of cyber security management[19] ;
    - all company procedures and instructions relating to the administrative, accounting, financial and reporting system and the system of mapping and periodic control tests on administrative and accounting procedures, carried out in accordance with Law 262/2005, which identify, among other things, the methods of accounting management of BSCCB's financial resources;
    - IT procedures and manuals;
    - internal procedures for the implementation of the Risk Assessment and Prevention Document referred to in Article 18 of Legislative Decree 81/2008;
    - organisational provisions, organisational charts, job descriptions and the incentive system.

Completing the description of BSCCB's overall compliance system is the **BSCCB Delegation System** (the system of delegations, signing powers and powers of attorney that ensure a clear and transparent representation of the process of formation and implementation of corporate decisions in line with the company organisation chart), which is a tool for preventing offences in line with the provisions of the Decree.

'Delegation' or 'internal management delegation' refers to the internal act of assigning functions and tasks, as reflected in the organisational system. 'Power of attorney' refers to the unilateral legal act (in the form of a public deed or in simple form) by which BSCCB assigns powers of representation to third parties.
The system of delegations and powers of attorney adopted by the Company constitutes:

- a management tool for the performance of acts of external or internal relevance, necessary for the pursuit of corporate objectives, which is consistent with the management responsibilities assigned to each individual;
- a factor preventing the abuse of functional powers, by defining economic limits for each act or series of acts;
- an indisputable element of traceability of corporate acts, whether external or internal, to the individuals who adopted them.

[19] The subsidiary BSCCB GmbH is certified according to the TISAX standard

This makes it useful both in preventing offences and in subsequently identifying individuals who have committed acts that, directly or indirectly, may have given rise to an offence.
In line with the above, the BSCCB Delegation System is based on the following principles:

- delegations and powers of attorney must be in line with each management power and the related responsibility within the organisation;
- the assignment and revocation of delegations or powers of attorney takes place in accordance with the roles held within the organisation and as a result of organisational changes;
- each delegation or power of attorney clearly defines the management powers of the delegate/attorney and the limits on the exercise of those powers;
- the spending powers provided for in the delegations or powers of attorney must be appropriate to the role held;
- there is a joint signature policy for financial and banking transactions.

The entire BSCCB management team was directly involved in an in-depth analysis aimed at simplifying and facilitating the identification of executives who are given the power to commit BSCCB and delegate their powers.

1. The persons to whom powers in the form of a notarised power of attorney are attributable are:
   (I) the holders of a specific corporate function (generally coinciding with the organisational level of Director and member of the Management Committee), who, in order to carry out their duties, require powers of representation vis-à-vis third parties, according to the analyses carried out at the time of the establishment of the JVs (BSCCB), who are granted a 'power of attorney' in the form of a notarial deed of appropriate scope and consistent with the management functions and powers assigned within the organisation.
   (II) the employee identified by the Board of Directors as the Employer pursuant to Article 2 of Legislative Decree No. 81/2008 and subsequent amendments and additions, for the Stezzano production unit, who is granted the broadest powers to implement all workplace health and safety regulations, with the right to delegate the relevant function provided for by the aforementioned regulations to third parties. In such cases, the power of attorney must:
      - be granted to individuals on the basis of their professional skills and experience and their hierarchical, decision-making and functional powers within the organisational structure (which must obviously be appropriate to the specific nature of the delegated function);
      - provide for powers and competences of such scope as to justify its recognition within complex and articulated production units, structures and areas and to ensure the effective autonomy of the exercise of the delegated powers.

   (III) only in exceptional cases, employees who hold a corporate position that does not fall within the above category but who, due to the activities they carry out, have dealings with the public administration on behalf of BSCCB (e.g. dealings with customs authorities, dealings with the Provincial Labour Directorate, etc.).
2. The powers that can be granted by notarial power of attorney are:
   - permanent powers of representation, attributable through registered notarial powers of attorney, in relation to the performance of activities

connected with permanent responsibilities within the company organisation.

- powers relating to individual transactions, conferred by notarial powers of attorney or other forms of delegation in relation to their content; the attribution of such powers is governed by company practice, as well as by the laws defining the forms of representation, in accordance with the types of individual acts to be stipulated.

3. The persons to whom powers may be assigned by simple power of attorney are employees who, in the exercise of the responsibilities associated with their role, have contact with external parties but not with public administrations (customers, suppliers, etc.).

4. The recipients of internal management delegation are employees who, in any case, require specific delegations on regulated internal processes (procedures, operating instructions, policies, etc.) of which they are the owner or one of the key users.

PURPOSE OF THE MODEL

By adopting the Model, BSCCB intends to:

1. fully comply with the provisions of the law and the principles underlying the Decree through the formalisation of a structured and organic system, already existing within the company, of procedures and control activities (preventive and ex post) aimed at preventing and monitoring the risk of offences being committed by identifying the relevant Sensitive Activities;
2. establish an effective business management tool, recognising that the Model also serves to create and protect the value of the company itself.

In fact, BSCCB has set itself the following objectives with the Model:

a) to spread a culture of risk prevention and control, which must govern the achievement of the company objectives that BSCCB sets itself over time;
b) providing a system for the constant monitoring of company activities, enabling BSCCB to react promptly to prevent or impede the commission of offences;
c) providing adequate information to employees and those acting on behalf of BSCCB or linked to BSCCB, regarding:
   i. activities that involve the risk of committing offences in the event of conduct that does not comply with the provisions of the Code of Ethics and other rules of conduct/company procedures (as well as the law);
   ii. the penalties that may be imposed on them or on the Company as a result of violating the law or BSCCB's internal regulations.

d) the dissemination and affirmation of a corporate culture based on legality, with BSCCB expressly disapproving of any conduct contrary to the law or internal provisions and, in particular, to the provisions contained in this Model;
e) provision for efficient and balanced organisation of the company, with particular regard to decision-making and transparency, preventive and subsequent controls, and internal and external information.

The Model provides for appropriate measures to improve efficiency in the performance of activities in constant compliance with the law and regulations, identifying and promptly eliminating situations of risk.

BSCCB adopts and implements effective organisational and procedural choices to:

a) ensure that human resources are hired, managed and trained in accordance with the criteria set out in BSCCB's Code of Ethics and Business Conduct and in compliance with the relevant legislation, in particular Article 8 of the Workers' Statute;
b) promote collaboration in the most efficient implementation of the Model by all those who work within or with the company, including by guaranteeing the protection and confidentiality of the identity of those who provide truthful and useful information to identify behaviour that deviates from that prescribed;
c) ensuring that the distribution of powers, competences and responsibilities and their attribution within the company organisation comply with the principles of transparency, clarity and verifiability and are always consistent with the activities actually carried out by BSCCB;
d) ensure that the setting of company objectives, at any level, meets realistic and objectively achievable criteria;
e) identify and describe the activities carried out by BSCCB, its functional structure and the company organisation chart in constantly updated documents, with a precise indication of the powers, competences and responsibilities assigned to the various individuals, with reference to the performance of individual activities;
f) implement training programmes with the aim of ensuring effective knowledge of the Code of Ethics and Business Conduct and the Model by all those who work in or with the company, whether directly or indirectly involved in activities and operations at risk.

HOW THE MODEL IS CONSTRUCTED

In order to ensure the preparation and constant updating of the Model pursuant to Article 6 of the Decree, BSCCB has undertaken an analysis of the corporate context to highlight the area or sector and how the offences referred to in Legislative Decree 231/01 can be verified, drawing inspiration from the methodological approach of Confindustria, which is briefly introduced below in its main methodological phases:

a) implementing a **risk assessment process** consisting of the following two phases:
   1. **Risk identification:** *this takes the form of an analysis of the business context to highlight in which area/sector of activity and in what ways the offences referred to in Legislative Decree 231/01 may be committed.*
   2. **Design of the control system:** *i.e. the assessment of the existing system within the organisation and its possible adaptation in terms of its ability to effectively counteract, i.e. reduce to an acceptable level, the risks identified;*
b) providing for an adequate **system of sanctions** for violations of the rules of the code of ethics, as well as the procedures provided for in the Model itself. Such violations damage the relationship of trust established with the organisation and must therefore result in disciplinary action, regardless of whether criminal proceedings are instituted in cases where the conduct constitutes a criminal offence;
c) establish a Committee with autonomous powers of initiative and control (hereinafter referred to as **the Supervisory Committee**) that meets the requirements of autonomy, independence, professionalism and integrity, and has the competence to

monitor **the effectiveness** of the model and to carry out ongoing reviews of its **adequacy**.

With this in mind, BSCCB has launched a series of activities, divided into several phases, aimed at building a risk prevention and management system in accordance with the Decree, which are outlined below:

A) analysis of potential risks:

- ✓ BSCCB has adopted and updated the Model with the offences included in Legislative Decree 231/01 on the basis of an initial analysis of its sensitive activities and control protocols, as detailed in the paragraph relating to the SPECIAL PART - INTRODUCTION TO THE SPECIAL PARTS.
- ✓ **BSCCB management** subsequently reviewed this assessment, drawing up an inventory of the areas of the business and activities that could potentially be affected by the offences covered by the Decree, with the aim of **identifying the degree of abstract applicability of these offences** to the areas, activities and processes of the business.
- ✓ In identifying and assessing the risks of offences, BSCCB took into account the definition of interest and advantage derived from the most recent jurisprudential interpretation, according to which the notion of advantage takes on a different connotation in culpable offences (health and safety offences and environmental offences) in which the interest or advantage refers to conduct that does not comply with precautionary rules (e.g. in saving on safety costs or in increasing the speed of performance or productivity, sacrificing the adoption of accident prevention measures).

B) Mapping of activities/areas at risk/sensitive and analysis of the related Control Protocols

- ✓ BSCCB management then proceeds with the **process of mapping activities/areas at risk/sensitive** and **analysing the related Control Protocols**, defining an action plan and also identifying the subjects subject to monitoring;
- ✓ Whenever it is necessary to update the mapping of activities/areas at risk/sensitive and analyse the related Control Protocols (as we have seen, for example, because Regulation 231 is extended to new offences or the risk conditions within the scope of the company's activities change), BSCCB's Legal & Compliance function:
    - identifies compliance issues relevant to the (new or existing) business;
    - examines the legislation applicable to the aforementioned business in relation to which the risk assessment activity is conducted by mapping the applicable laws, regulations and best practices;
    - provides support to the managers of sensitive areas in carrying out the activities defined in the action plan prepared by BSCCB Management and shared with the Supervisory Committee
- ✓ The results of the activities carried out by the managers of sensitive areas are reported in specific forms called **'Sensitive Activity** Analysis', which are then submitted to the Supervisory Committee for review with the aim of expressing an opinion on their suitability for the prevention of crime risks.
- ✓ These reports, available for consultation at the Legal & Compliance department:
    - are listed in the relevant Special Sections and form an integral part of the Model;
    - are divided by offence and sensitive areas, providing a description of (i) the predicate offence, (ii) the Sensitive Activity, (iii) the persons involved in the Sensitive Activity, (iv) the Control Environment, and (v) the Control Protocols adopted.

- they constitute the 'mobile' part of the Model, as they are subject to continuous monitoring and updating and are therefore a tool that makes the Model more effective and, in particular, ensures its constant updating.

In particular, during the design phase of the control system, BSCCB adopted all the components necessary to ensure an effective preventive control system:

✓ Code of Ethics and Business Conduct;
✓ Anti-Corruption Code of Conduct;
✓ A sufficiently formalised and clear organisational system;
✓ Manual and IT procedures (information systems) to regulate the performance of activities, providing for appropriate control points;
✓ Authorisation and signing powers, assigned in line with defined organisational and management responsibilities, providing, where required, a precise indication of the thresholds for the approval of expenses;
✓ Management control system capable of providing timely notification of the existence and emergence of situations of general criticality;
✓ Communication to staff and staff training.

The analysis conducted revealed that the activities and areas of the company that are sensitive or most exposed to the risk of offences being committed relate to the following types of crime:

- Offences against the Public Administration, Corruption and Inducement Offences, and Smuggling Offences;
- Corporate offences;
- Offences relating to the protection of health and safety at work;
- Cybercrimes and unlawful data processing;
- Environmental offences;
- Receiving stolen goods and money laundering offences;
- Crimes against industry and commerce;
- Offences relating to counterfeiting, alteration or use of trademarks;
- Employment of third-country nationals;
- Organised crime offences;
- Tax offences

for which BSCCB has deemed it appropriate to prepare specific **Special Parts** of the Model, detailing the identification of sensitive activities, the persons involved in such activities and the related control protocols implemented.

C) Monitoring and updating of Control Protocols

✓ Management constantly monitors and periodically reviews the risk assessment of identified Sensitive Activities in order to verify their relevance and effectiveness, with the aim of keeping the Model appropriate to the company's situation and, if necessary, updating the relevant "Sensitive Activity Analysis" sheets and/or the relevant Special Sections.

✓ With the same objective in mind, the SB has the power/duty to recommend further improvement activities and to identify additional activities at risk which, depending on legislative developments or BSCCB activities, may be included in the list of sensitive activities.

ADOPTION OF THE MODEL AND SUBSEQUENT AMENDMENTS

Once the mapping of risk/sensitive activities/areas and analysis of the relevant Control Protocols has been completed, in accordance with the provisions of Legislative Decree 231/2001 and the provisions of the Italian Civil Code on corporate governance (in particular, Article 2381 of the Italian Civil Code) the BSCCB Board of Directors shall resolve to adopt (or update) the Model

1. In addition to the above cases (the extension of Regulation 231 to new offences or changes in risk conditions in the conduct of business activities), the Board of Directors, on its own initiative or upon notification by the Supervisory Committee, shall promptly adapt the Model if violations or circumventions of its provisions are identified that highlight its inadequacy in ensuring the effective prevention of offences.

2. The Board of Directors shall promptly update the Model, including on the recommendation of the Supervisory Committee, if there are changes in the regulatory system or in the organisation and activities of BSCCB.

3. Proposals for amendments to the Model must be communicated in advance to the Supervisory Committee, which must express an opinion.

4. Notwithstanding the provisions of the previous point, the Chairman of the Board of Directors may make non-substantial amendments to the Model, if necessary for greater clarity or efficiency, as well as purely formal adjustments such as updating the list of offences and the list of special parts in the general section of the Model, etc. Such amendments shall be communicated to the Board of Directors and the Supervisory Committee.

5. In any case, the Supervisory Committee must promptly report in writing, without delay, to the Chairman any facts that highlight the need to revise the Model. In this case, the Chairman must convene the Board of Directors to adopt the resolutions within its competence. The above provisions shall apply, insofar as they are compatible, to changes in the procedures necessary for the implementation of the Model by the functions concerned. Changes to the procedures must be promptly communicated to the Supervisory Committee, which must express its opinion.

6. In the event that it becomes necessary to issue additional Special Sections relating to new types of offences that may in future fall within the scope of Decree 231/01, the BSCCB Board of Directors, also on the proposal of the Supervisory Committee, shall have the power to supplement this Model at a later stage by means of a specific resolution.

MODEL AND GROUP COMPANIES

BSCCB S.p.A., in addition to being characterised by the particular corporate structure of the Joint Venture consisting of two legal entities, one in Italy and one in Germany, also has the peculiarity of wholly controlling the German company BSCCB GmbH. It is the responsibility of management to make decisions that may affect one or both partners, as well as to exercise control over the Meitingen company.
For these reasons:

- management has agreed to appoint a Compliance Officer to oversee the implementation, compliance and continuous updating of compliance issues within both companies, based on the guidelines laid down by BSCCB S.p.A., which, as a company incorporated under Italian law, is subject to Regulation 231/2001;
- this Model, as it applies only to the Italian company, is distributed to all members of the JV's Management Committee and to all senior management of the two partners (Brembo N.V. and SGL Carbon SE);
- training activities are carried out in Italy to familiarise all interested parties with the contents of the Model, the Code of Ethics and Business Conduct and the Anti-Corruption Code of Conduct, the latter two of which are also the subject of training sessions at BSCCB GmbH.

SUPERVISORY COMMITTEE

The BSCCB Board of Directors has established **a Supervisory Committee,** which has been assigned the duties and powers provided for by law.

SUPERVISORY COMMITTEE COMPOSITION

The Board of Directors appoints the members of the Supervisory Committee, chosen exclusively from among individuals who meet the necessary requirements of autonomy, independence, integrity, professionalism, competence and continuity of action required by Legislative Decree 231/01.

The Supervisory Committee at BSCCB is composed of no fewer than 2 and no more than 5 persons, appointed by the Board of Directors.

The members of the Supervisory Committee, as well as the persons whom the Committee employs in any capacity, are bound by an obligation of confidentiality regarding all information that comes to their knowledge in the performance of their duties or activities.

The Supervisory Committee reports directly to the Board of Directors, unless otherwise specified.

The Supervisory Committee performs its duties by ensuring and promoting rational and efficient cooperation with the existing control bodies and functions within BSCCB.

REQUIREMENTS OF THE SUPERVISORY COMMITTEE

The Supervisory Committee must meet the following requirements:

a) Autonomy and independence

Pursuant to Article 6, paragraph 1, letter b) of the Decree, the Committee must have "autonomous powers of initiative and control". The requirements of autonomy and independence presuppose that the SB is not directly involved in the management activities that are the subject of its control activities.

This autonomy is of a decision-making nature, inherent in its functional aspect and qualifiable as an essential freedom of self-determination and action, with full exercise of technical discretion in the performance of the functions of a self-referential Committee.

Autonomy is primarily with respect to the company, its top management and management; consequently, the SB must be able to perform its functions completely free from influence or pressure and must not be involved in management activities that go beyond the tasks specifically assigned to it in accordance with its own activities.

It acts in full autonomy, with adequate financial resources to ensure its full and independent operation. To this end, the Board of Directors allocates to the SB, on the basis of its recommendations, a budget for the expenses incurred in the performance of its functions, for which the SB provides adequate annual reporting.

b) Professionalism and integrity

The Supervisory Committee must be professionally competent and reliable, requirements that must be typical of the Committee as a whole and, consequently, of its individual members. It must have all the technical knowledge necessary to perform the functions entrusted to it with the utmost seriousness and effectiveness (also making use of external technical expertise, as provided for in the Supervisory Committee Regulations, set out below). These characteristics, combined with independence, guarantee objectivity of judgement.

c) Continuity of action

In order to ensure the effectiveness and constant implementation of the Model, a structure is required that works full-time to supervise, control and monitor compliance with and the adequacy of the Model, i.e. the ability to exercise control powers on an ongoing basis in order to ensure constant monitoring and analysis of the internal prevention system, with the necessary powers of investigation.

In carrying out its control activities, the Supervisory Committee has free access to all company data and may make use of all company functions and structures. It also informs the Board of Statutory Auditors of the results of its checks. It also has its own budget to be used for the purposes of performing the functions for which it was appointed.

Each member of the Supervisory Committee must meet the following requirements of autonomy, independence, integrity and professionalism:

1. **Autonomy** and **independence** mean the absence of operational tasks, interference, influence or conditioning, whether economic or personal, by individuals or bodies within the Company and, in particular, by senior management, the absence of conflicts of interest, even potential ones, and the absence of family ties with members of corporate bodies and senior management.
   Furthermore, the autonomy and independence of the SB as a whole are guaranteed by its recognised position within the company's organisational structure, by the necessary requirements of professionalism and integrity of its members, by the reporting lines to

senior management assigned to it, by the fact that the SB self-regulates its functioning, its activities and decisions with its own regulations, and by the fact that it has an adequate budget that also allows it, among other things, to avail itself of the support of external consultants.

2. **Professionalism** means that the members of the Supervisory Committee must possess specific and comprehensive professional skills[20] , ranging from legal expertise (corporate, criminal, civil, administrative and procedural) to accounting, risk management and corporate compliance, as well as organisational skills, in addition to expertise in accident prevention and occupational safety.

3. **Personal integrity entails:**
   i) the absence of causes of ineligibility and forfeiture referred to in Article 2382 of the Italian Civil Code;
   ii) not having been subject to preventive measures ordered by the judicial authorities pursuant to Law No. 1423 of 27 December 1956 or Law No. 575 of 31 May 1965, as amended and supplemented, except for the effects of rehabilitation;
   iii) not having been convicted by final judgment, except for the effects of rehabilitation:
      - to imprisonment for one of the offences provided for by the regulations governing banking, financial and insurance activities and by the regulations on financial markets and instruments, taxation and payment instruments;
      - to imprisonment for one of the offences provided for in Title XI of Book V of the Civil Code and in Royal Decree No. 267 of 16 March 1942;
      - imprisonment for a period of not less than six months for an offence against the public administration, public trust, property, public order and the public economy;
      - imprisonment for a period of not less than one year for any non-culpable offence;
      - for the offences provided for in the Decree.
   iv) not having been subject, at the request of the parties, to any of the penalties provided for in point 2 above, except in the case of extinction of the offence.

REASONS FOR INELIGIBILITY, INCOMPATIBILITY AND REVOCATION OF THE MANDATE

The following constitute causes of ineligibility, incompatibility and, if they occur, revocation of the mandate of members of the SB:

- the lack or loss of the requirements of professionalism, autonomy, independence and continuity of action, including the case of the attribution to the Committee of operational functions and responsibilities incompatible with these requirements;
- marriage, kinship or affinity within the fourth degree with directors of BSCCB and its subsidiaries;
- the existence of economic and/or contractual relationships, whether remunerated or not, directly or indirectly, with BSCCB or its subsidiaries (including the position of Director of BSCCB or its subsidiaries) and/or with their respective directors. To this end, the position of standing auditor of BSCCB and the employment relationship maintained by the Supervisory Board as a whole in relation to the assignment entrusted to it are not relevant;

[20] Confindustria makes explicit reference to the technical knowledge required for inspection and analysis of the control system, such as statistical sampling, risk analysis and assessment techniques, measures for their containment (authorisation procedures, mechanisms for the separation of duties, etc.), *flow-charting* of procedures and processes for identifying weaknesses, interview and questionnaire techniques, elements of psychology, and methods for identifying fraud.

- the subjection to preventive measures ordered by the judicial authorities, or disqualification, incapacitation, declaration of bankruptcy, disqualification, even temporary, from public office or inability to hold executive office;
- pending criminal proceedings, or a conviction or sentence pursuant to Articles 444 et seq. of the Italian Code of Criminal Procedure, even if not final, in relation to offences provided for by the Decree or other offences of the same nature;
- an administrative conviction, even if not final, for one of the offences provided for in Articles 187 bis and 187 ter of Legislative Decree 58/1998 (hereinafter, 'TUF');
- a conviction or sentence pursuant to Articles 444 et seq. of the Italian Code of Criminal Procedure, or an administrative conviction, even if not final, issued against the Company in relation to offences under the Decree or administrative offences under Articles 187 bis and 187 ter of the Consolidated Law on Finance, which indicate 'omitted or insufficient supervision' by the Supervisory Committee, in accordance with the provisions of Article 6, paragraph 1, letter d) of the Decree;
- a serious breach of their duties as defined in the Model and in these Regulations, or serious reasons of expediency, such as to prevent them from performing their duties diligently and effectively or to prejudice their independence of judgement in the performance of their assigned functions;
- breach of the confidentiality obligations set out in the SB Regulations;
- failure to attend at least 80% (eighty per cent) of the meetings of the SB.
- any other situation, other than those specified in the previous points, such as to undermine the requirements of autonomy and independence of the members of the SB;

The non-competition clause referred to in Article 2390 of the Italian Civil Code applies to each member of the SB.

For the purposes of taking up their positions, the members of the SB shall send their CVs and a certificate attesting to the absence of the causes of ineligibility referred to in Article B.1), and undertake to perform their duties with diligence, fairness and competence and in accordance with the Values, the Code of Ethics and Business Conduct and the BSCCB Model, as well as to immediately notify the BSCCB Board of Directors in writing of any causes for revocation.

In the event of the precautionary application of one of the disqualification measures provided for in the Decree, the BSCCB Board of Directors, having obtained the appropriate information, shall assess whether the conditions for the revocation of the members of the SB exist, should it find that there has been a failure or insufficient supervision on the part of the SB.

The revocation of the mandate conferred on one or more members of the SB may only take place for 'just cause', i.e. if one of the conditions referred to in Articles B.1, B.2 and B.4 occurs, by resolution of the BSCCB Board of Directors, after consulting the Board of Statutory Auditors and the other members of the SB.

REPLACEMENT OF SUPERVISORY BOARD MEMBERS

In the event of resignation, revocation or prolonged or permanent impediment of a member of the SB, the BSCCB Board of Directors shall consider his or her replacement.

In the event of resignation or dismissal of all members of the SB, the BSCCB Board of Directors shall appoint a new SB.

SUPERVISORY COMMITTEE POWERS AND RESPONSIBILITIES

The activities that the Supervisory Committee is required to perform can therefore be summarised as follows:

a) supervision of the effectiveness of the Model, which consists of verifying the consistency between actual behaviour and the established Model;
b) examining the adequacy of the Model, i.e. its real (and not merely formal) ability to prevent, in principle, undesirable conduct;
c) analysis of the maintenance over time of the requirements of soundness and functionality of the Model;
d) ensuring the necessary dynamic updating of the Model, in the event that the analyses carried out make it necessary to make corrections and adjustments. This task is normally carried out in two distinct and integrated stages:
    - presentation of proposals for adjustments to the Model to the General Managers. Depending on the type and scope of the interventions, the proposals will be directed to the General Managers or, in certain cases of particular importance, to the Board of Directors;
    - follow-up, i.e. verification of the implementation and effective functionality of the proposed solutions.

The Supervisory Committee has autonomous powers of initiative and control within BSCCB, such as to allow the effective exercise of the functions provided for in the Model, as well as subsequent measures or procedures taken in implementation thereof.
The Supervisory Committee does not have, nor can it be assigned, even on a substitute basis, powers of management, decision-making, organisational or disciplinary intervention relating to the performance of BSCCB's activities.

In pursuing its objective of supervising the effective implementation of the Model adopted by BSCCB, the Supervisory Committee has the following powers of initiative and control, which it exercises in compliance with the law and the individual rights of employees and other persons concerned:

a) it carries out periodic inspections, the frequency of which is predetermined, taking into account the various areas of intervention;
b) it has access to all information and documents concerning activities at risk, which it may request from all parties required to comply with the Model;
c) may, after informing the General Managers of BSCCB S.p.A., consult external consultants for particularly complex issues or those requiring specific expertise;
d) submits proposals for the adoption of disciplinary procedures, as provided for in the relevant paragraph, to the General Managers of BSCCB S.p.A.;
e) may identify any additional activities at risk other than those indicated in the Model, which, depending on legislative developments or BSCCB's activities, may be included in the list of sensitive activities;
f) periodically verifies the system of delegations and powers of attorney in force and their consistency with the entire organisational communications system (i.e. those internal company documents by which delegations are conferred), recommending any changes in the event that the management power and/or qualification does not correspond to the powers of representation conferred on the attorney or there are other anomalies.

INFORMATION FLOWS TO THE SUPERVISORY COMMITTEE

Within the company, in addition to the documentation required in the individual parts of the Model, the Supervisory Committee must be made aware of any information, including that originating from third parties, relating to the implementation of the Model itself in areas of activity at risk. The information generally concerns all news relating to the commission of offences provided for by the Decree and subsequent laws in relation to the activities carried out by BSCCB or to the conduct of the recipients of the Model that is not in line with the rules of conduct adopted.

In light of the particular corporate structure of the Joint Venture, consisting of two legal entities, one in Italy and one in Germany, BSCCB S.p.A. has activated internal reporting channels using IT methods that include encryption tools to guarantee confidentiality, through a channel accessible within the Italian company
• via the Legality Whistleblowing Web Platform;
• via the Legality Whistleblowing Mobile App
managed by GCF Internal Audit of Brembo N.V., and in the German company BSCCB GmbH, represented by the Interne Meldestelle (Ombudsperson), both of which are responsible for investigating and preliminarily verifying any reports received from any person connected with the German company and immediately notifying the Supervisory Committee if it is deemed that the report falls within the scope of the Organisation, Management and Control Model for the purposes of Legislative Decree 231/01.

Reports may originate from any person, including employees, members of corporate bodies (Board of Directors, Board of Statutory Auditors) and Auditing Firms of BSCCB S.p.A. and BSCCB GmbH, as well as its customers, suppliers, consultants, collaborators, shareholders and other third parties, and relate, among other things, to irregularities or violations of the Code of Ethics and Business Conduct, the Anti-Corruption Code of Conduct and the Organisation, Management and Control Model, as provided for in the Reporting Procedure distributed and made available to the BSCCB Group.

The principles governing the management of reports are set out in the following paragraph 'Channels for Reporting Irregularities (Whistleblowing)' and in the Reporting Procedure distributed and made available to the BSCCB Group.

Reporting obligations in respect to official deeds

Information concerning the following must be sent to the Supervisory Committee:
a) measures and/or information from judicial police bodies, or any other authority, which indicate that investigations are being carried out, including against unknown persons, for the offences referred to in the Decree and subsequent extensions;
b) requests for legal assistance submitted by directors, managers and/or other employees in the event of legal proceedings for offences covered by the Decree and subsequent extensions;
c) information relating to the effective implementation, at all company levels, of the Model, with evidence of disciplinary proceedings carried out and any sanctions imposed (including measures against employees), or measures to dismiss such proceedings with the relevant reasons;
d) assessments regarding the choice of the auditing firm;
e) the existence of any causes of incompatibility between the Auditing Firm and the Certified Company;

f) any assignment given or intended to be given to the auditing firm, other than that concerning the certification of the financial statements;
g) the implementation of the Model itself in areas of activity at risk. These generally concern all information relating to the commission of offences under Legislative Decree 231/2001 and subsequent laws in relation to the activities of the BSCCB Group or conduct not in line with the rules of conduct adopted by the Group itself;
h) the system of delegations and powers of attorney adopted and any subsequent amendments thereto;
i) reports and/or communications from the bodies responsible for occupational safety and health protection and joint bodies (Local Health Authority or Provincial Labour Directorate or Workers' Safety Representatives, etc.) from which it can be inferred that investigations are being carried out, including against unknown persons, for the offences referred to in Legislative Decree 231/2001, Article 25 septies;
j) report on workplace accidents that have occurred at BSCCB S.p.A., indicating their severity, with separate indication of accidents that have resulted in more than 40 days of absence from work or are otherwise serious;
k) serious non-conformities identified in audits of the plant's Safety and Environment functions that could constitute a significant risk to workplace safety and the possible commission of the offence of 'manslaughter and serious or very serious negligent injury in violation of workplace health and safety regulations', shared with the competent authorities but not yet resolved.

At least twice a year, based on the above information, a periodic report is drawn up for the Supervisory Committee.

INFORMATION FLOWS FROM THE SUPERVISORY COMMITTEE

The Supervisory Committee must report its findings to the Board of Directors and the General Managers.
If offences are found to have been committed by the top executive management, the Supervisory Committee reports directly to the Board of Directors and the Board of Statutory Auditors.

The Supervisory Committee periodically, and in any case at least once a year, draws up a written report on its activities and sends it, together with a detailed statement of expenses incurred, to the Chairman of the Board of Directors, the General Managers and, for information, to the Chairman of the Board of Statutory Auditors. The reports, which are included in the minutes, contain any proposals for additions and amendments to the Model.

The periodic reports prepared by the Supervisory Committee are also drawn up in order to allow the Board of Directors to make the necessary assessments to update the Model and must at least contain, carry out or report:

- any issues that have arisen regarding the implementation of the procedures set out in the Model or adopted in implementation of or in light of the Model and the Code of Ethics and Business Conduct;
- the report of reports received from internal and external parties if the report falls within the scope of application of the Organisation, Management and Control Model for the purposes of Legislative Decree 231/01;
- a report on the reports received from the Interne Meldestelle (Ombudsperson);

- the disciplinary procedures and sanctions applied by BSCCB, with exclusive reference to activities at risk;
- an overall assessment of the functioning of the Model with any recommendations for additions, corrections or amendments;
- changes in the regulatory system or in the organisation and activities of the company.

REGULATIONS OF THE SUPERVISORY COMMITTEE (ODV)

The BSCCB Supervisory Committee has adopted specific regulations that form an integral part of this Model.

COMMERCIAL RELATIONS WITH BUSINESS PARTNERS

BSCCB has decided to apply the principles contained in the Code of Ethics and Business Conduct and in Model 231 also with regard to relations with Business Partners, adopting (and applying selectively on the basis of an assessment based on the different types of Business Partners) the following measures:

- the performance of specific preventive ethical due diligence on suppliers in the broadest sense, including service providers such as agents and consultants and excluding only intellectual service providers (in particular, through the inclusion in the "Supplier Pre-assessment Questionnaire" that the Purchasing Department submits during the selection of potential business partners, a section dedicated to the verification of certain compliance requirements);
- the inclusion in the General Terms and Conditions of Supply and in the contractual standards issued worldwide of compliance clauses in accordance with the purposes described below (in addition to what will be discussed below, these clauses require the supplier to comply with the applicable legislation);
- the inclusion in contracts with certain suppliers of a commitment to comply with the Code of Basic Working Conditions;
- the inclusion in its contracts, including purchase orders, of clauses that give BSCCB the right, where it deems appropriate, to terminate the contract if the counterparty is charged (even if only as a 'precautionary measure') with one of the 'predicate offences' covered by Legislative Decree 231/2001;

Furthermore, whenever the Customer proposes contractual clauses referring to ethical values, BSCCB requires that both parties undertake, towards each other, the obligation to observe their own code of ethics and not to engage in conduct that violates it.

The inclusion of the above clauses (hereinafter referred to as "Clauses 231") in its relations with Business Partners has the following purposes:

- <u>Ethics</u>: to emphasise the importance and essential nature that BSCCB attaches to the actions of the parties with whom it comes into contact;
- <u>Information:</u> to inform its counterparties of the ethical values, as set out in its Code of Ethics and Business Conduct, and the principles of conduct, as provided for in Model 231, which inspire BSCCB's conduct;
- <u>Precautionary:</u> to protect its reputation, through the right to terminate the contract, where it deems appropriate, if the counterparty is found guilty of one of the offences covered by Legislative Decree 231/2001. It is understood that, regardless of the inclusion of 'Clause

231', the precautionary purpose is in any case satisfied whenever the contract grants BSCCB the right of withdrawal ad nutum.

DISCIPLINARY SYSTEM

GENERAL PRINCIPLES

The Model imposes rules of conduct designed to prevent the commission of the offences referred to in the Decree and, more generally, to ensure the correct application of the internal procedures provided for (see Article 6, paragraph 2, letter e, Article 7, paragraph 4, letter b), including the Reporting Procedure referred to in the following paragraph 'Channels for Reporting Irregularities (Whistleblowing)'.

The rules imposed by the Model are adopted by BSCCB in full autonomy, given the need to ensure compliance with the regulatory requirements incumbent upon it.

Essential to the functioning of the Model and the related procedures, including the Reporting Procedure referred to in the following paragraph "Channels for Reporting Irregularities (Whistleblowing)", is the establishment of a proper disciplinary system; the possible application of the disciplinary system and related disciplinary sanctions, referring to the violation of these rules, is independent of the occurrence and outcome of any criminal proceedings initiated by the judicial authorities. All employees, directors and anyone who has a contractual relationship with BSCCB are subject to the system.

Any violation of the Model or of the procedures established in implementation thereof, including the Reporting Procedure referred to in the following paragraph "Channels for Reporting Irregularities (Whistleblowing)", committed by anyone, must be immediately reported in writing to the Supervisory Committee by the recipients of this Model, without prejudice to the procedures and measures falling within the competence of the disciplinary authority. Violations of the Model also include violations of the measures to protect the whistleblower's identity, as provided for in the following paragraph "Channels for Reporting Irregularities (Whistleblowing)" and in the Reporting Procedure.
[21]It is understood that if the whistleblower is found criminally or civilly liable, even in a first instance judgment, for the offences of defamation or slander, in cases of wilful misconduct or gross negligence, the protections are no longer guaranteed and the whistleblower may be subject to disciplinary sanctions.

The Supervisory Committee must immediately carry out the necessary investigations, ensuring the confidentiality of the person against whom it is proceeding.

From the beginning of its relationship with BSCCB, the Supervisory Committee shall use the most appropriate means to verify the flow of information and training regarding the existence and content of the disciplinary system.

The management of disciplinary proceedings must, in any case, respect the legal status of the person against whom the proceedings are brought.

[21] For further details, see Article 16(3) of Legislative Decree 24/2023

APPLICABILITY TO WORKERS, OFFICE STAFF AND MIDDLE MANAGERS OF THE COMPANY

The company disciplinary system is based on the relevant provisions of the Civil Code, the Workers' Statute, the relevant National Collective Labour Agreement and, in any case, the applicable legislation.

The sanctions applicable to workers, employees and middle managers are those provided for in the relevant National Collective Labour Agreement, namely:

1. verbal warning;
2. written warning;
3. fine of up to three hours' pay calculated on the minimum wage;
4. suspension from work and pay for up to a maximum of three days;
5. dismissal with notice;
6. dismissal without notice.

The system, as also provided for in the relevant national collective labour agreement, exemplifies disciplinary offences based on the significance of each individual case, listing the applicable penalties according to their severity.

In addition to the examples provided in the National Collective Labour Agreement for the sector and as a further example, it should be noted that an employee commits an offence if, through omission and possibly in collusion with others, they:

a) violates the internal procedures set out in this Model, including the Reporting Procedure referred to in the following paragraph 'Channels for Reporting Irregularities (Whistleblowing)', for 'failure to comply with service regulations';
b) violates the internal procedures set out in this Model, including the Reporting Procedure referred to in the following paragraph "Channels for Reporting Irregularities (Whistleblowing)", by engaging in conduct consisting of "tolerance of service irregularities" or "failure to comply with service duties or obligations, which did not result in prejudice to the service or interests of BSCCB";
c) violates the internal procedures set out in this Model, including the Reporting Procedure referred to in the following paragraph "Channels for Reporting Irregularities (Whistleblowing)", or adopts, in the performance of activities in areas at risk, conduct that does not comply with the provisions of the Model itself or the procedures established in implementation thereof, including the Reporting Procedure referred to in the following paragraph "Channels for Reporting Irregularities (Whistleblowing)", where such conduct constitutes a "refusal to carry out orders concerning service obligations", or "habitual negligence or habitual non-compliance with laws or regulations or service obligations in the performance of work", or, in general, any deliberate negligence or non-compliance with laws or regulations or service obligations that is not otherwise punishable;
d) adopts behaviour in the performance of activities in areas at risk that does not comply with the provisions of this Model or the procedures established in implementation thereof, including the Reporting Procedure referred to in the following paragraph "Channels for Reporting Irregularities (Whistleblowing)", if such conduct is recognisable as an "irregularity, carelessness or negligence, or failure to comply with laws, regulations or service obligations, resulting in prejudice to the safety and regularity of the service, with serious damage to the property of BSCCB or third parties";

e) adopts behaviour in the performance of activities in areas at risk that clearly violates the provisions of this Model or the procedures established in implementation thereof, including the Reporting Procedure referred to in the following paragraph "Channels for Reporting Irregularities (Whistleblowing)", such as to result in the concrete application of the measures provided for in the Decree against BSCCB, as such conduct must be recognised as a "wilful violation of laws or regulations or official duties that may cause or have caused serious damage to BSCCB or third parties";
f) has engaged in conduct aimed at committing an offence under Legislative Decree 231/2001.

The Supervisory Committee must be involved in the procedure for ascertaining violations and imposing sanctions for violations of the Model or the procedures established in implementation thereof, including the Reporting Procedure referred to in the following paragraph "Channels for Reporting Irregularities (Whistleblowing)". This means that no disciplinary measure may be taken or disciplinary sanction imposed for violation of the Model or the procedures established in implementation thereof, including the Reporting Procedure referred to in the following paragraph "Channels for Reporting Irregularities (Whistleblowing)", without prior information and opinion of the Supervisory Committee.

In any case, if the act constitutes a breach of duties arising from the law or from the employment relationship, such as to prevent the continuation of the relationship even on a temporary basis, dismissal without notice may be decided, in accordance with Article 2119 of the Civil Code, without prejudice to compliance with disciplinary proceedings.

Upon notification of the dispute, any powers of attorney granted to the person concerned may be revoked.
The type and extent of the sanctions referred to will also be assessed on the basis of:
- the degree of negligence, imprudence or incompetence in relation to the predictability of the event;
- the duties, functional position and responsibilities of the persons involved in the events.

APPLICABILITY TO TOP MANAGEMENT

When the violation of the internal procedures provided for in the Model, including the Reporting Procedure referred to in the following paragraph 'Channels for Reporting Irregularities (Whistleblowing)', is committed by company executives, the following sanctions will be applied to those responsible the most appropriate sanction in accordance with the provisions of the law and the regulations provided for in the collective bargaining agreement for the sector, up to and including termination of employment.
In such cases, the powers of attorney granted to the manager may also be revoked and, where possible, the manager may be assigned to a different position.
Disciplinary sanctions, as well as any claims for damages, will be commensurate with the level of responsibility, role and intensity of the fiduciary relationship related to the position conferred.
The Supervisory Committee shall be involved in the procedure for ascertaining violations and imposing sanctions on managers for violation of the Model or the procedures established in implementation thereof, including the Reporting Procedure referred to in the following paragraph 'Channels for Reporting Irregularities (Whistleblowing)', in the sense that no disciplinary measure may be dismissed or any disciplinary sanction imposed for violation of the Model or the procedures established in implementation thereof, including the Reporting Procedure referred to in the following paragraph "Channels for Reporting

Irregularities (Whistleblowing)", against a manager without prior notification and, if required by the person with disciplinary authority, the opinion of the Supervisory Committee.

APPLICABILITY TO DIRECTORS AND STATUTORY AUDITORS

This Model is delivered to each member of the Board of Directors and the Board of Auditors. When the violation of the internal procedures provided for in the Model, including the Reporting Procedure referred to in the following paragraph "Channels for Reporting Irregularities (Whistleblowing)", is committed by Directors and Auditors, the Chairman of the Supervisory Board shall inform the entire Board of Directors and the Board of Statutory Auditors, which shall take the most appropriate measures against those responsible, in accordance with the relevant legislation.
Disciplinary sanctions, as well as any claims for damages, will be commensurate with the level of responsibility, role and intensity of the fiduciary relationship related to the position held.

APPLICABILITY TO ANY OTHER PARTY THAT HAS CONTRACTUAL RELATIONSHIPS WITH BSCCB

In the event of a violation of the provisions of Legislative Decree 231/01 and the Model, or in any case behaviour that could lead to the risk of committing one of the offences provided for by Legislative Decree 231/01, by any other person who has contractual relations with BSCCB (for example, consultants, partners and suppliers), the contractual relationship may be terminated and any other sanctions specifically provided for in the clauses included in the letters of appointment and/or partnership agreements may be applied.
Disciplinary sanctions, as well as any claims for damages, will be commensurate with the level of responsibility, role and intensity of the fiduciary relationship related to the assignment conferred.

TRAINING AND DISSEMINATION OF THE MODEL

For the purposes of the effectiveness of this Model, it is BSCCB's objective to ensure proper knowledge and dissemination of the rules of conduct contained therein, with varying degrees of detail depending on the different levels of involvement of the resources themselves in sensitive activities.

The adoption of the Model is communicated to employees and stakeholders at the time of its approval.
The full version of the Model is published on the company portal, while only the General Section and certain sections of the Special Sections, which are not considered particularly sensitive and can therefore be disclosed externally, are published on the BSCCB website.

New hires are given an information pack (CCNL, Code of Ethics and Business Conduct), which provides them with the knowledge considered essential in the Company. These individuals will be required to submit a signed statement to BSCCB certifying receipt of the information pack, as well as full knowledge of the attached documents and a commitment to comply with their requirements.

The training activity aimed at disseminating knowledge of the regulations referred to in Legislative Decree 231/2001 and subsequent amendments and additions is differentiated, in terms of content and delivery methods, according to the qualification of the recipients, the level of risk of the area in which they operate, and whether or not they have representative functions for BSCCB.

The training plan is submitted annually to the Supervisory Committee for review and is constantly updated on its progress.

Since July 2018, in addition to traditional classroom training, self-learning training has been available through multimedia material distributed to the employees involved (executives, managers and employees), as it has been found to be particularly effective in that it allows:

- keep track of the documentation used for training purposes and the recipients of the training;
- certify each participant's attendance on the course, monitoring the start and end dates;
- verify the effectiveness of the course through the score obtained in the test-out.

WHISTLEBLOWING CHANNELS

Since 2007, BSCCB has established whistleblowing channels in both Italy and Germany to ensure the reporting of irregularities or violations of the Code of Ethics and Business Conduct, the BSCCB Organisation, Management and Control Model pursuant to Legislative Decree 231/011, and any anomalies or weaknesses in the Company's Internal Control System. Management and Control Model pursuant to Legislative Decree 231/011 and any anomalies or weaknesses in the Company's Internal Control System.

Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law that they have become aware of in a public or private work context (the Whistleblowing Directive) has been implemented and transposed in Italy by Legislative Decree No. 24/2023 [22] and in Germany by the Whistleblower Protection Act[23] .

In particular, Legislative Decree No. 24/2023 repealed and amended the previous national legislation (repealing Article 6, paragraphs 2 ter and 2 quater, Legislative Decree 231/2001 and Article 3 of Legislative Decree 179/2017 and amended Article 6, paragraph 2 bis of Legislative Decree 231/01), bringing together in a single piece of legislation – for the public and private sectors – the protection regime for individuals who report unlawful conduct that violates not only European but also national provisions, provided that it is based on well-founded reasons and is detrimental to the public interest or the integrity of the entity, in order to ensure the transposition of the directive without compromising the protections already recognised in our legal system.

In compliance with Directive (EU) 2019/193, as implemented and transposed in Italy and Germany, with effect from 15 July 2023:

1) Internal Reporting Channel and Manager of Individual Reporting Channels

[22] Legislative Decree No. 24 of 10 March 2023 – Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down provisions on the protection of persons who report breaches of national law, which entered into force on 15 July 2023, except for the longer deadline of 17 December 2023 for private sector entities that employed up to 249 workers in the last year.

[23] The Whistleblower Protection Act is the German implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down provisions concerning the protection of persons who report breaches of national law, which entered into force on 2 July 2023.

BSCCB has activated internal reporting channels specifically established in accordance with both Italian and German legislation, in order to ensure compliance with the values and principles of the BSCCB Group, and in particular:

- Brembo N.V.'s *Global Central Function Internal Audit*, in the person of ***the Chief Internal Audit Officer,*** as an independent office with staff specifically trained to manage the reporting channel, is responsible for managing the internal reporting channel, which has the task of receiving any whistleblowing reports from anyone connected with BSCCB S.p.A. This is done via a platform which, through IT methods and encryption tools, is designed to ensure the confidentiality of the identity of the whistleblower or persons involved, the content of the report and the related documentation.
  The channel is accessible:
  - the Legality Whistleblowing web platform
  - the Legality Whistleblowing mobile app.

- The German Interne Meldestelle (***Ombudsperson)*** is responsible for managing the internal reporting channel, which is tasked with receiving whistleblowing reports from anyone connected to BSCCB GmbH, through:
  - Verbal reports to the Interne Meldestelle '(Ombudsperson)';
  - Ordinary or hand-delivered mail (sealed envelope marked 'strictly confidential' to be sent to the Interne Meldestelle (Ombudsperson) - H S K | Arbeits- und Wirtschaftsrecht for the attention of Rechtsanwalt Prof. Dr. Sandmann, Steingasse 13, 86150 Augsburg (Germany);
  - E-mail to the e-mail address (info@hsk-arbeitsrecht.de);

It should be noted that the Interne Meldestelle (Ombudsperson) is responsible for conducting a preliminary review of the aforementioned reports in order to decide whether to proceed with the investigation, promptly notifying the Supervisory Committee of BSCCB S.p.A. It is understood that the Supervisory Committee shall have the right to request the Interne Meldestelle (Ombudsperson) to gather additional information and carry out further checks.
The Interne Meldestelle (Ombudsperson) also ensures an adequate flow of information by sending the Supervisory Committee an annual report on the reports received, which provides aggregate and anonymous information on the reports received and their progress.

Reports can be made in writing or orally, including anonymously.
The whistleblower may also request a direct meeting with the channel manager by leaving a written or oral message on the platform or at the addresses of the Interne Meldestelle (Ombudsperson). With the consent of the reporter, the report will then be recorded on the platform to ensure its proper management. If a report is submitted to functions other than the one responsible for managing the channel (GFC Internal Audit of Brembo N.V.):

- as soon as possible (and in any case within 7 days of receipt), the receiving Committee/function shall refrain from taking any independent action to verify the report
- must forward the report received to GFC Internal Audit of Brembo N.V.
- the reporting person must be informed that the report has been forwarded to GFC Internal Audit of Brembo N.V.

Furthermore, in the case of reports received outside the Reporting Channel managed by Brembo N.V.'s GFC Internal Audit, the latter shall be responsible for entering the report into the aforementioned channel and, where possible, providing the reporting person with all the

guarantees of protection provided for by law, compatible with the means used by the reporting person to submit the report.
Anyone who receives such a report must guarantee the utmost confidentiality of the information received, including the identity of the persons involved (the reporter, the reported persons or any other person mentioned in the report).

Reports and related documentation are kept for no longer than five years from the date of closure.
Personal data is processed in accordance with EU Regulation 2016/679. 2)

2) Reporting parties

Reports may be made by persons connected with BSCCB's activities, such as: employees of the BSCCB group; self-employed persons, collaborators, freelancers and consultants; employees or collaborators of suppliers, contractors or subcontractors; customers; volunteers and interns; shareholders and persons with administrative, management, control, supervisory or representative functions.

3) Subject of Reports

Reports may concern conduct, acts or omissions related to the activities of the BSCCB Group, including violations of the Organisation, Management and Control Model pursuant to Legislative Decree 231/01, violations of other codes of conduct, policies and company procedures for which the reporting channel is provided (including, but not limited to: Code of Ethics and Business Conduct, Anti-Corruption Code of Conduct, Privacy Policy, Code of Basic Working Conditions) and any other (suspected) unlawful conduct or irregularity which, on the basis of concrete evidence, harms the public interest or the integrity of the public administration or the Group (including through the use of Artificial Intelligence).
It should be noted that when the *Chief Internal Audit Officer* or *the Interne Meldestelle (Ombudsperson)* ascertains that the report falls within the scope of application of the Organisation, Management and Control Model for the purposes of Legislative Decree 231/01, it is also notified via the platform to the Chairman of the Supervisory Committee of BSCCB S.p.A., who will have access to the contents of the report, as the Committee responsible for managing such reports.
Please note that any audio/video recordings made by the whistleblower or third parties are NOT permitted in support of the report, as they cannot be used in accordance with privacy legislation.

4) Reporting Procedure

BSCCB has adopted a procedure aimed at ensuring the protection of confidentiality and personal data, as well as regulating the methods of storing documentation relating to the report (confirmation, verification and analysis), ensuring that this is done in the manner and within the time limits provided for by the regulations in force at the time (hereinafter the "Reporting Procedure"). In order to ensure the widest possible dissemination, the Reporting Procedure is posted on company notice boards, published on the BSCCB intranet portal and published on the platform accessible from the Brembo N.V. website. The Reporting Procedure applies to all reports received through the above-mentioned reporting channels and managed by *the Global Central Function Internal Audit* of Brembo N.V. and/or the Interne Meldestelle (*Ombudsperson)*.

Furthermore, in accordance with the provisions of Legislative Decree No. 24/2023 and the Whistleblower Protection Act, the reporting person is recognised as having the option of using external reporting channels established by the authorities of each country.

SPECIAL SECTIONS

INTRODUCTION TO THE SPECIAL SECTIONS

The Special Parts of the BSCCB Model are structured as follows:
1. Summary description of the types of offences divided into macro categories;
2. Indication of the assessment of the degree of applicability of the offences covered by each Special Part;
3. Illustration of the main sensitive business activities/areas identified as being at risk based on the Company's profile;
4. Definition of the general principles/rules of conduct adopted by BSCCB in order to prevent unlawful conduct and to monitor the risk of offences being committed;
5. Control protocols adopted by Brembo (reference to the relevant 'sensitive activity analysis' sheets – 'mobile' part of the Model).

It should be noted that the examination of all company activities and the results of the risk assessment carried out have led to the exclusion of the possibility of the following types of offences being committed:

- Art. 24) Undue receipt of payments, fraud against the State or a public Committee or for the purpose of obtaining public funds, and computer fraud against the State or a public Committee and fraud in public procurement
- Art. 25-bis) Counterfeiting of currency, public credit cards, revenue stamps and identification instruments or marks
- Art. 25-ter) False corporate communications by listed companies (Art. 2622, paragraphs 2 and 3 of the Italian Civil Code)
- Art. 25-ter, paragraph 1, letter r) False prospectus
- Art. 25-ter, letter s) Obstruction of the exercise of the functions of the authorities
- Art. 25-quater) Crimes for the purposes of terrorism or subversion of the democratic order provided for by the Criminal Code and special laws
- Art. 25-quater 1.) Practices of female genital mutilation
- Art. 25-quinquies) Crimes against the individual
- Art. 25-sexies) *Market abuse offences*
- Art. 25-novies) Crimes relating to copyright infringement
- Art. 25-decies) Inducement not to make a statement or to make false statements to the judicial authorities
- Art. 25-undevicies) Crimes against animals
- Art. 25-terdecies) Fundraising for terrorist purposes
- Art. 25-quaterdecies) Fraud in sporting competitions, illegal gambling or betting
- Art. 25-sexiesdecies) Smuggling offences
- Art. 25-septiesdecies) Crimes against cultural heritage
- Art. 25-duodevicies) Money laundering of cultural property and devastation and looting
- Art. 12, Law No. 9/2013) Liability of entities for administrative offences resulting from criminal offences

- Law 146/2006) Transnational offences

This is also because:

i) the Company's activities, based on its profile and corporate purpose, do not typically lead to the commission of such offences;
ii) it seems difficult to imagine the Company having any interest or advantage, which is necessary for the offence to exist within the scope of the Decree;
iii) the company, in relation to these types of offences and the risks associated with them, has adopted a Code of Ethics and Business Conduct that promotes behaviour inspired by guiding values.

With reference to self-laundering (Article 648 ter 1 of the Italian Criminal Code), included in the Italian criminal law system by Article 3, paragraph 5, of Law No. 186 of 15 December 2014, the preventive protocols existing at BSCCB on processes sensitive to the offences of receiving stolen goods and money laundering (already covered by the Decree) can be considered, on a preliminary basis, adequate to prevent the new offence of self-laundering. It is also reasonable to believe that in adapting Model 231 to the new offences introduced by Legislative Decree No. 195 of 8 November 2021 - which extends Article 25-octies to new predicate offences of 'receiving stolen goods, money laundering, self-laundering and use of money, goods or benefits of illicit origin' - including, for the sake of simplicity, also acts concerning money or goods derived from contraventions and, in the case of money laundering and self-laundering, also negligent offences - it is necessary to look at the typical conduct of the offences referred to in Articles 648 et seq. of the Criminal Code, regardless of the nature of the offence that precedes them, considering the existence of measures aimed at preventing/mitigating risks of non-compliance (other than the Decree) on administrative, accounting and tax activities as adequate tools capable of preventing conduct that is potentially sensitive with regard to the offence of self-laundering and regardless of whether the upstream offences fall within the catalogue of predicate offences 231.

carbon ceramic brakes

Anti-Bribery Code of Conduct

BSCCB - ANTI-BRIBERY CODE OF CONDUCT

1. Code Statements

BSCCB requires its employees and workers at all times to act honestly and with integrity. This Anti-Bribery Code of Conduct (hereinafter "Code") is designed to protect you and BSCCB from breaches of anti-bribery and anti-corruption legislation and applies to all employees and other individuals or companies performing duties on behalf of BSCCB whether or not directly employed by it.

BSCCB does not tolerate any form of corruption and is committed to complying with applicable anti-corruption laws in all countries in which it conducts business or plans to conduct business in the future.

The purpose of this Code is to ensure transparency, provide clarity on acceptable behavior and comply with relevant anti-corruption legislation wherever in the world you are conducting business for BSCCB. The aim of the Code is to ensure that the highest standards of integrity are maintained.

This Code also sets out BSCCB's policy on the giving and receiving of gifts, hospitality and entertainment, and your responsibilities under this Code.

BSCCB recognizes that the giving and accepting of gifts, entertainment and hospitality can be part of building normal business relationships. This practice can vary significantly between the various geographical locations in which BSCCB does business or will do business in the future. However, regardless of local laws and customs some gifts and hospitality can lead to the suggestion that an improper influence has been asserted either on or by BSCCB, or that a conflict of interest has arisen. In some instances, the giving and/or receiving of gifts and entertainment can be interpreted as a bribe, which is unlawful and which damages the reputation of BSCCB and can lead to criminal prosecution for those individuals involved as well as the company.

Neither BSCCB nor any of its Employees and/or Third Parties may make, promise, offer, request or receive any gift, donation, gratuity or hospitality whatsoever if its nature or value may even potentially be deemed excessive or extravagant. This is to ensure that any legitimate gift and hospitality may not be construed as an inducement for securing BSCCB an undue commercial advantage.

This Code sets out guidelines to ensure that the above code statements can be adhered to. The aim of the Code is to ensure that the highest standards of integrity are maintained and that it can never be suggested that there was an improper motive behind the offer or acceptance of the gift or hospitality, of unduly influencing the recipient, or on the part of the recipient in accepting it.

This Code should be read in conjunction with BSCCB's Code of Business Conduct and Ethics.

2. Definitions used in this Code

BSCCB: Brembo SGL Carbon Ceramic Brakes S.p.A. and/or BSCCB GmbH

Bribe/Bribery: Either:

- The offering, promising or giving anything of value to improperly influence another in order to obtain business for BSCCB; or
- The requesting or accepting anything of value as a reward for or as an inducement to act improperly in relation to the awarding of business by BSCCB.
- Bribes can include money, gifts, hospitality, expenses, reciprocal favors, political or charitable contributions, or any direct or indirect benefit or consideration.

Corruption/Corrupt: A generic term used to describe any corrupt conduct. This may include the giving or receiving of Bribes, any fraudulent act, or acting in a way that puts your own interests in conflict with those of BSCCB, whilst in the course of your employment. Corruption also means abuse of power or abuse of position in return for money or political gain.

Direct Manager: A person holding a managerial position with executive rank, directly responsible for the management of 1 or more Employees.

Employees: All workers performing duties on behalf of BSCCB, whether or not employed directly by BSCCB.

Facilitation Payments: Payments that are requested by Government Officials to speed up routine official processes such as processing licenses, permits, or other official documents and processing government paperwork such as visas and work orders.

Government Officials: Officials of any national, local or foreign government department or agency; officials of any public international organization (e.g. the United Nations, International Patent Bureau, European Bank of Investment, European Commission, Customs Agency, Revenue Agency, Municipality etc.,); political parties and party leaders; candidates for public office; executives and employees of state-owned or state-run companies; anyone acting on behalf of any of these officials; any individual holding a legislative, administrative or judicial position.

Third Party/Parties: Include agents, brokers, partners, consultants (both individuals and companies) and other representatives performing work on behalf of or for the benefit of BSCCB.

ODV: it means the external Supervisory Committee existing in Italy according to Italian Legislative Decree no. 231/2001 ("Organismo di Vigilanza").

3. Application of this Code

This Code applies to all Employees of BSCCB and Third Parties performing duties for or on behalf of BSCCB whether or not directly employed by BSCCB.

Employees and Third Parties are required to familiarize themselves with the applicable laws in each jurisdiction in which they conduct business on behalf of BSCCB.

4. Bribery and Corruption

It is illegal and a breach of this Code to offer, pay, request or receive a Bribe whether directly or indirectly. **There is no set monetary threshold that defines a payment as a Bribe.** A Bribe can include money or anything of value where there is an intention to improperly influence the actions of another person. It also covers payments or gifts as a reward for the improper actions of another person. There is no need for the Bribe to be successful to be viewed as Corrupt, the offering or requesting of it is enough to amount to a criminal offence.
These principles apply equally in any jurisdiction in which BSCCB operates or will operate in the future or carries on business.

It is forbidden to make any sort of payment or give or receive anything of value to or from a Government Official where the intent is to obtain or retain business or some other commercial advantage for BSCCB. It is also forbidden to give or receive a Bribe to or from anyone in the private sector.

5. Facilitation Payments

Facilitation Payments are a type of Bribe. It is illegal to make any sort of payment or give anything of value to a Government Official where this is to obtain or retain business or some other commercial advantage for BSCCB.

In some countries, it may be customary for Government Officials to request Facilitation Payments. However, Facilitation Payments made anywhere in the world are prohibited by BSCCB and it will be a breach of this Code to make such payments regardless of local custom.

If you are asked to make a payment on behalf of BSCCB, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment.

Where a Facilitation Payment is demanded and there is a risk to the personal safety of employees of, or other individuals performing duties on behalf of BSCCB, a risk to the property of BSCCB or in any situation where you have suspicions, concerns or queries regarding a payment, you should speak to your Direct Manager immediately.

6. Gifts, Hospitality, Entertainment and Travel Expenses

This section of the Code sets out BSCCB's policy on the giving and receiving of gifts, hospitality and entertainment. The following guidelines are intended to reduce the risk that a gift or hospitality could be construed as a bribe to the lowest practicable level.
All business gifts, hospitality, business entertainment and travel expenses must comply with the guidelines stated in the following paragraphs:

6.1 Government Official

Provision of all business gifts, hospitality and business entertainment to a Government Official is prohibited under this Code.

6.2 Gifts to Private Parties

For the purposes of this Code, a gift can be anything with a cash or face value, such as a bottle of wine or tickets to an event where the host is not present.

You are permitted to give or accept gifts of negligible value. For the purposes of this Code **a gift will be treated as having negligible value if it has a face value (including taxes) of not more than €50** *(1)* **or equivalent amount in foreign currency** and it is customary to give or receive such a gift in the ordinary course of business. Examples of acceptable gifts might be calendars, diaries, or a bottle of wine or spirits at Christmas. You may not attempt to split a gift in order to reduce its face value (e.g. a case of wine) in order to bring it within this exception.

If you are offered a gift that falls outside of this definition you must, politely but firmly refuse it. If you reasonably consider that it is considered that acceptance would be in the best interest of BSCCB (for example, because return of a gift might cause offence) you should seek the prior written consent of your Direct Manager before accepting the gift, by filing the Gifts and Hospitality Received Form or the Gifts and Hospitality Dispensed Form attached to this Code in Annexes 2 and 3.

Such consent is requested also in case you want to give a gift over the above-mentioned limit amount.

The consent will only be given where the Direct Manager considers that the gift could not be mistaken for an inducement. In such circumstances the gift must be acknowledged on behalf of BSCCB and noted on the Register of Gifts and Hospitality.

Upon giving consent/approval to a gift which falls within the exception above, the authorizing Direct Manager shall send the relevant forms to the keeper of the relevant register (as set out in clause 6.4 below).

You may never give or accept (and a Direct Manager may not authorize) a gift of cash or cash equivalent (such as gift vouchers), regardless of the value.

(1) Or any other value provided by the written law of the countries in which BSCCB operates or will operate in the future.

Gifts offered to your relatives or friends by a Third Party must always be refused, regardless of their value. You should never offer a gift to the friends or relatives of any Third Party during the course of your employment or carrying out your duties for BSCCB.

6.3 Hospitality and Entertainment

For the purposes of this Code, hospitality or entertainment involves attendance at an event where the host is present. The Code applies whether BSCCB is the host or the guest. If the host is not present, attendance at an event must be considered a gift.

You are permitted to give or accept corporate hospitality of negligible value. For the purposes of this Code **entertainment or hospitality will be treated as having negligible value if it has a real or apparently face value (including taxes) of not more than €75 or equivalent amount in foreign currency per person** and it is customary to give or receive such hospitality in the ordinary course of business. Examples of acceptable hospitality and entertainment might be dining out or tickets to a sporting event, theatre or music concert of not more than €75 *(2)* or equivalent amount in foreign currency per person.

You may give or accept entertainment that exceeds the value of €75 per person (or its equivalent in local currency) only if it is in BSCCB's interests to do so, you have obtained the prior written approval of your Direct Manager (by filing the Gifts and Hospitality Received Form or the Gifts and Hospitality Dispensed Form attached to this Code in Annexes 2 and 3) and the entertainment is then recorded in the Gifts and Hospitality Register. Such consent will only be given where the Direct Manager considers that the entertainment or hospitality could not be mistaken for an inducemen.
Upon giving consent/approval to a hospitality/entertainment which falls within the exception above, the authorizing Direct Manager shall send the relevant forms to the keeper of the relevant register (as set out in clause 6.4 below).

Hospitality or entertainment offered to relatives or friends by a Third Party must always be refused, regardless of their value and you should never offer a gift to the friends or relatives of any Third Party during the course of your employment or carrying out your duties for BSCCB.

6.4 Register of Gifts and Hospitality

All gifts and/or hospitality which are not automatically acceptable under this Code should be recorded in the following registers:

- **BSCCB Register of Received and Dispensed Gifts and Hospitality**, kept and duly updated by BSCCB S.p.A. General Manager Assistant.

- For BSCCB GmbH in Meitingen the General Managers will also keep and duly update a **Register of Received and Dispensed Gifts and Hospitality** and will forward it to the General Manager Assistant of BSCCB S.p.A.

The abovementioned function is required to review the register on a quarterly basis and to report to the ODV of BSCCB Group about the contents of the registers at least twice a year (or more frequently upon request).

The ODV of BSCCB S.p.A. reports to the Board of Directiors of BSCCB S.p.A. on anti-bribery and corruption issues that may arise from the execution of the Code once a year, within the periodical ODV Report to the Shareholder Committee or when they occur.

6.5 Business Travel

All business travel for Employees and Third Parties must comply with Interoffice Memorandum – Travel Policy, valid for both companies, which can be found in **Annex 4.**

Furthermore Italian Employees are required to comply with "Brembo's Corporate Guidelines for Foreign Companies Referring to Business Travels" which can be found at BREMBO DOCS > Direzione Risorse Umane e Organizzazione / Human Resources and Organization Dept. > ENG > PROCEDURES and the "Brembo Travel Polic"y which can be found at BREMBO DOCS > Direzione Risorse Umane e Organizzazione / Human Resources and Organization Dept. > ITA > PROCEDURE.

As well as German Employees are required to comply with the local "SGL Business Travel Management" ((GP-P-GLO-001Version 1.0-2014-09-22), "SGL globale Richtlinie Group Purchasing – Dienstreisen Management/Anhang Deutschland" (GP-P-1002 Üb. 01-11.06.2015).

6.6 Further Guidance on Gifts and Hospitality

Further guidance in relation to gifts and hospitality is contained in BSCCB's Do's and Don'ts Gifts and Hospitality Checklist which can be found in **Annex 1**.

7. Contributions to Political Parties

Any and all forms of payments to political parties or organizations or representatives of the same are not admitted.

8. Charitable Donations

(2) Or any other value provided by the written law of the countries in which BSCCB operates or will operate in the future.

Charitable donations are permissible provided the donation is not made for the personal, financial, or political benefit of any Government Official, or any customer/supplier/Third Party (or their families). Donations must not be made to improperly influence the recipient or in exchange for any business advantage and shall be made consistently with the following principles:

- Donations must be subject to an indication of whether or not they are in line with the approved annual budget.
- Beneficiaries may only include charitable bodies and "no profit" organizations that are established and registered according to applicable law. No charitable donations may be made to individuals.
- All charitable donations must be strictly traceable and appropriately and accurately documented in writing.
- The beneficiary (body/association/organization that is to receive the donation) must be a bona fide charity with good standing and reputation.

Specific donations (> € 5.000) may only be authorized by the Chairman of BSCCB's Board of Directors.

9. Third Parties

BSCCB may be liable for "indirect" payments made or offered to any entity or person on its behalf by a Third Party. When working with a Third Party it is essential that appropriate due diligence is carried out on the Third Party's background and reputation and to understand any bribery and corruption risks that may exist.

BSCCB considers that the following areas in particular require due diligence and risk assessment before entering into any business relationship, transaction or project (which for the avoidance of doubt include Third Parties, some joint ventures or acquiring a company):

- assessing the fraud, Bribery and Corruption risk associated with the country in which the business is to be conducted;
- reviewing the Third Party's potential business partners; and

- reviewing the proposed project or business transaction in order to identify as far as possible the risk of Corruption or Bribery.

When dealing with Third Parties, some Red Flags to watch out for as indicators of potential violations of anti-corruption laws include:

- A Government Official recommends that BSCCB hires a specific Third Party;
- A Third-Party request that BSCCB hires someone avoiding the internal recruiting policies;
- The proposed compensation of a Third Party retained by BSCCB is unreasonably high compared to the market rate without a reasonable explanation;
- A Third Party retained by BSCCB requests that payments shall be made to a country or geographic location different from where the Third Party resides or conducts business or to an off-shore; to an unknown Third Party; be split among multiple accounts; be made to an account in a country other than where the Third Party is located or business is to be performed; or any other unusual financial arrangements;

- A Third Party which BSCCB seeks to retain lacks qualifications or staff to perform the expected services;
- A Third Party relies heavily on political or government contacts instead of technical skills or time invested;
- Upon checking references, you find that the Third Party has a bad reputation or is not well known in the industry;
- A Third Party that BSCCB seeks to retain will not agree to terms requiring compliance with Anti-Corruption laws;
- A country in which BSCCB is conducting or seeks to conduct business is a country with a reputation as a high-risk location for Corruption; or
- The same Third Party is repeatedly used for business without any reasonable justification for their repeated appointment;
- A Third Party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for us;
- A Third-Party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- A Third Party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- A Third-Party request that a payment is made to "overlook" potential legal violations;
- A Third-Party request that you provide emploment or some other advantage to their friend or relative;
- You receive an invoice from a Third Party that appears to be non-standard or customized;
- A Third Party insists on the use of side letters or refuses to put terms agreed in writing;
- You notice that we have been invoiced for a commission or fee payment that appears large or disproportionate given the service stated to have been provided;
- A Third-Party request or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us;
- You are offered an unusually generous gift or offered lavish hospitality by a Third Party.

Please note that this is a non-exhaustive list and other instances exist which may flag potential violations of Anti-Bribery or Anti-Corruption laws.

If you are in any doubt whatsoever about the legitimacy of a proposed Third-Party you should discuss your concerns with the Direct Manager prior to entering into any arrangements with the Third Party.

10. Books, Records, and Internal Control Requirements

BSCCB’s business records must, by law, be accurate and reliable. All business records, including expense reports, financial statements, service records, operations and manufacturing reports, reports to auditors, and reports to government agencies, must be prepared with diligence and honesty. No false or misleading entry shall be made in BSCCB’s records for any reason. No undisclosed or unreported fund or asset of BSCCB shall be established for any purpose. Compliance with generally accepted accounting principles and established internal controls is required at all times.

All payments and other activities must be supported by an invoice and a contract or an order containing sufficient detail to reflect the services that were performed and according to BSCCB's internal procedures.
In addition, all payments must be accurately recorded in BSCCB's corporate books, records and accounts in a timely manner and in reasonable detail. False, misleading, incomplete, inaccurate or artificial entries in the books, records and accounts of BSCCB are strictly prohibited.

Expenses must never be hidden or purposefully misclassified to be used for illegal payments. All payments made or received by BSCCB must be accurately recorded in BSCCB's books and records. All financial transactions must be authorized by appropriate management in accordance with internal control procedures. Undisclosed or unrecorded funds may not be established for any purpose.

11. Obligations to Report Breaches of Anti-Bribery Laws

BSCCB requires its Employees and Third Parties at all times to act honestly and with integrity. BSCCB will not tolerate any Employee or Third Party being involved in any level of Bribery or Corruption.

Employees and Third Parties are required to report any circumstances which are in breach of this Anti-Corruption Code making use of the whistleblowing channels which has been established since 2017 to facilitate the disclosure of potential misconduct or violations.

Starting from 15th July 2023 the whistleblowing channels and the related "Whistleblowing Procedure" has been updated, introducing even more protections for the whistleblower, in accordance with the European Directive (EU) 2019/193 and its transposition in Italy with Legislative Decree No. 24/2023 and in Germany with the Whistleblower Protection Act, and in particular:

- For Italy:

The Global Central Function Internal Audit of Brembo N.V., as autonomous department with personnel specifically trained for the management of the whistleblowing channel, in the person of the *Chief Internal Audit Officer* is entrusted for the management of the internal reporting channel having the task of receiving any whistleblowing reports from everyone related to BSCCB S.p.A..

Reports can be submitted both written and oral form, including anonymously, through:

- the web platform Legality Whistleblowing
- the Legality Whistleblowing App Mobile.

this new platform is in place to even better guarantee, through IT and encryption tools, the obligation of confidentiality of the whistleblower, of the persons concerned and of the persons mentioned in the report as well as of the content of the report and of the related documents.

- For Germany

The German Interne Meldestelle (*Omburdsperson*) is entrusted for the management of the internal reporting channel having the task of receiving any whistleblowing reports from everyone related to BSCCB GmbH.

Reports related to breaches have to be addressed to the Interne Meldestelle (*Omburdsperson*)'s channel through:

- Verbal reports to the "Interne Meldestelle (*Omburdsperson*)";
- Ordinary mail or by hand (sealed envelope "strictly confidential" to notify to Interne Meldestelle (*Omburdsperson*) *"HSK | Service"* to the attention of Rechtsanwalt Mr. Prof. Dr. Sandmann, Steingasse 13, 86150 Augsburg (Deutschland);
- E-Mail (service@hsk-arbeitsrecht.de).

All reported incidences of actual or suspected corruption will be promptly and thoroughly investigated and dealt with appropriately. All reports will be dealt with in confidence and in a manner which protects the legitimate personal interests of the person making the report.
BSCCB will ensure that any form of sanction, retaliation or discrimination against any BSCCB Employee – who discloses compliance concerns in good faith – will not be tolerated, and the confidentiality of the identity of the whistleblower and of the people involved in the report will be protected to the maximum extent possible, including with IT security measures.

12. Consequences for Breaches of Anti-Bribery Laws

Consequences for individuals: Penalties for breaching Anti-Bribery laws may include imprisonment, disqualification from acting as a director and significant monetary fines against you as an individual. You would also be subject to disciplinary action, up to and including dismissal from your position within BSCCB, for any breach of this Code.

Consequences for BSCCB: Consequences may include the company facing unlimited fines, damage to the corporate brand and reputation of BSCCB, loss of the ability to trade in certain jurisdictions, debarment from bidding for government contracts, loss of business, legal action by competitors, litigation and substantial investigation expenses.
In addition, under certain Anti-Bribery laws, the directors and senior officers of BSCCB can be held personally liable for the breaches committed by Employees and Third Parties and face significant fines and/or imprisonment.

13. Enforcement and Discipline

BSCCB views Corruption and Bribery very seriously. BSCCB will investigate all allegations of Corruption and Bribery and take disciplinary and/or legal action in all cases where it is considered appropriate.

A breach of this Code may result in an Employee facing disciplinary action, up to and including dismissal. BSCCB will not place any further business with Third Parties who have breached this Code.

Where a case is referred to the police or other law enforcement agency, BSCCB will co-operate fully with the criminal investigation which could lead to Employees and Third Parties being prosecuted.

14. Information and Diffusion of Anti-Bribery Knowledge

All Employees must be aware of the types of Corruption and Bribery, the risks of engaging in Corrupt activity and Bribery, this BSCCB's Anti-Bribery Code of Conduct, and how they may report suspected Corruption and Bribery.

BSCCB will promote awareness about the contents of this Code. If any Employee or Third Party requires further guidance to fully understand this Code, BSCCB will provide appropriate support upon request.

15. Responsibilities

The following roles have specific responsibility for execution of the Code as follows:

Secretary of BSCCB S.p.A.	Keeping and updating BSCCB Register of Received and Dispensed Gifts and Hospitality and reporting to the ODV of BSCCB S.p.A. at least twice a year
Secretary of BSCCB GmbH	Keeping and updating BSCCB Register of Received and Dispensed Gifts and Hospitality and forwarding it to the Secretary of BSCCB S.p.A.
Direct Manager	Considering questions received from Employees concerning the following: - Facilitation Payments; - Due Diligence of Third Parties - Gifts, Hospitality and Entertainment received or to be given which exceed the financial limits set out in clauses 6.2 and 6.3 of this Code; and - Where appropriate, providing consent to the giving or receiving of exceptional gifts and/or hospitality and filing the relevant forms and sending it to the register's keeper.
General Managers BSCCB S.p.A./ General Managers BSCCB GmbH	Assisting and Supporting Direct Manager/Employees on the working mechanism of the Code.
Chief Internal Audit Officer for BSCCB S.p.A. / Interne Meldestelle (*Omburdsperson*) of BSCCB GmbH	Considering and analyzing breaches of this Code.
ODV of BSCCB S.p.A.	Considering and analyzing breaches of this Code if the report falls within the scope of the Organization Management and Control Model for the purposes of Legislative Decree. 231/01. Receiving and analyzing reports on the content of the Registers. Reporting to the Board of Directors of the BSCCB S.p.A. at least twice a year.

It shall be the responsibility of the General Managers of BSCCB S.p.A., jointly with the General Managers of BSCCB GmbH, to review this Code as necessary and at least every three years in order to ensure it continues to comply with relevant anti-corruption laws.

16. Questions and Information

If you want to ask a question about the requirements in this Code or are concerned that Bribery or Corruption is occurring or has occurred, you should report it immediately to one of the following:

- Direct Manager
- General Managers BSCCB S.p.A. / General Managers of BSCCB GmbH

ANNEX 1

Gifts and Entertainment

☑	In principle, there is nothing wrong with genuine relationship building gifts or hospitality. Occasional, modest gifts and entertainment are a legitimate way to foster good business relationships between BSCCB and third parties and are therefore allowed.
☑	If you are offered entertainment or a gift which is of negligible value and which is in line with normal business practices it is fine to accept this.
☒	It is prohibited to offer or receive gifts and entertainment that could influence, or be perceived to influence, business decision making including the outcome of transactions or negotiations relating to BSCCB's business or to win or secure new business.
☒	Do not offer or accept gifts or hospitality if you think they might impair objective judgement, improperly influence a decision or create a sense of obligation, or if there is a risk they could be misconstrued or misinterpreted by others, for example lavish gifts and entertainment.
☒	You must not give or accept gifts or entertainment from or to a Third Party during a tender process or contract negotiations with that Third Party regardless of the value of the gift or entertainment.
☒	You should consider "Is this excessive? Is it a gift – or a bribe? Is it hospitality – or persuasion? Am I trying to influence someone to do something improperly or am I being influenced?". If you are struggling to justify it, it is probably not okay.

Gift

☑	You are permitted to give or accept gifts of negligible value that is, gifts worth under €50 or equivalent amount in local currency if it is customary to give or receive such a gift in the ordinary course of business.
☑	Examples of acceptable gifts might be a ball point pen, a bottle of wine, calendar or diary.
☑ ☑	You may accept other gifts if they are received on behalf of BSCCB, where they exceed the value of €50 or its equivalent in local currency and you have the prior written approval of your Direct Manager and the gift is then recorded in the relevant Gifts and Hospitality Register. At the discretion of a manager, these gifts may be disposed of, distributed or donated to charity. A good test to apply to giving or receiving gifts is: Would you be comfortable telling your line manager about the gift?

☒	You may not give gifts that have more than a negligible value, unless you have prior written approval from your Direct Manager.
☒	Examples of gifts that must not be accepted without such approval are a lavish hamper, case of champagne, tablet computer or anything delivered to your home address.
☒	You are not allowed to split a gift to reduce its face value (e.g. a case of wine) to bring it within this exception.
☒	You must not repeatedly give or accept gifts to or from the same Third Party.

☒	You are never allowed to give or accept a gift of cash, regardless of the value. High value cash equivalents such as gift vouchers or travel vouchers must not be offered or accepted.
☒	Holidays will always be considered to have more than a negligible value and must not be offered or accepted.
☒	Gifts offered to your relatives or friends by a Third Party must always be refused, regardless of their value.
☒	You should never offer a gift to the friends or relatives of any Third Party during your employment or carrying out your duties for BSCCB. Such gifts can obviously be perceived as an inducement to win or secure new business.

Entertainment

☑	You are permitted to give or accept corporate hospitality if it has a face value (including taxes) of not more than €75 or equivalent amount in local currency per person and it is customary to give or receive such hospitality in the ordinary course of business.
☑	Examples of acceptable hospitality and entertainment might be dining out or tickets to a sporting event, theatre or music concert where the host is present.
☑	A good test to apply to corporate hospitality is: Is it reasonable, proportionate, not lavish and would BSCCB be willing to reciprocate?
☑	You must take special care where there are substantial offers of social functions, travel or accommodation such as tickets to overseas sporting events and entertainment.
☑	You may give or accept entertainment that exceeds the value of €75 per person or its equivalent in local currency if it is in BSCCB's interests to do so, you have obtained the prior written approval of your Direct Manager and the entertainment is then recorded in the relevant Gifts and Hospitality Register
☒	You may not offer entertainment or hospitality that fall outside of the "reasonable and appropriate" category unless you have prior written approval from your Direct Manager.
☒	You must not repeatedly give or accept meals, tickets, invitations to sporting, cultural or social events to or from the same Third Party.
☒	You must not accept tickets to sporting or cultural events where the host is not present.
☒	If you are offered entertainment or hospitality that falls outside these guidelines you must, politely but firmly refuse it. If you consider that the refusal of the entertainment or hospitality would cause offence you must obtain prior written approval from your Direct Manager.

☒	Hospitality or entertainment offered to relatives or friends by a Third Party must always be refused, regardless of their value.
☒	You should never offer hospitality to the friends or relatives of any Third Party during your employment or carrying out your duties for BSCCB. Such hospitality can obviously be perceived as an inducement to win or secure new business.

Government Officials

☒	You must never provide business gifts, hospitality and business entertainment to a Government Official regardless of value.
☒	You must never make facilitation or grease payment (a payment to a Government Official to speed up a routine government action e.g. processing government paperwork such as a visa, work permit, license, etc.).
☒	You must not pay for expenses including business related travel for a Government Official
☒	Political donations must not be made on behalf of BSCCB for the benefit of any government official. Donations must not be made to improperly influence the recipient or in exchange for any business advantage and must follow the principles at paragraph 8 of this Code.

ANNEX 2

BSCCB
GIFTS AND HOSPITALITY DISPENSED FORM

Name of Employee (Donor)	
Title & Department	
Name of Receiver & Name of Organization	
Position of Receiver	
Existing or New Business Partner	
Number of times Gift or Hospitality dispensed to this Business Partner over past 12 months	
Government Official (yes/no)	
Description of Gift and/or Hospitality dispensed	
Date Gift and/or Hospitality	
Value of Gift and/or Hospitality dispensed	
Reason for Gift and/or Hospitality being dispensed	
Evidence of value of Gift and/or Hospitality attached (yes/no)	
If entertainment, will donor be present at entertainment?	
Signed	
Date	

For Official Use only

Authorised by	
Signed	
Date	

Rejected by	
Signed	
Date	

ANNEX 3

BSCCB
GIFTS AND HOSPITALITY RECEIVED FORM

Name of Employee (Receiver)	
Title & Department	
Name of Donor & Name of Organization	
Position of Donor	
Existing or New Business Partner	
Number of times Gift or Hospitality Received from this Business Partner over past 12 months	
Government Official (yes/no)	
Description of Gift and/or Hospitality received	
Date Gift and/or Hospitality received	
Value of Gift and/or Hospitality received	
Reason for Gift and/or Hospitality being received	
Evidence of value of Gift and/or Hospitality attached (yes/no)	
If entertainment, will donor be present at entertainment?	
Signed	
Date	

For Official Use only

Authorised by	
Signed	
Date	

Rejected by	
Signed	
Date	

ANNEX 4

BSCCB
INTEROFFICE MEMORANDUM – TRAVEL POLICY

Basis
Brembo Travel Policy (PG.W.DRUO-09 rev. 02 Data 30/04/2015)
SGL Business Travel Management (GP-P-GLO-001 Version 1.0 – 2014-09-22)
SGL globale Richtlinie Group Purchasing – Dienstreisen Management /Anhang Deutschland (GP-P-DE-1002 Üb. 01 – 11.06.2015)

Purpose of memorandum
The audit of 2016 revealed, that the valid travel policies for Stezzano and Meitingen, in part, haven't been correctly implemented. Therefore the intention of this memorandum is to expand the existing valid travel policies, which are listed above, by a few further action guidelines. This will enhance transparency and make sure that all valid guidelines are complied with. This applies equally for the BSCCB S.p.A as well as the BSCCB GmbH.

Flights
Generally the rules for flights for both locations are explained in the existing guidelines.
Should however two members of staff from both locations have the same destination for a common business trip, care should be taken, that the trip has similar conditions (e.g. the same class of flight).
Before booking, the trip must be signed off by a member of the MC.
First class flights are generally excluded.

Rental cars
Should an employee for any comprehensible reason need a car that does not comply with the travel policies, it is necessary that either the relevant manager or an MC member agrees to the booking, in writing. This basically means: no signature, no up-grade.

Accounting of hospitality costs
Hospitality costs on business trips, which are disbursed by the employee must be submitted with the travel expense report. Here it is important that the host supplements the bill with a list of the attending guests. All further regulations concerning the accounting of hospitality costs will remain valid, independent of this.

Prompt travel accounting
For enabling a prompt travel expense accounting process, the employees travel costs must be handed in as soon as possible and at the latest three months in arrears. Furthermore the original bills are required for the travel expense reports. Internal receipts are the only exception. The submitter, and their superior must sign the submitted original travel expense reports.

We ask all employees from both locations for their understanding that the processes outlined above be consequently adhered to.

Code of Business Conduct and Ethics

BSCCB - CODE OF BUSINESS CONDUCT AND ETHICS

I. Purpose and Scope

1. Why a Code?

BSCCB is committed to creating value for its customers by offering best solutions through its innovative, high-quality products and services. Such commitment includes responsible and lawful conduct in all of our businesses. This Code of Business Conduct and Ethics (the "Code") is an expression of the legal and ethical standards embodied in the excellence we strive for throughout all of our businesses, and which we expect in return from our business partners.

A key element for the sustainable business success of BSCCB is the appropriateness with which we deal with those upon whom our success most depends – employees, customers, shareholders, suppliers and the public. Compliance with the Code is fundamental to creating and maintaining trust and confidence with our stakeholders. The Code emphasizes BSCCB's commitment to compliance with the law, and sets forth basic standards of legal and ethical behavior.

"The Code of Business Conduct and Ethics emphasizes our commitment to compliance with the law and reflects our Common Values."

2. Basic Principles

The following principles support legal and ethical behavior and promote personal integrity in our employees and a strong corporate culture for BSCCB:

- lawful and ethical conduct in the countries where BSCCB operates, while maintaining sensitiveness to and respect for the diverse social and cultural settings;
- loyalty to BSCCB;
- fair, polite and respectful conduct towards all employees;
- fair and honest dealings with customers and other business partners, shareholders, authorities, the public and appropriate consideration of the interests of the environment;
- responsible and transparent conduct in dealing with risks, and
- professionalism and good business practice.

3. Personal Responsibility and Accountability

This Code shall apply to all directors and employees, both management and non-management, in all companies at BSCCB (all together referred to as "BSCCB Employees"). Each BSCCB Employee has the personal responsibility to make sure that our actions comply with the Code and the laws that apply to her/his work. A high level of social and ethical competence is expected from the executive staff whose conduct should serve as an example of legal and ethical compliance. Each BSCCB Employee is expected to request advice and assistance in the event of any doubts regarding her/his own conduct or that of another employee.

4. Information

If you have any doubt about the requirements and principles stated in this Code, you should contact your Direct Supervisor.
If you don't understand a policy or procedure, you are responsible for asking your Direct Supervisor until you achieved clarity.

"BSCCB's commitment to a safe and healthy working environment for our employees is a key element of our corporate culture. The protection of BSCCB's know-how by each employee is essential for our success."

II. Specific Areas

This Code summarizes the main areas of conduct and ethics, most of them described in more detail in the underlying specific policies and procedures and which form an integral part of its Governance Principles.

1. Corporate Security

BSCCB is fully committed to providing a safe, healthy and positive environment for its employees, protecting the assets, reputation and goodwill of BSCCB, safeguarding confidential and proprietary information, defining reasonable and appropriate security standards for manufacturing and IT processes, and complying with all regulatory requirements regarding Health, Safety and protection of the Environment.

For this purpose, the relevant key areas are:
- Working Environment and Employment practices
- Environment, Health and Safety (EHS)
- Company Assets, Property and Business Secrets
- Records and Internal Control Requirements

1.1. Working Environment and Employment Practices

BSCCB acknowledges that the company's employees are its most important resource and asset.

Those standards represent the overall framework of BSCCB's beliefs and the basis for the relationship between employer and employees which also reflect the standards of the International Labor Organization (ILO).

Therefore BSCCB:

- shall not use child labor,
- shall provide fair compensation and benefits complying with applicable law,
- shall not use forced labor,

- shall recognize and respect employees' right to work and to freely associate,
- shall not tolerate any kind of discrimination,
- shall provide and maintain a safe and healthy working environment for all employees,
- shall comply with applicable law regulating hours of work,
- will fully consider local populations and communities,
- shall not tolerate any form of corruption and bribery,
- shall conduct business in an environmental-friendly and responsible way.

Consistent with the Code of Basic Working Conditions, BSCCB is committed to the principle that all involved persons shall have equal access to employment, facilities, related services, and programs without regard to personal characteristics or conditions not related to perfor¬mance, competence, knowledge or qualifications. We acknowledge and promote the **positive value of diversity**.

BSCCB is committed to the principles of equal opportunity and promoting a working environment in which diversity, open feedback and communication, continuous learning and knowledge sharing is encouraged and valued. BSCCB will recruit, employ and promote employees on the sole basis of the qualifications and abilities needed for the work to be performed. BSCCB will not tolerate any discrimination or harassment based on race, religion, gender, national origin, age or any other basis prohibited under applicable law.

1.2. Environment, Health and Safety (EHS)

Respect for individual and collective health and safety is one of the imperative principles underlying all BSCCB's activities: as a result, this principle may not be breached in any corporate decision or by any employee.

The safety goal of **zero-injuries** is top priority for BSCCB at all its facilities. BSCCB pursues this goal by ensuring that its offices and manufacturing facilities are safe and in line with the highest safety standards.

BSCCB is dedicated to protecting human health, natural resources and global environment. All stages of manufacturing are required to reduce as far as technologically possible their **environmental impact**: particular emphasis is given to the application and continuing development of technologies which save energy, water, minimize the emissions, also of greenhouse gases, and adopt waste recycling strategies.

All products, which are manufactured within the supply chain, are requested to meet **environmental standards** in the respective market segment in terms of material, substances and production process. In the design and development of its products and manufacturing processes, BSCCB is committed to the research of more advanced technological solutions, aimed at reducing waste and pollutants, conserving resources and recycling materials, to promote sustainable development and minimize environmental impacts.

BSCCB fully complies with all applicable international agreements and national laws regarding the controls on **international commercial and financial transactions**, including import and export control laws. Detailed guidance and procedures for compliance with laws on international transactions can be found in GTO EK 001 "Export Control" implemented by BSCCB. BSCCB Employees involved in international operations must know, understand, and strictly comply with the applicable laws, rules, policies and procedures.

Failure to comply with these laws may result in heavy fines or the loss or restriction of BSCCB's export and import privileges which, in turn, could seriously and adversely affect a significant portion of the Company's business. Furthermore, each BSCCB Employee who violates these laws may face a personal liability, which in certain cases can include imprisonment.

1.3. Company Assets, Property and Business Secrets

Good business practice dictates the careful use and protection of company and business assets, including equipment, inventory, products, office supplies and information systems, intangible property such as software, patents, trademarks, copyrights and other proprietary and confidential information and know-how. Company assets may only be used for business purposes, and not for personal interests and gain.

In particular, proprietary and other **confidential business information** shall be protected against wrongful disclosure. BSCCB employees must take all reasonable actions to safeguard and protect confidential information and trade secrets of BSCCB or others which they have received or learned. No employee must, for non-business-purposes, disclose that information to third parties (including family members and friends) or make any other non-business use of such information.

Moreover, **proprietary rights over any knowledge** developed in BSCCB workplace belong to BSCCB, which upholds its right to use such knowledge in accordance with applicable laws.
All employees shall actively contribute, within their functions and responsibilities, to managing and safeguarding intellectual property in order to allow its developments, protection and enhancement. In doing so, they are also required to refrain from using or allowing others to use BSCCB intellectual property for personal purposes, with a view to preventing behavior that could prove prejudicial to BSCCB's industrial property or trade secrets and protecting the company's rights against infringement.

Finally, BSCCB ensures the protection of **information and personal** data concerning its employees and third parties or the ones of any stakeholder and avoids improper uses of them by limiting data access to employees who need it for business or organization purposes according to applicable laws and best practice privacy protection requirements.
BSCCB defines adequate regulations for processing of information and personal data at its locations and for storing and keeping them according to established (IT-)security measures to avoid risks of unlawful use, destruction and losses or unauthorized access or processing.

1.4. Records and internal control requirements

BSCCB will ensure and maintain accurate and complete business records, in accordance with the applicable laws, practices and principles.
All business records, including expense reports, financial statements, service records, operations and manufacturing reports, reports to auditors, and reports to government agencies, must be prepared with diligence and honesty. No false or misleading entry shall be made in BSCCB's records for any reason. No undisclosed or unreported fund or asset of BSCCB shall be established for any purpose.

Compliance with generally accepted accounting principles and established internal controls is required at all times.

2. Antitrust and Competition laws

BSCCB is fully committed to fair competition and respects the dynamics of the market. It is the policy of the company to conduct business in accordance with all applicable antitrust laws.

Although the Code cannot describe all the activities or situations, which might constitute a violation of an antitrust or competition law, the following provides an overview of the main practices, which are prohibited:

- any understanding, agreement, plan or scheme, expressed or implied, formal or informal, with any competitor regarding prices or pricing policies, terms or conditions of sale or service, production, distribution, territories or customers;
- any exchange or discussion with a competitor on prices, terms or conditions of sale or service, costs and profits, or any other competitive information;
- agreements on resale prices with distributors or dealers.

The rules related to other business activities or conduct which might result in unlawful restraints on competition, including certain vertical restraints or abuse of a dominant market position, are very complex. Therefore, each employee shall consult its Direct Supervisor whenever a transaction possibly involves a competitive restraint in any form, or if the employee will attend a trade association or other meeting where competitors may be present.

Failure to comply with any antitrust laws may lead to very severe penalties for BSCCB and the individuals involved. Corporations are subject to heavy fines and may have to pay substantial damages in civil lawsuits. In many jurisdictions, criminal provisions provide for heavy fines and imprisonment for those individuals convicted.

3. Anti-Bribery Practices

BSCCB is committed to conducting business in a transparent and compliant manner, and prohibits all forms of corruption and bribery in its business transactions. Business entertainment and gifts as well as any other benefits granted to, or received by, a business partner must be in compliance with BSCCB's Antibribery Code of Conduct.

BSCCB Employees may not offer, promise, give or authorize directly or indirectly any monetary or non-monetary benefit:

- to a governmental official or business partner,
- with the intent to improperly influence the governmental official or business partner in the performance of his/her duties,
- in order to obtain or retain a business or an advantage in the Conduct of Business, e.g. in connection with regulatory permits, taxation, customs or the award of a contract (improper advantage).

Violations of Anti-Corruption laws can lead to costly investigations, reputational damage and criminal penalties against both the company and the individuals involved. Persons found guilty of corruption face possible imprisonment as well as fines.
Third parties must not be used to circumvent any of the principles set forth in BSCCB's Anti-Bribery Code of Conduct.

Furthermore, BSCCB does not allow any Facilitation Payments.

4. Corporate Social Responsibility

BSCCB is committed to being a responsible member of the communities, in which it operates, observing sound environmental business practices and acting as concerned and responsible neighbor, reflecting all aspects of good citizenship. BSCCB recognizes the mutual benefits of engaging and building relationships with those communities.

BSCCB is committed to the principles of sustainable development.

5. External Relations

Relationships with **customers** must be aimed at achieving excellence in terms of product, service and quality, in line with the principles and values set forth in the paragraphs above. All relationships with customers must be characterized by mutual transparency and com¬pliance with market and antitrust regulations, through reliable and correct conducts and by ensuring complete and accurate information about the products and services offered. Commercial incentives must be in line with market practices and compliant with the rules imposed by BSCCB.

BSCCB's **suppliers** are considered valuable business partners and key contributors to the achievement of BSCCB goals, so that the overall business relationships must be driven based on the principles and values set forth in the paragraphs above.
Suppliers are required to observe and follow the values and principles expressed in this Code and in all BSCCB documentation dedicated to the Suppliers.
The BSCCB approach and behaviors during the stages of selection, qualification and the entire duration of the supply of goods and services are based on excellent quality and service levels, innovative product and process as well as cost competitiveness. BSCCB commits to ensure equal opportunity to any potential source of supply, in line with principles of transparency and with aim of develop cooperative and collaborative relationships with an iterative and interactive communication process for a mutual partnership.
The selection of suppliers must be based on the evaluation of the product and services, quality and competitiveness, technical and professional as well as performance adherence to specification but also on the environmental and social responsibility as stated into the BSCCB "General Supply Agreement of Purchase Direct Materials and Services".

BSCCB will comply and cooperate with all reasonable requests for information from **governmental and other authorities.** To ensure a suitable response, requests must be reviewed with the appropriate Corporate Functions. Before responding to any non-routine request, each employee shall consult with management and/or its Direct Supervisor.

Any form of payments to political parties and/or organization or representatives of the same are not permitted.

6. Conflict of Interests

Business transactions must be conducted with the best interests of, and loyalty to BSCCB in mind, and must not be motivated by personal considerations or relationships. A conflict of interests might arise when an employee takes actions and has interests that make it difficult to perform her or his duties and responsibilities to BSCCB objectively and effectively based on independent and sound judgment.

If a conflict of interests or appearance of conflict of interests develops, the employee must disclose the matter to the supervisor in order to determine what actions need to be taken to eliminate the conflict of interests.

"Compliance is, first and foremost, the individual responsibility of every employee. Every employee has the personal responsibility to understand and know this Code."

III. Whistleblowing

Management is expected to demonstrate their personal commitment to implementing the Code, and shall, through the leadership of their employees, make every effort to maintain a workplace environment that ensures compliance with the Code. It is the responsibility of the Board of Directors/Management Committee to provide an appropriate organizational structure to assure the effective implementation, and to promote the values and responsibilities of this Code. BSCCB will not tolerate any violation of any applicable laws or this Code. Failure to comply with the Code may result in disciplinary actions up to, and including termination.

BSCCB fosters an environment in which integrity issues may be raised. BSCCB Employees are encouraged to seek advice about appropriate ethical behavior, or raise any concerns regarding compliance-related matters with their supervisor, or any member of BSCCB Compliance Network (e.g. ODV, General Management, Human Resources, members of the Work Council, etc.). BSCCB Employees are encouraged and expected to disclose a case of possible violation of the Code to an appropriate person. Usually this will be their Direct Supervisor. If BSCCB Employees do not feel comfortable disclosing serious compliance matters to their Direct Supervisor, they can also make use of the whistleblowing system which has been established since 2017 to facilitate the disclosure of potential misconduct or violations.

Starting from 15th July 2023 the whistleblowing channels and the related "Whistleblowing Procedure" has been updated, introducing even more protections for the whistleblower, in accordance with the European Directive (EU) 2019/193 and its transposition in Italy with Legislative Decree No. 24/2023 and in Germany with the Whistleblower Protection Act, and in particular:

- For Italy:

The Global Central Function Internal Audit of Brembo N.V., as autonomous department with personnel specifically trained for the management of the whistleblowing channel, in the person of the *Chief Internal Audit Officer* is entrusted for the management of the internal reporting channel having the task of receiving any whistleblowing reports from everyone related to BSCCB S.p.A..

Reports can be submitted both written and oral form, including anonymously, through:

- the web platform [Legality Whistleblowing]
- the Legality Whistleblowing App Mobile.

this new platform is in place to even better guarantee, through IT and encryption tools, the obligation of confidentiality of the whistleblower, of the persons concerned and of the persons mentioned in the report as well as of the content of the report and of the related documents.

- For Germany

The German Interne Meldestelle (*Omburdsperson*), is entrusted for the management of the internal reporting channel having the task of receiving any whistleblowing reports from everyone related to BSCCB GmbH.
Reports related to breaches have to be addressed to the Interne Meldestelle (*Omburdsperson*)'s channel through:

- Verbal reports to the "Interne Meldestelle (*Omburdsperson*)";
- Ordinary mail or by hand (sealed envelope "strictly confidential" to notify to Interne Meldestelle (*Omburdsperson*) *"HSK | Service"* to the attention of Rechtsanwalt Mr. Prof. Dr. Sandmann, Steingasse 13, 86150 Augsburg (Deutschland);
- E-Mail (service@hsk-arbeitsrecht.de);

BSCCB will ensure that any form of sanction, retaliation or discrimination against any BSCCB Employee – who discloses compliance concerns in good faith – will not be tolerated, and the confidentiality of the identity of the whistleblower and of the people involved in the report will be protected to the maximum extent possible, including with IT security measures.

"Open Environment to raise any integrity issues"
"Ask us"
"Tell us"

IV. Information and Contacts

This Code of Business Conduct and Ethics defines the main areas of compliance-related business activities, and provides basic principles for legal and ethical behavior. But this Code cannot cover and answer all questions.

BSCCB Employees can ask their direct supervisor, BSCCB's management in case of doubts or questions.