



## Brembo Modern Slavery Statement

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 (“the Act”) on behalf of Brembo N.V. (“the Company”) and the subsidiary companies listed in the Annex to this statement, in respect of the financial year from January 1<sup>st</sup> 2023 to December 31<sup>st</sup> 2023. The Company is the parent of a group of companies referred to in this statement as “Brembo” or “the Group”. Brembo takes a group-wide approach to its human rights commitments.

The Company is committed to adopting, maintaining and improving systems and processes designed to eliminate slavery and human trafficking from its business and supply chains. This statement sets out the steps which the Company has and is taking to combat slavery and human trafficking.

### 1. Organization & Business, People and Supply Chain

<p><b>Organization &amp; Business</b></p>	<p>The Company, listed on the Milan Stock Exchange, is registered under Dutch Laws with business and corporate address and operative activities in Italy. The Group is a global leader and recognized innovator in brake disc technology for vehicles. It researches, designs, develops, manufactures, assembles and sells braking systems, vehicle wheels and light alloy and metal castings. It supplies high performance braking systems, as well as clutches and other components for racing to the most important manufacturers of cars, motorbikes and commercial vehicles worldwide. Guided by its Mission to become a Solution Provider and its Vision "Turning Energy into Inspiration", which drives Brembo to expand its own sphere of influence on energy management in its broadest sense, not only as component, but also as an authoritative systemist, Brembo continued to invest in a significant way in innovation.</p> <p>At the heart of the Group's strategic vision there is also a commitment to sustainability that has become a <i>modus operandi</i> within Brembo, permeating all activities, processes and products. This sustainability-driven approach is increasingly present also in the relationship with its People, with its supply chain and in the local areas in which the Group operates. In 2023, Brembo continued the implementation of its strategy within the three Pillars - Digital, Global e Cool Brand - through dedicated working groups that leverage a shared leadership and the cross-cutting competencies of all parties involved, engaging all Regions and outlining the growth direction for the forthcoming future.</p> <p>On December 31<sup>st</sup>, 2023, the Group operates in 15 countries across 3 continents, through its production and commercial sites. Manufacturing plants are located in Italy, Poland (Czestochowa, Dąbrowa Górnicza, Niepołomice), the United Kingdom (Coventry), Spain (Barcelona), Czech Republic (Ostrava-Hrabová), Germany (Meitingen), Mexico (Apodaca and Escobedo), Brazil (Betim), China (Nanjing, Langfang and Jiaxing), India (Pune) and the United States (Homer). Other companies in the Group are located in Spain (Zaragoza), Sweden (Göteborg), Denmark (Svendborg), Germany (Leinfelden-Echterdingen), China (Qingdao), Japan (Tokyo), and Russia (Moscow) carrying out distribution and sales activities, while in the United States (Sunnyvale – California) a company for software development, data science and artificial intelligence has been established.</p> <p>Furthermore, in 2024 Brembo announced the opening of its first production site in Thailand, to expand its industrial presence in the Southeast Asian Region in the field of motorcycle braking business. The new site is expected to be operational in the first quarter of 2025.</p> <p>In 2023 Brembo's consolidated net sales amounted to € 3.849.202 thousand.</p>
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<p><b>Employees</b></p>	<p>Brembo Group employees, on December 31<sup>st</sup> 2023, are 13.654 worldwide. Brembo applies robust policies and procedures concerning all Human Resources related processes. The Group promotes growth, development and the continuous strengthening of skills and competencies, believing that it is people’s knowledge and skills that determine the real competitive advantage that is useful to anticipate and overcome future challenges in an evolving, complex and strongly dynamic context, influenced by the digital and technological innovation. Aware of the strategic value of each person, Brembo works every day both to boost the sense of belonging and the motivation and to consolidate its image as a “best place to work”. This includes addressing specific training initiatives on compliance requirements, human rights principles and health and safety guidelines and procedures. In 2023 Brembo maintained its smart working rules in Italy, to promote remote working and people’s work-life balance, and continued to organize online training initiatives and online meetings. To guarantee the highest safety standards for its people, Brembo has adopted a structured approach to health and safety at workplace, which also takes into account the challenges and peculiarities linked to Group’s geographical diversification. For an effective management of these issues, the Group has implemented a special Workplace Health and Safety Policy by outlining the objectives, principles and commitments followed by Brembo, based on ISO 45001 standard.</p> <p>To ensure the full and effective implementation of the policy’s provisions, the Group voluntarily submits to regular independent third-party audits to assess if workers’ Health and Safety Management System has been effectively implemented in all manufacturing sites worldwide. Currently, 88% of Brembo’s sites are ISO 45001 certified; the certification of all such sites was confirmed for 2023 through special maintenance audits carried out by third-party institutions, from which no significant non-compliance was found. This approach is based both on verification of compliance with applicable laws and regulations in every country where the Group operates, and on promoting targeted measures to steadily improve individual and collective workplace health and safety standards. Any forms of modern slavery are part of Brembo’s Environmental, Social and Governance (ESG) risk analysis framework. So far this analysis has not identified any modern slavery risks with regards to Brembo employees.</p> <div data-bbox="395 1473 1342 1592">  <p><b>13,654</b> Employees</p>  <p><b>88%</b> ISO 45001 certified plants</p> </div>
<p><b>Supply Chain</b></p>	<p>Brembo cooperates with more than 6,900 suppliers, located in more than 15 countries throughout the world, that provide essential goods and services for Brembo’s industrial processes, including: high quality raw materials (such as ferrous scrap, aluminum, cast iron goods, binders and refining agents directly used in the Group’s foundries) that have sustainable costs and are environment-friendly, finished and semi-finished components, auxiliary production materials, services and production assets (such as machinery). The overall annual value of those goods and services is more than 2,442 million euro, in addition to about €317 million for machinery and industrial plant. The geopolitical environment and the different market conditions of recent years continued to increase the strategic importance of the supply of electricity, natural gas and raw materials such</p>

as ferrous scrap, aluminium, cast iron goods, binders and refining agents directly used in the Group's foundries.

Brembo has recognized through its Environmental, Social and Governance (ESG) risk analysis that it is in its supply chain where there is the greatest potential risk of modern slavery occurring. For Brembo, the management of the supply chain is a priority, and it is essential to ensure a responsible supply system that respects the environment, the rights of workers and local communities. These principles and values are at the basis of the supplier selection and were formally defined within the Brembo Sustainable Procurement Policy (as detailed in paragraph 2 below), which incorporates the principles applied by the Purchasing Global Central Function in the field of Sustainability within its organization and in the relationship with its supply chain.

Brembo actively promotes environment-friendly, socially responsible, and sustainable workplaces and demands that suppliers adhere to and act by the same standards, principles and behaviors on issues such as human rights, health and safety at work, environmental protection and combatting corruption. Brembo communicates clearly to its suppliers what it expects from them in terms of sustainability, and it has a defined structured process for the selection and the assessment of new suppliers and for auditing the current suppliers.

Suppliers are selected based on the quality, innovation and competitiveness of their products and services, as well as on their compliance with social and ethical standards (human rights, employees' right to work and to freely associate) and environmental standards.

Brembo regularly assesses its most important and critical suppliers against these sustainability standards with the support of a third-party specialist. Assessments incorporate the use of on-site audits and self-assessment questionnaires, as detailed in paragraph 3.



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More details about Employees and Brembo Supply Chain are available on the yearly **Brembo Sustainability Report** (<https://www.brembo.com/en/sustainability/report-and-presentations>), which was published, on a voluntary basis, for the first time in 2017 as Brembo Sustainability Report 2016.

<sup>1</sup> This includes the costs of purchasing goods and services directly involved in the manufacturing of finished products, namely purchases of: raw materials, components, semi-finished and finished products, ancillary materials and services (mostly transport, utilities, packaging and MRO). The scope of analysis was expanded to also include the provision of services not closely associated with production, such as the costs of ICT and telephony, cleaning, security and canteen services. Tax and legal advice, insurance, sponsorships, business travel, recruitment and training activities, building leases and industrial assets are excluded.

## 2. Brembo Codes of Conduct and Policies on Slavery and Human Trafficking

### ➤ **Brembo Code of Ethics**

This code sets out the behavioral standards that must be adhered to by all those who, for whatsoever reason, work on behalf of Brembo in order to support sustainable growth and protect the Group's reputation and values and ensure that it complies with all applicable laws and best practice. This code encourages understanding and respect for the diversity of the countries in which Brembo operates and spreads a true culture of integrity in the relationship with all Group stakeholders. The third edition of the Code of Ethics, approved by the Board of Directors in December 2016, is available to employees and suppliers in the local languages of the countries where Brembo operates.

### ➤ **Brembo Sustainable Procurement Policy**

By this Policy, published in 2022 in the supplier's section of the Group's website and incorporating and replacing the former Brembo Supplier Code of Conduct and Procurement Policy, Brembo wants to collect the new regulations, but above all to accompany its suppliers towards an approach to increasingly sustainable business. Brembo Sustainable Procurement Policy contains the codes of conduct that suppliers are required to apply and urges responsible, sustainable conduct, far beyond mere compliance with rules and codes. This policy was distributed to the main global Brembo suppliers, which are required to sign it and abide by it. It includes verification and audit programmes, monitoring, training sessions and corrective measures to support suppliers in a collaborative manner.

The proposed points of attention are broader than those previously applied, including climate change and IT security.

### ➤ **Code of Basic Working Conditions**

For Brembo, ensuring a fair and inclusive work environment is an essential tool to guarantee there are no episodes of human rights infringements. Introduced in 2011, the Code of Basic Working Conditions highlights Brembo's commitment to the recognition that its most important asset is the workforce in all its worldwide sites. It sets out the underlying principles assuring a respect for workers' human rights. It is inspired by the main international sources and standards, including the United Nations Universal Declaration of Human Rights, the Tripartite Declaration of Principles concerning Multinational Enterprises, the ILO's Social Policy and the Guidelines for OECD Multinational Enterprises.

This document, which expresses Brembo's attention and commitment to employee protection and local development, has enabled Brembo to involve its own supply chain in this process and disseminate its own way of doing business ethically in accordance with the values set out in Brembo's Code of Ethics. In 2019, the Code was updated to include the issues associated with human trafficking and modern slavery.

### ➤ **Policy on Non-discrimination and Diversity**

Through this policy, which has been revised and integrated with the Brembo Charter on Diversity, Equity and Inclusion (Brembo DEI Charter) in 2022, Brembo aims at maintaining a respectful working environment and actively stands up against any discrimination based on gender or gender reassignment and sexual orientation, ethnicity, belonging to minority, political opinions and religious beliefs, social origin, civil status, family status, disability any other personal condition. In particular, Brembo undertakes to ensure that people shall have equal access to employment, facilities, services and programs only according to their knowledge, qualifications, competences, performance and motivation and not with regards to other personal conditions.

Brembo acknowledges and promotes the positive value of diversity and takes a zero-tolerance approach to any form of discrimination such as harassment (including gestures, language, posture and physical contact). It is our goal to contribute positively to the success of the Company by promoting a diverse and inclusive workplace which supports an engaged high-performance culture. The Policy seeks to promote a more diverse, inclusive and representative workforce whilst ensuring that the best qualified, skilled and experienced people are attracted, hired, developed and retained. From prevention and protection against all forms of discrimination to initiatives aimed at enhancing diversity and guaranteeing inclusion is

Brembo ongoing mission. Brembo DEI Charter (Diversity, Equity and Inclusion) explains in a nutshell the principles and meaning of inclusiveness in Brembo by suggesting a few virtuous behaviors to adopt every day.

➤ **Suppliers contractual clauses**

Brembo has progressively introduced contractual requirement on suppliers to comply with its Code of Ethics, Suppliers Code of Conduct and other Codes of Conducts and Policies from time to time issued by Brembo and available on its website. If a supplier fails to follow these requirements, Brembo can require the supplier to implement a corrective action plan, which is then verified through audit activities, and reserves the right to suspend or terminate the business relationship.

➤ **Stakeholders Engagement Policy**

On December 19th, 2023 the Board of Directors of Brembo approved the new Stakeholder Engagement Policy, which thoroughly defines how Brembo identifies its stakeholders and which are the main feedback/engagement channels and responsibilities. The purpose of this Policy is to provide a general framework for the dialogue between the Group and its stakeholders, employees and suppliers included, focusing specifically on the sustainability aspects of the Group's strategy and its implementation. The Group believes that engaging with its stakeholders to understand their interests and views is important to realize a growth strategy focused on sustainable long-term value creation.

➤ **Whistleblowing channels**

Brembo has always kept whistleblowing channels for the timely reporting, by all employees and third parties, on a confidential basis and without fear of reprisal, of any non-compliance and irregularity concerning the Brembo Codes of Conduct and Policies. During 2023, Brembo N.V. and its EU subsidiaries (where applicable) implemented a new global Whistleblowing system aimed at guaranteeing, through computerized modes and encryption tools, greater protection towards the reporter, the people involved and the content of the report, to comply with the EU Directive 2019/1937 and with the national legislation implementing the abovementioned Directive.

Brembo's whistleblowing tool adheres to the following principles: assurance of anonymity and confidentiality of the reporting person, adequate protection against bad faith reports, consideration of anonymous reports only if appropriately detailed and supported by facts.

With regard to reports concerning Brembo's subsidiaries, the reporter may choose to send the report directly to the parent company Brembo N.V. or, if it exists, to the local internal channel regulated by specific procedure.

### 3. Assessment processes in relation to slavery and human trafficking

Brembo's due diligence processes include actions to safeguard against human rights abuses in any part of its business and in its supply chain.

➤ **Supply Chain**

For Brembo, supply chain management is a priority and is essential to ensure responsible suppliers, with a focus on environmental protection and the rights of workers and local communities. For this reason, the Group has defined over the years a structured supplier management process that aims to promote the development of stable relations with its partners, as well as to ensure continuous innovation, improvement of the quality and of the sustainability within its supply chain.

Such process can be summarized as follows:

**Clear communication of what the Group expects from its suppliers.** Considering the complexity of the business in which Brembo operates, the Group clearly communicates to its business partners the standards that Brembo requires, not only in terms of product quality and service and proper environmental management, but also in terms of appropriate

working conditions and human rights. Brembo requests its suppliers to sign Brembo Sustainable Procurement Policy declaring that they have adopted appropriate measures to safeguard workers' rights, employee's health and safety, counter corruption and minimize risks to the environment. The Sustainable Procurement Policy has become even an integral part of the new General Terms and Conditions of Purchase Direct Materials and Services (GTCoP), which were updated and released in a new revision in 2023. The Sustainable Procurement Policy has already been signed by over 800 of the total active suppliers.

**Supplier selection and assessment.** Before awarding business to a new third party, Brembo requires suppliers to register onto "Brembo Supplier Portal" (a tool implemented in 2019 and further consolidated in 2020 to facilitate the exchange of information and documents with Brembo's suppliers) and to complete a pre-assessment questionnaire which includes also a dedicated section for checking sustainability parameters. The questionnaire also includes a CSR section, intended to assess aspects relating to safeguard workers' rights, counter corruption and minimize the risks for the environment. During 2023, 6 new "relevant" <sup>2</sup> suppliers (constituting 5,36% of the new suppliers activated during the year) were selected and activated taking into account criteria of environmental and social nature, by filling in the pre-assessment questionnaire. This first analysis phase enables Brembo not to establish commercial relationships with suppliers who do not comply with the minimum requirements and allows it to identify in advance any critical issues regarding new potential suppliers and to implement corrective actions. In addition to the new suppliers falling within the above characteristics, Brembo also subjects to a sustainability assessment all suppliers that become relevant during the year. Once the pre-assessment and approval process has been completed, the supplier becomes part of the supplier base to which Brembo can award orders.

In order to adhere to the most established international standards on sustainability due diligence throughout the entire supply chain, Brembo, in 2023, has set up a digital platform using an external service provider, in order to complete an ESG assessment questionnaire. This questionnaire, based on the SAQ 5.0 model, is defined as part of the Drive Sustainability initiative promoted by the world's leading OEM Automotive manufacturers, and will allow Brembo to adhere to the sustainability guidelines applicable to its supply chain, while also promptly complying with emerging regulations and with the most consolidated international standards regarding sustainability due diligence.

In 2023, more than 350 suppliers were invited to register in such digital platform. In the future, this activity will allow Brembo to extend the process to all new potential suppliers of relevant categories and to monitor suppliers' performances over time.

Brembo regularly carries out audit campaigns with the specific goal of assessing compliance with the sustainability standards mandated by the Group. Brembo has in place, starting from 2018, a Procedure for Managing CSR Audits which defines the policy for selecting suppliers involved in audits, the processes for managing third party-audits, related follow ups and any corrective actions. The parameters for selecting suppliers involved in CSR audits are: (i) the country of origin of the supplies, (ii) the turnover with the Brembo Group, (iii) the type of production process (with a particular focus on environmental and safety risks) and (iv) the results of any previous sustainability assessments.

Sustainability assessments are performed by specialized third parties through audit at the supplier's site, during working hours.

The aim of the third-party audits and self-assessment questionnaire is to identify critical factors affecting areas such as: working conditions, related remuneration and working hours, health and safety and the environment. The supplier that doesn't reach an acceptable score is required to develop a corrective action plan, which is then monitored by Brembo. In the event of a recovery plan not being prepared or put into effect, Brembo reserves the right to suspend and/or terminate

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<sup>2</sup> Relevant Suppliers are those suppliers that belong to certain merchandise categories or that entertain with Brembo a business exceeding specific thresholds for each company of the Group.

in advance any commercial relationship and to seek compensation for loss, damage, expense or other costs incurred by Brembo which may result from breach and/or conduct by the supplier.

To date, Brembo has involved 140 suppliers in sustainability-related audits, 23 of which in 2023 as on-site audits, covering 78,2%<sup>3</sup> of direct material relevant suppliers purchases value. Among these, 4 suppliers were identified as having significant negative environmental and social impacts, both potential and actual. Brembo has not discontinued collaboration with such suppliers, but improvement actions have been agreed in order to accompany such suppliers towards an increasingly sustainable approach to business.

**Development and building capacity.** The Group supports suppliers in improving continuously their performances and strengthening their innovation capacity. For this reason Brembo promotes opportunities for suppliers' development through collaborative initiatives that foster direct discussion and sharing of best practices.

#### ➤ **Dedicated resources and self – assessment**

Brembo has resources in different Company's areas, that are also addressing risks in the field of modern slavery and ensuring that appropriate measures are taken to assess, manage and minimize risk.

Brembo Group Companies are also periodically requested to self-assess against Brembo policies, procedures and standards in terms of Corporate Social Responsibility.

Furthermore Brembo is periodically subject to sustainability audit by its clients and by third parties as well as for Report Assurance Purposes.

## 4. Monitoring of Effectiveness

The Group employees are the eyes and ears of Brembo's business with respect to the risks of modern slavery occurring in the business or in the supply chains.

The ongoing training of Brembo employees on topics related to ethical practices and on procedures and policies is therefore essential to the monitoring of the Group's risks in this area as are any reports made by employees or third parties via whistleblowing channels. However, Brembo also continues to monitor the effectiveness of this approach to these risks through the results of the due diligence and audits carried out on suppliers. To date no incidences of modern slavery in Brembo supply chain have been identified and it has not been necessary to terminate any supplier contracts as a result of a breach of human rights.

## 5. Training

Brembo disseminates to all employees the principles established in its Code of Ethics and in the main Code of Conducts and Policies and the values of good governance. Employees worldwide regularly receive training on ethics and compliance and are therefore aware of the need for them to be vigilant of the risks of modern slavery occurring in our business and supply chain. Training also focuses on how to report any concern employees may have.



**3,090**

Brembo's employees  
trained on the Code  
of Ethics in 2023



over  
**350,000**

Training hours  
provided in 2023

<sup>3</sup> This activity is focused on Relevant Direct Suppliers which cover at least 80% of the purchasing turnover in three organizational areas: Commodity, Region, Global Business Units. Relevant Direct Suppliers are 223 in 2023. The list of Relevant Direct Suppliers is updated on a yearly basis according to the turnover of the previous year.

## 6. Next Steps

During the course of the next financial year Brembo aims at consolidating and enhancing the processes already set up and continuing with its monitoring and third parties assessment activities.

As regards the new established company Brembo Thailand Ltd., the plant construction works are already managed according to Brembo supply chain standards and tools: once it will become operational in 2025, all Group codes and policies will be applied.

On 24 April 2024 the Cross-Border Conversion, approved by the General Shareholders' Meeting held on 27 July 2023, has become effective: the Company's registered office has been transferred to The Netherlands, adopting the legal form of a public company with limited liability N.V. (*naamloze vennootschap*), governed by the laws of The Netherlands, retaining its tax residence in Italy and maintaining its shares listed on Borsa Italiana's Euronext Milan ("Euronext Milan").

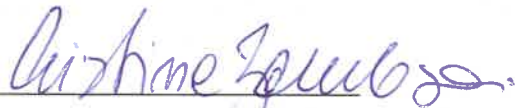
With the effectiveness of the Cross-Border Conversion, in 2024 Brembo has planned to update its Policy on Non-discrimination and Diversity in order to comply with Dutch Law and with the requirements set forth in the Dutch Code of Corporate Governance.

Furthermore, Brembo has planned to update its Code of Ethics during 2024.

## 7. Approval of this Statement

This statement was approved by the Board of Directors of Brembo N.V. on 9<sup>th</sup> May 2024.

**Brembo N.V.**

A handwritten signature in blue ink, appearing to read 'Cristina Bombassei', is written over a horizontal line.

*On behalf of the Board of Directors*

Cristina Bombassei

*Executive Director & Chief CSR Officer*

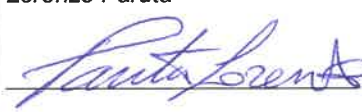


**ANNEX**


Approval of the Modern Slavery Statement in respect of the financial year from January 1<sup>st</sup> 2023  
to December 31<sup>st</sup> 2023 by

COMPANY NAME	FINANCIAL YEAR	DATE ON WHICH STATEMENT APPROVED BY BOARD	SIGNATURE OF DIRECTOR
<b>Brembo Czech s.r.o.</b>	2023	15.05.24	<i>Maurizio Villa</i> <u>Maurizio Villa</u>

Approval of the Modern Slavery Statement in respect of the financial year from January 1<sup>st</sup> 2023  
to December 31<sup>st</sup> 2023 by

COMPANY NAME	FINANCIAL YEAR	DATE ON WHICH STATEMENT APPROVED BY BOARD	SIGNATURE OF DIRECTOR
<b>Brembo Poland Sp.zo.o.</b>	2023	15.05.24	<i>Lorenzo Paruta</i> 

Approval of the Modern Slavery Statement in respect of the financial year from January 1<sup>st</sup> 2023  
to December 31<sup>st</sup> 2023 by

COMPANY NAME	FINANCIAL YEAR	DATE ON WHICH STATEMENT APPROVED BY BOARD	SIGNATURE OF DIRECTOR
<b>Qingdao Brembo Trading Co.Ltd..</b>	2023	15.05.24	<i>Bogdan Bereanda</i> 

Approval of the Modern Slavery Statement in respect of the financial year from January 1<sup>st</sup> 2023  
to December 31<sup>st</sup> 2023 by

COMPANY NAME	FINANCIAL YEAR	DATE ON WHICH STATEMENT APPROVED BY BOARD	SIGNATURE OF DIRECTOR
<b>J.JUAN S.A.U.</b>	2023	30.05.24	Giuseppe Micheletti 