3.

SUSTAINABILITY STATEMENT

Dear Stakeholder,

I am pleased to confirm that in 2025 as well Brembo N.V. reaffirms its support to the 10 United Nations Global Compact Principles in the areas of Human Rights, Labour, the Environment and Anti-corruption.

In this annual report on the achievements made, we disclose our ongoing commitments to integrating the 10 Principles into our Company's strategy, culture and daily activities, as well as to contributing to the United Nations' goals, in particular the Sustainable Development Goals.

Daniele Schillaci
Chief Executive Officer, Brembo N.V.

BREMBO AND THE UN GLOBAL COMPACT

Since 2021, Brembo N.V. has been a participant in the United Nations Global Compact, the world's largest strategic corporate citizenship initiative.

This initiative was established to promote a sustainable global economy that respects human and labour rights, environmental protection, and anti-corruption principles. Promoted by former UN Secretary-General Kofi Annan, more than 25,000 companies from over 160 countries have joined the Global Compact, creating a new model for global collaboration.

The UN Global Compact requires companies to share, support, and apply a set of fundamental principles on human rights, labour standards, environmental protection, and anti-corruption within their sphere of influence.

By participating in this initiative, Brembo N.V. has joined a universal network of companies with a long-term strategic vision, oriented towards promoting a culture of sustainability, innovation, and transparent reporting. The Global Compact provides an opportunity to share strategies and good business practices, utilise ESG-related management tools and resources, and participate in specific working groups.

Further strengthening its commitment, Brembo N.V. continues as a founding member of the UN Global Compact Network Italy, actively supporting the Foundation's objectives and participating in its institutional activities and initiatives.

Recognising the growing importance of sustainability and the value of collaborative action, in 2025 Brembo N.V. deepened its international engagement as the United Nations Global Compact celebrates its 25th anniversary, taking part in high-level dialogues to accelerate impact across the value chain and advance the SDGs.

During 2025, Brembo N.V. strengthened its presence by participating in the UN Global Compact Network UK Annual Summit in London, and by contributing to the National Forum 'Italian Business & SDGs' in Naples, reinforcing its role in advancing the Agenda 2030 at both global and national level.

In addition, the Company joined the 2025 Working Group on Sustainable Procurement to foster the integration of environmental and social criteria into purchasing practices across the supply chain, in line with SDG 12 and SDG 8.

Brembo N.V.'s participation in the Global Compact testifies to its long-standing commitment to sustainability, which over the years has increasingly focused on numerous fronts, and to its adherence to the 17 Sustainable Development Goals defined by the UN 2030 Agenda.

WE SUPPORT
UN GLOBAL COMPACT

SUSTAINABILITY HIGHLIGHTS

ENVIRONMENT

-23.97 %
Emissions of CO2 per cast tonne[1] compared to 2024
In 2024, -13.74% compared to previous year

92%
Recycled waste
93% in 2024

100%
ISO 14001 environmentally certified plants[2]
100% in 2024

88%
Electricity coming from renewable sources
83% in 2024

93%
ISO 50001 energy certified plants[3]
77% in 2024

SOCIAL

326,990
Training hours provided in 2025
More than 339,000 in 2024

14,739
Employees
14,348 in 2024

90.42%
Local supplies: supply from suppliers located in the same geographical areas where the Group operates[4]
90.45% in 2024

80.74%
Suppliers of direct materials that since 2015 have been involved in social and environmental audits
78.88% in 2024

GENDER EQUALITY
Certification[5]
Confirmed in 2025

GOVERNANCE

23,815
Attendees to Business integrity, Code of Ethics, Personal Data Protection and Information Security related training courses[6]
16,864 in 2024

63.64%
Members of the BoD with ESG-related skills
54.54% in 2024

83.33%
Board's gender diversity ratio[7]
83.33% in 2024

100%
ISO 27001 certified sites[8]
100% in 2024

8
Annual meetings of the Audit, Risk and Sustainability Committee (ARSC)
10 in 2024

1 Scope 1 and market-based Scope 2 emissions, generated by foundries/gross tonnes of molten cast iron and molten aluminium (BSCCB S.p.A. included).
2 The plants failing within the ISO 14001 certification scope are operating industrial plants or plants that have been part of the Group for at least two years.
3 The plants failing within the ISO 50001 certification scope are operating industrial plants or plants that have been part of the Group for at least two years and with energy consumption exceeding 5,000 GJ.
4 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 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.
5 For Brembo N.V.
6 In calculating the number of people trained on Business integrity, Code of Ethics, Personal Data Protection and Information Security, a person is counted multiple times if they receive training on different topics.
7 The Board's gender diversity is calculated as: (Total number of female members / Total number of male members)*100.
8 The ISO 27001 certified sites are the Italian sites of Brembo N.V. (Curno, Mapello and Stezzano), La.CAM. S.r.l., Brembo SGL Carbon Ceramic Brakes S.p.A., Brembo Poland Sp. Z.o.o. production hubs, Brembo Czech S.r.o., Brembo North America Inc., Brembo México S.A. de C.V., Brembo Nanjing Brake Systems Co. Ltd., Brembo (Nanjing) Automobile Components Co. Ltd., Brembo Huilian (Langfang) Brake Systems Co. Ltd. and Qingdao Brembo Trading Co. Ltd.

Data improving.

GROUP SUSTAINABILITY PLAN

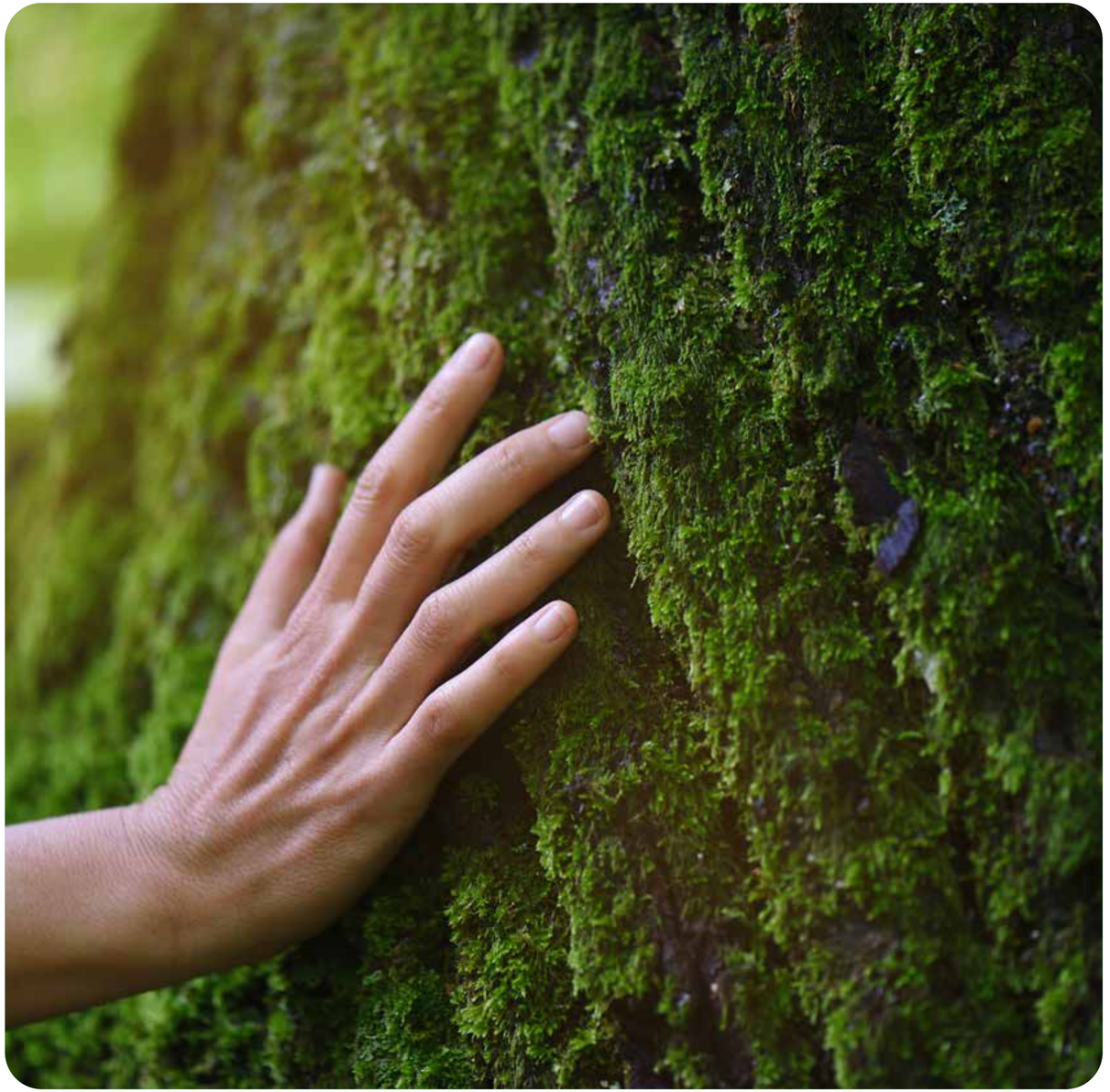
An excerpt of the Group sustainability plan "Turning Sustainability into Action" is reported below.

	BASELINE	STATUS 2025	TARGET
NET ZERO (SCOPE 1+2) Achieve net zero emissions at Group level (Scope 1+2)	**2020** 372,491 tCO2e	**-52% (179,309 tCO_2e)**	- 42% **by 2030** - 90% **by 2040**
NET ZERO (SCOPE 3) Achieve net zero emissions at Group level (Scope 3)	**2020** 1,682,726 tCO2e	**-10% (1,508,672 tCO_2e)**	- 42% **by 2030** - 90% **by 2040**
RENEWABLE ENERGY Percentage of renewable energy	**2020** 43%	**88%**	70% **by 2025** 100% **by 2030**
RECYCLED WASTE Percentage of recycled waste as proportion of total waste generated	**2022** 85%	**92%**	90% **by 2025** 95% **by 2030**
INCIDENT RATE Continuous reduction of the incident rate	**2022** 3.63*	**- 28% (2.60)**	**on baseline**
	2024 2.33*	**+11% (2.60)**	-10% YOY **annual**
GENDER IN MANAGEMENT Representation of each gender in the cluster of Management	**2024** 17% women; 83% men	**18.7% women; 81.3% men**	>20% **2028**
GENDER IN EXECUTIVE DIRECTORS Representation of each gender in the cluster of Executive Directors	**2024** 25% women; 75% men	**25% women; 75% men**	At least 25% upon renewal of the Board of Directors **2026**
GENDER IN NON-EXECUTIVE DIRECTORS Representation of each gender in the cluster of non-Executive Directors	**2024** 57% women; 43% men	**57% women; 43% men**	At least 40% upon renewal of the Board of Directors **2026**
SUPPLIERS' CO_2 EMISSIONS DATA COLLECTION Ensure third-party validation of "carbon relevant"** suppliers' primary emissions data related to Brembo's production, enhancing the reliability of Brembo's Scope 3 emissions calculation	**2023** 41% validation rate of Brembo's "carbon relevant" suppliers' data	**86%**	Achieving and maintaining a validation rate of "carbon relevant" supplier's emissions data above 75% **2030**
LOCAL FOR LOCAL INDEX Prioritise localised supply chains where Brembo has production sites	**2020** 87% local for local index	**90.42%**	Ensuring that the local for local index is maintained at over 85% **2030**
THIRD-PARTY SUPPLY CHAIN MONITORING THROUGH SELF-ASSESSMENT QUESTIONNAIRES Extend the third party self-assessment questionnaire to cover significant portion of direct supplier spend	**2024** 77% coverage of direct suppliers spend	**85%**	85% coverage of direct supplier spend **2030**
THIRD-PARTY SUPPLY CHAIN MONITORING THROUGH ON-SITE AUDITS Extend the ESG assessment and monitoring of the supply chain	**2020** 70% turnover of relevant direct material suppliers	**80.74%**	Achieving 80% turnover of relevant direct material suppliers **2026**

* Recalculated according to ESRS. For further details on the status and target, please refer to paragraph S1-14;
** Around 300 suppliers

3.1 ABOUT THIS REPORT

ESRS 2



ESRS 2

BP-1 | BP-2 BASIS FOR PREPARATION

The Brembo 2025 Sustainability Statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) - November 2025, developed by the European Financial Reporting Advisory Group (EFRAG). This Statement is presented on a consolidated basis, with a reporting boundary aligned to that of the Consolidated Financial Statements as of 31 December 2025. This Statement covers the period 1 January 2025 to 31 December 2025. Accordingly, the scope of the Sustainability Statement does not include the companies valued using the equity method and the following entities due to the non-operative nature:

BREMBO POLAND MANUFACTURING SP.ZO.O.
BREMBO POLAND HERATECH SP. ZO.O.

Therefore, data and information relating to Brembo SGL Carbon Ceramic Brakes S.p.A. (Stezzano) are incorporated only into the E1-6 and S1-14 metrics required by the ESRS and disclosed in this Sustainability Statement, in line with the ESRS Implementation Guidance IG 2 - Value Chain, which clarifies the determination of reporting boundaries. Within the reporting scope, there are no companies that are subject to the regulatory obligation to prepare an individual Sustainability Statement for the financial year 2025.

The content of the Statement has been defined based on the outcomes of the double materiality assessment to ensure as complete a representation as possible of relevant information, delineating environmental and social priorities and associated timeframes to enable a thorough evaluation by stakeholders. The double materiality assessment described in the section "IRO-1 Double materiality assessment" was conducted with consideration of the Group's value chain and it encompasses activities undertaken directly by Brembo as well as those performed across upstream and downstream operations. For a comprehensive description of the Group's value chain, please refer to the subsequent section "SBM-1 Strategy, business model and value chain".

Where feasible, the qualitative and quantitative disclosures presented in the Sustainability Statement extend to the Group's upstream and downstream value chain in compliance with ESRS 1.

Brembo has not made use of the exemption provided under Articles 19a and 29a of Directive 2013/34/EU, which allows undertakings to omit information regarding imminent developments or ongoing negotiations. Brembo has also not exercised the option to omit specific information relating to intellectual property, know-how, or innovation outcomes.

This document marks the second year of reporting under the European Sustainability Reporting Standards (ESRS). It maintains the structure introduced last year while incorporating updates and refinements compared to the previous report. In 2025, whistleblower disclosure protection was included for the first time compared to prior periods. In addition, no events or circumstances materially affected the Group's sustainability performance in 2025. It should also be noted that no significant errors have been identified with regard to prior reporting periods. With regard to Scope 3, in 2025 the Group refined its methodology and more accurate emission factors were considered for the Scope 3 category. For further details, see the section - Gross Scope 1, 2, 3 and total GHG Emissions.

In its Sustainability Statement, Brembo does not include information arising from other legislation that requires disclosure beyond what is prescribed by ESRS.

To avoid repeating information already presented in other sections of the Annual Report or in other documents, the ESRS allow incorporation by reference, provided that specific conditions are met. For fiscal year 2025, Brembo did not use incorporation by reference to documents external to the Annual Report. Any cross-references to other sections of the Annual Report are provided solely to facilitate review and deeper exploration of specific topics.

For the purpose of sustainability reporting, the time horizons have been defined in accordance with the ones established by Brembo's Enterprise Risk Management (ERM) evaluation processes and adopted in the Financial Statements. Brembo defines the short-term time horizon as less than one year from the current reporting period; the medium-term extends from the end of the short-term up to five years; and the long-term covers periods exceeding five years.

The information presented in the Sustainability Statement complies with the qualitative characteristics outlined in Appendix B of the ESRS 1 standard, namely: Relevance, Faithful Representation, Comparability, Verifiability, and Understandability. Where necessary, any estimates related to value chain considerations and sources of uncertainty are described in the relevant sections, including any estimates used in calculating the required metrics. In line with ESRS 1, the metric that incorporates estimates based on indirect sources is the Scope 3 GHG inventory, which is subject to uncertainty, as part of the data is estimated using recognized secondary sources (e.g., LCA databases such as Ecoinvent and emission factors published by authoritative bodies, such as the EPA). Reliance on such data entails higher uncertainty and limited accuracy, as industry averages are applied in the absence of supplier-specific data. To improve accuracy and mitigate uncertainty, Brembo will continue to carry out rigorous due diligence on suppliers' primary data and will expand the collection of primary data from any future key suppliers.

Brembo has applied the phase-in provision in accordance with the ESRS 1 Appendix C, not reporting information prescribed by S1-11, S1-12, S1-15, E1-9, E2-6, E3-5, E4-6 and E5-6, while information prescribed by S1-7, S1-8, S1-13 and S1-14 has been reported despite being phased in. Finally, Brembo has not defined metrics beyond those explicitly required by the ESRS. The Group is committed to defining specific metrics for identified material IROs not covered by an ESRS metric and to their periodic monitoring, particularly for topics regarding S2 *Workers in the value chain*, S3 *Affected communities*, S4 *Consumers and end-users*.

GOV-1 | GOV-2 BOARD OF DIRECTORS AND COMMITTEE STRUCTURE

Brembo has adopted a one-tier board structure in accordance with Dutch law, with a Board of Directors consisting of Executive Directors and Non-Executive Directors. Based on the Board Profile and in line with the policy on non-discrimination and diversity and relevant targets, Brembo's Board of Directors (BoD) includes 4 executive and 7 non-executive members of whom 5 are female and 6 are male. This results in a gender diversity

ratio of 83.33%[9], while the percentage of independent Board members is 55%.

It should be noted that the current Board of Directors has been appointed on 20 April 2023, and the Cross-Border Conversion occurred in 2024 did not result in any changes to such Board, which will remain in office until the end of the annual general meeting to be held in 2026.

The BoD is tasked with overseeing impacts, risks, and opportunities[10].

- MATTEO TIRABOSCHI – Executive Chairman
- DANIELE SCHILLACI - Chief Executive Officer
- CRISTINA BOMBASSEI – Executive Director
- ROBERTO VAVASSORI – Executive Director
- MANUELA SOFFIENTINI – Independent Director
- ELISABETTA MAGISTRETTI – Independent Director
- ELIZABETH MARIE ROBINSON – Independent Director
- GIANCARLO DALLERA – Independent Director
- GIANFELICE ROCCA – Independent Director
- UMBERTO NICODANO – Non-Executive Director
- MICHELA SCHIZZI – Independent Director

Brembo has no representative of the workers in the Board of Directors.

To strengthen the Board's competencies in sustainability-related matters, and in the sectors, products, and geographic areas material to the Company, Brembo organized a series of in-depth sessions within Board and Committee meetings, which are summarized in the table below.

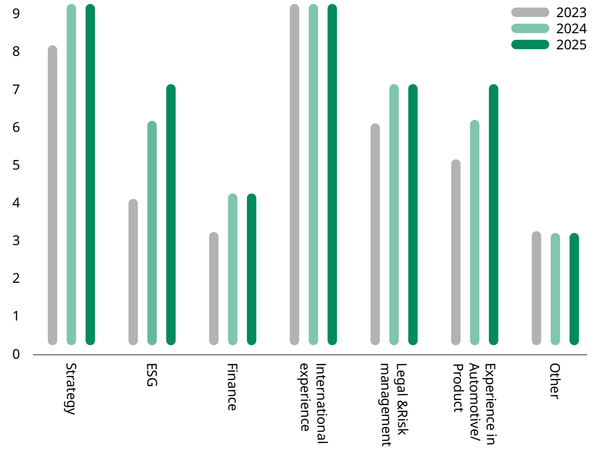
Table 1

Induction Session	Recipients	Date	(ESRS 2 GOV-1;21c,23a ESRS G1 GOV-1;5b) Activities Description
Remuneration and Appointment Committee	Members of the Remuneration and Appointment Committee	July 2025	Principles of the UE Directive 2023/970 on Pay Transparency Audit
Audit, Risk and Sustainability Committee	Members of the Audit, Risk and Sustainability Committee and Supervisory Committee	February, October, and December 2025	Cybersecurity system and compliance with the EU Directive 2022/2555 "NIS 2". Artificial Intelligence (AI) Act (Reg. EU 2024/1689). 2025 Amendments to the Dutch Corporate Governance Code – VOR. EU CSRD and CSDDD Directives and Omnibus and EFRAG reporting standards.
Induction for the BoD (follow-ups during Board meetings)	Executive and Non-Executive Directors	March, May, June, July, November 2025	Automotive market performance and outlook. Update on new crimes introduced by Legislative Decree No. 231/2001. Artificial Intelligence (AI) Act (Reg. EU 2024/1689).

In addition, for the Directors the Company arranged a special meeting on geopolitical issues, chaired by the Chairman of the ISPI Scientific Committee, Paolo Magri.

Alongside the specific competencies listed in the table above, a short professional profile of each Director, with his/her personal and professional features, is included in the governance report section of the Annual Report and is also available on the Company's website[11].

Furthermore, the members of the Board of Directors were surveyed to identify the skills they have acquired since 2023. The results, illustrated in the graph below, indicate an increase over time also in "ESG" skills declared in 2025 by seven Board Members.



The Board of Directors, with the support of the Audit, Risk and Sustainability Committee, is responsible for defining the general Guidelines of the Internal Control and Risk Management System (ICRMS), to ensure that the main impacts, risks and opportunities pertaining to Brembo N.V. and its subsidiaries are properly identified, and adequately measured, managed and monitored. The BoD is informed annually about and approves the Double Materiality Analysis — which is the methodology used to

9 The Board's gender diversity is calculated as an average ratio of female to male board members.

10 For more information regarding the role of the BoD and other supervisory bodies, please refer to G1 GOV-1.

11 www.brembogroup.com: Governance, Governing boards and committees.

identify Brembo's material sustainability topics — and is involved in setting IRO targets. During this process, the Board is informed about the Group's IROs. In addition, the Executive Directors are responsible for defining additional policies to effectively implement the Guidelines for the Brembo internal control and risk management system, drawing on best practice models. These policies are approved by Top Management and reported to the Audit, Risk and Sustainability Committee, which supports the Board on internal control and risk management issues, including those relevant from a sustainability perspective.

The Executive Director in charge of the Internal Control and Risk Management System (ICRMSD) is tasked with identifying the main corporate risks by implementing Risk Management Guidelines and verifying their adequacy. In addition to supervising the risk mitigation actions implemented by the competent management. The Managerial Risk Committees are convened to address emerging risks and enhance risk governance, monitoring and reporting risks to the Audit, Risk and Sustainability Committee, the Board of Directors and the Supervisory Committee. The Chief Sustainability & Risk Officer designs and oversees the Group risk management framework, supporting Risk Owners, and acting as facilitator in crisis management.

The Board of Directors has defined the key roles and responsibilities within the Internal Control and Risk Management System (ICRMS). The ICRMS encompasses, according to their respective duties, the Administrative Bodies (Board of Directors, Audit, Risk and Sustainability Committee, Executive Directors, and particularly the ICRMSD), External Auditors, Supervisory Committee, Internal Audit GCF, Sustainability & Risk GCF, and other roles and functions with tasks related to internal control and risk management. These roles are organized based on the company's size, complexity, and risk profile.

The Audit, Risk and Sustainability Committee and the Supervisory Committee report to the BoD at least every six months, and in any event, when the Annual Report and Half-Year Report are approved, on the activities performed and on the adequacy of the ICRMS, including: (a) methods used to assess the effectiveness of the design and operation of the internal risk management and control systems; (b) methods used to assess the effectiveness of the Company's internal and external audit processes; (c) material considerations concerning the Company's financial and sustainability reporting; and (d) how material risks and uncertainties referred to in the Board of Directors' report have been analyzed and discussed, along with the most important findings of the Committee. The Audit, Risk and Sustainability Committee supports the Non-Executive Directors' decision-making regarding the supervision of the integrity and quality of financial and sustainability reporting and the effectiveness of internal risk management and control systems; it supports the Board of Directors in monitoring the design, implementation and management of the ICRMS, examines the reports submitted by the ICRMSD and the Chief Internal Audit Officer at the time of approving the Financial Statements; and, on the basis of the activities performed, confirms its opinion on the adequacy of the System through specific reports presented to the Board by the Committee Chairwoman. The Audit, Risk and Sustainability Committee periodically discusses with the Board the effectiveness of internal risk management and control systems and receives support from the Internal Audit GCF in examining the reports received.

Management is responsible for the effective implementation of the ICRMS within their areas, achieved through the collaboration and active contribution of all employees and partners, thereby creating economic and ethical value for the Company. To implement the ICRMS Guidelines, the Executive Director in charge has established the "Policies for the Management of the Internal Control and Risk Management System". These policies outline the integrated structure for identifying and managing the Company's main impacts and risks associated with Brembo's strategy and activities. The System is designed considering the organizational structure, legislative and regulatory framework, and best practices. This approach ensures continuous information flow among the parties, promoting efficiency and integration. To enhance efficiency and minimize overlaps, specific coordination procedures are in place among the different parties involved. In this regard, the ICRMSD, the Chief Executive Officer, the Chief Internal Audit Officer, the Chief Administration & Finance Officer, the Chief Sustainability & Risk Officer participate regularly in the work of the Audit, Risk and Sustainability Committee. Coordination is ensured through constant information flow, joint meetings on ICRMS-related issues, dissemination of Internal Audit GCF reports, and circulation of minutes and reports from the Chairwoman of the Audit, Risk and Sustainability Committee to the Supervisory Committee.

Brembo has implemented an Enterprise Risk Management ("ERM") framework within its Internal Control and Risk Management System, which delineates the procedures and the responsibilities that corporate functions and business units shall follow to identify, assess, manage, and monitor Brembo's strategic, operational, legal, compliance, financial and reporting risks. Risks are monitored in monthly meetings where results, opportunities, risks, and mitigation strategies are analyzed for each business unit and geographical area. Internal Audit GCF evaluates on a regular basis the effectiveness and efficiency of the ICRMS and reports the results to the Executive Chairman, the Chief Executive Officer, the Audit, Risk and Sustainability Committee and the Supervisory Committee of Brembo N.V., with reference to specific risks connected with compliance with Legislative Decree No. 231/2001; on an annual basis, it also reports to the Board of Directors.

In May 2025, the BoD approved the Risk Appetite Framework and the update of the Guidelines on the Internal Control and Risk Management System, prepared in accordance with the Dutch Corporate Governance Code and best practices. The Guidelines for the Brembo internal control and risk management system were updated to reflect changes in Brembo's governance model following the cross-border transformation of Brembo N.V., the adoption of the Dutch Corporate Governance Code, and various organizational updates. Brembo's Risk Appetite Framework (RAF) establishes the risk appetite for 17 categories of company risk and defines quantitative tolerance thresholds for certain financial risks. The RAF is an integral part of the Internal Control and Risk Management System (ICRMS) and is attached to the Guidelines. It is a strategic tool to ensure that the risks taken are in line with the company's long-term objectives. Brembo's risk appetite is assessed using various metrics and varies by type of risk and potential impact on objectives. The company accepts risks aligned with strategic objectives, avoiding or minimizing those that could compromise its reputation or financial stability. The document also describes RAF governance, providing for an annual review process approved by the BoD and an escalation process to manage any breaches, ensuring constant monitoring through internal audits conducted by Level II and Level III functions (Internal Audit GCF) and annual updates. There is also an escalation process for bringing credit issues to attention at regular meetings of the Business Management Committee.

During 2025, the Audit, Risk and Sustainability Committee had the opportunity to examine the amendments to the Dutch Corporate Governance Code on this matter and assessed their consistency with the ICRMS designed by the company and its effectiveness and adequacy.

Following updates, the Board must include in the 2025 Annual Report a statement on the adequacy and effectiveness of risk management and internal control systems, especially for operational and compliance risks. To prepare this declaration, the Executive Director in charge of the Internal Control and Risks Management System (ICRMSD) with the support of Internal Audit, Sustainability&Risk and Legal&Corporate Affairs GCFs addressed requests to the second-level governance systems with the aim of:

- describe risk management methods, controls, information flows;
- assess the Level of Certainty in its own management system in overseeing operational and compliance risks.

Furthermore, the appetite thresholds for certain risks have been reviewed, and the integration between the RAF and the ERM process (already consolidated within the Company) has been described.

The directors' ESG expertise has been consolidated over time through meetings with professional experts and induction sessions, both during Board meetings and individually on their own.

The skills acquired enable directors to enhance the depth and quality of debate in the decisions that the Board of Directors must take regarding strategy and, therefore, the related impacts, risks and opportunities.

As stated above, the Board of Directors, after initial consultation with the Sustainability Committee, the Audit, Risk and Sustainability Committee and the Supervisory Committee are informed and approve annually on the results of the Double Materiality Analysis, receiving information on the IROs and the methodology used to identify its material sustainability topics. During the year, Brembo addressed the relevant risks identified through its Risk Management procedure and due diligence processes (for the list of material IROs, please see ESRS 2 SBM-3). Sustainability risks were identified through analysis of the ERM Report and the Climate Change Risk Assessment (CCRA), covering physical and transition risks. Supervisory Bodies and the BoD oversee Brembo sustainability strategy, initiatives, updates and targets embedded in its sustainability plan, considering industry best practices and the global ESG trends.

To promote a corporate governance model attentive to all stakeholders and to emerging needs and impactful trends, Brembo: (i) monitors governance principles and models adopted at European and international level that represent best practices in corporate governance; and (ii) reviews analysis from leading observatories in Italy and abroad and benchmarks them against its structural and organizational elements for continuous improvement. Brembo's Corporate Governance System is inspired by, and implements, the recommendations issued by the Dutch Corporate Governance Committee, incorporated in the BoD Regulations and Committee rules.

The BoD is responsible for the continuity of the company and its affiliated enterprises and for creating sustainable, long-term value, considering impacts on people and the environment and weighing relevant stakeholder interests; long-term sustainability is a key consideration when determining strategy and making decisions. The BoD (particularly the Executive Directors) develops a view on sustainable long-term value creation and formulates a strategy and specific objectives accordingly. Brembo's commitment to sustainable success is also formalized in the bylaws (Article 4 "Purpose").

Based on an adequate preliminary analysis, the Audit, Risk and Sustainability Committee supports the BoD in evaluations and decisions concerning the internal control and risk management system, sustainability matters and stakeholder engagement; it analyzes and provides opinions on sustainability policies, procedures, guidelines and goals linked to social and environmental aspects, monitors international sustainability initiatives; opines on identification of main corporate risks (particularly ESG-related), and analyzes and assesses the Annual Report (including the Sustainability Statement) submitted yearly to the BoD for approval.

In May 2025, the BoD approved the Risk Appetite Framework and the update to the Guidelines on the Internal Control and Risk Management System, prepared respectively by the Chief Sustainability & Risk Officer and the Chief Internal Audit Officer, considering the Dutch Corporate Governance Code and best practices. In July 2025, the BoD approved the new human rights policy replacing Brembo's Code of Basic Working Conditions, aligning with stakeholder expectations and reinforcing corporate values by defining organizational Guidelines and principles to protect and promote fundamental working conditions and human rights within the organization and among third parties. It also updated the Whistleblowing procedure to reflect practices developed following the Directive's entry into force, relevant case law, and trade-association Guidelines. In November 2025, the BoD approved the Brembo Code of Conduct for the Development and Use of AI to mitigate negative and/or unpredictable effects — particularly on Fundamental Human Rights under the EU Charter of Fundamental Rights —, as well as to safeguard data security and accuracy, and the integrity and fairness of outcomes.

GOV-3 SUSTAINABILITY-DRIVEN INCENTIVE SCHEMES

The remuneration policy for 2025–2027 support sustainable growth and long-term value creation through ongoing assessment of individual and company performance, with the objective of maintaining high levels of profitability and productivity across the Group. Brembo also ensures that its policies reflect corporate values and business strategy, are competitive in the relevant market, and are fair to all employees.

Brembo maintains both a Short-Term Incentive Plan (STIP) and a Long-Term Incentive Plan (LTIP), each designed by the Remuneration and Appointment Committee and approved by the Board of Directors. On 18 March 2025, acting on a proposal from the Committee, the Board approved the parameters of the new STIP, effective from 2025. The plan aligns beneficiaries' conduct and motivates the achievement of ambitious annual targets consistent with Brembo's philosophy of sustainable growth, respect for stakeholders, and a commitment to excellence.

The 2025 STIP system provides for an entry gate relating to the Group EBITDA in absolute terms. This on/off mechanism entails payment of the final payout only if operating and financial performance meets targets. Conversely, if the entry gate is not reached, the system is not activated, resulting in non-payment of monetary incentives, regardless of whether the objectives in each STIP form are reached.

The 2025-2027 LTIP is a pure monetary plan allowing participants to accrue a long-term incentive if the LTIP objectives are met. The reward component of the pay-out curve is offset by the fact that for values below the entry point (corresponding to performance in line with the reference targets), no payment proportional to the performance objective shall be paid. The LTIP objectives are designed to reward the Group's financial and capital solidity, in line with the business plan and the recent results in financial performance and productivity recovery. Targets are defined to reflect Brembo's ambition in relation to the new Business Plan and to ensure the company's long-term success and sustainability while considering the complex and demanding context.

For the 2025 STIP, quantitative objectives assigned to the beneficiaries were identified and broken down according to different criteria that, in continuity with the past, include the key drivers of ESG (Environmental, Social and Governance) factors. The ESG criteria are translated into a group sustainability index that constitutes 10% of the annual objective for Brembo's Executive Directors, promoting a long-term sustainable business model. LTIP achievement is tied to four Group Key Performance Indicators, one of which is again the group sustainability index (Group's Carbon Footprint) at the end of the three-year period.

The index[12] is defined as the Total amount of CO_2 emissions saved in the three years thanks to improvement actions (tons CO_2e) divided by Base year's Scope 1 and 2 CO_2 emissions (tons CO_2e) x 100 where the Base year for the three-year period corresponds to 2024.

GOV-4 STATEMENT ON DUE DILIGENCE

Brembo has incorporated a due diligence process into its governance and business strategy through policies and procedures, focusing primarily on ESG analyses of suppliers, with attention to environmental and social factors, including human rights. In preparation for the upcoming implementation of the Corporate Sustainability Due Diligence Directive (CSDDD), the company is enhancing procedures and processes related to environmental and human due diligence.
The fundamental elements of due diligence are integrated into the Disclosure Requirements defined in ESRS 2 and in the following specific ESRS, as illustrated below:

Table 2

Key elements of the due diligence procedure	Sustainability Reporting Paragraphs
Integration of Due Diligence into Governance, Strategy and Business Model	ESRS 2 GOV-2 ESRS 2 GOV-3 ESRS 2 SBM-3
Engagement of impacted stakeholders	ESRS 2 GOV-2 ESRS 2 SBM-2 ESRS 2 IRO-1 Specific ESRS: reflecting the different phases and purposes of stakeholder engagement.
Identification and assessment of negative impacts on people and the environment	ESRS 2 IRO-1 (including application requirements related to specific sustainability issues in the respective ESRS). ESRS 2 SBM-3
Actions to address negative impacts on people and the environment	Specific ESRS reflecting actions and targets through which impacts and risks are managed
Tracking the effectiveness of the efforts and communication initiatives undertaken by Brembo	ESRS 2 GOV-2 ESRS S2-4

The outcome of the due diligence process is incorporated in the double materiality assessment.

GOV-5 RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

In 2024, Brembo initiated the development of an internal control framework for sustainability reporting, focused on a set of ESRS requirements linked to social KPIs. The initiative included mapping processes, aligning with established financial reporting controls, as well as reviewing reporting software and systems, supporting documentation, and related sustainability data.
Brembo is extending the internal control system over sustainability information, covering social processes for Brembo N.V., Environmental and Governance processes across the entire Group perimeter, with the goal of including all relevant entities by 2027. The roadmap includes mapping requirements and KPIs, technical validation of definitions, methodologies and systems, compliance activities, and a testing program across the perimeter. In this context, in 2025, Brembo expanded the scope of 2024 internal control framework to additional sustainability KPIs, enhancing the disclosure's robustness, traceability, and reliability. Controls have been identified for Environment & Energy (E&E) and Health & Safety (H&S) processes and related KPIs (e.g., greenhouse gas emissions – Scopes 1, 2, and 3 – energy consumption, waste management, water cycle management, air emissions management, and occupational safety).
Some integrated processes will be subject to the audit campaign starting in April 2026 to verify the robustness of procedures and the quality of data.

This strategic initiative will enhance the reliability and robustness of sustainability data, enabling Brembo to meet both internal organizational needs and legislative requirements with a structured approach.

12 Data used for calculation purposes include within the reporting boundary also Brembo SGL Carbon Ceramic Brakes S.p.A. (BSCCB S.p.A.), a joint venture between Brembo and SGL Group.

Moreover, the scope and features of the internal control system will ensure the integrity and accuracy of sustainability reporting through annual assessment.

Brembo's risk assessment methodology under ERM framework takes into account and is informed by the principles of ISO 31000, in accordance with international best practices. For each risk (including Sustainability Reporting risks) items are reported and identified: risk context, risk scenario and mitigation measures to prevent, control and transfer risk. Through a top-down risk mapping process, Brembo assesses at least once a year the main risks of the Group on both short-term and medium-term horizons, involving all GBUs, GCFs, areas and main geographies. The result is the annual ERM risk register, reviewed by key governance and control roles/ functions, including the Chairman, CEO, Internal Audit, Audit, Risk and Sustainability Committee and the Board of Directors. Internal Audit GCF considers ERM results in developing the annual audit plan which is defined in a "risk based" approach[13]. Twice a year, Internal Audit GCF discloses to the Board the overall result of its analysis and submits a report explaining their conclusions on the Internal Control System. Every two months, Internal Audit GCF reports to the ARS Committee to analyze the outputs of each activity performed.

Brembo's internal control system for Sustainability Reporting will be grounded in the principles of the COSO Internal Control— Integrated Framework, which encompasses the Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities. This framework, complemented by the "Achieving Effective Internal Control Over Sustainability Reporting (ICSR)" (March 2023), guides Brembo's approach.

Under the COSO Framework, the mapping process on social KPIs was executed in two main steps:

1. A comprehensive mapping of the reporting process was undertaken, starting from the initial data collection to the final integration of data into the Sustainability Statement, ensuring all intermediary phases were included.

2. Identification of risks that could potentially compromise the integrity of sustainability data. The existing mitigation measures were evaluated, and any unmitigated risks were given the highest level of priority, taking precedence over risks that were already partially or completely mitigated.

Primary risks identified included computational inaccuracies, erroneous data validation, and flawed data consolidation. To counter these risks, Brembo introduced specific controls and designated control owners to verify and correct processes susceptible to risk.

Brembo is actively working on the integration of the control matrix that emerged from the internal control framework related to ESRS, into its pre-existing Internal Control and Risk Management System (ICRMS). This strategic move aims to embed sustainability reporting into the core responsibilities of Brembo's internal areas, enhancing the overall governance framework.

SBM-1 STRATEGY, BUSINESS MODEL AND VALUE CHAIN

Brembo is the world leader and acknowledged innovator in the development of braking solutions for automotive vehicles. It operates in 21 countries on 4 continents through its production and business sites, employing over 14,000 employees worldwide.

Table 3

Country	u.m.	2025	2024
Australia	n.	6	-
Brazil	n.	266	231
China	n.	1,947	2,016
Czech Republic	n.	1,335	1,264
Denmark	n.	143	129
France	n.	4	-
Germany	n.	36	11
India	n.	1,422	1,272
Italy	n.	3,570	3,595
Japan	n.	26	27
Mexico	n.	1,761	1,868
Norway	n.	2	2
Poland	n.	2,364	2,446
Russia	n.	2	2
Spain	n.	470	538
Sweden	n.	263	-
Switzerland	n.	1	-
Taiwan	n.	6	-
Thailand	n.	159	-
UK	n.	178	181
USA	n.	778	742
Total	**n.**	**14,739**	**14,324**

Brembo's reference market is represented by the most important manufacturers of cars, motorcycles, commercial vehicles, racing cars and motorcycles to whom the Group offers a wide range of products and services.

Brembo's reference market comprises the world's leading manufacturers of cars, motorcycles, commercial vehicles, and racing vehicles. A constant focus on innovation, together with continuous technological and process development—core elements of Brembo's philosophy—has enabled the Group to achieve a strong international leadership position in the research, design, and production of high-performance braking systems for a wide range of road and racing applications.

Brembo operates in both the original equipment and aftermarket segments. For car and commercial vehicle applications, its product portfolio includes brake discs, brake calipers, the single-wheel module and, increasingly, complete braking systems supported by integrated engineering services, all contributing to the development of new vehicle models.

In addition to brake discs and calipers, Brembo supplies motorcycle manufacturers with brake master cylinders, light-alloy wheels, brake hoses, and complete braking systems. In the car aftermarket, the offering includes brake discs, pads, drums, brake hoses, drum-brake kits, and hydraulic components.

Following the acquisition of a 100% stake in Öhlins, Brembo has further expanded its product portfolio by integrating high-performance suspension technologies for motorcycles and cars.

In 2025, Brembo accelerated sustainable and digital innovation, driving the transition toward high-tech

13 For more information on the identification and evaluation of sustainability risks, please refer to the Double Materiality methodology.

solutions that enhance performance while reducing environmental impacts. Guided by sustainability and evolving regulatory frameworks, the Group advanced OEM offerings for both electric and combustion vehicles and track applications. A key outcome was the Greentell Set, presented at Auto Shanghai, the brake solution that reduces particulate matter from braking friction by up to 90% compared to traditional products. Featuring a nickel-free double coating (LMD), the Greentell Set combines durability and safety across multiple vehicle platforms, anticipating stricter standards on non-exhaust emissions. These developments strengthen Brembo's leadership in performance and environmental responsibility, contributing to improved product sustainability during the vehicle use phase.

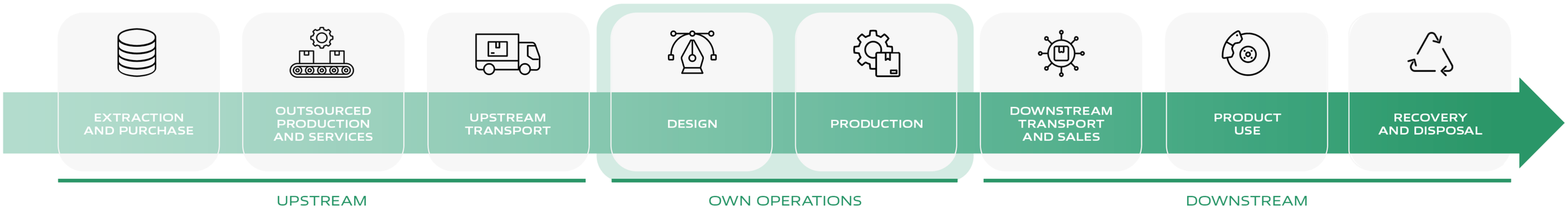
Given the diversity of services and products, Brembo Group is characterized by a particularly complex value chain structured in distinct key phases that include upstream activities, the Group's direct operations and the downstream use and end-of-life of the product. None of these phases includes the following sectors: fossil fuel, chemicals production, controversial weapons, or the cultivation and production of tobacco.

VALUE CREATION

The Group's value-creation model is built on the design, development, manufacturing, and marketing of high-performance braking systems for three main segments: vehicle manufacturers (automotive and motorcycle OEMs), aftermarket and motorsport. The value proposition integrates safety, performance, quality, design, and sustainability, promoting weight reduction, the use of recycled materials, and energy efficiency, with the goal of reducing environmental impact across the product lifecycle.

- **Upstream procurement**: the first phase of Brembo's value chain involves the sourcing of materials and services. Brembo procures raw materials such as aluminum, pig iron, and other essential materials like coke, graphite, calcium carbonate and other chemical additives. These materials are sourced either from direct extraction activities or through the direct purchase of recycled materials, such as scrap metal. In addition to raw materials, Brembo's upstream phases also involve the purchase of finished products and services, including brake pads, seals, springs, packaging, cutting tools and outsourced services like painting and treatments.
- **Direct design, development, and production:** the next phase includes the Group's direct activities, such as design, development, and production of finished products. Brembo invests significantly in Research & Development to continuously innovate and improve its products, including activities like road testing for product development. The melting of raw materials is a critical step where metals are melted to be transformed into components. These components are then machined and assembled through production lines. The efficiency and coordination of production are ensured by office and back-office activities.
- **Direct sales**: once production is complete, the products are sent to various customers. The main buyers include automotive and two-wheeler manufacturers. Additionally, Brembo sells its products to ITG, distributors, spare parts dealers, mechanics, and tuners for aftermarket activities and car and motorcycle upgrades. The products are also available through web channels, further expanding market reach.
- **Downstream use and end-of-life of the product**: the final phase of the value chain concerns the use and end-of-life of the product. Brembo braking systems are used by end-users, ensuring them high performance and safety.

Brembo's braking systems are recognized in the market for their high levels of performance, quality, and reliability. Integrating circular economy principles across the value



chain improves the products' ESG performance, thanks to the use of recycled materials where possible; designing for durability, maintainability, and materials recyclability, adopting energy-efficient production processes, supported by decarbonization initiatives reduce environmental impacts across the life cycle, promote road safety, and create shared value for customers, investors, and communities.

The Group has established the sustainability plan "Turning Sustainability into Action", which defines challenging and verifiable objectives related to material issues. Company's GBU/GCF and Sustainability Committee set and review sustainability objective and periodically monitor its progress, supported by an information tool to ensure monitoring objectivity. Objectives have a target year, and their updated progress is presented annually for adjustment if necessary.

SBM-2 ENGAGING STAKEHOLDERS FOR SHARED UNDERSTANDING

Brembo believes that stakeholder engagement is key to its business and contributes to sustainable long-term value creation. Over the reporting year, the Group has established an active and ongoing dialogue with internal and external stakeholders based on the values of transparency, trust and consensus in decision-making. Thanks to this dialogue, the Group can obtain important information on the reference context and feedback on operations, enabling continuous improvement of the Group's environment and social impacts. Through this process of listening and discussion, Brembo assesses how well it understands and satisfies stakeholder expectations and identifies areas to strengthen its commitment or confirm its approach. Within this framework, in 2025 an overview of the main ESG indices issued by leading rating agencies was presented to the Audit, Risk and Sustainability Committee.

The form of dialogue varies by topic and stakeholder type. The table below summarizes stakeholder engagement; for further information please refer to the stakeholder engagement policy.

Table 4

Stakeholder	Relationships	Engagement channels and activities	Purpose	How the outcome is taken into account
Investors	The Group establishes and maintains a constant and open relationship with its current and potential shareholders, institutional and private investors, financial analysts, market players and, the financial community in general	Annual meeting Feedback and support channels offered by the Investor Relations area Meetings, roadshows, company visit and conference calls with analysts and investors Corporate website and dedicated email accounts Engagement survey on the relevance of material topics for Brembo	The Company is committed to promoting and sustaining an open and constructive dialogue with shareholders, investors, and analysts, ensuring clear and accurate communication regarding strategy, performance, and significant developments. Engagement with these stakeholders includes environmental, social, and governance (ESG) matters, which are considered essential to consolidate a sustainable corporate identity, integrated into operational activities and aimed	This assessment helps identify areas where the Company can strengthen its commitment and those where it can reaffirm its current approach
Customers	The Group engages customers through training and events and supports them via dedicated customer service channels	Daily activities and reports Joint development programs Customer support channels Support and training network for Brembo expert professionals Surveys to identify customers' needs and expectations Corporate website The Group engages end users via social networks and customer service and feedback channels Engagement survey on the relevance of material topics for Brembo Dedicated events	With reliable and safe products and continuous product innovation, also in view of environmental performance, Brembo aims at maintaining and protecting the brand	This assessment helps identify areas where the Company can strengthen its commitment and those where it can reaffirm its current approach

Stakeholder	Relationships	Engagement channels and activities	Purpose	How the outcome is taken into account
End users	The Group engages end users via social networks and customer service and feedback channels	Customer support channels Corporate website Monitoring and interaction on social networks Feedback from vehicle and motorcycle manufacturers Participation in trade fairs and events with engagement activities for new users and new generations	The aim is to provide them with safe and reliable products, information on the maintenance of braking systems and customer support services to fulfil their needs and expectations	This assessment helps identify areas where the Company can strengthen its commitment and those where it can reaffirm its current approach
Brembo employees	The Group counts on more than 14,700 employees worldwide with different backgrounds and experiences	Global engagement surveys and Pulse surveys Industrial Relations Internal communication channels (e.g., Red portal, MyB Magazine, Notice boards, Communication App) Internal campaigns Town Hall meetings Communication and engagement regarding Group's objectives and performance	Brembo's strategy and business model are profoundly shaped by the interests, views, and rights of its employees. The aim is to maintain a safe, diverse and inclusive work environment, where people can pursue personal and professional growth. The Group has periodic discussions on related topics with the Company employee participation body, where applicable	This assessment helps identify areas where the Company can strengthen its commitment and those where it can reaffirm its current approach
Suppliers (workers in the value chain)	The Group relies on the contribution of many suppliers both for raw materials, components, indirect materials and services	Daily activities and reports Engagement survey on the relevance of material topics for Brembo Periodical surveys on specific topics Supplier portal Dedicated workshops and training on ESG	The aim is to work closely with them to guarantee compliance with environmental requirements, production improvements, safety, quality, production continuity, accompanying them towards an increasingly sustainable business	This assessment helps identify areas where the Company can strengthen its commitment and those where it can reaffirm its current approach
Local communities	The Group contributes to its local communities by offering various engaging activities, programs, and partnerships and supports local cultural and social projects	Orientation and involvement of secondary school and university students, as well as targeted awareness and recruiting programs and initiatives Relations discussions with the Public Administration Plant visits Social and cultural development activities Social media	The aim of the engagement is to gain insights on how to support social development in the communities where Brembo operates	This assessment helps identify areas where the Company can strengthen its commitment and those where it can reaffirm its current approach
Institutions	The Group interacts with international, national and local regulators by participating in international and national associations and with public decision-makers	Roundtables and initiatives involving discussion with institutions, at national and international level Hearings before parliamentary committees by associations	The Group interacts with national and local regulators by participating to national and international associations, and with public decision-makers to ensure compliance with regulations and to discuss any relevant regulation developments	This assessment helps identify areas where the Company can strengthen its commitment and those where it can reaffirm its current approach
Future generations	The Group values the wellbeing of the people and planet while doing business and devotes attention to natural resource preservation, circular economy and protection of ecosystems and biodiversity	Environmental associations advocacy and scientific community analysis campaigns' monitoring Orientation and involvement of secondary schools and university students and related recruiting programs Launch of targeted engagement projects Yearly incubator for innovative ideas powered by the new generations	The aim is to promote innovation, environmental awareness, and talent development to support social and environmental progress	This assessment helps identify areas where the Company can strengthen its commitment and those where it can reaffirm its current approach

Stakeholder	Relationships	Engagement channels and activities	Purpose	How the outcome is taken into account
Automotive market players	The Group interacts with industry companies and competitors through advanced research projects for pre-competitive technological research in the sector	Participation in advanced research projects through Italian or European consortia	The aim is to collaborate in advanced research projects through Italian or European consortia to promote shared innovation and technological development	This assessment helps identify areas where the Company can strengthen its commitment and those where it can reaffirm its current approach
Insurance companies	The Group interacts with insurance companies to transfer the volatility of insurable risks	Visits to the Group's plants by the insurer for property, environmental, and liability risk assessments Roundtables and periodic meetings Engagement survey on the relevance of material topics for Brembo	The aim is to protect the Group from financial disruption especially in case of catastrophic losses	This assessment helps identify areas where the Company can strengthen its commitment and those where it can reaffirm its current approach
Trade associations	The Group is a member of many trade associations around the world	Roundtables and initiatives involving discussion with institutions, at national and international levels Webinar Participation in themed committees of trade associations Hearings before parliamentary committees Engagement survey on the relevance of material topics for Brembo	The aim is to keep up to date with best practices and trends, as well as deepen insight into emerging topics	This assessment helps identify areas where the Company can strengthen its commitment and those where it can reaffirm its current approach

The interests and views of Brembo's key stakeholders have been considered in relation to the strategy and business model through the impact materiality assessment process, in which the main stakeholders expressed their opinions regarding the Group's direct and indirect impacts. Furthermore, stakeholder input from the impact materiality assessment supported Brembo's strategy and business model. The administrative, management, and supervisory bodies are informed about the views and interests of affected stakeholders regarding Brembo's sustainability-related impacts through the presentation of the stakeholder engagement results to the Sustainability Committee and the Audit, Risk and Sustainable Committee as well as to the Board of Directors.

SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The Group's strategy and business model are based on a value chain structured into distinct phases: sourcing materials (upstream); design, R&D, and manufacturing (direct activities); commercialization and after-sales services (downstream); as well as end-of-life product management, as described in SBM-1. In this context, Brembo has identified relevant IROs (impacts, risks, and opportunities) that are distributed across the various stages of the value chain, as shown in the table below. IROs related to resources, labor practices in the supply chain, and biodiversity occur mainly in the upstream value chain; climate, energy, emissions, and waste management topics are concentrated in production activities; consumer safety and product responsibility lie in the downstream value chain; conduct and governance risks cut across the entire business model.

To manage these aspects, the Group has established a risk assessment integrated into the ERM framework, which is updated annually and involves the functions responsible for the individual risk areas, as described in GOV-5.

The interaction between IROs and corporate strategy translates into concrete investment choices, updates to industrial plans, and operational measures. The measures include the decarbonization plan, the increasing purchase of renewable energy, energy-efficiency measures and process digitalization, the sustainable sourcing policy and supply chain auditing, through to product innovation aimed at reducing impacts across the life cycle. In addition, IROs inform the target setting process and their integration into short- and long-term incentive systems.

The table below and the dedicated sections of this document present, in a structured way, Brembo's material IROs, their positioning along the value chain, and their time horizon. Progress and mitigation actions are periodically monitored and reassessed within the double materiality process to ensure the continuous adaptation of the business strategy to regulatory and market developments and stakeholder expectations.

The sustainability topics identified in the 2025 double materiality assessment reflect the sector's priorities in terms of environmental and social impacts and appear consistent with the Group's strategic approach.

Confirming previous findings, climate change mitigation remains a strategic priority for Brembo, as does the management of regulatory risks related to vehicle emissions standards, pollution prevention, sustainable water management, biodiversity protection, and the transition to circular economy models. Respect for working conditions and human rights across the entire supply chain has again been recognized as a top-priority topic, given the Group's dependence on supply chains characterized by the use of critical raw materials and associated supplier risks. Areas related to product quality and safety, innovation, and the management of relationships with distributors and customers also remain strategic, as they directly affect the Group's reputation, business continuity, and legal liabilities.

For the current reporting year, Brembo has identified risks according to the ERM methodology. Some risks have been evaluated as material under the double materiality assessment. None of these occurred with significant financial effect during the current reporting period. The Group has implemented actions to mitigate its impacts, risks, and opportunities, which are described in detail in the sections dedicated to the ESRS topics.

Table 5

ESRS Topic	Sub-topic	IRO Name	Description	Type	Positive/Negative Actual/Potential	Time horizon	Value chain
E1 – Climate Change	Energy	Excess energy and fossil-fuel use from missed efficiency measures.	Failure in implementing energy efficiency measures, or failure in using the most efficient technologies, can lead to excessive energy and fossil fuel consumption.	I impact	−		U O D
	Climate Change Adaptation Climate Change Mitigation	Increased greenhouse gas emissions across the value chain (Scope 3) caused by third-party transportation of company products and the production activities behind purchased services, materials, and finished products that rely on non-renewable energy and inefficient energy management.	Indirect emissions (Scope 3) come from the transportation of company products by third parties and the purchase of services, materials, and finished products from suppliers, which result in greenhouse gas emissions during their production activities due to the consumption of non-renewable energy sources and inefficiencies in energy consumption management.	I impact	−		U D
		Increased greenhouse-gas emissions from own operations (Scope 1 and Scope 2) caused by the consumption of fossil fuels and purchased electricity for owned buildings and facilities, fuel combustion by the company fleet, and materials used during production phases.	Climate change is caused by greenhouse gas emissions generated by both direct and indirect activities. Direct emissions (Scopes 1 and 2) come from the consumption of fossil fuels and electricity for owned buildings and facilities, the combustion of fuels for the company fleet, and the materials used during production phases.	I impact	−		O
		Support for sustainable mobility and more circular resource use enabled by the development of innovative products designed from the outset with eco-sustainable and circular principles.	Brembo is committed to strengthening the development of innovative products, designed from the outset with an eco-sustainable and circular design, in favour of sustainable mobility.	I impact	+		O
		Business interruption and asset damage deriving from climate-aggravated catastrophic events, disrupting production and/or physical/technological infrastructure.	Increased exposure to catastrophic events following climate change, and the related unavailability of infrastructure, physical and technological (production stoppages, IT infrastructure issues): Climate change can heighten the risk of catastrophic events such as floods, storms, and wildfires. These events can disrupt production and damage physical assets (including IT infrastructure), resulting in extra costs and possible business interruption).	R risk			U D
		Increased operational costs and process adjustments deriving from external factors (new government regulations or stakeholder pressures) imposing new or revised sustainability targets.	External factors imposing changes/new Sustainability-related objectives: External factors, such as new government regulations or stakeholder pressures, may require Brembo to adopt new sustainability objectives or modify existing ones. These changes could necessitate significant investments and adjustments to business processes, increasing operational costs.	R risk			U D
		Loss of awards/revenue and reputational harm deriving from failing to meet clients' Net Zero expectations and carbon-reduction requirements.	Relationship with Clients in connection to the achievement of Net Zero objectives: In case of failure in meeting clients' expectations regarding carbon reduction, Brembo may lose contractual awardings and/ or suffer reputational damage, negatively impacting sales and growth.	R risk			U D
		Reduction or interruption of client partnerships deriving from negative outcomes in client-conducted sustainability audits.	Potential negative outcome from sustainability audits conducted by clients: Obtaining negative results in client audits regarding sustainability aspects represents a risk for Brembo, as it can undermine client relationships and leading to a reduction or interruption of the partnership.	R risk			O

+ Positive − Negative Actual Potential | Time horizon: short medium long | Value chain: U Upstream O Own Operations D Downstream

ESRS Topic	Sub-topic	IRO Name	Description	Type	Positive/Negative Actual/Potential	Time horizon	Value chain
E1 – Climate Change *(follow)*	Climate Change Adaptation Climate Change Mitigation *(follow)*	New customers, market-share growth and stronger sustainability reputation deriving from investments in sustainable technologies and the development of low-impact products aligned with growing demand for "green" products.	Opportunities related to the growing demand for "green" products: By investing in sustainable technologies and developing low-impact products, Brembo can attract new customers, increase market share and enhance its reputation as a sustainability leader.	O opportunity	+ Potential	short–medium–long	O
E2 – Pollution	Pollution of air	Air pollution caused by emissions of carbon monoxide (CO), nitrogen oxides (NOx), fine particulate matter (PM), hydrogen sulphides (H2S) and sulphur oxides (SOx) from the production of components for braking systems of cars, motorcycles and commercial vehicles.	The production processes of components for braking systems of cars, motorcycles and commercial vehicles generate polluting emissions such as carbon monoxide (CO), nitrogen oxides (NOx), fine particulate matter (PM), hydrogen sulphides (H2S) and sulphur oxides (SOx) which can potentially harm the environment.	I impact	− Actual	short–medium–long	U O D
		Fines, refunds, extra costs and customer relationship impacts deriving from regulatory non-conformities of a Brembo product (including when caused by a supplied component), for example in terms of emissions.	Potential regulatory non-conformity of a Brembo product: In case of a non-conformity of a product, for example in terms of emissions, Brembo may be exposed to extra costs, refunds, fines and interruptions to the customer's business. The same exposure would occur also in the case that such non-conformity is caused by a supplied component.	R risk	+ Potential	short–medium–long	O
	Pollution of water	Pollution of water resources caused by discharges of pollutants from cast-iron and aluminium processing and/or painting processes in the production of braking systems.	The production processes of braking systems could discharge pollutants deriving from the processing of cast iron and aluminium and/or from the painting process. These discharges may cause pollution of water resources, resulting in damage to the environment and potential risks to human health.	I impact	− Actual	short–medium–long	U D
		Activity suspension, decontamination costs and potential legal liabilities deriving from environmental pollution caused by an accidental event (e.g., fire) at a Brembo plant.	Environmental pollution following an accidental event: In case of an accidental event (e.g. a fire) taking place at a Brembo's plant, environmental pollution may occur a consequence. In such cases, the competent authority could impose the interruption of activities thus leading to extra costs for decontamination and potential legal liabilities.	R risk	+ Potential	short–medium–long	O
	Substances of concern Substances of very high concern	Potential harm to human health caused by worker exposure to hazardous and highly hazardous chemicals (SVHCs) during the manufacturing process of car brakes.	Exposure to hazardous and highly hazardous chemicals may result in harm to human health. Exposure to SVHCs in car brakes can occur during the manufacturing process. Workers handling these components may be at risk of exposure to hazardous chemicals, leading to health issues.	I impact	− Potential	short–medium–long	O
E3 - Water and marine resources	Water	Reduced water availability caused by water use in braking-system production processes, particularly in water-stressed areas.	The processes of producing braking systems could in general contribute to reduce the availability of water, particularly in areas of water stress.	I impact	− Potential	short–medium–long	O
		Reduced water availability caused by water use across processes in water-stressed areas.	The processes could in general contribute to reduce the availability of water, particularly in areas of water stress.	I impact	− Potential	short–medium–long	U
E4 - Biodiversity and ecosystems	Direct impact drivers of biodiversity	Deforestation, air and water pollution, land consumption, and pressure on virgin raw materials and natural ecosystems caused by poor management of mining activities for bauxite (for aluminium), graphite, coke, and calcium carbonate.	Poor management of mining activities (Bauxite for aluminium, Graphite, Coke, Calcium Carbonate) can contribute to deforestation, air and water pollution. In addition, the surface extension of the extraction sites involves land consumption. Finally, the supply of these raw materials, if managed in an unsustainable way, could affect the availability of virgin raw materials and natural ecosystems.	I impact	− Potential	short–medium–long	U

+ Positive − Negative Actual Potential | Time horizon: short medium long | Value chain: U Upstream O Own Operations D Downstream

ESRS Topic	Sub-topic	IRO Name	Description	Type	Positive/Negative Actual/Potential	Time horizon	Value chain
E5 - Circular economy	Resources inflows, including resource use	Increased consumption of non-renewable natural resources caused by the metals required to manufacture brake discs and pads in braking-system production.	The production of braking systems affects the environment due to the consumption of non-renewable natural resources, such as the metals needed for manufacturing of brake discs and pads.	I impact	−	short	O
		Depletion of mineral reserves caused by the extraction and processing of metals for braking systems, which remove resources from the subsoil.	The production of braking systems affects the environment due to the consumption of non-renewable natural resources, such as the metals needed for manufacturing of brake discs and pads. The extraction and processing of these metals require the removal of large amounts of resources from the subsoil, leading to the depletion of mineral reserves.	I impact	−	medium	U
		Business interruption deriving from unavailability of raw materials/ components caused by unstable international geopolitical context that strains global supply chains.	Unavailability of raw materials/components due to emerging regulatory requirements: The unstable international geopolitical context could lead to challenges in global supply chains, thus potentially compromising the supply of raw materials for Brembo plants with consequent business interruption.	R risk	Potential	short	U D
		Competitive advantage, access to new markets, improved margins and greater attractiveness to ESG-sensitive OEMs deriving from higher secondary aluminum content in calipers achieved through structured collaboration with suppliers.	Potential competitive advantages, access to new markets, improved margins, and increased attractiveness to OEM customers sensitive to ESG criteria, thanks to the increased content of secondary aluminum in calipers, achieved through structured collaboration with suppliers.	O opportunity	Potential	short	U D
	Resource outflows related to products and services	Savings in virgin raw materials and extended product life cycles caused by using scrap as the main raw material.	The use of scrap as the main raw materials leads to savings in virgin raw materials and incentive the circular economy, extending the life cycle of products.	I impact	+	short	O
	Waste	Pollution, degradation of natural resources, and damage to biodiversity caused by poor or uncontrolled waste management affecting air, water, and soil.	Poor waste management could have a negative impact on the environment, in particular on air, water and soil. Uncontrolled waste management can cause pollution, degradation of natural resources and damage to biodiversity.	I impact	−	short	O
		Pollution, degradation of natural resources, and damage to biodiversity caused by poor or uncontrolled waste management along the value chain affecting air, water, and soil.	Poor waste management of along the value chain could have a negative impact on the environment, in particular on air, water and soil. Uncontrolled waste management can cause pollution, degradation of natural resources and damage to biodiversity.	I impact	−	short	U D
	Resource outflows related to products and services	Fines, refunds, extra costs and customer relationship impacts deriving from regulatory non-conformities of a Brembo product (including when caused by a supplied component), for example in terms of emissions.	Potential regulatory non-conformity of a Brembo product: In case of a non-conformity of a product, for example in terms of emissions, Brembo may be exposed to extra costs, refunds, fines and interruptions to the customer's business. The same exposure would occur also in the case that such non-conformity is caused by a supplied component.	R risk	Potential	short	O

+ Positive − Negative Actual Potential | Time horizon: short medium long | Value chain: U Upstream O Own Operations D Downstream

ESRS Topic	Sub-topic	IRO Name	Description	Type	Positive/Negative Actual/Potential	Time horizon	Value chain
S1 - Own workforce	Working conditions	Workplace injuries and occupational diseases caused by braking-system manufacturing activities, particularly in production plants.	The activities for the manufacturing of braking systems, particularly in production plants, expose workers to risks of workplace accidents and/or occupational diseases.	I impact	–		O
		Reduction or termination of client partnerships deriving from negative results in client sustainability audits (human rights, health & safety, diversity & inclusion).	Potential negative outcome from sustainability audits conducted by clients: Negative results in clients' audits regarding sustainability aspects (including human rights, health and safety, diversity and inclusion) pose a risk for Brembo, as it may impact client relationships leading to a reduction or termination of the partnership.	R risk			O
		Reputational and operational risk deriving from workplace incidents affecting employees' health and safety.	Employees' health and safety: Reputational and operational risks for the Group, associated with the occurrence of incidents in the workplace.	R risk			O
	Working conditions Equal treatment and opportunities for all	Reputational damage and financial repercussions deriving from violations of the human rights of Brembo's own workforce within its operations.	Respect of Human rights: Brembo identified and implemented specific processes to prevent the risks of human rights violations in its own operations. Failure to comply may lead to significant consequences in terms of reputational damage, fines of loss of business.	R risk			O
	Equal treatment and opportunities for all	Enhanced people development and growth enabled by significant investment in training, health and safety, diversity, equity and inclusion.	The Group significantly invests in employee training, delivering numerous hours of training on technical skills and competences, organizational behaviors, health and safety, and the culture of diversity, equity, and inclusion, thereby enhancing people development and growth.	I impact	+		O
		Stronger business continuity through lower turnover and preserved critical capabilities deriving from continuous upskilling/reskilling and structured engagement and recognition programs that foster belonging.	Strengthened business continuity through a skilled, committed, and stable workforce: continuous upskilling and reskilling—paired with structured engagement and recognition programs that foster belonging—reduces turnover and preserves critical capabilities.	O opportunity			O
	Equal treatment and opportunities for all Other work-related rights	Adverse effects on employees' human rights caused by the absence of adequate practices to respect huma n rights across the Group.	In case the Group does not implement adequate practices regarding the respect of human rights, there could be a risk of negatively impacting employees.	I impact	–		O
		Deterioration in employee wellbeing and working conditions, with increased staff turnover, caused by failure to ensure minimum wage compliance and employee welfare.	If the Group fails to ensure compliance with minimum wage requirements and employee welfare, this would lead to a deterioration in employee wellbeing and working conditions, resulting in increased staff turnover.	I impact	–		O
		Discrimination and denial of fair treatment, remuneration, and benefits for employees and non-employees caused by non-compliance with Group practices, policies, and codes.	In case of non-compliance to Group practices, policies and codes (e.g. Code of Ethics, human rights policy, policy on non-discrimination and diversity) there is a risk of a negative impact on both employees and non-employees on topics such as discrimination and denial of fair treatment, remuneration, benefits.	I impact	–		O
	Other work-related rights	Privacy violations and loss of sensitive employee data caused by failures of digital security systems leading to data breaches and cyberattacks.	A potential failure of digital security systems can expose the Group to data breaches and cyberattacks, potentially causing privacy violations and loss of sensitive employee data.	I impact	–		O
		Reputational and financial damage—with compensation, legal and IT restoration costs deriving from the loss of sensitive employee data following a cyberattack.	The loss of sensitive employee data following a cyberattack is a potential risk for Brembo from a reputational and financial perspective, leading to costs for compensation, legal actions, and restoration of IT system restoration, where necessary.	R risk			U D

+ Positive – Negative Actual Potential | Time horizon: short medium long | Value chain: U Upstream O Own Operations D Downstream

ESRS Topic	Sub-topic	IRO Name	Description	Type	Positive/Negative Actual/Potential	Time horizon	Value chain
S2 - Workers in the value chain	Working conditions	Injuries and occupational diseases among client/supplier workers (including chronic and mental health issues) caused by inadequate working conditions along the upstream and downstream value chain, such as unsafe machinery and stressful, unsafe environments.	Inadequate working conditions along the upstream and downstream Group Value Chain can lead to client/supplier workers' injuries or occupational diseases, including physical harm from unsafe machinery, chronic health issues, and mental health problems due to stress and unsafe workplace environments.	I impact	−		U D
	Working conditions Equal treatment and opportunities for all	Reputational damage and financial repercussions deriving from suppliers' non-adherence to human-rights working conditions set out in the Supplier Code of Conduct for Responsible Business.	Respect for human rights within the supply chain, in line with Supplier Code of Conduct for Responsible Business: If Brembo's suppliers do not adhere to the working conditions established by the Sustainable Procurement Policy, such as safety standards, fair labor practices, and acceptable working environments, they may be deemed unsuitable for collaboration. This could expose Brembo to reputational damage and financial repercussions.	R risk			U D
		Greater operational resilience and supply-chain performance (lower logistics costs, quicker deliveries, reduced disruption risk, better continuity/efficiency/ quality) deriving from developing competitive, qualified local suppliers and a partnership-based approach.	Stronger operational resilience and supply chain performance by developing qualified local suppliers and fostering partnerships, reducing costs and risks while improving continuity, efficiency, and quality.: 'Enhanced operational resilience and supply chain performance through the development of competitive, qualified local suppliers and a partnership-based approach, leading to lower logistics costs, faster delivery times, reduced risks from global supply chain disruptions, strengthened production continuity, optimized processes, and improved quality of materials and components.	O opportunity			U D
	Equal treatment and opportunities for all Other work-related rights	Discrimination of supplier employees caused by suppliers' lack of adequate practices to ensure equal opportunities, diversity and inclusion, exposing workers to discrimination based on gender, ethnicity, religion, disability or sexual orientation.	In the event that suppliers do not implement adequate practices to guarantee equal opportunities, diversity and inclusion within their workforce, their employees may be exposed to discrimination based, inter alia, on gender, ethnicity, religion, disability, or sexual orientation.	I impact	−		U D
		Violations of workers' rights and improper labor practices caused by insufficient monitoring of human-rights compliance along the Group's complex, geographically dispersed value chain, particularly during primary materials production and in certain geographies .	Along the complex and geographically dispersed value chain of the Group, in case of lack of monitoring of human rights compliance, improper labor practices and violations of workers' rights may occur, in particular during the phases of primary materials production and in certain specific geographies where Brembo's suppliers are located.	I impact	−		U D
		Reduced social impacts in the supply chain enabled by Brembo's selection and engagement of suppliers on environmental and social criteria, promoting adoption of best available practices.	Brembo positively contributes to the development of a sustainable supply chain in the automotive sector through the selection and engagement of its suppliers on environmental and social criteria. This method of involvement is aimed at enhancing suppliers' adoption of the best available practices, reducing them environmental and social impacts.	I impact	+		U

+ Positive − Negative Actual Potential | Time horizon: short medium long | Value chain: U Upstream O Own Operations D Downstream

ESRS Topic	Sub-topic	IRO Name	Description	Type	Positive/Negative Actual/Potential	Time horizon	Value chain
S3 - Affected communities	Communities' economic, social and cultural rights	Positive socio-economic spillovers caused by the Group's national and international presence and the direct transfer of investments, technology, knowledge, and skills.	The presence of the Group at the national and international level can contribute to the enhancement of positive external effects through the direct transfer of investments, technology, knowledge, and skills.	I impact	+		O
		Social development in host communities caused by donations and specific projects not related to the core business.	The Group supports social development in the communities where it operates through donations or specific projects that are not related to its core business.	I impact	+		O
		Faster innovation and development of strategic skills (anticipation of technological trends) deriving from partnerships with universities and research centers.	Acceleration of innovation and development of strategic skills, thanks to partnerships with universities and research centers, which enable the anticipation of technological trends and emerging skills.	O opportunity			U D
S4 – Consumers and end- users	Personal safety of consumers and/or end-users	Threats to end-user safety caused by product nonconformity in braking systems, which are safety-critical components.	Being braking system a safety component by definition, in case of product nonconformity the end-user's safety may be threatened.	I impact	–		O
		Higher safety standards for end users enabled by R&D investments to develop innovative products that increase vehicle safety using Brembo components.	Brembo invests in Research and Development activities to develop innovative products and lead to increased safety of vehicles using Brembo components, resulting in higher safety standards for end users.	I impact	+		O
		Extra costs, recalls/warranty actions, and reputational or client-relationship impacts deriving from product defects detected on the market (including safety-related issues).	Product liability and safety recalls: If a defect is detected once the product is on the market, it may result in one or more of the following consequences: product liability by the claims end-customer, safety recall campaign, warranty intervention (in case of a non-safety-related defect). The consequence for the Company would be an impact in terms of extra costs, reputation and/or relationship with clients.	R risk			O
		Reputational harm, penalties and adverse market reactions deriving from incorrect external/internal disclosures.	External and internal communications: Incorrect disclosure could represent a risk for Brembo, as it can damage its corporate reputation, lead to penalties and negatively influence the market choices of end users and, consequently, clients.	R risk			O
		Higher sales and stronger business relationships deriving from increased brand awareness and improved reputation among consumers and OEMs, together with a reduction in product liability claims.	Increase in sales and strengthening of business relationships thanks to an increase in brand awareness and an improved reputation among consumers and OEMs, along with a reduction in product liability claims.	O opportunity			U D
G1 – Business conduct	Management of relationships with suppliers including payment practices	Economic difficulties and organizational stress on suppliers, caused by a combination of supplier-relationship practices (including payment practices), such as delays or onerous payment terms, high technical and logistics requirements, ESG compliance burdens, and stringent contractual clauses.	Economic difficulties and organizational stress on suppliers, caused by a combination of supplier-relationship practices (including payment practices), such as delays or onerous payment terms, high technical and logistics requirements, ESG compliance burdens, and stringent contractual clauses.	I impact	–		O
		More ethical and competitive business environment caused by the spread of anti-corruption principles and practices across the value chain through mandatory training and contractual codes and clauses.	Spread of anti-corruption principles and practices across the value chain, fostering an ethical and competitive business environment through mandatory training and contractual codes and clauses.	I impact	+		O
	Corruption and bribery	Fines, penalties and other legal actions deriving from non-compliance with internal policies/procedures or local regulations, including potential fraud attempts and/or market abuse.	Potential fraud attempts and/or market abuse due to non-compliance with internal policies/ procedures or local regulations: In case of non-compliance with laws and regulations, the Company may face potential legal and regulatory consequences. This may include fines, penalties, and other legal actions.	R risk			O

+ Positive – Negative Actual Potential | Time horizon: short medium long | Value chain: U Upstream O Own Operations D Downstream

IRO-1 DOUBLE MATERIALITY ASSESSMENT

To define material sustainability topics and determine the contents of this sustainability report, Brembo conducted a double materiality analysis in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). This analysis forms the basis for identifying material topics through the mapping of impacts, risks and opportunities (hereinafter "IROs") that the Brembo Group generates for stakeholders, the environment and people, as well as the effects on the Group arising from environmental and societal changes. The adopted methodology enabled a structured and systematic identification of the principal IROs associated with the most relevant environmental, social and governance topics for the Group's direct operations and across its value chain.
The Double Materiality analysis is grounded in Brembo's Enterprise Risk Management procedures, including due diligence, and active engagement with internal and external stakeholders.

According to ESRS, a sustainability topic may be material from one or both of the following perspectives:

- **Impact perspective**: A topic is material when it relates to actual or potential, positive or negative impacts of the Company on people or the environment over the short, medium and long term; such impacts may originate from activities under the Company's direct control and/or along its value chain.

- **Financial perspective**: A topic is material if it causes, or may cause, significant financial effects for the Company, whether negative (risks) or positive (opportunities); these risks and opportunities can arise from activities under the Company's direct control and/or along its value chain.

Consequently, the Group's double materiality analysis, described below, defined the material sustainability topics. The double materiality assessment is a continuous, Group-wide process covering all Brembo business areas and sectors; as a dynamic exercise, it may evolve in response to changes in corporate structure, stakeholder expectations, regulatory developments, improvements in risk management, or other organizational needs.

IMPACT MATERIALITY

To identify the material sustainability topics, the Brembo Group began by mapping and assessing the impacts that Brembo and its value chain generate on people and the environment. The process was structured in the following phases:

1. Understanding the context in which the Group operates, including activities performed, business relationships, and geographies. In defining the Group's material impacts on people and the environment, the following were considered:
   - All production activities performed, as detailed in the previous paragraph Disclosure Requirement "SBM-1 - Strategy, business model and value chain".
   - The most significant business relationships of the Brembo Group, as detailed in the previous paragraph Disclosure Requirement "SBM-1 - Strategy, business model and value chain".

2. Identification of the actual and potential impacts of the Group, also through engagement with its stakeholders. Brembo conducted specific stakeholder engagement activities to receive input on material impacts. The engagement of internal and external stakeholders within the Group has been fundamental to the sustainability approach, allowing management to identify material topics and define a sustainability strategy aimed at the continuous improvement of performance. For a detailed overview of the Brembo Group's stakeholders and the methods of engagement, please refer to the previous paragraph. Disclosure Requirement "SBM-2 - Engaging stakeholders for shared understanding ".

3. Assessment of the relevance of the impacts and their prioritization.
   Regarding the assessment of negative and positive impacts, two different evaluation scales were used:

Negative impacts	Positive impacts
Negative impacts were prioritized based on their likelihood of occurrence and their **severity**, determined by the combination of: • **Scale** • **Scope** • **Irremediability**	Positive impacts were prioritized based on their likelihood of occurrence, as well as their **scale** and the **scope** in which they manifest

In general, Scale indicates how severe an impact is; Scope indicates the breadth of the impact in terms of the stages of the value chain in which it occurs; Irremediability indicates how difficult it is to remedy a negative impact.

In the case of negative impacts, whether potential or actual, that influence or could influence human rights, these were assessed in a manner that prioritizes the severity of the impact over its likelihood. Therefore, if a negative impact has a low probability of occurrence but high severity, the assessment is still considered at the maximum level.

Finally, the Brembo Group has divided impacts into four levels of relevance (as combination of magnitude and likelihood): not relevant, moderate, high, and very relevant. All the impacts that resulted as moderate or above have been considered material.

For more details regarding the time horizons, please refer to chapter "BP-2 Basis for preparation".

For more information on the impacts identified by the Brembo Group, please refer to Table 5 in the Disclosure Requirement SBM-3 - Material impacts, risks, and opportunities and their interaction with strategy and business model.

FINANCIAL MATERIALITY

The next phase involved the analysis of Financial Materiality, for which an outside-in approach was adopted.

The analysis was conducted using two key documents: the ERM Report and the Climate Change Risk Assessment (CCRA). After examining all the risks listed in the documents, including physical and transitional risks that may affect the Group, those relevant to sustainability issues were selected. Similar risks were grouped together, and the aggregated risk was assigned the highest score

among those given by Brembo to the individual risks.

The process of identifying, assessing, and managing risks is closely integrated into the Group's Enterprise Risk Management (ERM) framework, described in detail under section 4.4 Risk Management of 2025 Annual Report. The results of the ERM process are reported to Top Management, the Audit, Risk and Sustainability Committee, the Sustainability Committee, and the Board of Directors (BoD), ensuring adequate oversight and effective strategic alignment.

At the same time, a desk analysis was used to map and evaluate potentially relevant sustainability-related opportunities. This process included a comparative study of the best practices of peers and competitors, as well as a thorough analysis of the Group's internal documentation (e.g., CCRA report) and strategic objectives. The work was supported by recognized national and international sources, such as SASB[14], MSCI[15] and the S&P Global Sustainability Yearbook[16].

The analysis was then integrated with risks and opportunities arising from Brembo's impacts and dependencies. i.e. close relationships and interconnections between the Group suppliers, customers, resources, regulations, or other external entities on which Brembo relies for its operations and the achievement of its objectives.

Once all potential risks and opportunities were mapped, the evaluation process was conducted by aligning the Group risk assessment methodology with the Guidelines of the ESRS. Specifically, the evaluation of risks and opportunities was carried out based on the following two parameters:

- **Magnitude**: meaning the impact of the potential occurrence of the risk or opportunity on the Group's activities. The rating metric varies from minor to critical.
- **Likelihood**: the probability of the risk occurring. The rating metric varies from remote to high.

For more details regarding the time horizons, please refer to chapter "BP-2 - Basis for preparation".

Unlike the criteria used for materiality thresholds in impact materiality, risks and opportunities have been divided into four levels of magnitude: minor, moderate, relevant and critical (in accordance with ERM methodology). Only risks and opportunities with Relevant and Critical magnitude have been identified as material regardless of their likelihood.

For more information on the risks and opportunities identified by the Brembo Group, please refer to Table 5 in the Disclosure Requirement "SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model".

14 SASB: Sustainability Accounting Standards Board.
15 Morgan Stanley Capital International.
16 Standard & Poor's Global.

IRO-2 DISCLOSURE REQUIREMENTS IN ESRS COVERED BY SUSTAINABILITY STATEMENTS

Table 6

Topic	ESRS	Disclosure requirement	Page
2 – General Disclosure	BP-1 | BP-2	Basis for preparation	43
	GOV-1 | GOV-2	Board of directors and committee structure	43
	GOV-3	Sustainability-driven incentive schemes	46
	GOV-4	Statement on due diligence	47
	GOV-5	Risk management and internal controls over sustainability reporting	47
	SBM-1	Strategy, business model and value chain	48
	SBM-2	Engaging stakeholders for shared understanding	50
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	52
	IRO-1	Double materiality assessment	59
	IRO-2	Disclosure requirements in ESRS covered by sustainability statements	60
E1 – Climate Change	E1 GOV-3	Integration of sustainability-related performance in incentive schemes	76
	E1 SBM-3	Climate change material impacts, risks and opportunities	76
	E1 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	78
	E1-1	Transition plan for climate change mitigation	79
	E1-2	Policies related to climate change	79
	E1-3	Actions and resources in relation to climate change policies	81
	E1-4	Targets related to climate change	82
	E1-5	Energy consumption and mix	84
	E1-6	Gross scopes 1, 2, 3 and total GHG emissions	85
	E1-7	GHG removals and carbon credits	89
	E1-8	Internal carbon pricing	89

Topic	ESRS	Disclosure requirement	Page
E2 – Pollution	E2 IRO-1	Pollution material impacts, risks and opportunities	90
	E2-1	Policies related to pollution	90
	E2-2	Actions and resources related to pollution	91
	E2-3	Targets related to pollution	91
	E2-4	Pollution of air, water, and soil	92
	E2-5	Substances of concern and substances of very high concern	93
E3 – Water and marine resources	E3 IRO-1	Water and marine resources material impacts, risks and opportunities	94
	E3-1	Policies related to water	94
	E3-2	Actions and resources related to water	95
	E3-3	Targets related to water	96
	E3-4	Water consumption	96
E4 – Biodiversity and ecosystems	E4-1	Transition plan and consideration of biodiversity	97
	E4 SBM-3	Biodiversity material impacts, risks and opportunities	97
	E4 IRO-1	Biodiversity & ecosystem materiality assessment process	97
	E4-2	Policies related to biodiversity	97
	E4-3	Actions and resources related to biodiversity	97
	E4-4	Targets related to biodiversity	98
	E4-5	Impact metrics related to biodiversity and ecosystems change	98
E5 – Circular economy	E5 IRO-1	Resource use and circular economy material impacts, risks and opportunities	99
	E5-1	Policies related to resource use and circular economy	99
	E5-2	Actions and resources related to resource use and circular economy	100
	E5-3	Targets related to resource use and circular economy	100
	E5-4	Resource inflows	101
	E5-5	Resource outflows	101

Topic	ESRS	Disclosure requirement	Page
S1 – Own workforce	S1 SBM-3	Own workforce impacts, risks and opportunities	105
	S1-1	Policies related to own workforce	105
	S1-2	Engaging with own workers and workers' representatives	109
	S1-3	Addressing negative impacts and employee concerns	109
	S1-4	Actions related to own workforce	110
	S1-5	Targets related to own workforce	112
	S1-6	Characteristics of Brembo's employees	113
	S1-7	Characteristics of non-employees in Brembo's own workforce	114
	S1-8	Collective bargaining coverage and social dialogue	114
	S1-9	Diversity	115
	S1-10	Adequate wages	115
	S1-13	Training and skills development	115
	S1-14	Health and safety	116
	S1-16	Remuneration	116
	S1-17	Incidents, complaints and severe human rights impacts	116
S2 – Workers in the value chain	S2 SBM-3	Workers in the value chain impacts, risks and opportunities	117
	S2-1	Policies related to value chain workers	118
	S2-2	Engaging with value chain workers	118
	S2-3	Addressing negative impacts and value chain worker concerns	119
	S2-4	Actions related to workers in the value chain	120
	S2-5	Targets related to workers in the value chain	120
S3 – Affected communities	S3 SBM-3	Affected communities' impacts, risks and opportunities	121
	S3-1	Policies related to affected communities	122
	S3-2	Processes for engaging with affected communities about impacts	122
	S3-3	Addressing negative impacts and affected community concerns	122
	S3-4	Actions related to affected communities	123
	S3-5	Targets related to affected communities	128

Topic	ESRS	Disclosure requirement	Page
S4 – Consumers and end-users	S4 SBM-3	Consumers and end-users' impacts, risks and opportunities	128
	S4-1	Policies related to consumers and end-users	128
	S4-2	Processes for engaging with consumers and end-users	129
	S4-3	Processes to remediate negative impacts and channels for consumers and end-users	129
	S4-4	Actions related to consumers and end-users	130
	S4-5	Targets related to consumers and end-users	130
G1 – Business conduct	G1 GOV-1	Role of administrative, supervisory and management bodies	132
	G1 IRO-1	Business conduct impacts, risks and opportunities	133
	G1-1	Policies related to business conduct and corporate culture	133
	G1-2	Management of relationships with suppliers	136
	G1-3	Prevention and detection of corruption and bribery	138
	G1-4	Incidents of corruption or bribery	138
	G1-6	Payment practices	138

At the conclusion of the double materiality analysis, the disclosure requirements identified in the table below were deemed material, with the pages containing this information highlighted. The following table also provides information included in this Notice derived from other legislative acts of the European Union in relation to Delegated Regulation 2023/5303 on the European Sustainability Reporting Standards, with an indication of the pages where they are located:

Table 7

Disclosure Requirement	Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material (yes/no)	page
ESRS 2 GOV-1	21 (d) Board's gender diversity	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		yes	43-44
ESRS 2 GOV-1	21 (e) Percentage of board members who are independent			Delegated Regulation (EU) 2020/1816, Annex II		yes	44
ESRS 2 GOV-4	30 Statement on due diligence	Indicator number 10 Table #3 of Annex 1				yes	47
ESRS 2 SBM-1	40 (d) i Involvement in activities related to fossil fuel activities	Indicators number 4 Table #1 of Annex	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		no	49
ESRS 2 SBM-1	40 (d) ii Involvement in activities related to chemical production	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		no	49
ESRS 2 SBM-1	40 (d) iii Involvement in activities related to controversial weapon	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (29) , Article 12 Delegated Regulation (EU) 2020/1816, Annex II		no	49

Disclosure Requirement	Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material (yes/no)	page
ESRS 2 SBM-1	40 (d) iv Involvement in activities related to cultivation and production of tobacco			Delegated Regulation (EU) 2020/1818, Article 12 Delegated Regulation (EU) 2020/1816, Annex II		no	49
ESRS E1-1	14 Transition plan to reach climate neutrality by 2050				Regulation (EU) 2021/1119, Article 2(1)	yes	79
ESRS E1-1	16 (g) Companies excluded from Paris-aligned Benchmarks		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		yes	79
ESRS E1-4	34 GHG emission reduction targets	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		yes	82-83
ESRS E1-5	38 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				yes	84
ESRS E1-5	37 Energy consumption and mix	Indicator number 5 Table #1 of Annex 1				yes	84
ESRS E1-5	40 to 43 Energy intensity associated with activities in high climate impact sectors	Indicator number 6 Table #1 of Annex 1				yes	85
ESRS E1-6	44 Gross Scope 1, 2, 3 and Total GHG emissions	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		yes	89

Disclosure Requirement	Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material (yes/no)	page
ESRS E1-6	53 to 55 Gross GHG emissions intensity	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		yes	88
ESRS E1-7	56 GHG removals and carbon credits				Regulation (EU) 2021/1119, Article 2(1)	yes	89
ESRS E1-9	66 Exposure of the benchmark portfolio to climate-related physical risks			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		no	phase-in
ESRS E1-9	66 (c) Disaggregation of monetary amounts by acute and chronic physical risk 66 (a) Location of significant assets at material physical risk .		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk			no	phase-in
ESRS E1-9	67 (c) Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			no	phase-in
ESRS E1-9	69 Degree of exposure of the portfolio to climate- related opportunities			Delegated Regulation (EU) 2020/1818, Annex II		no	phase-in
ESRS E2-4	28 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				no	92
ESRS E3-1	9 Water and marine resources	Indicator number 7 Table #2 of Annex 1				yes	94
ESRS E3-1	13 Dedicated policy	Indicator number 8 Table 2 of Annex 1				yes	94

Disclosure Requirement	Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material (yes/no)	page
ESRS E3-1	14 Sustainable oceans and seas	Indicator number 12 Table #2 of Annex 1				yes	92
ESRS E3-4	28 (c) Total water recycled and reused	Indicator number 6.2 Table #2 of Annex 1				yes	96
ESRS E3-4	29 Total water consumption in m3 per net revenue on own operations	Indicator number 6.1 Table #2 of Annex 1				yes	96
ESRS 2-SBM 3 - E4	16 (a) i	Indicator number 7 Table #1 of Annex 1				yes	97
ESRS 2-SBM 3 - E4	16 (b)	Indicator number 10 Table #2 of Annex 1				yes	97
ESRS 2-SBM 3 - E4	16 (c)	Indicator number 14 Table #2 of Annex 1				yes	97
ESRS E4-2	24 (b) Sustainable land / agriculture practices or policies	Indicator number 11 Table #2 of Annex 1				yes	97
ESRS E4-2	24 (c) Sustainable oceans / seas practices or policies	Indicator number 12 Table #2 of Annex 1				yes	97
ESRS E4-2	24 (d) Policies to address deforestation	Indicator number 15 Table #2 of Annex 1				yes	97

Disclosure Requirement	Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material (yes/no)	page
ESRS E5-5	37 (d) Non-recycled waste	Indicator number 13 Table #2 of Annex 1				yes	102
ESRS E5-5	39 Hazardous waste and radioactive waste	Indicator number 9 Table #1 of Annex 1				yes	102
ESRS 2-SBM3 - S1	14 (f) Risk of incidents of forced labour	Indicator number 13 Table #3 of Annex I				yes	105
ESRS 2-SBM3 - S1	14 (g) Risk of incidents of child labour	Indicator number 12 Table #3 of Annex I				yes	105
ESRS S1-1	20 Human rights policy commitments	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				yes	106
ESRS S1-1	1 to 8, paragraph 21 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions			Delegated Regulation (EU) 2020/1816, Annex II		yes	106
ESRS S1-1	22 processes and measures for preventing trafficking in human beings	Indicator number 11 Table #3 of Annex I				yes	106

Disclosure Requirement	Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material (yes/no)	page
ESRS S1-1	23 workplace accident prevention policy or management system	Indicator number 1 Table #3 of Annex I				yes	106
ESRS S1-3	32 (c) grievance/ complaints handling mechanisms	Indicator number 5 Table #3 of Annex I				yes	109
ESRS S1-14	88 (b) and (c) Number of fatalities and number and rate of work-related accidents	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		yes	116
ESRS S1-14	88 (e) Number of days lost to injuries, accidents, fatalities or illness	Indicator number 3 Table #3 of Annex I				yes	116
ESRS S1-16	97 (a) Unadjusted gender pay gap	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		yes	116
ESRS S1-16	97 (b) Excessive CEO pay ratio	Indicator number 8 Table #3 of Annex I				yes	116
ESRS S1-17	103 (a) Incidents of discrimination	Indicator number 7 Table #3 of Annex I				yes	116
ESRS S1-17	104 (a) Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		yes	116
ESRS 2-SBM3 – S2	11 (b) Significant risk of child labour or forced labour in the value chain	Indicators number 12 and n. 13 Table #3 of Annex I				yes	117
ESRS S2-1	17 Human rights policy commitments	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				yes	106
ESRS S2-1	18 Policies related to value chain workers	Indicator number 11 and n. 4 Table #3 of Annex 1				yes	118
ESRS S2-1	19 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		yes	118

Disclosure Requirement	Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material (yes/no)	page
ESRS S2-1	1 to 8, paragraph 19 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions			Delegated Regulation (EU) 2020/1816, Annex II		yes	106
ESRS S2-4	36 Human rights issues and incidents connected to its upstream and downstream value chain	Indicator number 14 Table #3 of Annex 1				yes	120
ESRS S3-1	Human rights policy commitments	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				no	106
ESRS S3-1	17 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		no	106
ESRS S3-4	36 Human rights issues and incidents	Indicator number 14 Table #3 of Annex 1				no	123
ESRS S4-1	16 Policies related to consumers and end-users	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				yes	128
ESRS S4-1	17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		yes	128
ESRS S4-4	35 Human rights issues and incidents	Indicator number 14 Table #3 of Annex 1				yes	128
ESRS G1-1	10 (b) United Nations Convention against Corruption	Indicator number 15 Table #3 of Annex 1				yes	130
ESRS G1-1	10 (d) Protection of whistle- blowers	Indicator number 6 Table #3 of Annex 1				yes	133
ESRS G1-4	24 (a) Fines for violation of anti-corruption and anti-bribery laws	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		yes	138
ESRS G1-4	24 (b) Standards of anti- corruption and anti- bribery paragraph	Indicator number 16 Table #3 of Annex 1				yes	138

3.2 ENVIRONMENT

TAXONOMY

DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY REGULATION)

THE EU TAXONOMY REGULATION

In alignment with the goals of the UN 2030 Agenda and the objective of achieving climate neutrality by 2050, the European Union has introduced a comprehensive policy framework to direct capital flows toward sustainable assets and activities. In this context, the European institutions introduced Regulation (EU) 2020/852 (hereafter referred to as the "Regulation") to help scale up investments in the projects in line with the European Green Deal objectives, by providing reliable and standardized criteria and tools for identifying environmentally sustainable economic activities. In particular, the Regulation introduced a unified classification system, known as a "taxonomy" for economic activities. To qualify as "environmentally sustainable" these activities must contribute to achieving one or more of the following six environmental objectives:

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

Specifically, the Regulation categorizes economic activities into two classifications:

- **taxonomy-eligible**: an economic activity is considered taxonomy-eligible if it is listed in the delegated acts of the Regulation and corresponds to one or more environmental objectives. If an activity is taxonomy-eligible, it has the potential to make a substantial contribution to the relevant objective.

- **taxonomy-aligned**: an economic activity is classified as taxonomy-aligned if, in addition to being taxonomy-eligible, it complies with the technical screening criteria and minimum safeguards outlined in the Regulation. To achieve this classification, the activity must:
  - meet the substantial contribution criteria and contribute to the achievement of the environmental objectives;
  - adhere to the "Do No Significant Harm" (DNSH) principle, ensuring that the activity does not cause significant harm to any of the other environmental objectives to which it does not substantially contribute;
  - comply with minimum safeguards, a set of procedures implemented by the company to ensure that its operations are aligned with key international standards for responsible business conduct.

During 2025, the European legislator undertook a process to simplify sustainability regulations in key areas, including, among others, the EU Taxonomy. The intervention by European institutions aimed to streamline the regulatory framework by reducing reporting burdens for companies and financial intermediaries, while ensuring transparency and reliability of the environmental information provided to the market. In this context, on 8 January 2026, Delegated Regulation (EU) 2026/73 was published in the Official Journal of the European Union. Among other things, it introduces a materiality threshold for the disclosure of EU Taxonomy KPIs and a simplification of the reporting templates.

Pursuant to Article 4 of Delegated Regulation (EU) 2026/73, the provisions contained therein apply from 1 January 2026 with reference to the 2025 financial year, with the possibility for companies to postpone the adoption of the regulatory updates until FY 2026. Brembo decided not to postpone the adoption of the amendments; therefore, the following disclosure has been prepared in compliance with the Regulation applicable as of 1 January 2026.

COMPLIANCE ASSESSMENT WITH TAXONOMY REGULATION

In line with the analysis performed during the previous reporting period, in 2025 the Brembo Group evaluated the effective contributions of its taxonomy-eligible economic activities to the six specified objectives and performed the required screening to determine which of these activities could also be classified as taxonomy-aligned.

Although the manufacturing activities provided by the EU Taxonomy Delegated Acts do not include an activity dedicated to the manufacture of braking systems, Brembo has conducted a review of all activities within its operational scope, identifying those that are taxonomy-eligible and potentially taxonomy-aligned.

Additionally, Brembo conducted a mapping of additional CapEx and OpEx associated with the purchase of products or services related to taxonomy-eligible and/or taxonomy-aligned economic activities.

17 As listed in Delegated Regulation 2023/2486, introduction point (9).

ELIGIBILITY ANALYSIS

The analysis led to the identification of the following economic activities conducted by Brembo that are associated with climate and environmental objectives:

Activities contributing to Climate Change Mitigation

- **3.8 Manufacture of Aluminum**: includes CapEx and OpEx linked to Brembo's aluminum casting operations that contribute to the EU Taxonomy objective of climate change mitigation.

- **3.9 Manufacture of Iron and Steel**: encompasses CapEx and OpEx associated with Brembo's iron casting activities, aimed at reducing the carbon footprint in line with the climate change mitigation objective.

- **3.18 Manufacture of automotive and mobility components**: this refers to CapEx, OpEx, and revenue linked to the manufacture and upgrading of mobility components for zero-emission personal mobility devices, as well as to automotive and mobility systems that are essential to ensure and improve the vehicle's environmental performance. As for the concept of "essential to ensure and improve the vehicle's environmental performance", only regenerative braking systems and brakes with drag reduction technologies are listed among components for vehicles[17]. Brembo manufactures and sells braking systems and components for both internal combustion vehicles and zero-emission vehicles. In the context of activity CCM

3.18, only products for which it has been possible to track the destination (i.e., for zero-emission vehicles) have been accounted for under activity CCM 3.18.

Additionally, the Group's plants were involved in assessing individual investments made during the year which could be linked to economic activities defined under the EU Taxonomy. In this instance, Brembo further refined the assessment methodology compared to the previous Sustainability Report to ensure a more accurate classification of eligible activities for 2025.

Table 8

EU Taxonomy activity	EU Taxonomy objective	Brembo's CapEx / OpEx
6.3 Urban and suburban transport, road passenger transport	Climate change mitigation	Costs relating to the rental of bus shuttles for employees
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	Climate change mitigation	Costs relating to the management and maintenance of the company fleet
7.1 Construction of new buildings	Climate change mitigation	Costs relating to the construction of new buildings extending the Group's production and sales hubs
7.2 Renovation of existing buildings	Climate change mitigation	Costs relating to the renovation of existing buildings within the Group's production and sales hubs
7.3 Installation, maintenance and repair of energy efficiency equipment	Climate change mitigation	Costs relating to the installation and maintenance of energy efficient lighting and new air-conditioning systems
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Climate change mitigation	Costs relating to the installation, maintenance and repair of charging stations for electric vehicles in parking spaces attached to buildings
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Climate change mitigation	Costs relating to the installation and maintenance of digital meters and systems for measuring on a continuous basis the energy performance of the production lines and buildings
7.6 Installation, maintenance and repair of renewable energy technologies	Climate change mitigation	Costs relating to the installation and maintenance of photovoltaic plants
7.7 Acquisition and ownership of buildings	Climate change mitigation	Costs relating to the acquisition of new buildings

ALIGNMENT ANALYSIS

The Group carried out analyses and assessments to verify alignment with the EU Taxonomy objectives, for the above-listed eligible activities. These assessments addressed substantial contribution and "Do No Significant Harm" (DNSH) criteria.

At this time, it is not possible to attest the alignment of eligible activities, as the technical screening criteria for substantial contribution and all DNSH have not been fully met. Nevertheless, the main considerations and evidence regarding DNSH are illustrated in the following:

- **Climate change adaptation**: an analysis of vulnerability to physical climate risks (chronic and acute) was conducted for all facilities, with short-term (2023–2025) and long-term (2030–2050) scenarios based on the IPCC RCP 8.5 ("Fossil Fuel Driven Development"). The criterion is considered met for all production sites.

- **Sustainable use and protection of water and marine resources**: environmental degradation risks related to preserving water quality and avoiding water stress have been identified and addressed, in line with Regulation (EU) 2020/852. A water management and protection plan has been developed in consultation with relevant stakeholders. Where an Environmental Impact Assessment has been carried out under Directive 2011/92/EU and includes an assessment of impacts on water, no additional assessment is required, provided identified risks have been addressed. Consequently, the criteria are considered met for all production sites.

- **Transition to a circular economy**: where applicable, compliance with the criteria for circular economy is guaranteed through the increasing use of recycled and renewable materials, as well as product design aimed at ensuring high durability and recyclability, as illustrated in "E5 - CIRCULAR ECONOMY". Consequently, the criteria are considered met for activities performed by Brembo.

- **Pollution prevention and control**: compliance with European and local regulations on hazardous substances is ensured, and a mapping project has been launched to identify hazardous substances in use and evaluate potential alternatives. However, due to the current lack of complete data, the criterion is prudently considered not met.

- **Protection and restoration of biodiversity and ecosystems**: a preliminary assessment of biodiversity status has been initiated in the regions where plants are located; for sites situated in or near biodiversity-sensitive areas, a suitable assessment and the implementation of mitigation measures are required. As the necessary measures have not yet been implemented, the criterion is considered not met as a precaution.

MINIMUM SAFEGUARDS

Ultimately, Brembo assessed adherence to the minimum safeguards, in line with the stipulations outlined in Article 18 of the Regulation. In particular, the OECD 2023 Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, as well as the principles and rights established by the eight fundamental conventions recognized in the declaration of the International Labour Organization (ILO) and the International Bill of Human Rights were considered.

Brembo ensures coverage of issues related to minimum safeguard guarantees at Group level through the adoption of specific tools such as corporate policies, guidelines, and organizational and operational mechanisms, particularly:

- Group Code of Ethics, whose rules apply to all employees of all Group Companies and to all those who operate to achieve the Group's objectives.
- 231 Model and Whistleblowing procedures for reporting any violations of the code and the models themselves.
- Policies regarding diversity in the composition of the Administrative Body aimed at ensuring an ideal mix of skills and professionalism among the members of the Board of Directors, not only in terms of gender but also in terms of experience, professionalism, honorability, independence, age, and other relevant aspects provided by legislative provisions.
- Remuneration policy and related report published annually as better described in the paragraph "Remuneration Policies" of the chapter "Own workforce" and "Business conduct".
- Public communication on issues related to human rights and gender diversity and fundamental labor rights in the Group's present sustainability statement (for more information, see the chapters "Own workforce" and "Workers in the value chain").
- Policies and Codes of Conduct published on the Group's website, whose rules apply to all employees of all Group Companies and to all those who operate to achieve the Group's objectives: Anti-Corruption Codes of Conduct, Brembo human rights policy, Brembo policy on non-discrimination and diversity, sustainable procurement policy, general conditions of purchase of materials and services of Brembo. The codes and policies are described in detail in the chapter "Business conduct".
- Grievance mechanisms, accessible to stakeholders through the Group's website.

Following this analysis, the Group verified that it has implemented all the safeguards provided for in

Article 18 of the Regulation, while recognising the need to formalize some specific disclosures to ensure full compliance with the requirements of the OECD Guidelines and the UN Guiding Principles.

For further details regarding the safeguards related to minimum safeguard guarantees, please refer specifically to the chapters "Own workforce", "Workers in the value chain" and "Business conduct" which delve into the Group's safeguards and results concerning human rights issues and the fight against corruption.

ACCOUNTING POLICY AND CONTEXTUAL INFORMATION

The Group, in accordance with the guidelines of Annex 1-2 of the Disclosure Delegated Act (i.e., Delegated Regulation (EU) 2021/2178), has calculated the Turnover, CapEx, and OpEx indicators in relation to the activities identified as eligible, assessing their specific weight with reference to their respective consolidated values.

Specifically, the following sections outline the methodological approaches used for the calculation of each indicator, providing an overview for both the denominators and the numerators.

The Group also clarifies that there is no alignment; in fact, the activities for which the appropriate calculations have been made are solely eligible.

TURNOVER KPI

The denominator for Turnover was determined through an analysis of the Group's statutory chart of accounts for the fiscal year 2025. Specifically, for this purpose, in accordance with § 1.1.1 of Annex 1 of the Delegated Regulation (EU) 2021/2178 (hereinafter "Disclosure Delegated Act"), the revenues from the Group's core activities were identified by considering the line item "Revenue from contracts with customers". These revenues, as described by IAS 1 paragraph 82 and the definition of Net Turnover in Directive 2013/34/EU, represent the proceeds from the sale of goods and services net of sales returns, VAT, and other taxes related to turnover. Consequently, the Group's Turnover for 2025 amounts to €3,702,699.00 thousand, as reported in the consolidated financial statements (Revenue from contracts with customers, note No. 20 of the consolidated financial statement at 31 December 2025).

Regarding the calculation of the numerator, only the share of revenues for which it can be stated with a high level of certainty that the products were destined for electric vehicles has been considered under activity 3.18 - Production of automotive and mobility components, for cumulated €147,977.00 thousand. As this value accounts for less than 10% of the KPI denominator, the simplifications introduced by Regulation 2026/73 have been adopted. The Group is conducting analyses to further refine its methodologies for calculating and identifying regenerative braking systems and brakes with drag reduction technologies.

CAPEX KPI

Paragraph 1.1.2.1 of the Disclosure Delegated Act specifies that the denominator of Capex must incorporate increases in tangible and intangible assets incurred during the fiscal year before depreciation, impairment, and any revaluation, including those arising from revaluations and reductions in value for the fiscal year in question, and excluding changes in fair value. The denominator must also include increases in tangible and intangible assets resulting from business combinations.

In line with the above, the Group considered the increases related to intangible, tangible assets, and rights of use of leased assets for the denominator.

To obtain this data, the asset movement tables were used, isolating only the "acquisitions" row (Tangible fixed assets and Intangible fixed assets, items found in notes 1 and 2 of the consolidated annual financial report).

As suggested by § 1.1.2.1, the following references were used:

- IAS 16 Property, Plant and Equipment
- IAS 38 Intangible Assets
- IFRS 16 Leases

The Group's investments considered for the denominator amount to €445,078.00 thousand, as indicated in the notes to the consolidated financial statements. These investments include tangible, intangible assets, and rights of use (according to IFRS 16) of the increases that occurred during 2025.

Regarding the numerator of the KPI, the Group conducted a detailed analysis of the asset movements to identify the components associated with the activities deemed eligible during the technical assessment. Since the Group operates in various territories, the approach used involved the participation of the administrative accounting resources of all plants and Legal Entities within the consolidation perimeter. Detailed numbers were then obtained through extraction from the management systems.

For the CapEx KPI, the 10% threshold has been applied, in compliance with Regulation 2026/73, to some minor activities (cumulatively accounting for 0.37% of the KPI's denominator). Such activities mainly relate to investments in ancillary systems for water supply and management.

OPEX KPI

Paragraph 1.1.3.1 of the Disclosure Delegated Act establishes that the denominator of OpEx must be calculated by identifying specific non-capitalised operating costs related to:

- Research and development
- Renovation measures for buildings
- Short-term leases
- Maintenance and repairs
- Any other direct expenses related to the daily maintenance of properties, plants and machinery.

To evaluate these items, the Group conducted a thorough analysis of the Group's accounting plan. Therefore, a detailed investigation was carried out to isolate all items attributable to the above components.

It is specified as follows:

- Regarding "any other direct expenses related to the daily maintenance of properties, plants and machinery," cleaning expenses for the plants were considered as suggested by FAQ No. 12 of the Commission Notice C (2022) 385/01 of 06.10.2022.
- For the personnel costs involved in ordinary maintenance and R&D activities, since it was not possible to derive the values directly through the analysis of the accounting plan, a detailed analysis of the cost centres was conducted using analytical accounting.

As a result, the value obtained for the denominator amounts to €283,979.00 thousand.

Regarding the numerator, the numbers associated with the identified eligible activities were extracted from the management system of the Group's companies, ensuring correspondence with the items of the consolidated accounting plan used for calculating the denominator. The related activities are mainly related to maintenance and cleaning costs of foundries, development costs of braking systems for zero-emission vehicles or contributing to the environmental performance of vehicles, as well as maintenance costs of energy efficiency equipment installed in the Group's plants (e.g., photovoltaic panels' maintenance and cleaning cost).

For the OpEx KPI, the 10% threshold has been applied, in compliance with Regulation 2026/73, to some minor activities (cumulatively accounting for 0.02% of the KPI's denominator), consistently with the approach adopted for the CapEx KPI.

Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year (N) (summary KPIs)

Table 9

Financial year (N)

					BREAKDOWN BY ENVIRONMENTAL OBJECTIVES OF TAXONOMY-ALIGNED ACTIVITIES										
KPI	Total	2025	Taxonomy aligned activities	Proportion of Taxonomy aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Circular economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy aligned activities in previous financial year (N-1)	Proportion of Taxonomy aligned activities in previous financial year (N-1)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Text	€	%	€	%	%	%	%	%	%	%	%	%	%	€	%
Turnover	3,702,698,694 €	0.0%	0.00 €	0.0%									4.00%	0.00 €	0.00%
CapEx	445,078,291 €	41.1%	0.00 €	0.0%									0.37%	0.00 €	0.00%
OpEx	283,979,074 €	10.4%	0.00 €	0.0%									0.02%	0.00 €	0.00%

1 (N) Indicate the financial year that the reported data refers to. Columns (2) to (14) shall pertain to the financial year (N). (N-1) Indicates the previous financial year. If no data was reported for financial year N-1, leave columns (15) and (16) empty.

2. Column (2) shall contain the denominator of the respective KPI.

3. Column (3) shall contain the proportion of the denominator of the respective KPI that is associated with total Taxonomy-eligible economic activities regardless of whether those activities are taxonomy-aligned or not.

4. Column (5) shall contain the proportion of the denominator of the respective KPI that is associated with total Taxonomy-aligned economic activities.

5. Columns (6) to (11) shall contain the proportion of the denominator of the respective KPI that is associated with Taxonomy-aligned economic activities that contribute substantially to the respective environmental objective. For the respective KPI, the sum of the proportions in columns (6) to (11) shall equal to the figure in the column (5).

6. Column (12) shall contain the proportion of the denominator of the respective KPI that is associated with Taxonomy-aligned economic activities that are enabling economic activities.

7. Column (13) shall contain the proportion of the denominator of the respective KPI that is associated with Taxonomy-aligned economic activities that are transitional economic activities.

8. Column (14) shall contain the proportion of the denominator of the respective KPI associated with economic activities that are considered non-material with respect to the respective KPI and not assessed for Taxonomy-eligibility and Taxonomy-alignment in accordance with Article 2(1a), (1b), and (1c), respectively. For an economic activity considered material with respect to a KPI (turnover, CapEx, or OpEx), undertakings shall assess the Taxonomy-eligibility and alignment of that KPI pertaining to that activity in its entirety and not consider portion of that KPI pertaining to that activity as non-material. Column (14) shall not include any portion of turnover, CapEx, or OpEx associated with material economic activities.

9. Column (16) shall contain the proportion of the denominator of the respective KPI, pertaining to the financial year (N-1), that is associated with total Taxonomy-aligned economic activities pertaining to the financial year (N-1).

10. Columns (5) to (11) to avoid double counting: if the figure in column (5) contains Taxonomy-aligned economic activities that contribute substantially to more than one environmental objective at the same time, the substantial contribution of those economic activities to multiple environmental objectives should be indicated under the respective environmental objectives in columns (6) to (11) of Template 2 on respective activity rows, but should not be double counted in columns (5) to (11) of Template 1.

Proportion of CapEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year (2025) (activity breakdown)

Table 10

Financial year (N)

					ENVIRONMENTAL OBJECTIVE OF TAXONOMY ALIGNED ACTIVITIES								
KPI	Code	Taxonomy eligible KPI (Proportion of Taxonomy eligible CapEx)	Taxonomy aligned KPI (monetary value of CapEx)	Taxonomy aligned KPI (Proportion of Taxonomy aligned CapEx)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	Currency	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Manufacture of aluminium	CCM 3.8	1.5%	0.00 €	0%								T	0%
Manufacture of iron and steel	CCM 3.9	6.6%	0.00 €	0%								T	0%
Urban and suburban transport, road passenger transport	CCM 6.3	0.0%	0.00 €	0%								T	0%
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.0%	0.00 €	0%								T	0%
Construction of new buildings	CCM 7.1/ CE 3.1	8.5%	0.00 €	0%									0%
Renovation of existing buildings	CCM 7.2/ CE 3.2	0.7%	0.00 €	0%								T	0%
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.3%	0.00 €	0%							E		0%
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.0%	0.00 €	0%							E		0%
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.0%	0.00 €	0%							E		0%
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.0%	0.00 €	0%							E		0%
Acquisition and ownership of buildings	CCM 7.7	23.4%	0.00 €	0%									0%
Sum of alignment per objective													
Total KPI: CapEx		**41.1%**	**0.00 €**	**0.0%**									**0%**

1 Non-financial undertakings shall duplicate this template to disclose separately the turnover, the CapEx and the OpEx KPIs, clearly indicating in the title of each table which KPI the table refers to. Where non-financial undertakings disclose zero Taxonomy-eligible KPI (turnover, CapEx, or OpEx, respectively), in Template 1, column (3), they may omit disclosing Template 2 for that KPI.

2 (N) Indicate the financial year that the reported data refers to. Columns (2) to (14) pertain to financial year (N).

3 For activity rows, column (2): The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.:
- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO

For example, the Activity "Afforestation" has the Code: CCM 1.1. Where activities are eligible to make a substantial contribution to more than one objective, the codes for all objectives should be indicated.

4 For activity rows, column (3) shall contain the proportion of the denominator of CapEx, as reported in Template 1, that is associated with a Taxonomy-eligible economic activity regardless of whether or not that activity is Taxonomy-aligned, or only a portion of that activity is Taxonomy-aligned.

5 For activity rows, column (5) shall contain the proportion of the denominator of CapEx, as reported in Template 1, that is associated with a Taxonomy-aligned economic activity, or with the Taxonomy-aligned portion of a Taxonomy-eligible activity.

6 For activity rows, columns (6) to (11) shall contain the proportion of the denominator of CapEx, as reported in Template 1, that is associated with a Taxonomy-aligned economic activity, or its portion, that contributes substantially to the respective environmental objective for which the economic activity is Taxonomy-eligible. Columns corresponding to the environmental objectives for which the economic activity is not Taxonomy-eligible should be left empty. Where a Taxonomy-aligned economic activity, or its portion, contributes substantially to several environmental objectives, the columns under those environmental objectives shall contain the corresponding proportion of the denominator of CapEx, as reported in Template 1, that is associated with that activity or its portion. In other words, where an activity contributes substantially to more than one environmental objective at the same time, its substantial contribution should be indicated under multiple environmental objectives in the row pertainig to that economic activity.

7 Column (14) shall contain the ratio of the figure in column (5) divided by the figure in column (3) in the respective rows.

8 Row "Sum of alignment per objective": columns (6) to (11) shall contain the sum of figures for all reported activities under the respective columns. The sum of columns (6) to (11) on this row might possibly result in more than 100%.

9 Row "Total KPI: CapEx": columns (3) to (13) shall contain the sum of figures for all reported activities under the respective columns. For columns (4) to (11), when perfoming the summation in the row "Total KPI: CapEx", non-financial undertakings shall not double count the contributions to multiple environmental objectives and include only the environmental objective they deem the most relevant. Figure in column (5) in this row, i.e. Total Taxonomy-aligned KPI, shall equal the sum of figures reported in columns (6) to (11) in this row. The figures reported in the row "Total KPI: CapEx" in columns (3) to (13) in Template 2 shall equal to the figures reported in corresponding columns (3) to (13) in the Template 1. In order to avoid double counting, financial undertakings will take into account the Total KPI figure as reported in Template 1 when computing their own KPIs.

Proportion of OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year (N) (activity breakdown)

Table 11

Financial year (N)

					ENVIRONMENTAL OBJECTIVE OF TAXONOMY ALIGNED ACTIVITIES								
Economic Activities	Code	Taxonomy eligible KPI (Proportion of Taxonomy eligible Turnover / CapEx / OpEx)	Taxonomy aligned KPI (monetary value of Turnover / CapEx / OpEx)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Turnover, CapEx, OpEx)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	Currency	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Manufacture of automotive and mobility components	3.18	1.9%	0.00 €	0%							E		0%
Manufacture of aluminium	3.8	4.2%	0.00 €	0%								T	0%
Manufacture of iron and steel	3.9	4.1%	0.00 €	0%								T	0%
Urban and suburban transport, road passenger transport	6.3	0.0%	0.00 €	0%								T	0%
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	0.0%	0.00 €	0%								T	0%
Installation, maintenance and repair of energy efficiency equipment	7.3	0.0%	0.00 €	0%							E		0%
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	0.0%	0.00 €	0%							E		0%
Installation, maintenance and repair of renewable energy technologies	7.6	0.0%	0.00 €	0%							E		0%
Sum of alignment per objective													
Total KPI: OpEx		**10.4%**	**0.00 €**	**0.0%**									**0%**

1 Non-financial undertakings shall duplicate this template to disclose separately the turnover, the CapEx and the OpEx KPIs, clearly indicating in the title of each table which KPI the table refers to. Where non-financial undertakings disclose zero Taxonomy-eligible KPI (turnover, CapEx, or OpEx, respectively), in Template 1, column (3), they may omit disclosing Template 2 for that KPI.

2 (N) Indicate the financial year that the reported data refers to. Columns (2) to (14) pertain to financial year (N).

3 For activity rows, column (2): The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.:
- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO

For example, the Activity "Afforestation" has the Code: CCM 1.1. Where activities are eligible to make a substantial contribution to more than one objective, the codes for all objectives should be indicated.

4 For activity rows, column (3) shall contain the proportion of the denominator of OpEx, as reported in Template 1, that is associated with a Taxonomy-eligible economic activity regardless of whether or not that activity is Taxonomy-aligned, or only a portion of that activity is Taxonomy-aligned.

5 For activity rows, column (5) shall contain the proportion of the denominator of OpEx, as reported in Template 1, that is associated with a Taxonomy-aligned economic activity, or with the Taxonomy-aligned portion of a Taxonomy-eligible activity.

6 For activity rows, columns (6) to (11) shall contain the proportion of the denominator of OpEx, as reported in Template 1, that is associated with a Taxonomy-aligned economic activity, or its portion, that contributes substantially to the respective environmental objective for which the economic activity is Taxonomy-eligible. Columns corresponding to the environmental objectives for which the economic activity is not Taxonomy-eligible should be left empty. Where a Taxonomy-aligned economic activity, or its portion, contributes substantially to several environmental objectives, the columns under those environmental objectives shall contain the corresponding proportion of the denominator of OpEx, as reported in Template 1, that is associated with that activity or its portion. In other words, where an activity contributes substantially to more than one environmental objective at the same time, its substantial contribution should be indicated under multiple environmental objectives in the row pertainig to that economic activity.

7 Column (14) shall contain the ratio of the figure in column (5) divided by the figure in column (3) in the respective rows.

8 Row "Sum of alignment per objective": columns (6) to (11) shall contain the sum of figures for all reported activities under the respective columns. The sum of columns (6) to (11) on this row might possibly result in more than 100%.

9 Row "Total KPI: OpEx": columns (3) to (13) shall contain the sum of figures for all reported activities under the respective columns. For columns (4) to (11), when perfoming the summation in the row "Total KPI: OpEx", non-financial undertakings shall not double count the contributions to multiple environmental objectives and include only the environmental objective they deem the most relevant. Figure in column (5) in this row, i.e. Total Taxonomy-aligned KPI, shall equal the sum of figures reported in columns (6) to (11) in this row. The figures reported in the row "Total KPI: OpEx" in columns (3) to (13) in Template 2 shall equal to the figures reported in corresponding columns (3) to (13) in the Template 1. In order to avoid double counting, financial undertakings will take into account the Total KPI figure as reported in Template 1 when computing their own KPIs.

E1 - CLIMATE CHANGE

E1 GOV-3 INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

Climate-related considerations are integrated into the remuneration and incentive schemes of members of the administrative, management and supervisory bodies.

Brembo's Energy Managers, together with the VPs Operations, Industrial Site Directors / Plant Directors / Plant Managers, and plant personnel, are incentivized through specific monetary rewards tied to the development and implementation of new energy efficiency projects. The promotion of energy savings, reflected in the rational use of energy and subsequent reduction in consumption, is a collective effort that engages all operational areas within the Group. Each area has specific targets to contribute to Brembo's overall energy efficiency goals.

Each year, the corporate executive team is assigned sustainability-related targets as part of the short-term incentive plan (STIP). Beneficiaries include Executives, Managers, and key employees of Brembo N.V., as well as the Presidents & CEOs for North America and China, Country General Managers, first-line management in Group countries, and other individuals holding strategically relevant roles.

Additionally, in 2025, Brembo approved the new long-term incentive Plan (LTIP) for the 2025-2027 Incentive cycle. The LTIP beneficiaries include, in addition to the Executive Chairman, the Chief Executive Officer, and a selected group of Management Team members identified based on their responsibilities and the complexity of their roles.

The inclusion of ESG metrics within the objective-setting framework for Top Management supports the long-term implementation of a sustainable business model. This approach has contributed to Brembo's recognition by CDP (Carbon Disclosure Project) as one of the world's leading companies for its commitment to addressing climate change and managing water resources.

Both the short-term Incentive Plan (STIP) and the long-term Incentive Plan (LTIP) include a Group Sustainability Index based on the reduction of the company's greenhouse gas emissions (see formulation below). This demonstrates Brembo's increasing commitment to achieving excellent economic and financial performance without compromising core values, such as respect and protection of the environment.

Below is a table showing the percentage of remuneration associated with climate-related considerations.

Table 12

Remuneration linked to climate-related considerations	u.m.	2025
Percentage of remuneration linked to climate-related considerations	%	10

SUSTAINABILITY INDEX

The "Sustainability index"[18], established in 2017, remains the metric used for measuring and monitoring the Group sustainability on reducing tCO_2e emissions in line with Brembo's medium and long-term objectives, under the COP21 Guidelines. Targets are achieved through energy efficiency projects and by increasing the share of renewable energy. For 2025, the Sustainability Index target has been set at 20% reduction, and it has achieved a value of 26.53%.

Brembo also recognizes non-monetary achievements through the Brembo Excellence Awards (BEA), Brembo Innovation Awards (BIA), and the Brembo Sustainability Awards (BSA). These initiatives engage all employees and encourage sugges tions to improve efficiency and sustainability across all areas, including non-manufacturing areas. The best improvement and innovation ideas, including projects that enhance environmental sustainability (e.g., energy efficiency or reduced resource use), are evaluated and awarded by an internal jury. Results are monitored and officially communicated within the organization.

E1 SBM-3 CLIMATE CHANGE MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Regarding the classification of material climate-related risks, Brembo provides a detailed explanation for each identified risk. The Group distinguishes between climate-related physical risks and climate-related transition risks. Brembo's Enterprise Risk Management (ERM) process, together with the Climate Change Risk Assessment (CCRA) document, ensures a structured evaluation and management of these risks.

Principal elements of Brembo's climate resilience strategy, designed to address physical and transition risks and realize climate opportunities, include:

- Physical risk prevention and control: Investments in infrastructure and site protections to reduce exposure, downtime, and losses. For flood-related risks, hydraulic barriers, modular and flexible water systems, inflatable and floating barriers, and sandbag defenses have been implemented.
- Risk transfer (insurance): Financial transfer of residual risks to the insurance market through tailored insurance coverage, complementary to prevention and control measures.
- Innovation in products and processes: Development of low-impact solutions (e.g., Sensify, Greenance) and adaptation of operations to the transition toward electric mobility and low-emission activities.
- Operational efficiency and resource diversification: Reduce water consumption, improve energy efficiency, and diversify critical resources to strengthen business continuity. In response to water-stress risks, Brembo has installed emergency tanks at all sites and enhanced supply networks for both water softening and source diversification.

18 Data used for calculation purposes include within the reporting boundary also Brembo SGL Carbon Ceramic Brakes S.p.A. (BSCCB S.p.A.), a joint venture between Brembo and SGL Group.

- Net Zero decarbonization strategy: Define a pathway to reduce and neutralize the company's carbon footprint, positioning decarbonization as an essential resilience lever amid the growing urgency of the climate crisis.

This integrated approach combines advanced technologies, strategic planning, and measures to mitigate physical and transition risks. Brembo's process for identifying climate risks and opportunities is characterized by completeness and prudence in defining reference scenarios, with the objective of proactively managing climate-related risks and capturing emerging opportunities in the transition to a low-carbon economy.

Brembo conducted a climate change risk assessment to evaluate the Company's business resilience and the associated financial exposure to both the physical effects of climate change and the transition towards a low-carbon economy, leveraging scenario analysis and forecasting tools. The assessment aims to identify potential vulnerabilities of Group sites concerning physical risks and to determine medium- and long-term risks and opportunities that could inform the definition and updating the Group's strategy. The assessment scope included Brembo and selected key suppliers' sites.

Table 13

IRO	IRO Name	Physical or Transition risk
Risk 1	Business interruption and asset damage deriving from climate-aggravated catastrophic events, disrupting production and/or physical/technological infrastructure.	Physical risk
Risk 2	Increased operational costs and process adjustments deriving from external factors (new government regulations or stakeholder pressures) imposing new or revised sustainability targets.	Transition risk
Risk 3	Loss of awards/revenue and reputational harm deriving from failing to meet clients' Net Zero expectations and carbon-reduction requirements.	Transition risk
Risk 4	Reduction or interruption of client partnerships deriving from negative outcomes in client-conducted sustainability audits.	Transition risk
Opportunity 1	New customers, market-share growth and stronger sustainability reputation deriving from investments in sustainable technologies and the development of low-impact products aligned with growing demand for "green" products.	Transition opportunity

For physical risks, a dedicated analysis was conducted for potential physical risk events that could affect Brembo or the selected suppliers' sites, examining potential consequences for Business Interruptions (BI) and/or Property Damages (PD) over the short term (2025) and the medium/long term (2030/2050). The analysis is based on the IPCC RCP 8.5 scenario ("Fossil Fuel Driven Development"), which relies on assumptions regarding emissions, policies and likelihood of achieving high temperature levels in the future. This scenario assumes no significant strengthening of political action and considers the possibility that governments do not pursue or achieve all announced goals.

- The related IPCC scenario assumes that: Global temperature increase could reach around 2°C by 2050 and 5°C in 2100.
- Economic and social development is coupled with continued exploitation of abundant fossil fuel resources.
- Consumption is oriented towards energy intensive lifestyles around the world, leading to rapid growth of the global economy.
- Global population reaches a peak and starts declining in the 21st century.

The assessment results on physical risks highlighted increasing climate exposure to proprietary sites, in particular on, tornados, hail hazards, and water stress. The most economic-relevant exposures are river floods (two sites exposed) and tornados (two sites exposed). Taking into account the mitigators in place, the overall potential economic exposure on identified scenarios can be considered limited. To evaluate and limit its exposure, the Group analyzes exposures to natural catastrophes when building new plants from greenfield or acquiring sites.

The climate change risk assessment also led to the identification of opportunities to strengthen the Group's market position, increase market share and access new product segments, as well as to identification of transitional risks primarily related to consumer behaviors and regulatory constraints aimed at reducing environmental impacts. The identified climate-related opportunities and risks have been analyzed considering the IPCC RCP 1.9 climate-change scenario, which assumes that:

- The world shifts gradually but pervasively towards a more sustainable path to limit warming below 1.5°C.
- Countries fully implement national targets to 2030 and 2050, and energy demand is met mainly through renewable sources.
- Consumption is oriented toward low emissions material growth and lower resource and energy intensity.

Within the same framework used for physical risk analysis, transitional risks and opportunities were evaluated over the medium and long-term analysis (2030-2050), considering the RCP 1.9 scenario and the corresponding socio-economic IPCC's SSP1 scenario ("Taking the Green Road"). Additionally, the IEA Net Zero Emissions by 2050 (NZE 2050) scenario was applied to provide in depth analysis of the energy and automotive markets.

Brembo is committed to monitoring and managing climate related impacts, risks, and opportunities. The Company is actively working to reduce emissions and adapt production activities to align with sustainable

practices. This commitment is integral to Brembo's corporate strategy and sustainability plan. The transition to a low-emission economy is particularly relevant for the automotive sector in which Brembo operates evolving energy transition and climate regulations may require significant investments and modifications to existing production processes, presenting both risks and opportunities for the Group. This transformation also offers the chance to improve product performance and deliver greater value to customers.

E1 IRO-1 DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL CLIMATE-RELATED IMPACTS, RISKS AND OPPORTUNITIES

The double materiality assessment has led to the identification of the Group's Impacts, Risks and Opportunities related to climate change and energy. The material IROs are listed below.

- **Positive impact** - Support for sustainable mobility and more circular resource use enabled by the development of innovative products designed from the outset with eco-sustainable and circular principles.
- **Negative impact** - Excess energy and fossil fuel use from missed efficiency measures.
- **Negative impact** - Increased greenhouse-gas emissions from own operations (Scope 1 and Scope 2) caused by the consumption of fossil fuels and purchased electricity for owned buildings and facilities, fuel combustion by the company fleet, and materials used during production phases.
- **Negative impact** - Increased greenhouse gas emissions across the value chain (Scope 3) caused by third-party transportation of company products and the production activities behind purchased services, materials, and finished products that rely on non-renewable energy and inefficient energy management.
- **Opportunity** - New customers, market-share growth and stronger sustainability reputation deriving from investments in sustainable technologies and the development of low-impact products aligned with growing demand for "green" products.
- **Risk** - Business interruption and asset damage deriving from climate-aggravated catastrophic events, disrupting production and/or physical/technological infrastructure.
- **Risk** - Increased operational costs and process adjustments deriving from external factors (new government regulations or stakeholder pressures) imposing new or revised sustainability targets.
- **Risk** - Loss of awards/revenue and reputational harm deriving from failing to meet clients' Net Zero expectations and carbon-reduction requirements.
- **Risk** - Reduction or interruption of client partnerships deriving from negative outcomes in client-conducted sustainability audits.

Regarding the methodologies, assumptions, and tools used in identifying and assessing impacts, risks, and opportunities across its value chain, please refer to section ESRS 2 IRO-1 herein.

Brembo embeds climate change into its risk model.

Each year, the company conducts a Climate Change Risk Assessment (CCRA) aligned with the Task Force on Climate-related Financial Disclosures (TCFD). Physical risks are evaluated using a specialized tool that delivers detailed, site specific hazard analyses across multiple time horizons (2025, 2030, 2050) and climate scenarios (RCPs). The assessment is quantitative and covers all Brembo Group sites plus a selection of key suppliers. It considers both acute hazards (e.g., flooding, hurricanes) and chronic exposures (e.g., water scarcity, rising temperatures). For each plant, exposure to each climate hazard is quantified in terms of potential Property Damage (PD) and Business Interruption (BI), factoring in existing prevention and control measures to estimate PD BI losses.

Transition risks and opportunities are assessed through workshops that also leverage existing internal processes (e.g., ERM and strategic plan risk and opportunity assessments). Transition risks and opportunities are analyzed with reference to the IPCC RCP 1.9 scenario, which reflects a gradual yet pervasive global shift toward a pathway consistent with limiting warming to below 1.5°C. An analysis of transition opportunities and risks is conducted for the medium term (2030) and the long term (2050).

Complementing this top-down approach, under the Environmental and Energy Management System, each plant conducts a comprehensive bottom-up assessment of environmental risks and opportunities across short-, medium-, and long-term horizons, in compliance with ISO 14001 and ISO 50001.

This assessment is supported by internal tools and external datasets (e.g. ISPRA, NOAA, FEMA, WRI Aqueduct) and informs the prioritization of environmental mitigation and improvement actions.

Risk and opportunity analysis are performed annually, and whenever significant changes occur, through the ORME information system (Obligation and Risk Management for Environment & Energy).

Brembo has defined an internal methodology for identifying environment- and energy-related risks and opportunities across each phase of the production process. Each site assesses risks by assigning a score on a scale from 1 to 5, based on detectability, frequency, and severity. The same methodology is applied to opportunities. Based on the resulting score, risks and opportunities are classified as very low, low, medium, high, and very high. The system mandatorily requires the identification and implementation of improvement actions for risks and opportunities classified as high or very high.

Over the years, Brembo has established an active, ongoing dialogue with its internal and external stakeholders, grounded in the values of transparency, trust, and seeking consensus in decision-making. Through this engagement, the Group gains meaningful insights into its operating context and receives feedback on its activities, enabling continuous improvement of the company's impact on the environment and society. Through a structured process of listening and dialogue, Brembo can assess how well it understands and meets stakeholder expectations and interests, identifying areas where to strengthen its commitment and those where to reaffirm the approach adopted.

In 2023, Brembo published the "Brembo stakeholder engagement policy," which defines the channels of interaction between the Group and its stakeholders and outlines prerequisites for effective dialogue, including identifying key stakeholders and the most suitable methods for engaging them.

E1-1 TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

Brembo's Climate Transition Strategy aims to pursue the following strategic objectives:

1. **Company sustainability**: Presentation of Brembo's commitments in terms of environmental sustainability and resilient business evolution in a future low-carbon scenario.

2. **Regulatory and market context**: The transition roadmap is a tool to express Brembo's commitment in accordance with regulatory standards and international frameworks (e.g., Paris Agreement, CSRD, CDP).

3. **Concrete commitment to climate neutrality**: The objectives of the transition strategy are in line with the reduction of greenhouse gas emissions consistent with achieving Net Zero by 2050, as envisaged by the European Union.

More specifically, Brembo is committed to significantly reducing its greenhouse gas emissions through targets aligned with scenarios oriented toward limiting global temperature increase to 1.5°C, as stipulated by the commitments made by the United Nations at the COP21 in Paris and the Net Zero criteria of the Science Based Targets initiative (SBTi). It should be noted that Brembo is not part of the EU Paris-aligned Benchmarks.

These targets are set within a short-term horizon to 2030 and a long-term horizon extending to 2040. The latter, or broader horizon, compared to medium-term industrial plans, demonstrates Brembo's foresight and ambition to precede the European Union's commitments to carbon neutrality by 2050.

For 2030 the objective is to achieve an absolute reduction of 42% in Scope 1 and Scope 2 market-based emissions compared to 2020 levels. This will be accomplished through a significant commitment to the use of renewable energy, leading to a total reduction in emissions from purchased electricity by adopting 100% renewable energy sources. Additionally, an absolute reduction of 42% in Scope 3 emissions is also anticipated compared to 2020 levels.

Looking ahead to 2040, they will intensify further. The goal is to reach a 90% reduction in Scope 1 and Scope 2 market-based emissions compared to 2020 levels. Scope 3 emissions target sees an absolute reduction of 90%. Finally, regarding residual emissions, those that cannot be reduced (up to a maximum of 10% compared to 2020) will be neutralized through offset interventions that certify the permanent removal of CO_2 from the atmosphere.

These objectives reflect Brembo's commitment to a transition in line with the principles of a global roadmap for a Net Zero future. Moreover, in the coming years Brembo is committed to evaluating its locked-in emissions by conducting a study of the elements that could compromise the achievement of reduction targets.

Regarding the involvement of the transition plan by the administrative, management and supervisory bodies, the progress of Brembo's status towards the roadmap to Net zero is presented during the Board of directors meeting. A clear overview of the current data for Scope 1, 2 and 3 emissions is provided, along with future projections for the coming years. Specifically, assessing Brembo's position in relation to its goals is essential for highlighting the need for actions or investments in specific sectors and emission factors.

Brembo is committed to implementing initiatives aimed at reducing its Scope 1, Scope 2, and Scope 3 emissions in order to achieve the climate targets established for 2030 and 2040. These activities involve assessing the feasibility of installing low-impact energy self-production facilities, such as photovoltaic, purchasing renewable energy certificates, upgrading machinery and utilities in its plants to more energy-efficient and less emission-intensive alternatives, and continuously enhancing the engagement of its supply chain through training activities and the establishment of climate-related requirements.

The information related to Brembo's objectives or plans (CapEx, CapEx plans, OpEx) that Brembo has for aligning its economic activities (revenues, CapEx, OpEx) with the criteria established in Commission Delegated Regulation 2021/2139, as well as an explanation of how the transition plan is embedded in and aligned with the Company's overall business strategy and financial planning, has not been disclosed due to data confidentiality with regard to the financial year 2025.

E1-2 POLICIES RELATED TO CLIMATE CHANGE

The Group has established a structured system of policies and procedures aimed at managing the impacts, risks, and opportunities associated with climate change and energy management. These policies are designed not only to minimize negative environmental impacts but also to identify and leverage potential opportunities for the continuous improvement of the Group's practices.

Brembo has developed the environment and energy policy to address all the key environmental and energy issues relevant to the Company in a transversal manner. In addition, Brembo has implemented a Supplier Code of Conduct for Responsible Business, to promote the culture of sustainability across the value chain, covering both environmental and social aspects.

For a detailed overview of the content and structure of these policies, please refer to the following table.

Table 14

Key concepts	Scope of application	GCF/GBU/Bodies	External standards	Policy availability and sharing
ENVIRONMENT AND ENERGY POLICY				
Brembo aligns its activities to balance economic, social, and environmental objectives, focusing on people, processes, products, and the supply chain. In line with the goals of the Paris Agreement to limit warming temperature below 1.5°C, Brembo works to reduce the CO_2 footprint of its products, processes, and supply chain by promoting renewable resources and maximizing energy efficiency. Following TCFD principles, Brembo identifies physical and transitional climate risks and the opportunities arising from the transition to a low-carbon economy.	Brembo has decided to apply the environmental and energy policy at the corporate level, including all plants, and at the supply chain.	The policy is subscribed by Executive Chairman, CEO, Chief Sustainability & Risk Officer, Chief Industrial Operations Officer. The Chief Sustainability & Risk Officer of Brembo is responsible for implementing the global procedure for climate change and the environmental and energy policy, while local Plant Directors/Managers oversee local procedures.	Brembo maintains an Environmental Management System compliant with ISO 14001:2015 and ISO 50001:2018 to manage environmental and energy impacts, dependencies, risks and opportunities. The policy aligns these standards and references the Paris Agreement and TCFD principles.	Accessible to all stakeholders, such as employees, contractors, suppliers, customers. Published on the Company's intranet and website.
SUPPLIER CODE OF CONDUCT FOR RESPONSIBLE BUSINESS				
The Code reinforces the Company's commitment to responsible procurement by requiring suppliers to respect human rights, ensure fair and safe working conditions, promote diversity, protect the environment, and maintain transparent business practices. It also includes requirements for data protection, information security, quality, and occupational health and safety. Verification, audits, monitoring, training, and corrective actions are included to support suppliers collaboratively and ensure continuous improvement.	The Supplier Code of Conduct is distributed globally to all Brembo direct suppliers of materials and services and to indirect suppliers that meet the defined thresholds. Acceptance of the Code and compliance with its provisions are mandatory for these suppliers.	Chief Purchasing Officer.	The Code is drawn up according to international frameworks, including the UN Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, ILO standards, OECD Guidelines, UN Global Compact, the 2030 Sustainable Development Agenda, ISO standards (ISO 20400, 9001, 14001, 45001, 26262, 27001), IATF 16949, ASPICE, TISAX and responsible minerals standards (RMAP, OECD Conflict Minerals).	The Code is shared with suppliers prior to the qualification process through direct communication. For other stakeholders, it is available on Brembo's website.

Brembo's environment and energy policy reflect the company's commitment to mitigating climate change by reducing its GHG emissions, adapting to climate risks through innovative solutions, and promoting the use of renewable energy by phasing out fossil resources and maximizing energy efficiency.

As part of the Environmental Management System, Brembo has implemented Air Emission, Soil and Water Management procedures that apply requirements and restrictions on all the Group's plants, in particular:

The "Management and Monitoring of Greenhouse Gases" procedure defines the requirements for collecting and accounting for greenhouse gases (GHG) emitted by production sites, ensuring relevance, completeness, consistency, transparency, and traceability. A Process Owner (PO) is appointed, and the fundamental principles for constructing the GHG inventory are established. Emissions are categorized as Scope 1, Scope 2, and Scope 3. The procedure covers the management of site and group level data, calculation of emissions for each scope, and periodic data verification. Additionally, Brembo sets objectives for reducing GHG emissions and progress through the Sustainability Index[19], with the aim of continuously lowering the carbon footprint.

19 Data used for calculation purposes include within the reporting boundary also Brembo SGL Carbon Ceramic Brakes S.p.A. (BSCCB S.p.A.), a joint venture between Brembo and SGL Group.

E1-3 ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

Brembo actively works to prevent/mitigate negative material impacts and risks and foster positive material impacts and opportunities related to climate change (described in section IRO-1) through a range of actions. To achieve Net Zero emissions, Brembo has defined a Road Map that is continuously refined in response to technical, technological, and market developments. This Road Map encompasses the following actions:

1. **Advanced Monitoring**: Implementation of the Brembo Energy Platform, which utilizes smart factory principles to monitor and optimize energy consumption across key production utilities.

2. **Replacement of Obsolete Systems**: Adoption of advanced, high-efficiency technologies aimed at reducing energy consumption and reliance on non-renewable resources.

3. **Dedicated Budget**: Allocation of specific financial funds during the investment planning phase to improve energy efficiency and reduce emissions.

4. **Losses Reduction**: Targeted initiatives, such as the identification and mitigation of compressed air leaks, automatic shutdowns of systems during non-productive periods, and heat recovery from compressor cooling circuits.

To ensure effective implementation and alignment with defined objectives, the Sustainability & Risk GCF coordinates a cross-functional working group involving all relevant company areas. This working group collaborates to implement improvement initiatives focused on reducing CO_2eq emissions.

Since 2015, Brembo's environment & energy policy has set progressively ambitious goals aligned with the UN commitments of the Paris Agreement COP21. To address climate change, Brembo has developed a strategy with actions aimed at achieving short, medium (2030), and long-term (2040) greenhouse gas emissions reduction targets for the entire Group.

Brembo has implemented key decarbonization levers to address emission sources directly under its control, focusing on energy consumption and production processes. The primary strategies for achieving climate goals include enhancing energy efficiency and adopting renewable energy. This approach integrates technological, operational, and organizational measures to minimize environmental impact and reach the Net Zero target by 2040 through gradual steps.

In the pursuit of energy efficiency and process optimization, key initiatives include the implementation of the Brembo Energy Platform for real-time monitoring of energy consumption, the replacement of outdated plants with advanced, energy-efficient technologies, and the allocation of a dedicated budget for sustainability efforts. Additionally, targeted actions aim to reduce losses by addressing compressed air leaks, automating shutdowns during non-productive periods, and recovering heat from cooling circuits, which contributes to a more efficient and sustainable operation.

As part of the transition to renewable energy, Brembo is also evaluating the installation of on-site facilities for the self- production of low-impact energy, including photovoltaic systems. The Group aims to reach 100% by 2030, effectively eliminating Scope 2 emissions, and in 2025 it covered 88% (in 2024 was 83%) of its electricity consumption with renewable energy. This result was achieved thanks to the purchase of renewable energy certificates (such as Guarantees of Origin, I-RECs, RECs, GECs, etc.), PPAs (Power Purchase Agreements), and other contractual arrangements.

Furthermore, in 2025 the 100% share of renewable electricity was maintained in the plants located in the following countries: Italy, Mexico, Brazil, and Spain.

In the other countries where Brembo operates, the Group increased the share of renewable electricity: in China it reached 78% (in 2024 was 67%), in the Czech Republic 78% (in 2024 was 65%), in Poland 94% (in 2024 was 89%), and in the US 87% (in 2024 was 74%).

Brembo integrates sustainability criteria into the design phase of new plants and machinery and promotes eco-sustainable products through low-emission solutions and the increased use of recycled and secondary raw materials, particularly aluminum. The Group is expanding the use of recycled aluminum in caliper production and maximizing the use of scrap and recycled content within its foundries, recognizing this as a key lever for reducing Scope 3 emissions.

With regard to Scope 3, Brembo has activated a structured and multi year program to enhance the completeness, accuracy, and reliability of greenhouse gas (GHG) emissions data, with a particular focus on Category 1 – Purchased Goods and Services. Since 2023, Brembo has deployed a systematic process to collect primary GHG emissions data directly from suppliers, acknowledging that high quality, supplier specific information is essential for a robust assessment of the upstream value chain and for defining effective decarbonization actions. A core element of this program is the progressive transition from secondary, literature-based emission factors to verified primary data. This is achieved through direct engagement activities with suppliers identified as "carbon relevant," i.e., those representing the majority of Brembo's Scope 3 Category 1 impact. By prioritizing the adoption, verification, and integration of supplier-specific data, Brembo is steadily improving the methodological robustness of its Scope 3 inventory.

In 2025, 86% of the submissions provided by carbon relevant suppliers were successfully validated, compared with 75% in 2024. Brembo targets maintaining this validation level above 75% through 2030. Strengthening third party validation enables a more accurate representation of upstream emissions and supports the identification of targeted decarbonization levers aligned with the company's transition plan.

A further strategic lever in reducing Scope 3 emissions is the increased use of secondary materials, with a particular focus on aluminum — one of the most carbon intensive inputs in Brembo's value chain. In 2025, Brembo expanded the use of recycled aluminum across all its aluminum foundries globally, with the objective of reducing embedded carbon in purchased materials and improving circularity performance. Additional information on material efficiency initiatives is provided in datapoint E5-4.

To accelerate the decarbonization of the upstream supply chain, in 2025 Brembo also introduced new requirements related to renewable electricity use. Direct suppliers engaged in new awarding processes are now required to ensure the use of electricity from renewable energy sources for all Brembo related production activities, while working towards extending this obligation to their sub-tier suppliers. This requirement, currently being rolled out across the supply chain, is

expected to contribute to the reduction of indirect emissions associated with Scope 3.

Governance of climate-related initiatives is ensured by the Environment & Energy area, which coordinates a cross-functional working group responsible for implementing and monitoring the Decarbonization Road Map. Brembo's environment and energy policy formalize the Group's commitment to sustainable development and responsible resource use, supported by incentive mechanisms linked to energy and emission reduction targets for relevant roles, including Industrial Site Directors/Plant Directors/Managers.

In January 2026, Brembo was confirmed among the global leaders in the fight against climate change, as, thanks to further improvements in its environmental performance and reporting, it earned a place on the 2025 Climate A List drawn up by CDP, the international nonprofit organization that collects, disseminates and promotes information on environmental issues.

"A" is the highest possible score attainable in the Climate section and it was awarded to only a limited number of the over 22,000 disclosing companies. The companies have been assessed based on their decarbonization strategy, the effectiveness of their efforts to reduce emissions and climate risks, contributions to a low-carbon economy, and the completeness and transparency of the information provided, as well as the adoption of best practices associated with environmental impacts.

Information related to Brembo's action plan (CapEx, OpEx) has not been disclosed due to data confidentiality with regard to the financial year 2025. However, investments related to climate change mitigation and energy efficiency are reflected in the disclosure related to the European Taxonomy regulation.

E1-4 TARGETS RELATED TO CLIMATE CHANGE

Brembo has established a set of measurable, outcome-oriented, and time-bound targets in its Transition Plan to effectively manage negative impacts and risks while promoting positive outcomes. In line with the UNFCCC Paris Agreement's goal of limiting global temperature rise to below 1.5°C, Brembo aims to achieve Net Zero emissions by 2040.

This ambitious target is supported by a comprehensive roadmap designed to progressively reduce Scope 1, 2, and 3 greenhouse gas emissions. Central to this strategy is the transition away from fossil fuels, the promotion of renewable energy sources, and the enhancement of energy efficiency across its processes.

By 2040, Brembo aims to achieve the following targets:

- Reduce absolute Scope 1 and market-based Scope 2 emissions by 90% compared to 2020 levels.
- Reduce absolute Scope 3 emissions by 90% compared to 2020 levels.
- Neutralize absolute emissions by a maximum of 10% compared to 2020 levels.

Moreover, Brembo set intermediates targets to be achieved by 2030:

- Reduce absolute (market-based Scope 2) indirect emissions by 100%.
- Ensure that 100% of electricity used comes from renewable sources.
- Reduce absolute Scope 1 and market-based Scope 2 emissions by 42% compared to 2020 levels.
- Reduce absolute Scope 3 emissions by 42% compared to 2020 levels.

These targets are relative and are measured in tons CO_2eq. The baseline values in 2020 were:

- Scope 1 and Scope 2: 372,491 tons of CO_2eq.
- Scope 3: 1,682,726 tons of CO_2eq.

The year 2020 was chosen as the baseline primarily because it was the most recent year with available and structured data.

In terms of methodologies and key assumptions, the targets were established in alignment with the Science- Based Targets initiative (SBTi) Net Zero criteria, aimed at limiting the global temperature increase to well below 1.5°C.

Moreover, they were not set following conclusive scientific evidence, and only internal stakeholders have been involved in their definition. Since their adoption of the target, no changes have been made, and the actual performance is in line with the defined targets.

Table 15

Target (34a e 34b)	Base Year (2020)	Current progress (2025)	Current progress u.m.	Absolute value of total GHG emissions reduction
Total GHG	**2,055,216**	**1,687,980**	**Tons of CO_2eq**	**-367,236**
Scope 1	73,755	104,733	Tons of CO_2eq	+30,978
Scope 2 (location-based)	480,860	508,951	Tons of CO_2eq	+28,091
Scope 2 (market-based)	298,736	74,576	Tons of CO_2eq	-224,160
Scope 3	1,682,726	1,508,672	Tons of CO_2eq	-174,054

Table 16

Target	Decarbonisation levers (34f, 16b)	Science-based target (34e)	Compatibility with limiting global warming (34e)	If yes, an explanation of that compatibility (16a)
Reduction Scope 1+2 (-42%) by 2030	Self-production of energy; purchase of green electricity certificates, electrification of the processes, Sustainable Design, Eco-sustainable Products.	Yes	Yes	This target is compatible with limiting global warming to 1.5 degrees as it follows the Science Based Targets framework, and the trajectory leading to a -42% reduction in 2030 is aligned to reach the Net Zero goal by 2040.
Reduction Scope 3 (-42%) by 2030	Supply chain involvement: Brembo actively collaborates with its suppliers to reduce their Scope 1 and Scope 2 emissions, encouraging them to adopt sustainability strategies aligned with corporate objective; Increase in the use of secondary materials.	Yes	Yes	This target is compatible with limiting global warming to 1.5 degrees as it follows the Science Based Targets framework, and the trajectory leading to a -42% reduction in 2030 is aligned to reach the Net Zero goal by 2040.
Reduction Scope 1+2 (-90%) by 2040	Self-production of energy; purchase of green electricity certificates, electrification of the processes, Sustainable Design, Eco-sustainable Products.	Yes	Yes	This target is compatible with limiting global warming to 1.5 degrees as it follows the Science Based Targets framework, and the trajectory leading to a -90% reduction in 2040 is aligned with achieving the Net Zero goal by 2040, neutralizing the remaining 10% by purchasing carbon credits.
Reduction Scope 3 (-90%) by 2040	Supply chain involvement: Brembo actively collaborates with its suppliers to reduce their Scope 1 and Scope 2 emissions, encouraging them to adopt sustainability strategies aligned with corporate objective; Increase in the use of secondary materials.	Yes	Yes	This target is compatible with limiting global warming to 1.5 degrees as it follows the Science Based Targets framework, and the trajectory leading to a -90% reduction in 2040 is in line with reaching the Net Zero goal by 2040, neutralizing also the remaining 10% by purchasing carbon credits.
Neutralizing the 10% remaining emissions of Scope 1 and 3 by 2040	Purchase of carbon credits.	Yes	Yes	This target is compatible with limiting global warming to 1.5 degrees as it follows the Science Based Targets framework, and the trajectory leading to a -90% reduction in 2040 is in line with reaching the Net Zero goal by 2040, neutralizing also the remaining 10% by purchasing carbon credits.

Brembo has set a target for 2027 to achieve 100% certification of its plants under ISO 50001 (with coverage at 93% in 2025). In addition, the company plans to maintain ISO 14001 certification across all its plants every year.

Brembo has established an annual sustainability target expressed as a percentage of emissions avoided through improvements actions, such as increased energy efficiency and the increased utilization of renewable energy, compared to the previous year's emission levels. In 2025, the target of reducing CO_2eq emissions by 20% through improvement actions compared to the previous year's emissions was not only met but even exceeded, achieving a result of 26.53%. This was achieved thanks to the energy efficiency projects implemented in all the Group's plants and the increase in the share of renewable energy purchased in Poland, Czech Republic, US and China.

In 2025, significant progress was achieved in reducing energy consumption, in line with Brembo's commitment to sustainability and climate change mitigation. A Roadmap for achieving Net Zero emissions has been defined and is continuously updated to reflect technological developments and market dynamics.

The new Brembo Energy Platform was rolled out across a perimeter of 34 production sites. User training is ongoing, and the platform is already being widely used at site level to support energy efficiency initiatives and maintenance activities.

With regard to energy efficiency, the actions implemented to achieve the defined targets include, for example, the adoption of advanced monitoring systems (such as the aforementioned Brembo Energy Platform) interconnected with the main factory utilities and aligned with smart factory principles; the replacement of obsolete equipment with high-efficiency technologies; the reduction of energy waste (including the optimization of electricity and/or compressed air distribution within plants and the optimization of machine consumption during non-operational periods); and heat recovery initiatives. The promotion of energy saving, achieved through the rational use of energy and the consequent reduction in consumption, involves all Group operational units, each of which is required to contribute through a specific target to the achievement of the overall energy efficiency objective, set by Brembo for 2025 at 2.76% (calculated as the contribution of improvement actions achieved through efficiency projects compared to the previous year's consumption).

In 2025, a total of 259 projects were developed, resulting in overall energy savings of 167,684 GJ, equivalent to 22,626 tons of CO_2 equivalent. This target was significantly exceeded, with an achieved result of 3.72%. Compared to 2024, while the overall level of energy savings remained comparable, the number of projects contributing to this achievement increased, demonstrating the level of maturity reached by the system.

With regard to Brembo's objective of reducing energy consumption by 15% over five years compared to the 2020 baseline year, the reporting period closed in 2025 with a total reduction of 22%, exceeding the initial target. In continuity with previous years, a new objective has therefore been defined for 2026, consisting of a 28% reduction in energy consumption over ten years, again compared to the 2020 baseline year.

Table 17

Area of intervention	Actual_GJ	Ton CO_2eq
Optimization of compressed air systems (replacement of compressors, detection and repair of leaks, optimization of usage in production processes)	23,127	3,222
General optimization of production processes	82,687	11,879
Installation of photovoltaic systems	9,564	1,118
Optimization of lighting systems (installation of LED lamps in offices and production departments)	7,429	1,346
Optimization of general technical facilities management	41,103	4,506
Replacement of process systems with more efficient technologies	3.773	554
TOTAL	**167,684**	**22,626**

E1-5 ENERGY CONSUMPTION AND MIX

The following table provides a comprehensive overview of the Group's energy consumption for the years 2023, 2024, and 2025, expressed in megawatt-hours (MWh). It captures the dynamics of energy source by detailing the consumption patterns across various fuel types, including fossil fuels and renewable sources.

Brembo partially meets its energy needs through electricity generated by photovoltaic systems installed at selected plants. In addition, the Group fully covers electricity consumption with renewable energy certificates at its plants in Italy, Mexico, Brazil, and Spain, and aims to extend this coverage to all global operations by 2030. The energy mix also includes natural gas, LPG, diesel and petrol to support production processes.

Table 18

Energy consumption and mix[20]	u.m.	2025	2024	2023
Fuel consumption from coal and coal products (38a)	MWh	80,245	81,642	79,512
Fuel consumption from crude oil and petroleum products (38b)	MWh	37,501	35,147	33,057
Fuel consumption from natural gas (38c)	MWh	278,190	298,075	298,184
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources (38e)	MWh	131,879	197,111	287,763
Total energy consumption from fossil resources (37a)	MWh	527,815	611,975	698,516
Percentage of fossil sources in total energy consumption (AR 34)	%	35	40	44
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (37cii)	MWh	981,648	919,810	873,225
Consumption of self-generated non-fuel renewable energy (37ciii)	MWh	5,290	1,007	755
Total energy consumption from renewable sources (37c)	MWh	986,938	920,817	873,980
Percentage of renewable sources in total energy (AR 34) consumption	%	65	60	56
Total energy consumption related to own operations (37)	**MWh**	**1,514,753**	**1,532,791**	**1,572,496**

20 The categories not presented in the table related to Scope 1 (AR 34) are null in Brembo, signifying the absence of the corresponding energy sources.

Table 19

Energy intensity from activities in high climate impact sectors	u.m.	2025	2024
Total energy consumption from activities in high climate impact sectors (41)	MWh	1,514,753	1,532,791
Net revenue[21] from activities in high climate impact sectors used to calculate energy intensity	€ millions	3,703	3,841
Energy intensity from activities in high climate impact sectors (40)	MWh/€ millions	409.09	399.06

Table 20

Reconciliation to financial statements	u.m.	2025	2024
Net revenue from activities in high climate impact sectors to calculate energy intensity and net revenue from activities other than in high climate impact sectors	€ millions	3,703	3,841
Net revenue Total (Financial Statements)	€ millions	3,703	3,841

Overall, in 2025, Brembo consumed more than 1,514,753 MWh of energy, representing a decrease of 1% compared to 2024. This reduction is attributable to the implementation of energy efficiency projects and a decline in production in line with the European automotive context.

A significant share of total energy consumption is attributable to electricity, which accounts for 73.86% of the total energy use, amounting to more than 1,118,817 MWh. Electricity is primarily used for iron melting furnaces, as well as for machining facilities and the production of compressed air supporting manufacturing processes. In addition, natural gas consumption, mainly used in aluminum melting amounted to 278,190 MWh.

E1-6 GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

The greenhouse gas (GHG) emissions for Scope 1, 2, and 3 emitted by the Brembo Group are presented below.

The calculation of CO_2 equivalent emissions, which encompasses CO_2, CH4, NO2, and HFC emissions when applicable, was conducted in accordance with the Guidelines of the GHG Protocol. This calculation was based on emission factors published by recognized and reputable sources, including:

- AIB (Association of Issuing Bodies)
- IEA (International Energy Agency)
- UK Department for Environment, Food and Rural Affairs and Department for Business, Energy and Industrial Strategy
- Ecoinvent ver. 3.11
- Eurostat
- EPA (Environmental Protection Agency)

21 Revenue from contracts with customers, note No. 20 of the consolidated financial statement at 31 December 2025.

Scope 1

The greenhouse gas (GHG) emissions for Scope 1, 2, and 3 emitted by the Brembo Group are presented below.

Table 21

Gross Scope 1 greenhouse gas emissions	u.m.	2025	2024	2023
GHG emissions from regulated emission trading schemes (ETS)	tCO_2eq	0.00	0.00	0.00
Of which GHG emissions from regulated emission trading schemes (ETS) (Investees)	tCO_2eq	0.00	0.00	0.00
Gross Scope 1 GHG emissions (48a)	**tCO_2eq**	**104,733**	**108,135**	**107,117**
Of which Gross Scope 1 GHG emissions (48a) (Investees)	tCO_2eq	565	690	656
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (48b)	%	0	0	0
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (Investees)	%	0	0	0

Scope 1 greenhouse gas emissions (GHG) refer to direct emissions produced from sources that are owned or controlled by an organization. These emissions represent the total sum of greenhouse gases, expressed in CO_2 equivalents. For Brembo, direct climate-altering emissions arise from facilities, assets, and vehicles that are directly managed by the Company. This category includes emissions resulting from various activities, such as the combustion of fossil fuels in melting furnaces, leaks of refrigerant gases from air conditioning systems, and the use of fossil fuels in the corporate fleet.

Emissions from refrigerant gas leakages were also included in the calculations. These emissions are determined based on the quantity of refrigerants released into the atmosphere, as recorded in dedicated registers during periodic refills of air conditioning systems. In cases where such records are unavailable, or where no evidence of refilling activities exists during the year, a conservative approach is applied by assuming that the full quantity of refrigerant contained in the systems has been released into the atmosphere.

Scope 2

Table 22

Gross Scope 2 greenhouse gas emissions	u.m.	2025	2024	2023
Gross location-based Scope 2 GHG emissions (49a)	**tCO_2eq**	**508,951**	**530,752**	**597,556**
Of which Gross Scope 2 greenhouse gas emissions (Investees)	tCO_2eq	3,855	5,048	6,145
Gross market-based Scope 2 GHG emissions (49b)	**tCO_2eq**	**74,576**	**116,268**	**174,427**

Scope 2 greenhouse gas (GHG) emissions refer to the indirect emissions arising from the generation of purchased electricity, as well as from the production of heat, water, steam, or cooling supplied to Brembo through district heating systems. Through these purchases, Brembo indirectly contributes to the emissions generated by energy or heat suppliers.

As can be seen from the table above, the market-based Scope 2 values decrease over time as Brembo continues to implement its strategy of reducing Scope 2 emissions by increasing the purchase of renewable energy certificates, aiming to cover 100% of its consumption by 2030.

The following table presents a detailed overview of the contractual instruments used to manage greenhouse gas emissions, expressed in tons of CO_2 equivalent (tCO_2eq). These instruments are divided into two main categories, unbundled and bundled instruments, and the table shows the emissions associated with each category, as well as the percentage each represents of the total contractual instruments used.

Table 23

Contractual instruments	Emissions (tCO_2eq)	Percentage of contractual instruments (%)	Types of contractual instruments
Garantees of origin (GO)	179,401	31.1	Unbundled instruments
International renewable energy certificates (IRECs)	131,077	22.7	Unbundled instruments
Garantees of origin (GO)	161,172	27.9	Bundled instruments
Photovoltaic by third party on site PPA	570	0.1	Bundled instruments
International renewable energy certificates (IRECs)	77,103	13.4	Bundled instruments
GEC - Chinese certificates	27,577	4.8	Unbundled instruments

Where economically sustainable and feasible, Brembo prioritizes the use of power purchase agreements, included within bundled Guarantees of Origin (GO) and International Renewable Energy Certificates (IREC). Where this is not possible, the Group uses GO certificates (for countries within the European Union), IREC certificates and GEC certificates for China. Overall, Scope 2 emissions are calculated using the market-based method, which reflects the total emissions associated with electricity consumption.

Scope 3

Scope 3 greenhouse gas (GHG) emissions refer to those emissions not included in the previous categories but are nonetheless connected to Brembo's value chain.
This scope comprises a total of 15 categories, of which Brembo is included in 10 in its calculations.

The significant year on year reduction in GHG emissions between 2024 and 2025 is primarily attributable to the progressive enhancement of data quality and methodological accuracy, including the application of updated conversion factors that better reflect the specific characteristics of the materials used, the replacement of secondary datasets with higher quality primary data, as well as the effective decrease in the carbon intensity of key raw materials through the increased adoption of low carbon inputs. These improvements have strengthened the robustness of our emissions accounting and more accurately reflect the decarbonisation progress achieved across our value chain. In this context, 2024 Scope 3 Category 1 (it was 1,485,806) emissions data have been recalculated to reflect the same methodological updates and data quality improvements applied in 2025, ensuring consistency and comparability across reporting years.

Table 24

Gross Scope 3 greenhouse gas emissions	u.m.	2025	2024
Category 1 Purchased goods and services	tCO_2eq	967,969	1,300,849
Category 2 Capital goods	tCO_2eq	133,162	136,016
Category 3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	tCO_2eq	67,602	74,944
Category 4 Upstream transportation and distribution	tCO_2eq	43,544	51,586
Category 5 Waste generated in operations	tCO_2eq	86,718	76,238
Category 6 Business travel	tCO_2eq	2,094	3,923
Category 7 Employee commuting	tCO_2eq	33,199	34,279
Category 9 Downstream transportation	tCO_2eq	161,701	189,986
Category 12 End-of-life treatment of sold products	tCO_2eq	4,788	7,019
Category 15 Investments	tCO_2eq	7,894	32,799
Gross Scope 3 GHG emissions (51)	**tCO_2eq**	**1,508,672**	**1,907,640**

For completeness of information, the total Scope 3 value for 2024 was 2,085,578 $tonCO_2e$.

In the calculation of Scope 3 categories, Brembo primarily relies on primary data. Where these are not available, estimates and assumptions are applied, always in line with the GHG Protocol guidance. For Scope 3 Categories 1, 4, 5, 6, 7, 9 and 12, it was necessary to use estimates and assumptions. These categories are characterized by a medium level of uncertainty, mainly due to the emission factors used for quantifying category 1 and for the activity data applied for categories 4, 5, 6, 7, 9 and 12. The remaining categories present a low degree of uncertainty. Specifically, the following methodologies were applied to Scope 3 emissions:

- **Category 1 (Purchased goods and services)**: For aluminum suppliers, calculations were based on data from the current year, while for other suppliers, data from the previous year was used. Emissions were estimated using primary data from approximately 200 key suppliers and secondary data for all the other suppliers of goods and services. The hybrid methodology described in the GHG Protocol Technical Guidance for Calculating Scope 3 Emissions was applied.
- **Category 2 (Capital goods)**: The average spend-based method, as outlined in the GHG Protocol Technical Guidance for Calculating Scope 3 emissions, was applied. This category includes GHG emissions related to the purchase of new buildings, plants, machinery, industrial and commercial equipment and other assets.
- **Category 3 (Fuel- and energy-related activities)**: The calculation methodology for this category includes Well-to-Tank (WTT) emissions related to electricity, district heating, and fuels, in accordance with the GHG Protocol Guidelines.
- **Categories 4, 5, 6, 7, and 9**: The distance-based method, as described in the GHG Protocol Technical Guidance for Calculating Scope 3 Emissions, was applied.
  - **Category 4 (Upstream transportation and distribution)**: Includes emissions from the transport of products between Brembo's factories and the transport of products to customers paid for by Brembo, calculated based on kilometers travelled and average transported weight.
  - **Category 5 (Waste generated in operations)**: Includes emissions from waste disposal, in accordance with GHG Protocol Guidelines.
  - **Category 6 (Business travel)**: Covers emissions from employees' air and rail travel, calculated based on the kilometers travelled for each journey.
  - **Category 7 (Employee commuting)**: Includes emissions from employees' commuting between home and work, calculated based on kilometers travelled by each type of vehicle.
  - **Category 9 (Downstream transportation and distribution)**: Includes emissions from the transport of products to customers paid for by customers, calculated based on kilometers travelled and average transported weight.

- **Category 12 (End-of-life treatment of sold products)**: New category added in order to align with the SBTi framework (the category has been calculated also for 2024, see table 24). The calculation method of Category 5 was applied, integrating the data collection related to the mass of products (and packaging) sold, from the point of sale through to the end-of-life after consumer use.
- **Category 15 (Investments)**: The investment-specific method, as listed in the GHG Protocol Technical Guidance for Calculating Scope 3 emissions, was applied. This category includes GHG emissions from equity investments for the reporting year that are not already included in Scope 1 or Scope 2.

The following Scope 3 categories are not included in the Greenhouse Gas Inventory due to their low significance compared to the other categories, based on the significance analysis carried out in accordance with the GHG Protocol Standard are as follows:

- **Category 8 (Upstream leased assets)**: In case any leased asset was used by Brembo, the related emissions are included in Scope 1 and Scope 2, as Brembo has operational control over these assets.
- **Category 10 (Processing of sold products)**: This emission represents an extremely minimal portion of Brembo's overall emissions and therefore is considered not material.
- **Category 11 (Use of sold products)**: Brembo braking system do not generate direct CO_2e emissions during use. In addition, Brembo continuously invests in R&D to design more sustainable braking systems, which have less impact on the environment, including lighter-weight solutions that contribute to reducing vehicle emissions.
- **Category 13 (Downstream leased assets)**: Emissions from downstream leased assets are not relevant, as they are already included in Scope 1 and Scope 2.
- **Category 14 (Franchises)**: Brembo does not have any franchises.

Table 25

GHG intensity per net revenue[22] (AR 53 and 54)	2025	2024	%
Total GHG emissions (location-based) per net revenue (tCO_2eq/€ million)	**573.19**	**662.99**	**-14%**
Total GHG emissions (market-based) per net revenue (tCO_2eq/€ million)	**455.88**	**555.07**	**-18%**

Table 26

Retrospective					Milestones and target years *			
	Base year (2020)	Comparative (2024)	N (2025)	% N / N-1	2025	2030	2050	Annual % target / Base year
SCOPE 1 GHG EMISSIONS								
Gross Scope 1 GHG emissions (tCO_2eq)	**73,755**	**108,135**	**104,733**	**-3%**	**N/A**	**N/A**	**N/A**	
Of which from Investees		690	565	18%				
Percentage of Scope 1	4%	5%	6%	-	N/A	N/A	N/A	
GHG emissions from regulated emission trading schemes (%)	0%	0%	0%	-	N/A	N/A	N/A	
SCOPE 2 GHG EMISSIONS								
Gross location-based Scope 2 GHG emissions (tCO_2eq)	**480,860**	**530,752**	**508,951**	**-4%**	**N/A**	**N/A**	**N/A**	
Of which from Investees		5,048	3,855	-24%				
Gross market-based Scope 2 GHG emissions (tCO_2eq)	**298,736**	**116,268**	**74,576**	**-36%**	**N/A**	**N/A**	**N/A**	
Of which from BSCCB S.p.A.		0	0	-				
SIGNIFICANT SCOPE 3 GHG EMISSIONS								
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	**1,682,726**	**1,907,640**	**1,508,672**	**-21%**				
1. Purchased goods and services	1,142,975	1,300,849	967,969	-26%	N/A	N/A	N/A	
2. Capital goods	112,015	136,016	133,162	-2%	N/A	N/A	N/A	
3. Fuel and energy-related activities (not included in Scope 1 or Scope 2)	92,654	74,944	67,602	-10%	N/A	N/A	N/A	
4. Upstream transportation and distribution	18,220	51,586	43,544	-16%	N/A	N/A	N/A	
5. Waste generated in operations	58,817	76,238	86,718	14%	N/A	N/A	N/A	
6. Business travelling	639	3,923	2,094	-47%	N/A	N/A	N/A	
7. Employee commuting	33,455	34,279	33,199	-3%	N/A	N/A	N/A	
9. Downstream transportation	160,428	189,986	161,701	-15%	N/A	N/A	N/A	
12 End-of-life treatment of sold products	16,481	7,019	4,788	-32%	N/A	N/A	N/A	
15. Investments	47,042	32,799	7,894	-76%	N/A	N/A	N/A	
Total GHG emissions (location-based) (tCO_2eq)	**2,237,340**	**2,546,527**	**2,122,355**	**-17%**				
Total GHG emissions (market-based) (tCO_2eq)	**2,055,216**	**2,132,043**	**1,687,980**	**-21%**				

22 Revenue from contracts with customers, note No. 20 of the consolidated financial statement at 31 December 2025.

Scope 1

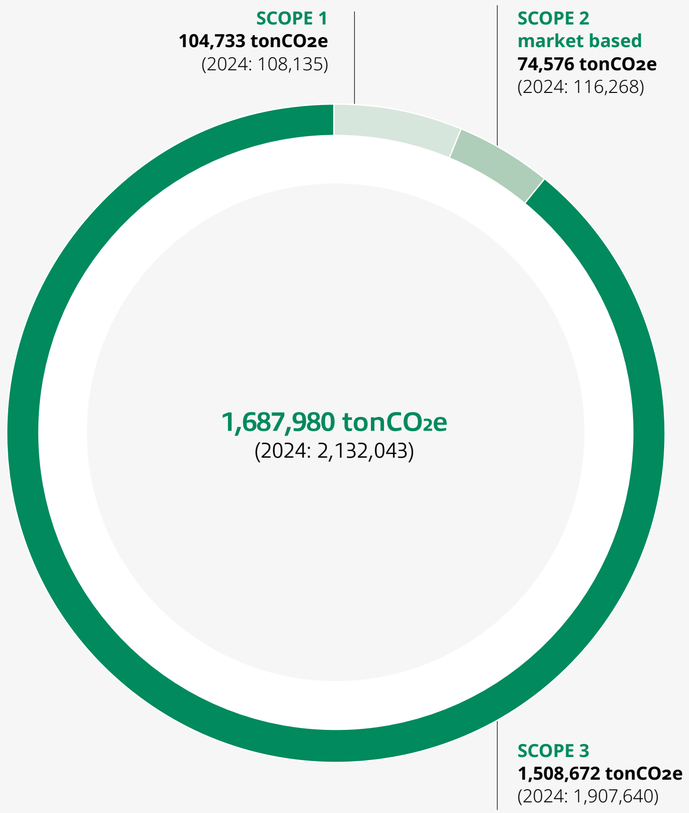
Scope 1 greenhouse gas emissions (GHG) pertain to the direct emissions produced from sources that are owned or controlled by an organization. These emissions represent the total sum of greenhouse gases, expressed in CO_2 equivalents.

Scope 2

Scope 2 greenhouse gas (GHG) emissions refer to the indirect emissions resulting from the generation of electricity purchased by Brembo, as well as from the heating of water/steam supplied to the Group through district heating systems.

Scope 3

Scope 3 greenhouse gas (GHG) emissions refer to those emissions not included in the previous categories but are nonetheless connected to Brembo's value chain.



E1-7 GHG REMOVALS AND CARBON CREDITS

To neutralize the remaining 10% of CO_2 equivalent emissions by the year 2040, the company intends to implement measures that will either permanently remove or actively support the removal of greenhouse gases (GHGs) from the atmosphere through the acquisition of carbon credits. However, it is important to note that, at present, there are no initiatives in place specifically aimed at the removal of GHGs.

E1-8 INTERNAL CARBON PRICING

At present, Brembo does not utilize an internal price for CO_2 emissions. However, the Company is actively engaged in efforts to introduce carbon pricing within its business cases.

It is important to note that there are no critical assumptions made at this time to determine the carbon price applied, as the internal pricing scheme has yet to be established.

Additionally, since Brembo does not currently have an internal carbon pricing scheme in place, the disclosure regarding the consistency of the carbon price used in this scheme with the carbon price reflected in financial statements is not applicable.

E2 - POLLUTION

E2 IRO-1 POLLUTION MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

The double materiality assessment has led to the identification of the Group's Impacts, Risks and Opportunities related to pollution. The material IROs are listed below.

- **Negative impact** - Air pollution caused by emissions of carbon monoxide (CO), nitrogen oxides (NOx), fine particulate matter (PM), hydrogen sulphides (H2S) and sulphur oxides (SOx) from the production of components for braking systems of cars, motorcycles and commercial vehicles (own operations and value chain).
- **Negative impact** - Pollution of water resources caused by discharges of pollutants from cast-iron and aluminum processing and/or painting processes in the production of braking systems.
- **Negative impact** - Potential harm to human health caused by worker exposure to hazardous and highly hazardous chemicals (SVHCs) during the manufacturing process of car brakes (own operations).
- **Risk** - Fines, refunds, extra costs and customer relationship impacts deriving from regulatory non-conformities of a Brembo product (including when caused by a supplied component), for example in terms of emissions.
- **Risk** - Activity suspension, decontamination costs and potential legal liabilities deriving from environmental pollution caused by an accidental event (e.g., fire) at a Brembo plant.

To identify potential impacts, risks and opportunities related to pollution, Brembo has considered all its production plants and the overall value chain, as described in section ESRS 2 IRO-1 herein.

As described under ESRS E1 – IRO 1, the Group maintains an active, ongoing dialogue with internal and external stakeholders, grounded in transparency, trust, and the pursuit of consensus. This process is formalized in the Brembo stakeholder engagement policy, which sets out the principles, channels, and most appropriate engagement methods for the identified stakeholder groups.

In addition, Brembo has defined an Internal Control and Risk Management System (ICRMS). Risk management at Brembo is strongly embedded in decision-making and business management processes, including strategic and operational planning, the management of new business initiatives and the associated change, as well as the preparation of specific reports for stakeholders. Within its Internal Control and Risk Management System, Brembo has established an Enterprise Risk Management framework based on the ISO31000 (International standard for Risk Management), which defines processes to be followed by global central functions and business units to identify, assess, manage and monitor company risks.

Within the Environmental and Energy Management System, each plant conducts a comprehensive bottom-up assessment of environmental risks and opportunities across short, medium and long-term horizons, in compliance with ISO 14001 requirements. This assessment is supported by internal tools and external datasets (e.g. ISPRA, NOAA, FEMA, WRI Aqueduct) and informs the prioritization of environmental mitigation and improvement actions. Risk and opportunity analysis are performed annually, and whenever significant changes occur, through the ORME information system (Obligation and Risk Management for Environment & Energy).

Brembo has defined an internal methodology for identifying environment- and energy-related risks and opportunities across each phase of the production process. Each site assesses risks by assigning a score on a scale from 1 to 5, based on detectability, frequency, and severity. The same methodology is applied to opportunities. Based on the resulting score, risks and opportunities are classified as very low, low, medium, high, and very high. The system mandatorily requires the identification and implementation of improvement actions for risks and opportunities classified as high or very high.

In the context of the Environmental and Energy Management System, compliant with ISO 14001, each plant monitors and prioritizes the environmental mitigation actions to be implemented; in particular, each site is aligned with the three procedures "Chemical Management" , "Air Emission Management" and "Water Management", which define guidelines and requirements for the correct management and monitoring of these substances of concern. Risk and opportunity analysis are performed annually, and whenever significant changes occur, through the ORME information system (Obligation and Risk Management for Environment & Energy).

Furthermore, Brembo in 2023 published the "Brembo stakeholder engagement policy", which defines the channels of dialogue between the Group and its stakeholders and in which it describes some prerequisites for establishing an effective dialogue, including the identification of key stakeholders and the most suitable methods for their engagement.

E2-1 POLICIES RELATED TO POLLUTION

The Group has a structured system of policies and procedures to manage impacts, risks and opportunities related to the prevention and monitoring of pollution. These policies aim to minimize negative environmental impacts and to identify and leverage opportunities for continuous improvement.

Policies and specific operating procedures related to the pollution of environmental matrices are outlined below. Brembo has developed the environment and energy policy to manage the main environmental issues applicable to the Company. For the full description of the contents and interoperability between the various environmental ESRSs, please refer to chapter E1-2 policy.

The details of the policy relating to pollution are listed below:

- Brembo has introduced requirements across all plants to ensure emissions remain well below the limits set by national legislation. This ambitious goal is achieved through a robust monitoring system for key pollutants and the installation of treatment plants aligned with Best Available Techniques. Additionally, the use of advanced materials and innovative technical solutions in Brembo products helps reduce polluting emissions from brake wear during use.
- Through ongoing research into innovative materials and technical solutions for both processes and products, Brembo aims to reduce the use of high-impact substances, thereby minimizing its environmental footprint during both production and product use.

As part of its Environmental Management System, Brembo has adopted specific procedures aimed at

mitigating and preventing pollution at its production plants, and in particular:

- The "**Management of Emissions into the Atmosphere**" procedure, which aims to establish the requirements and methods for the management and monitoring of polluting emissions generated by production processes and auxiliary activities.
- The "**Water Cycle Management**" procedure defines methods for managing the integrated water cycle at Brembo sites, focusing the attention both on quantity and quality improvement.
- The "**Management of Chemical Substances**" procedure establishes a methodology for the managing chemicals at within Italian sites, ensuring compliance with national and international chemical regulations.

E2-2 ACTIONS AND RESOURCES RELATED TO POLLUTION

With regards air emissions, Brembo recognizes that pollutant emissions from its production processes may adversely affect the health of communities adjacent to its facilities and pose risks to local flora and fauna. To mitigate these impacts, Brembo has implemented an Environment and Energy Management System that establishes common requirements across all Group plants, aimed at maintaining environmental risks well below the emission limits mandated by the legislation of the countries in which it operates. The procedure followed standards ISO 14001 and 14004. According to Brembo Water Management procedure, each plant has to identify and characterize the air flow from all machinery and productive processes in the factory. In particular, based on the information reported in the material safety data sheets, it is necessary to keep a register that contains information on products and substances used for production and other facility activities. The register should include the following information for each products/substances used: name, composition, phase of the process the product/substance is used, whether the process phase is connected to a water discharge point, ecotoxicological information, possible formation of reaction subproducts. Composition and ecotoxicological information are used as indicators to identify which products/substances are pollutants.

Each facility has developed appropriate monitoring plans to ensure that emissions from production processes, including odorous emissions, are limited to technological thresholds. Typical parameters monitored include those emitted during melting processes (such as dust, NOx, and SOx) and those generated by mechanical processing and painting processes (dust and VOCs), with emission values governed by local legislation. To further reduce pollution risk, Brembo mandates that each emission point be equipped with abatement systems that ensure atmospheric emissions are at least 60% lower than local legislative limits. Additionally, Brembo monitors the quantity of coolants (HFC and HCFC) released into the atmosphere, calculating the corresponding CO_2 equivalent impact. The scope of these actions encompasses all emission points across Brembo's facilities, ensuring that the internal requirements for abatement systems are uniformly applied.

Key actions related to air emissions are to be completed on an annual basis, with ongoing monitoring and assessment to ensure compliance and effectiveness.

A water pollutant can be defined as a physical, chemical or biological factor causing aesthetic or detrimental effects on aquatic life and on those who consume water. Majority of the water pollutants are in the form of chemicals which remain dissolved or suspended in water and cause an environmental impact. Organic and inorganic pollutants are mainly discharged from industrial effluents and sewage into the water bodies. These contaminants may be naturally occurring or man-made. Due to processes like pre-treatments, painting, anodizing, and machining processes, Brembo's plants may discharge chemical contaminants like inorganic pollutants, nitrates, phosphates, other nutrients, oxygen demanding pollutants, oils and other synthetic organic compounds. Regarding water emissions, Brembo's Environment and Energy Management System also address water use. The procedure followed standards ISO 14001 and 14004. According to Brembo water procedure, each plant has to identify and characterize discharged water from all machinery and productive processes in the factory. In particular, based on the information reported in the material safety data sheets, it is necessary to keep a register that contains information on products and substances used for production and other facility activities. The register should include the following information for each products/substances used: name, composition, phase of the process the product/substance is used, whether the process phase is connected to a water discharge point, ecotoxicological information, possible formation of reaction subproducts. Composition and ecotoxicological information are used as indicators to identify which products/substances are pollutants. The Water Management procedure establishes also requirements and restrictions to ensure the rational use of water resources and protection against potential accidental contamination. These requirements are binding for all Brembo facilities, ensuring uniform application of the procedure. Specifically, in cases of potential contamination due to water discharge, the procedure mandates limits that are up to 60% lower than those set by local regulations. Consequently, all sites are required to implement appropriate measures to maintain pollutant concentrations in discharges consistently below this threshold, either by using products with lower environmental impact or by employing advanced discharge water treatment technologies.

Each plant conducts risk and opportunities assessment for processes impacting water resources, leading to mitigation actions for areas identified as high risk or with significant opportunities. Furthermore, Brembo carries out an annual company-wide risk evaluation, using the World Resources Institute's (WRI) Aqueduct methodology, to assess exposure to water quality and availability risks at each Group site. As for air emission, the scope of these water management actions applies uniformly across all Brembo facilities. These actions are implemented on an annual basis, with continuous monitoring and evaluation to ensure compliance and effectiveness.

Information related to Brembo's action plan (CapEx, OpEx) has not been disclosed due to data confidentiality with regard to the financial year 2025.

E2-3 TARGETS RELATED TO POLLUTION

The target established by Brembo stipulates that pollutant concentrations in air and water discharges are intended to be kept below 60% of the limits imposed by local regulations. The defined target level is absolute, measured in percentage (%), indicating the specific concentration levels to be achieved. The scope of this target encompasses all Brembo plants (direct operations) worldwide, ensuring comprehensive application across the company's activities. Performance against

the disclosed targets is monitored through annual measurements to ensure compliance with pollutant thresholds in air and water. The monitoring process confirms that the targets are being met as initially planned, with ongoing analysis of trends and significant changes in performance towards achieving the established targets. The target is not mandatory, and it is not required by legislation, affirming the commitment of the company to monitor these kinds of pollutants during its processes.

This target is closely aligned with Brembo's policy objectives, reflecting the company's commitment to preserving essential environmental matrices such as water, soil, and air. As part of its Environment and Energy Management System, Brembo has implemented an Air Emission, Soil, and Water Management procedure that imposes requirements and restrictions across all Group plants to ensure sustainable use and protection against pollution. This ambitious objective is supported by a robust monitoring system for the principal pollutants resulting from production processes and the installation of treatment plants in accordance with Best Available Techniques (BAT).

The methodologies and assumptions used to define the target are based on the recognition that pollutant emissions from Brembo's production may have direct negative effects on the health of adjacent communities and local flora and fauna. The Environment and Energy Management System has introduced common requirements across all Group plants to contain environmental risks well below the emission limits provided for local legislation. Each plant has established monitoring plans to ensure that emissions generated by production processes, including odorous emissions, not typically covered by legislative requirements, are limited to technological thresholds. Additionally, the Water Management procedure within the Environment and Energy Management System sets stringent requirements for rational water use and protection against accidental contamination.

The targets related to environmental matters are based on conclusive scientific evidence, with values derived from precise measurements conducted at plants subject to regular or ongoing spot checks. Emissions at each plant are calculated based on these measurements, considering the concentration of harmful substances, mass flow, and operating time.

There has been no involvement of stakeholders in the target-setting process for these material sustainability matters and there have been no changes to the targets, corresponding metrics, or underlying measurement methodologies, significant assumptions, limitations, sources, or data collection processes within the defined time horizon.

E2-4 POLLUTION OF AIR, WATER AND SOIL

Primary data is gathered from factories using the EE Data Collection system, which ensures a systematic approach to data acquisition. Once collected, this data is automatically transferred to the non-financial reporting system for further processing. Emissions are reported by the sites that carry out chimney monitoring, in compliance with applicable legislative requirements. Following this phase, emission data is reprocessed in accordance with the Guidelines outlined in the procedure "Atmospheric Emission Management", ensuring accuracy and compliance throughout the process.

Table 27

		2025			2024		
Pollutant Name	u.m.	Air	Water	Soil	Air	Water	Soil
Ammonia (NH_3)	kg	840.30	–	–	195.47	–	–
Anthracene	kg	0.23	–	–	0.12	–	–
Arsenic and compounds (as As)	kg	0.51	–	–	0.56	–	–
Benzene	kg	1,816.10	–	–	763.97	–	–
Cadmium and compounds (as Cd)	kg	0.51	–	–	0.56	–	–
Carbon dioxide (CO_2)	kg	0.03	–	–	1,263.95	–	–
Carbon monoxide (CO)	kg	1,069,130.50	–	–	571,520.16	–	–
Chlorides (as total Cl)	kg	–	42.16	–	–	1,757.38	–
Chlorine and inorganic compounds (as HCl)	kg	453.81	–	–	483.54	–	–
Chromium and compounds (as Cr)	kg	33.96	–	–	20.65	0.01	–
Copper and compounds (as Cu)	kg	10.20	0.05	–	97.67	–	–
Cyanides (as total CN)	kg	–	0.10	–	–	0.04	–
Fluorides (as total F)	kg	–	0.01	–	–	0.01	–
Fluorine and inorganic compounds (as HF)	kg	217.29	–	–	107.82	–	–
Lead and compounds (as Pb)	kg	5.19	–	–	11.65	–	–
Methane (CH_4)	kg	6,791.75	–	–	6,462.99	–	–
Naphthalene	kg	3.41	–	–	0.90	–	–
Nickel and compounds (as Ni)	kg	15.40	4.82	–	30.00	0.65	–
Nitrogen oxides (NOx/NO_2)	kg	115,853.97	–	–	144,164.11	–	–
Nitrous oxide (N_2O)	kg	3,715.42	–	–	15,919.43	–	–
Non-methane volatile organic compounds (NMVOC)	kg	84,233.70	–	–	54,089.80	–	–
Particulate matter (PM10)	kg	288,263.89	–	–	351,934.91	–	–
Dioxins and Furans (PCDD/PCDF)	kg	-	–	–	–	–	–
Polycyclic aromatic hydrocarbons (PAHs)	kg	20.83	0.01	–	1.56	0.03	–
Sulphur oxides (SOx/SO_2)	kg	126,276.76	–	–	90,906.79	–	–
Total nitrogen	kg	–	68.45	–	–	14.14	–
Total organic carbon (TOC) (as total C or COD/3)	kg	–	4.14	–	–	3.06	–
Total phosphorus	kg	–	505.14	–	–	1.50	–
Zinc and compounds (as Zn)	kg	81.17	25.06	–	202.82	0.23	–
Total	**kg**	**1,697,764.96**	**649.94**	**–**	**1,237,932.32**	**1,777.06**	**–**

Brembo has consolidated the emission data and encompassing the amount from facilities which the company exercises operational control. The measurement methodologies adopted for monitoring emissions include direct measurement through tools such as online analyzers, as well as calculations based on site-specific data, thereby ensuring an accurate assessment of emissions.

It should be noted that comparisons with previous years regarding emissions are not possible, as they are influenced by variables that are difficult to control, such as the production mix, which can significantly impact the quantity of substances emitted.

In the context of emissions reporting, Brembo has considered the emissions of pollutants to water, particularly in areas identified as being at risk, including those experiencing high water stress.

Table 28

Emissions of pollutants to water in areas at water risk	u.m.	2025	2024
Total emissions of pollutants to water occurring in areas at water risk	kg	10.6	1,731.98
Total emissions of pollutants to water occurring in areas of high-water stress	kg	10.6	1,731.98
Total water pollutants	**kg**	**649.94**	**1,777.06**
Percentage of total emissions of pollutants to water occurring in areas at water risk	%	1.55	97.5
Percentage of total emissions of pollutants to water occurring in areas of high-water stress	%	1.55	97.5

E2-5 SUBSTANCES OF CONCERN AND SUBSTANCES OF VERY HIGH CONCERN

This disclosure about substances of concern aims at providing an understanding of actual or potential impacts related to such substances, also taking account of possible restrictions on their use and/or distribution and commercialization.

These substances may be present in the emissions, in the auxiliaries and in the raw materials used in the production processes, or in the purchased articles which compose the final goods.

For the annual report 2025, Brembo acknowledges the Substances of Concern (SoC) as Substances of Very High Concern (SVHC) listed in the latest 2025 ECHA Candidate List, dated 05th November 2025, in accordance with Article 59 of the REACH Regulation applicable at the European level, Substances with a harmonized classification (Annex. VI. Part 3, CLP - Regulation 2008/1272 and its amendments) that meets the requirements for specific health and environmental hazards, and Persistent Organic Pollutants (according to POPs Regulation - Regulation 2019/1021and its amendments).

Brembo is actively undertaking an analysis to identify a comprehensive list of these substances, especially for the Substances of Very High Concern (SVHC) at the group level, aiming to identify and prevent the possible impacts on environmental matrices and human health.

In light of all this, Brembo has made every effort to collect the necessary information from its suppliers to disclose the quantities of Substances of Concern (SoC) and Substances of Very High Concern (SVHC). However, as this involves third parties and pertains to 'value chain information,' it has proven to be challenging. This difficulty arises from various factors, including existing contractual arrangements, the level of control exercised over the suppliers and the geographical spread of the manufacturing. In particular, the collection of data has been particularly difficult in extra- European countries because outside of Europe the REACH Regulation is not applicable and entities follows a different legislative framework.

Moreover, the adoption of different versions of the Globally Harmonized System (GHS), instead of the EU adaptation, in these countries may lead to a significantly different hazard classification of substances This approach will require to the Company to classify all the substances at Group level by following the EU criteria, sometime modifying the suppliers' classification.

Since a European standard methodology is missing, neither at Global level, Brembo developed an internal method, but complete and verified data from external suppliers and partners are still unavailable or incomplete.

Actually, the preparation of an estimation did not yield reasonable and supportable information, as Brembo is unable to consider all the variables that characterise the semi-finished products used in the finished products.

Unfortunately, sector averages or market proxies that could assist in the estimation are not available at this time. In light of the foregoing it has not been possible to gather complete and reliable information regarding Substances of Concern and Substances of Very High Concern for the Group during this year of disclosure.

Since this also pertains to information that needs to be collected throughout the value chain, Brembo is utilising the transitional provision outlined in ESRS 1, Article 10-2, paragraph 133(b), which permits reporting on this information starting from subsequent years. The data collection process is currently being enhanced and will be refined for next year's disclosure, which for year current disclosed is mostly qualitative.

Brembo is collaborating with its value chain partners to gather all relevant data concerning Substances of Concern and Substances of Very High Concern.

E3 - WATER AND MARINE RESOURCES

E3 IRO-1 WATER AND MARINE RESOURCES MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

The double materiality assessment has led to the identification of the Group's Impacts related to water management. The material IROs are listed below.

- **Negative impact** - Reduced water availability caused by water use in braking-system production processes, particularly in water-stressed areas.
- **Negative impact** - Reduced water availability caused by water use across processes in water-stressed areas.

The Group's materiality assessment considers relevant mitigation actions for identified IROs, which are managed through Brembo's Internal Control and Risk Management System Brembo's risk assessment methodology under ERM framework takes into account and is informed by the principles of ISO 31000, in accordance with international best practices. Risks and opportunities are identified using an integrated top-down and bottom-up approach across operations and the value chain, consolidated in the Group Risk Report, and reported to the Audit, Risk and Sustainability Committee.

At site level, ISO 14001, the Environmental and Energy system requires ISO 14001 compliant bottom-up assessments supported by internal tools and external datasets (for example ISPRA, NOAA SLOSH, FEMA flood zones, WRI Aqueduct and the WWF Water Risk Filter).

This assessment informs the prioritization of environmental mitigation and improvement actions. Risk and opportunity analysis are performed annually, and whenever significant changes occur, through the ORME information system (Obligation and Risk Management for Environment & Energy).

Brembo has defined an internal methodology for identifying environment- and energy-related risks and opportunities across each phase of the production process. Each site assesses risks by assigning a score on a scale from 1 to 5, based on detectability, frequency, and severity. The same methodology is applied to opportunities. Based on the resulting score, risks and opportunities are classified as very low, low, medium, high, and very high. The system mandatorily requires the identification and implementation of improvement actions for risks and opportunities classified as high or very high.

In parallel, Brembo assesses water availability and quality at the basin or catchment level, reflecting its reliance on high-quality freshwater for production processes (e.g., surface treatments and oil emulsion preparation), safety systems (e.g., fire prevention), and facilities (e.g., restrooms and canteens) with particular attention to sites located in water-stressed regions.

The Company also monitors water related regulatory frameworks, including pricing and discharge requirements, as key factors for profitability, compliance and license to operate. Additionally, Brembo evaluates the condition of ecosystems, habitats and sensitive environmental matrices (water, air, soil, flora and fauna), potential climate related impacts, and employee health and access to safely managed WASH (water, sanitation, and hygiene) services, to ensure a comprehensive understanding of water risks and dependencies.

Brembo maintains an ongoing dialogue with stakeholders to improve environmental and social outcomes. In 2025, the Group enhanced water-related stakeholder engagement by expanding the water section of its supply chain questionnaire to: identify suppliers with high water consumption, assess related risks (including operations in water-stressed areas), understand dependencies, and collect information on reduction measures and targets. The strong response from suppliers allowed Brembo to establish a robust initial mapping. In the coming years, the Group plans to further refine the questionnaire and work closely with high water–consuming suppliers to reduce water-related impacts.

To understand which sites are in areas at "Extremely High Risk" and "High Risk", Brembo carried out an analysis based on WRI Aqueduct for Baseline Water Stress and WWF Water Risk Filter tools. The result stated that the owned sites located in risky areas are the following ones:

- **Mexico**: 3 facilities located in the Rio Bravo River basin, Monterrey area
- **China**: 3 facilities, two of which located along the China's East Coast and two in Yongding He River basin, Hebei region
- **India**: 2 facilities in India's East Coast and Krishna River basin
- **North America**: 1 facility in North Atlantic Coast River basin (New Jersey)
- **Italy**: 1 facility in Po River basin
- **Spain**: 3 facilities along the South-East Coast
- **Poland**: 1 plant in Oder River basin

Regarding the methodologies, assumptions and tools used in identifying and assessing material impacts, risks and opportunities along Brembo's value chain, please refer to section ESRS 2 IRO-1 herein.

E3-1 POLICIES RELATED TO WATER

The Group has a structured system of policies and procedures to manage water-related impact. The policies adopted not only aim to minimize negative impacts on the environment, but also to identify and exploit opportunities to continuously improve their practices.

Brembo has established the Environment and energy policy that addresses all the main environmental issues relevant to the Company. For a full description of its contents and the interlinkages across the environmental ESRS topics, please refer to chapter E1-2 policy.

Brembo promotes sustainable use of water resources along the entire value chain, focusing on regions at high water risk. The Company is committed to reducing water consumption by increasing reuse and recycling, and to minimizing wastewater leakage and discharge. This is achieved through efficient water management practices, innovative processes and the use of alternative water sources, ensuring local resources are preserved. Brembo also recognizes that access to clean water and sanitation is a fundamental human right, ensuring all workers have access to WASH services.

Brembo maintains an Environmental Management System which includes the "Water Cycle Management" operating procedure. This procedure outlines methods for managing the water cycle at all sites covering all phases of production and auxiliary processes. It defines steps to identify water use and consumption, determining areas of significant use, and identifying opportunities for improvement. It also regulates pollutant management in water, as described in chapter E2-1 policy.

The Company's strategy promotes rational use of water, progressively reducing use in production processes and increasing supply from alternative sources, including water recovered from other processes. To prevent environmental contamination from water discharge, Brembo applies stringent standards, with limits up to 60% lower than those required by local regulations. The Company has reached the goal of achieving full water flow monitoring by 2025 covering water withdrawal, discharge and significant internal use at all Group sites.

All sites are required to implement measures to ensure pollutant concentrations in discharges remain consistently below regulatory limits, such as using lower impact substances or advanced wastewater treatment technologies.

Committed to sustainable development, Brembo evaluates the environmental impact of its products and services throughout their entire life cycle. The Company aims to provide increasingly environmentally friendly solutions, using improved product environmental performance as a driver for innovation and a source of competitive advantage. During product design, Brembo applies circular economy principles to reuse resources and minimize the use of virgin material.

Brembo is particularly focused on improving management high-water-stress areas. These areas are identified using water risk assessment tools and specific geographic analyses. Currently, fifteen Brembo plants operate in high-stress regions, all governed by the Company's water management policies and procedures.

It is important to note that no policies or practices concerning sustainable oceans and seas have been adopted, since this aspect is not applicable to the Brembo Group's business operations.

E3-2 ACTIONS AND RESOURCES RELATED TO WATER

Brembo is committed to managing its material sustainability matters effectively, particularly those related to water scarcity. The Company is currently exploring alternative water sources for plants located in areas affected by water scarcity. Most of the plants receive water from the public network to ensure continuity of supply throughout the year and to prevent any business interruptions due to predictable water rationing. The scope of this action is to ensure business continuity, avoid depriving the local community of fresh water, and control water costs to maintain affordability even in emergency situations. Key implementation projects are expected to be completed by 2030. In addition, Brembo aims to identify all locations where alternative water sources are required, particularly in plants located in high-risk water scarcity areas, and to determine the most efficient solutions for utilizing these alternative sources.

Brembo has strategically designed its processes to minimize the use of water wherever possible. Disc machining plants have successfully transitioned to dry machining techniques, eliminating the need for wet cutting emulsions. Furthermore, all operations use closed circuit cooling systems that cool and recirculate water multiple times. Additional efficiency improvements have been implemented, such as installing toilet flushing systems that reduce water consumption per use.

A notable example of Brembo's commitment to sustainable water management is its Mexican cast iron foundry, where a water reuse system has been built in 2024 to use an alternative water source from the municipal wastewater treatment facility in Monterrey, becoming operative in 2025. Following the success of this project, in 2025 Brembo assessed the feasibility of replicating this solution at two additional Mexican sites located in water-scarce areas.

In 2025, this project made it possible to avoid withdrawing 85,000 cubic meters of high-quality drinking water from the aqueduct by using lower quality water sourced from the consortium wastewater treatment plant.

During 2025, production sites also developed and implemented smaller-scale initiatives aimed at reducing water consumption. For example, at the Polish disc-machining plant, a project was implemented to extend the useful life of the emulsions generated by mechanical machining. In addition, some Italian and Polish plants are testing and evaluating a low-temperature plate evaporator to treat spent emulsions by evaporating the water component from the oil. This process enables recovered water to be reused in production processes and for floor cleaning, thus avoiding disposal as waste.

Brembo considers water resources to be highly valuable and will continue to encourage its sites to develop water-related projects and to share best practices and ideas in this area through dedicated workshops.

Furthermore, since 2023, Brembo has progressively extended water stewardship beyond its own operations to the upstream value chain. In 2025 this activity was formalized through the Supply Chain Water Footprint Program, which introduced a structured engagement process to gather information from selected suppliers on water use and water management practices, aiming to improve visibility over withdrawals, discharges, sources, and destinations. This approach enabled a more accurate quantification of the water burden associated with purchased goods and services and facilitated the identification of upstream hotspots requiring attention. The information collected covers key dimensions of water stewardship, such as product-related insights, operational water use linked to production destined for Brembo, general breakdowns of water sources and discharge pathways, and contextual elements including exposure to water-stress areas and the presence of management measures or improvement initiatives. This expanded dataset strengthens Brembo's capacity to conduct value-chain analysis on water-related impacts and dependencies, while supporting long-term supplier engagement on responsible water management.

In January 2026, Brembo was confirmed among the global leaders in corporate water stewardship, earning a place on the 2025 Water Security A List compiled by CDP, the international non-profit organization that collects, disseminates and promotes environmental disclosure and performance. Inclusion on this list reflects the highest level of achievement in water-related transparency and management, a distinction awarded to only a limited number of companies out of the more than 22,000 organizations assessed globally.

After strengthening our water governance, improving water use efficiency, and enhancing the completeness and transparency of our reporting, Brembo has now attained the top "A" rating in the Water Security category. This achievement recognizes our strategic approach to addressing water-related risks and opportunities, reducing water consumption and wastewater impact, and advancing responsible water stewardship across our operations and value chain.

The "A" rating is the highest possible score attainable in the Water Security section and positions us among the world's most effective corporate water stewards — companies that demonstrate comprehensive disclosure, mature environmental governance, and measurable progress in safeguarding freshwater resources. CDP's scoring is widely regarded as a global benchmark for environmental leadership and transparency, influencing investor decisions and promoting resilient, sustainable business practices.

Information related to Brembo's action plan (CapEx, OpEx) has not been disclosed due to data confidentiality with regard to the financial year 2025.

E3-3 TARGETS RELATED TO WATER

Brembo has established measurable outcome-oriented targets to monitor progress in its sustainability strategy. The main target focuses on the measurement of water flows, translating the policy commitment to the "responsible use of natural resources" into concrete actions. Specifically, Brembo set the objective for all plants to achieve 100% measurement of water flow by 2025, expressed as the percentage of flows effectively measured across all operations. The target is absolute.

The scope covers all Brembo activities, enabling accurate monitoring and comparison with internal and external benchmarks and best practices. Actions to meet this target included installing meters in locations where they are currently absent and closely monitoring the installation program. The Group completed the installation of inlet water flow meters in all production plants as early as 2022 and finalized the installation of discharge and significant internal-use meters.

In 2025, Brembo achieved its target by measuring 100% of the water withdrawn and discharged at all production sites, as well as 100% of significant water uses. Brembo is committed to maintaining this target in the coming years, including in the event of new acquisitions or the opening of new production facilities.

Accurate measurement is expected to support potential water saving up to 5%. No stakeholders were involved in the target-setting process, and there have been no changes to the targets or the associated metrics, methodologies, or assumptions.

The water targets set by Brembo are designed to allow for the detection of any abnormal consumption during operations, enabling the implementation of improvement actions aimed at reducing water usage. The target relates to the reduction of water consumption, although it is not mandatory by legislation.

E3-4 WATER CONSUMPTION

The total Group's water consumption for 2025 is equal to 818,645.42m³ (Table 29). The total water consumption in areas at material water risk, including those experiencing high-water stress, amounts to 274,496.63m³. Additionally, the total water recycled and reused is 99,289.89m³, while no water is currently stored.

Table 29

Indicator	u.m.	2025	2024	2023
Water consumption (28a)	m³	818,645.42	916,125.56	988,880.00
Total water consumption in areas at water risk, including areas of high-water stress (28b)	m³	274,496.63	250,432.38	242,870.00
Water recycled and reused (28c)	m³	99,289.89	89,097.24	–
Water stored (28d)	m³	0	0	–
Changes in water storage (28d)	m³	0	0	-
Water intensity ratio (29)	m³/€ millions	221.09	238.51	256.91
Water withdrawals	m³	1,544,051.53	1,599,240.01	1,620,720.00
Water discharges	m³	725,406.11	683,114.46	631,840.00

The process of water management and monitoring is governed by common requirements outlined in the procedure "Water Cycle Management", which supplement the regulatory requirements specific to each country. Primary data are collected through meter readings and bills, documented by the plants, and periodically compiled in the EE Data Collection. This data is then automatically transferred to the Non-Financial Reporting (NFR) system.

Regarding recycled and reused water, not all plants are able to provide measurements for the volume of this water.

E4 - BIODIVERSITY AND ECOSYSTEMS

E4-1 TRANSITION PLAN AND CONSIDERATION OF BIODIVERSITY

As of the reporting date, the Company has not adopted a formal Biodiversity Transition Plan. Based on the double materiality assessment, biodiversity and ecosystems have been identified as material primarily in relation to upstream activities, while no material impacts, risks or dependencies were identified in connection with the Company's own operations.

In line with the requirements, the Company is progressively enhancing its assessment of nature-related impacts, risks and opportunities, with a particular focus on the geographic location of its operational sites and suppliers. Ongoing analyses aim to map the value chain against areas of high biodiversity value, protected areas and regions exposed to ecosystem degradation or water stress, in order to better understand potential pressures on biodiversity and ecosystem services.

The results of these location-specific assessments will inform the prioritization of material IROs and support the potential development of targeted mitigation and remediation actions, as well as the future definition of strategic objectives and measurable targets aligned with emerging regulatory expectations and international frameworks.

E4 SBM-3 BIODIVERSITY MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

The Brembo Group, with the support of a specialized consultant, assessed the state of biodiversity in the areas surrounding its plants, to identify the sites with the greatest presence of biodiversity and ecosystem-related physical, transitional and systemic risks, and to implement the necessary activities. Although the Group owns sites located near potentially sensitive areas in terms of biodiversity, the Group's preliminary analyses indicate that the presence of the plants does not adversely affect these areas: no direct negative impacts have been identified regarding land degradation, desertification or soil sealing, or the presence of protected species.

E4 IRO-1 BIODIVERSITY & ECOSYSTEM MATERIALITY ASSESSMENT PROCESS

The double materiality assessment has led to the identification of the Group's Impacts related to biodiversity. The material IROs are listed below.

- **Negative impact** - Deforestation, air and water pollution, land consumption, and pressure on virgin raw materials and natural ecosystems caused by poor management of mining activities for bauxite (for aluminum), graphite, coke, and calcium carbonate.

As described under ESRS E1 – IRO 1, the Group maintains an active, ongoing dialogue with internal and external stakeholders, grounded in transparency, trust, and the pursuit of consensus. This process is formalized in the Brembo stakeholder engagement policy, which sets out the principles, channels, and most appropriate engagement methods for the identified stakeholder groups.

Within the Environmental and Energy Management System, each plant conducts a comprehensive bottom-up assessment of environmental risks and opportunities across short, medium and long-term horizons, in compliance with ISO 14001 requirements. This assessment is supported by internal tools and external datasets (e.g. ISPRA, NOAA, FEMA, WRI Aqueduct) and informs the prioritization of environmental mitigation and improvement actions. Risk and opportunity analysis are performed annually, and whenever significant changes occur, through the ORME information system (Obligation and Risk Management for Environment & Energy).

Brembo has defined an internal methodology for identifying environment- and energy-related risks and opportunities across each phase of the production process. Each site assesses risks by assigning a score on a scale from 1 to 5, based on detectability, frequency, and severity. The same methodology is applied to opportunities. Based on the resulting score, risks and opportunities are classified as very low, low, medium, high, and very high. The system mandatorily requires the identification and implementation of improvement actions for risks and opportunities classified as high or very high.

E4-2 POLICIES RELATED TO BIODIVERSITY

The Group's commitment to protecting biodiversity is set out in the environment and energy policy, aimed at managing all the main environmental issues applicable to the Company across the board. For the full description of the contents and interoperability between the various environmental ESRSs, please refer to chapter E1-2 policy.

Specifically, the policy commits Brembo to the prevention and protection of biodiversity. The Company ensures that risks to biodiversity, as well as interrelationships with climate change, water, natural resource management, and local community development, are identified and managed. The policy applies to all sites, including those close to natural areas.

Inspired by the Kunming-Montreal Global Biodiversity Framework and with the support of a specialist consultant, the Group conducted a sensitivity analysis of the areas around its manufacturing sites, considering land use, threatened species, and protected areas. This allowed Brembo to prioritize sites in the most sensitive ecosystems and identify where interventions are needed.

Over the coming years, Brembo will develop an action plan to reduce and mitigate its impacts on biodiversity. The Company also acknowledges the importance of engaging in the value chain, starting with an analysis of key areas to define improvement, prevention, and mitigation measures.

Given that analyses are still exploratory, the environmental and energy policy does not yet explicitly support the traceability requirements for products, components and raw materials with significant impacts (actual or potential) on biodiversity and ecosystems along the value chain. However, Brembo is committed to extending the analysis of its impact on biodiversity over the next two years.

E4-3 ACTIONS AND RESOURCES RELATED TO BIODIVERSITY

After completing an initial comprehensive screening in 2024 to assess the presence of protected areas, threatened species and land use near its production plants, Brembo advanced its biodiversity assessment approach in 2025, applying an enhanced methodology across both its operational sites and key locations in the upstream value chain. Particularly, Brembo implemented a second project involving the implementation of a structured multisite platform for the assessment of biodiversity-related impacts, risks and dependencies across a total perimeter of 49 sites, including 24 owned sites and 25 sites within the supply chain. This initiative enabled a consistent assessment

across the value chain, supporting the identification and prioritization of sites with higher biodiversity risk.

Its added value lies in the advanced interpretation of environmental data, which supports the definition of concrete mitigation measures to prevent, reduce and manage negative impacts on ecosystems, while ensuring regulatory compliance and continuous improvement in environmental performance.

The methodology adopted is based on three environmental parameters that allow for the evaluation of both proximity to protected areas and the intrinsic ecological value of the surrounding environment:

- **Distance to the Nearest Protected Area (DPAP)**
  Measures the proximity of each site to areas of relevance for biodiversity conservation.
  – Range: 0 to >25 km
  – Observed values: 0 to >25 km

- **Mean Species Abundance (MSA)**
  Indicates the abundance of species compared to undisturbed natural habitat conditions and represents a key biodiversity indicator. The main impact driver considered is land use.
  – Range: 0% – 100%
  – Observed values: 6.2% – 91.0%

- **Pollinator Abundance (PA)**
  Assesses habitat suitability for pollinators based on the availability of floral resources and nesting sites.
  – Range: 0 – 40
  – Observed values: 1.6 – 22.9

To obtain a consolidated assessment, the values recorded for each parameter were converted into scores from 1 to 5 according to predefined criteria and aggregated into an Ecological Sensitivity Index (ES), which forms the basis for prioritization.

In 2026, Brembo will complete the analysis of the assessment's findings and define site specific mitigation actions, prioritizing interventions where ecological sensitivity is greatest. This work will support the progressive integration of biodiversity considerations into the management of the company's asset portfolio and its supply chain, in alignment with ESRS E4 requirements and broader nature positive commitments.

Information related to Brembo's action plan (CapEx, OpEx) has not been disclosed due to data confidentiality with regard to the financial year 2025.

E4-4 TARGETS RELATED TO BIODIVERSITY

Brembo has not established time-bound outcome-oriented targets related to biodiversity for its own operations. This decision is based on the assessment that biodiversity impacts and dependencies are primarily associated with the upstream value chain and are not considered significant in relation to the company's direct operations.

Following the expansion of the resilience analysis, Brembo plans to define measurable biodiversity targets covering both upstream and downstream value chain activities within the next one to two years.

E4-5 IMPACT METRICS RELATED TO BIODIVERSITY AND ECOSYSTEMS CHANGE

ESRS 1 allows companies to not yet incorporate the value chain impact for certain metrics. Brembo has made use of this exemption. The value chain exemption can be applied during the first three reporting years.

E5 - CIRCULAR ECONOMY

E5 IRO-1 RESOURCE USE AND CIRCULAR ECONOMY MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

The double materiality assessment has led to the identification of the Group's Impacts, Risks and Opportunities related to resource use and the circular economy. The material IROs are listed below.

- **Positive impact** - Savings in virgin raw materials and extended product life cycles caused by using scrap as the main raw material.
- **Negative impact** - Increased consumption of non-renewable natural resources caused by the metals required to manufacture brake discs and pads in braking-system production.
- **Negative impact** - Depletion of mineral reserves caused by the extraction and processing of metals for braking systems, which remove resources from the subsoil.
- **Negative impact** - Pollution, degradation of natural resources, and damage to biodiversity caused by poor or uncontrolled waste management affecting air, water, and soil.
- **Negative impact** - Pollution, degradation of natural resources, and damage to biodiversity caused by poor or uncontrolled waste management along the value chain air, water, and soil.
- **Opportunity** - Competitive advantage, access to new markets, improved margins and greater attractiveness to ESG-sensitive OEMs deriving from higher secondary aluminum content in calipers achieved through structured collaboration with suppliers.
- **Risk** - Business interruption deriving from unavailability of raw materials/components caused by unstable international geopolitical context that strains global supply chains.
- **Risk** - Fines, refunds, extra costs and customer relationship impacts deriving from regulatory non-conformities of a Brembo product (including when caused by a supplied component), for example in terms of emissions.

The Group's materiality assessment considers relevant mitigation actions for identified IROs, which are managed through Brembo's Internal Control and Risk Management System and its ERM framework which takes into account and is informed by the principles of ISO 31000. Risks and opportunities are identified using an integrated top-down and bottom-up approach across operations and the value chain, consolidated in the Group Risk Report, and reported to the Audit, Risk and Sustainability Committee.

Within the Environmental and Energy Management System, each plant conducts a comprehensive bottom-up assessment of environmental risks and opportunities across short, medium and long-term horizons, in compliance with ISO 14001 requirements. This assessment is supported by internal tools and external datasets (e.g. ISPRA, NOAA, FEMA, WRI Aqueduct) and informs the prioritization of environmental mitigation and improvement actions. Risk and opportunity analysis are performed annually, and whenever significant changes occur, through the ORME information system (Obligation and Risk Management for Environment & Energy).

Brembo has defined an internal methodology for identifying environment- and energy-related risks and opportunities across each phase of the production process. Each site assesses risks by assigning a score on a scale from 1 to 5, based on detectability, frequency, and severity. The same methodology is applied to opportunities. Based on the resulting score, risks and opportunities are classified as very low, low, medium, high, and very high. The system mandatorily requires the identification and implementation of improvement actions for risks and opportunities classified as high or very high.

Brembo maintains ongoing stakeholder dialogue to gather insights and improve environmental and social performance. The 2023 stakeholder engagement policy defines stakeholders, channels and engagement methods. On circularity and waste, the Waste Management procedure sets value chain requirements and requires audits of waste transport and disposal suppliers even where local rules are less stringent; the Group also runs orientation and engagement initiatives with schools and universities.

E5-1 POLICIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

The Group has a structured set of policies aimed at managing the impacts, risks and opportunities related to the use of resources and the circular economy. The policies adopted by the Group not only aim to minimize negative impacts on the environment, but also to identify and exploit opportunities to continuously improve its practices.

Brembo has established the environment and energy policy, which addresses all the main environmental issues relevant to the company across the Company. For a detailed description of the contents and interoperability between the various environmental ESRSs, please refer to chapter E1-2 policy.

Regarding resource use and the circular economy, Brembo details its approach within the environment and energy policy, addressing design, production and product use to minimize impacts throughout the entire life cycle, entailing the adoption of Circular Economy concepts. Brembo is committed to minimizing waste generation and increasing the proportion of waste destined for recycling/recovery/reuse, with the goal of eliminating landfill disposal. The policy explicitly promotes reducing the waste of non-renewable materials, classifying waste as secondary raw materials (MSM), replacing primary raw materials with secondary ones, reducing waste at all production stages, and optimizing waste management according to the "Pyramid of Waste Sources".

Through its environment and energy policy, the Group also aims to ensure that the use of environmental resources is necessary to meet current needs without compromising their availability for future generations. It aims to keep consumption of renewable resources within natural replenishment limits.

As part of its Environmental Management System, Brembo has implemented specific global waste management procedures that define minimum requirements for identification, characterization, classification, collection and storage. These procedures also include staff training and supplier qualifications, along with improvement plans to reduce waste in landfills and promote the use of secondary raw materials. Local operating procedures adapt the global Guidelines to specific regional contexts.

These operating policies and procedures allow Brembo to manage its impacts and risks relating to the use of resources and the circular economy.

E5-2 ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

Brembo actively works to prevent negative material impacts and risks and fosters positive material impacts related to resource use and circular economy (described in section IRO-1) through a range of dedicated initiatives:

- **ZWTL (Zero Waste to Landfill)**: The initiative aims to strengthen existing waste management practices, apply uniform verification criteria across sites, and obtain independent assurance on the percentage of waste diverted to recovery. The program promotes a waste minimization approach focused on reducing disposal and increasing recovery through reuse, recycling and energy recovery. To support this objective, a diversion rate indicator has been introduced, measuring the share of waste sent to recovery operations. The diversion rate is associated with three performance levels: Bronze (≥90%), Silver (>95%) and Gold (>99%).

  In 2025 the methodology was applied to all European sites, achieving a diversion rate of 93.4% (of which 3 sites attained 100%), again supported by third-party audits and limited assurance. Brembo is committed to applying the same methodology across all global production sites by 2026.

  In addition, the Pune plant in India has already implemented a ZWTL program capable of diverting 100% of its waste from disposal by sending materials to specialized partners for use as fuel in cement production. Approximately 90% of raw materials used in Brembo's cast iron foundries also originate from recovery processes, further supporting the Group's circularity objectives.

- **BY-Product Initiative**: Brembo is actively exploring opportunities to valorize secondary materials generated from its processes (by-products) by making them available to internal and external stakeholders.

- **Emulsion Treatment System**: The Ostrava plant in the Czech Republic and the Czestochowa plant in Poland have developed a treatment system for emulsions — a mixture of cutting oil and water used in machining processes. This system enables the regeneration of the emulsion, allowing it to be reused in production, thereby reducing hazardous waste generation and the consumption of virgin resources.

Waste reduction initiative: in parallel, the plants are assessing the adoption of additional technologies to further reduce waste generated by machining activities and support the Group's circular economy objectives. Among the most promising solutions under evaluation is the evaporator technology, which could significantly reduce waste volumes while enabling the recovery and reuse of the water fraction. Feasibility studies are currently ongoing to assess technical and economic viability.

These actions are designed to minimize the volume of materials sent to landfills, reduce the reliance on virgin raw materials, and enhance the circularity of Brembo's operations. No specific time horizon has been defined, as these initiatives are ongoing and integrated into the product and process design activities.

In the transition toward a Circular Economy model, the Life Cycle Assessment (LCA) methodology serves as a key decision-making and reporting tool. By assessing environmental impacts across the entire product life cycle — from raw material sourcing to end-of-life — LCA enables an objective evaluation of the effectiveness of circular strategies, such as the use of recycled materials, product life extension, and process optimization. This approach helps to prevent the shifting of environmental burdens across different stages of the value chain and ensures that circular initiatives deliver concrete and measurable environmental benefits. Furthermore, in alignment with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), the application of LCA strengthens the quality, transparency, and traceability of environmental information disclosed to stakeholders, supporting science-based and verifiable sustainability reporting.

Life Cycle Assessment (LCA) is a structured methodology used to evaluate the environmental impact of a product across its life cycle, from raw material extraction to the finished product leaving the production site ("Cradle-to-Gate").

At Brembo, LCA studies are conducted in accordance with internationally recognized ISO 14040 and 14044 standards, ensuring a consistent, transparent, and scientifically robust approach.

The methodology is structured into four main phases:

1. Goal and Scope Definition – Clarifying the objective of the study, the product under analysis, and the system boundaries considered.

2. Life Cycle Inventory (LCI) – Collecting and quantifying relevant data, including materials, energy consumption, emissions, and waste.

3. Impact Assessment (LCIA) – Evaluating the potential environmental impacts associated with the collected data.

4. Interpretation – Analyzing the results to ensure consistency with the study objectives and identifying key improvement opportunities.

Through this framework, Brembo leverages LCA as a strategic tool to understand environmental performance, support sustainable product development, and guide informed decision-making across the value chain. The company will progressively integrate LCA (Life Cycle Assessment) analysis into the design of its products and processes, ensuring more sustainable and environmentally informed decisions.

Information related to Brembo's action plan (CapEx, OpEx) has not been disclosed for the financial year 2025.

E5-3 TARGETS RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

To manage negative impacts and risks, Brembo has set two measurable, outcome-oriented and time-bound targets.

The first target is to direct 95% of the total waste produced towards recovery processes by 2030. This objective encourages all plants to divert waste from landfills, reduce the extraction of virgin raw materials and promote responsible use of resources. In particular, the target relates to waste management, and the correlated actions aim to identify alternative solutions to landfill disposal while also exploring opportunities to offer materials as by-products to other entities. The target applies to all Brembo Group plants, excluding upstream and downstream operations, and is directly aligned with the Group's environment and energy policy. It is a relative target measured as the percentage of waste sent to recovery processes, calculated by dividing the waste sent

for recovery by the total waste produced. The base year for measuring progress is 2022, during which the baseline value indicated that 85% of the total waste generated was directed towards recovery processes. An intermediate target for 2025 is set at 90%. This target has been achieved, reaching a consolidated value of 92%.

The target was defined in line with the 5R approach (Refuse, Reduce, Reuse, Repurpose, and Recycle) supporting the practical implementation of a circular economy model consistent with the EU Circular Economy Framework and the waste hierarchy. It was established based on internal assessments and stakeholder involvement limited to internal areas. No changes have been made since its adoption and current performance is in line with the defined trajectory. Waste management practices across Brembo sites are aligned with local legislation and aim to maximize the diversion of waste from landfill.

The second target focuses on maintaining the share of hazardous waste below 5% of total waste generated over time. This target is also aligned with the Group's environment and energy policy and applies to all Brembo plants. It is a relative target expressed as the percentage of hazardous waste produced in relation to the total waste produced. The base year for monitoring progress is 2022. The target was defined through internal analysis and without reliance on specific scientific thresholds; only internal stakeholders were involved in its definition. No changes have been made since its adoption, and performance remains in line with the target.

The target supports improved waste management and increases circular material use. Reducing the hazardous component of waste facilitates recovery process and increases the potential for materials to be reused or transferred as by-products to third parties, in line with the recycling and recovery stages of the waste hierarchy. Both targets are voluntary and are not mandated by applicable legislation.

E5-4 RESOURCE INFLOWS

The Group relies on the contribution of more than 7000 business partners operating primarily across 15 countries worldwide, which provide essential goods and services for Brembo's industrial processes. To ensure product quality, Brembo must access high-quality raw materials at sustainable costs, with particular attention to the environmental aspects. The main raw materials sourced are ferrous scrap and aluminum ingots, used in foundries to produce discs and calipers. Brake discs are made of cast iron, largely derived from recycled material originating from the ferrous scrap recovery chain or machining scrap. For calipers, Brembo currently uses primary aluminum.

Since 2023, the Group has progressively introduced the use of recycled aluminum in selected plants (by means of scrapped wheels and partially recycled hybrid aluminum alloy), completing the rollout in 2025 so that all of the Group's aluminum foundries worldwide incorporate at least a share of recycled content in their production processes. In 2025, Brembo achieved an overall recycled aluminum content of approximately 18%.

In addition, in 2025, 94% of the raw materials used in cast iron foundries to produce Brembo's discs consisted of recycled ferrous and cast-iron scrap.

For the cast iron foundries, recycled content is measured directly by weight based on the bill of materials for Brembo's products. For aluminum, the percentage of recycled content is defined in Brembo's specifications and supplier requirements and is recorded through supplier self-declarations. Total recycled aluminum content is calculated by summing the weight of all recycled material purchased for melting during 2025, assuming that the entire quantity was consumed within the year and that no inventory was carried over. The calculation considers the actual recycled content as declared by suppliers through self-certification. Remelted materials originating from the foundry's internal waste stream (e.g. risers, runners, gates, and foundry scrap) are excluded from the calculation, as they can be recovered within the same process that generated them. Conversely, remelted scrap originating from processes external to the foundry, such as machining and assembly scrap, is included in the calculation, in accordance with the requirements of ISO 14021:2021.

In addition to raw materials, Brembo also procures finished and semi-finished components, including seals, pads, small parts, chemical products, and packaging materials such as cardboard and plastic, used for product packaging and distribution. Brembo promotes the use of recycled content by its suppliers in the materials it sources for component manufacturing. For instance, within the aluminum bar supply chain — which is among the most CO_2 intensive —, the material purchased by Brembo included an average recycled content of approximately 59%. Additionally, suppliers manufacturing levers, pumps, and calipers for motorcycle applications reintegrate aluminum burrs generated during their production processes back into their manufacturing cycles. Through degating operations, these burrs are separated, collected, and subsequently reintroduced as secondary raw material, thereby contributing to reducing virgin aluminum consumption and supporting circularity within the supply chain.

In 2025, the overall total weight of products and technical and biological materials used during the reporting period amounted to 1,032,515 tons. No biological materials or biofuels for non-energy purposes were used. The weight of secondary reused or recycled components, secondary intermediary products, and secondary materials represent 71.97% of the total, including 9,629 tons of aluminum and 733,522 tons of cast iron.

E5-5 RESOURCE OUTFLOWS

As previously stated, the main products and materials resulting from Brembo's production process are discs and calipers. For some time now, Brembo has been working to apply circular economy principles to such products by using recycled raw materials or scraps that can now reach up to 90% of scraps used as raw materials. The design process always considers product durability, which is continuously improved. For example, consumable components such as discs are now designed to have a lifespan equivalent to that of the vehicle itself.

This is achieved by using special coatings or materials that extend the useful life of the parts. However, concepts such as reusability, repairability, and remanufacturing are concepts not yet applicable to Brembo's products as they are subject to strict safety requirements and must comply with the highest homologation standards, which thus hinders such practices.

As such the expected durability of Brembo's products compared to the industry average is expected to be completely aligned so that the Group's calipers, discs and pads last as long as the market average.

Considering that both aluminum and cast iron are infinitely recyclable and constitute Brembo's main raw materials, the recyclable content of Brembo's products is very high, 93.72%, meaning they can be almost entirely recycled. Packaging is not included in this computation.

To calculate the percentage in question, all recyclable materials (cast iron and aluminum) used as inputs in the production of finished products were considered and compared with the total amount of materials utilized. The data was extracted directly from the company's data collection systems, ensuring the use of primary information.

The table below illustrates the most representative waste categories of Brembo's production processes. Wastes not falling into these categories are aggregated under "other waste" items.

The waste management and monitoring process is regulated by common requirements expressed in the Waste Management Group procedure which are in addition to the regulatory ones defined at individual country level. Primary data is collected by factories in working documents and periodically in EE Data Collection. The data is then automatically transferred to Non-Financial Reporting.

Table 30

		2025			2024		
Category	u.m.	Hazardous	Non-hazardous	Total	Hazardous	Non-hazardous	Total
Waste diverted from disposal due to preparation for reuse (37bi)	t	5,558	56,610	62,168	6,444	77,177	83,620
Waste diverted from disposal due to recycling (37bii)	t	16,021	298,193	314,213	16,150	213,214	229,365
Waste diverted from disposal due to other recovery operations (37biii)	t	1,383	48,591	49,974	3,131	137,884	141,014
Total waste diverted from disposal (37b)	t	22,961	403,394	426,356	25,725	428,275	454,000
Waste directed to disposal by incineration (37ci)	t	521	2.06	524	609	16	624
Waste directed to disposal by landfilling (37cii)	t	1,726	33,512	35,237	596	30,040	30,635
Waste directed to disposal by other disposal operations (37ciii)	t	1,462	390	1,852	2,354	628	2,982
Total waste directed to disposal (37c)	t	3,709	33,904	37,613	3,558	30,683	34,242
Total waste generated (37a)	t	26,670	437,299	463,969	29,283	458,958	488,241
Non-recycled waste (37d)	t	3,709	33,904	37,613	3,558	30,683	34,242
Percentage of non-recycled waste	%	14%	8%	8%	12%	7%	7%

The following table presents data on hazardous and radioactive waste for the year 2025, highlighting the total amount of hazardous waste and specifying the portion of radioactive waste (no radioactive waste was generated).

Table 31

Indicator	u.m.	2025	2024
Total amount of hazardous waste	t	26,670	29,283
Of which: total amount of radioactive waste	t	–	-

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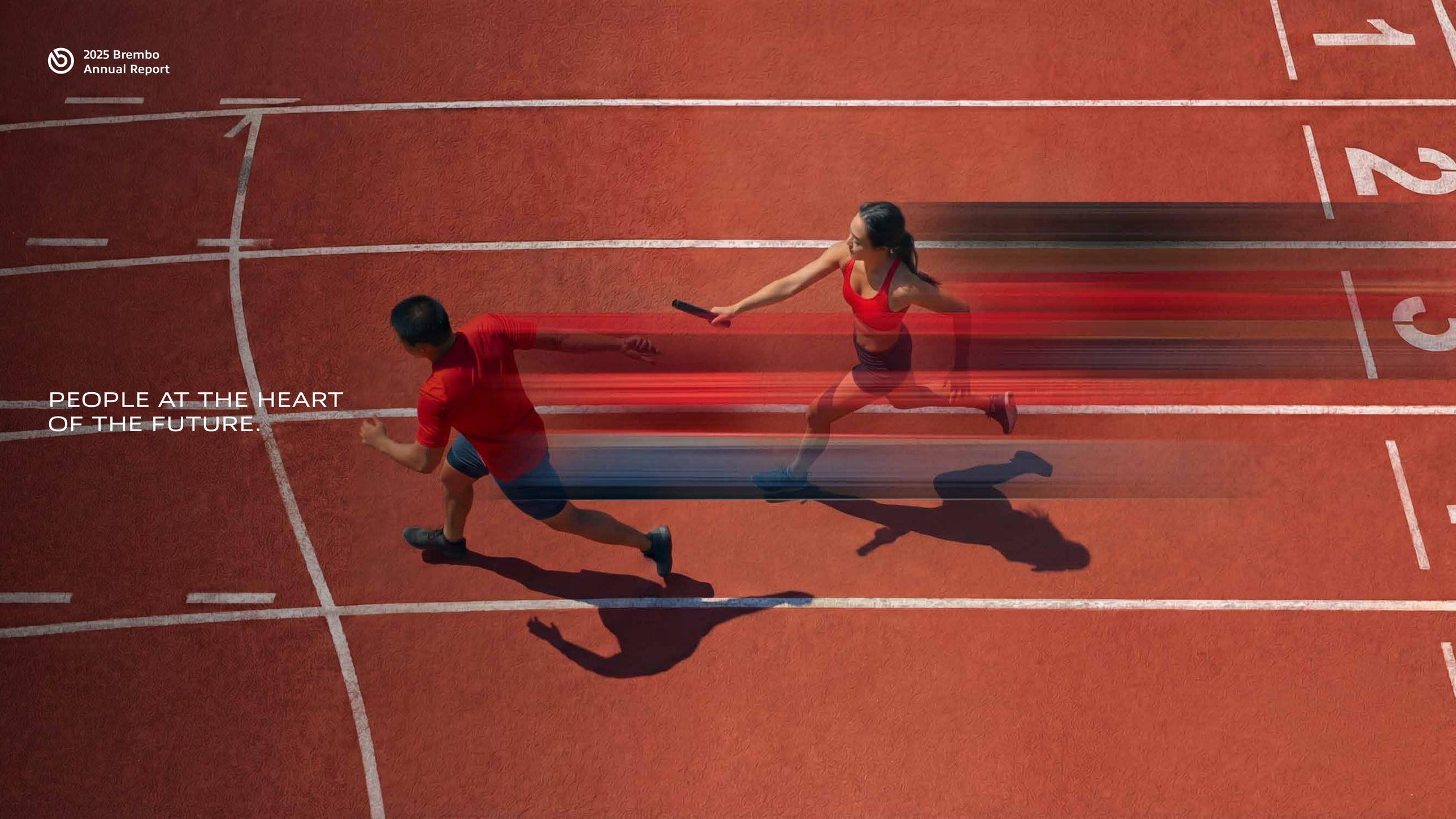


PEOPLE AT THE HEART OF THE FUTURE.

3.3 SOCIAL

S1 - OWN WORKFORCE

S1 SMB-3 OWN WORKFORCE IMPACTS, RISKS AND OPPORTUNITIES

Brembo places people at the center of its strategy and business model, listening to their perspectives and views through Engagement Surveys. The Group fosters a respectful, inclusive, and supportive work environment by investing in employer branding, training and development, continuous listening, and wellbeing initiatives.

In the scope of this disclosure, Brembo includes all individuals in its own workforce who may be materially affected by the company. These are all Brembo Group employees and two categories of non-employees: interns and temporary workers[23].

The double materiality assessment has led to the identification of the Group's workforce-related impact, risks and opportunities:

- **Positive impact** - Enhanced people development and growth, enabled by significant investment in training in technical skills, organizational behaviors, health and safety, and diversity, equity and inclusion.
- **Negative impact** - Workplace injuries and occupational diseases caused by braking-system manufacturing activities, particularly in production plants.
- **Negative impact** - Adverse effects on employees' human rights caused by the absence of adequate practices to respect human rights across the Group.
- **Negative impact** - Deterioration in employee wellbeing and working conditions, with increased staff turnover, caused by failure to ensure minimum wage compliance and employee welfare.
- **Negative impact** - Discrimination and denial of fair treatment, remuneration, and benefits for employees and non-employees caused by non-compliance with Group practices, policies, and codes.
- **Negative impact** - Privacy violations and loss of sensitive employee data caused by failures of digital security systems leading to data breaches and cyberattacks.
- **Opportunity** - stronger business continuity through lower turnover and preserved critical capabilities deriving from continuous upskilling/reskilling and structured engagement and recognition programs that foster belonging.
- **Risk** - Reputational and operational risk deriving from workplace incidents affecting employees' health and safety.
- **Risk** - Reduction or termination of client partnerships deriving from negative results in client sustainability audits (human rights, health & safety, diversity & inclusion).
- **Risk** - Reputational and financial damage, with compensation, legal and IT restoration costs deriving from the loss of sensitive employee data following a cyberattack.
- **Risk** - Reputational damage and financial repercussions deriving from violations of the human rights of Brembo's own workforce within its operations.

Following the implementation of a transition plan to reduce negative environmental impacts or to reduce Green House Gases emissions, the Group has identified a limited exposure to natural catastrophes. There are only two sites with significant exposure to flood risks. Each of these sites has an emergency plan that includes flood emergency management, and hydraulic barriers have been installed to protect the site perimeter. During the construction or acquisition of new sites, natural catastrophe risk exposures are analyzed to evaluate related protection measures and/or alternative locations.

The materiality assessment carried out by the Group considered the entire Brembo workforce. Brembo has not identified any specific category among its employees and non-employees who are or could be negatively affected by its impacts or as being more exposed to risks or specific vulnerabilities. However, the human rights risk evaluation, which includes risks of forced labor and child labor, has identified higher inherent risk in the Group's production phases (compared to administrative, commercial, research and development activities). The assessment also considered all geographic areas in which the Group is present, including non-European countries perceived by global public opinion as higher risk, such as China and Brazil. In this context, the Group significantly invests in employee training on technical skills and competencies, organizational behaviors, health and safety, and the culture of diversity, equity, and inclusion, thereby enhancing people's development and growth, and positively impacting individuals. The Group's negative impacts are widespread and not linked to individual incidents.

As for the methodologies, assumptions, and tools used in identifying and assessing the impacts, risks, and relevant opportunities along the Group's value chain, please refer to section ESRS 2 IRO-1 herein.

Brembo acknowledges the importance of its workforce within its business model and is committed to managing the associated impacts, risks, and opportunities. Operating in an international and multicultural context, the Group emphasizes the value of diversity as a key asset, investing in projects and initiatives that promote awareness and strengthen the culture of diversity, equity, and inclusion. This includes creating opportunities for interaction and sharing among colleagues to foster the exchange of ideas and opinions. Brembo aims to actively engage employees in creating a positive, inclusive, and safe work environment, placing individuals at the center of every process and ensuring that employees feel comfortable and satisfied in their work.

For information on how interest, views and rights of Brembo's stakeholders inform its strategy and business model please refer to ESRS 2 SBM-2 (General Disclosure).

S1-1 POLICIES RELATED TO OWN WORKFORCE

The Group has a structured system of policies, procedures and codes to manage the impacts, risks and opportunities related to its workforce. These policies aim not only at mitigating and minimizing potential negative impacts on both employees and non-employees and the related risks, but also at identifying and leveraging opportunities to continuously improve its practices and fostering a positive impact on its people.

23 Temporary worker is an individual who performs regular work on-site for, or on behalf of Brembo, but is not directly recognized as a Brembo employee under national law or practice.

Table 32

Key concepts	Scope of application	GCF/GBU/Bodies	External standards	Policy availability and sharing
CODE OF ETHICS				
The Brembo Code of Ethics outlines the standards of behavior to promote sustainable growth and preserve the Company's reputation, addressing child labor, fair wages, benefits, forced labor, employees' right to work and free association, discrimination, safe and healthy working environment, working hours, concern for local populations and communities, corruption and extortion, conducting business responsibly and with respect for the environment, etc. The fourth edition of the Code was approved by the Board of Directors in July 2024.	The Code applies to the Board of Directors, Company Directors, employees, and third parties who carry out activities with and on behalf of Brembo.	The Code of Ethics is approved by the Board of Directors of Brembo N.V. and by each Board of Directors of each Subsidiary.	Legislative Decree No. 231/2001 (231 Model), Corporate Governance Code (DCGC).	Published on the Company's intranet and the Group's website. The Code of Ethics is available in several languages and posted on Company notice boards. The new Code of Ethics e-learning has been available since July 2025 for all Group white-collar employees, with subtitles in almost all languages. In-presence training courses for Group blue-collar workers have been provided starting from second half of 2025.
HUMAN RIGHTS POLICY				
The policy affirms the Company's commitment to the highest ethical standards, embedding respect for human rights across all operations and throughout its supply chain and with third parties. It is based on 12 core principles covering child labor, forced labor, modern slavery, freedom of association, diversity, equity and inclusion (DEI), occupational health and safety, working hours, compensation, business integrity, privacy and data protection, responsible use of AI, environmental responsibility, and the impact on local communities. The Guidelines for Labour Conditions and Business Ethics Principles Application provide the operational principles for implementing Brembo's human rights policy. They translate the Group's commitments on labor conditions, ethical behavior, and responsible business conduct into practical requirements to be applied across Countries where Brembo is present.	The policy applies to the Board of Directors, Company Directors, employees, and third parties who carry out activities with and on behalf of Brembo.	The policy, approved by the Board of Directors of Brembo N.V., is implemented operationally by each Global Business Unit (GBU), Global Central Function (GCF) and Geographies, which are responsible for applying its principles within their respective areas.	The policy is aligned with key international standards on human rights, labor, business conduct, and sustainable development, including UN, ILO, OECD, and UN Global Compact principles, as well as the 2030 Agenda and its Sustainable Development Goals.	Published on the Company's intranet and Group's website. Posted on Company's notice boards.
STAKEHOLDER ENGAGEMENT POLICY				
The policy provides a general framework for dialogue between the Group and its stakeholders, with particular attention to aspects related to the sustainability of the Group's strategy and its implementation. It also ensures that the interests of relevant stakeholders are considered when determining the sustainability aspects of the Group's strategy, unless the Board of Directors concludes that doing so will not be in the Company's interests.	The policy applies to the entire Group and all businesses in which Brembo operates.	The policy is approved by the Board of Directors of Brembo N.V.	The policy has been reviewed pursuant to best practice provision of the Dutch Corporate Governance Code (DCGC).	Published on the Company's intranet and website.
WHISTLEBLOWING POLICY				
Brembo has established the Reporting procedure to regulate internal whistleblowing channels that ensure the confidentiality of the identity of the reporting person, the person involved, and anyone mentioned in the report, as well as the content of the report and related documentation.	The Reporting procedure applies to all reports received by Brembo N.V. through the whistleblowing channel.	Chief Internal Audit Officer.	Directive (EU) 2019/1937, best practice provision of the 2.6.1 of the DCGC and Legislative Decree 24/2023.	Published on the Company's intranet and website.

Key concepts	Scope of application	GCF/GBU/Bodies	External standards	Policy availability and sharing
HEALTH AND SAFETY POLICY				
The policy provides an overall framework to ensure the health and safety of workers. It defines the objectives, principles and commitments set by the Group, while the detailed and operational aspects, such as emergency plans and site-specific risk assessments, are managed by individual sites.	The policy applies to the entire Group and all businesses in which Brembo operates. It is consistent with the more general Brembo Vision and expresses the desire for Brembo to be recognized as a trusted partner, appreciated by all stakeholders.	The policy is signed by the Executive Chairman.	ISO 45001 standard.	Published on the Company's intranet and website. Posted on the Company's notice boards.
POLICY ON NON-DISCRIMINATION AND DIVERSITY				
The policy sets out Guidelines to promote the principles of Diversity, Equity, and Inclusion (DEI) within the organization and to foster a solid culture aligned with these values. It also outlines the Company's specific targets on diversity and inclusion. The policy applies to all aspects of the employment relationship and requires responsibility and commitment from the employer, employees, and all relevant stakeholders to ensure its effective implementation.	The policy applies to the entire Group and all businesses in which Brembo operates.	The policy was approved by the Board of Directors of Brembo N.V. in July 2024, and a DEI Committee has been established.	The policy is aligned with the United Nations Universal Declaration of Human Rights, the International Bill of Human Rights, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social policy, the OECD Guidelines for Multinational Enterprises and the United Nations Global Compact Principles. The policy has been reviewed pursuant to the best practice provisions of the DCGC. Brembo N.V. successfully passed the annual surveillance audit for the UNI/PdR 125:2022 Gender Equality Management System, confirming the continued validity of its certification.	Published on the Company's intranet and Group's website. Posted on the Company's notice boards and made accessible to all employees.
MODERN SLAVERY STATEMENT				
The Brembo Modern Slavery Statement outlines its commitment to human rights, including the prevention of slavery and human trafficking in its operations and throughout its value chain. Modern slavery risks are also included in Brembo's Environmental, Social, and Governance (ESG) risk analysis framework.	The statement is applied to Brembo N.V and to Group companies to which the Modern Slavery Act applies.	The statement is approved by the Board of Directors of Brembo N.V. and by the Board of Directors of the subsidiary to which the Modern Slavery Act applies. The document is signed by the Chief Sustainability Officer.	Modern Slavery Act 2015.	Published on the Company's intranet and website.
PERSONAL DATA PROTECTION POLICY ("BREMBO PRIVACY POLICY")				
The policy lays down key principles relating to the protection of personal data and defines how these principles are implemented in Brembo regarding its workforce and defines the internal organization to manage privacy matters. The Brembo privacy policy serves as the "parent policy," with additional specific privacy policies linked to it. In 2025, the policy was updated to: (i) include guidelines on the assessment of the processing based on the legitimate interest; (ii) mention the possible role of Brembo as Data Processor; (iii) extend the policy also to the Öhlins companies acquired in 2025.	The policy applies to Brembo N.V. and its EU subsidiaries, including AP Racing Ltd. and Öhlins companies.	The Privacy Supervisory Board and Committee, Privacy Reference Persons, and the DPO (Data Protection Officer).	EU General Data Protection Regulation (GDPR).	Published on the Company's intranet.

Brembo Group is committed to full compliance with the laws of all countries in which it operates. By implementing the policies, procedures, and codes, Brembo seeks to:

- Ensure the protection and safety of its employees, promoting corporate awareness and reducing workplace accidents and injuries.
- Guarantee fair working conditions, with the payment of fair wages, respect for the right to work, and freedom of association.
- Respect diversity and equal opportunities establishing and maintaining a discrimination-free environment.
- Create a work environment that promotes the principles of diversity, equity and inclusion, treating people fairly and equally regardless of gender, age, ethnicity, or other personal conditions or characteristics.
- Guarantee respect for human rights and eliminate every form of compulsory labor, slavery, child labor and human trafficking from its business and supply chains.

Ensure the protection of information and personal data related to its employees and third parties, avoiding misuse and limiting data access in compliance with applicable laws and best practices for privacy protection.

Changes or updates to these policies are periodically communicated to employees and non-employees, with regular training courses, particularly with regard to the Code of Ethics. The company expects all employees, collaborators, agents, business partners, and other stakeholders who operate for Brembo and participate in Brembo's projects, processes, events, or activities to establish and maintain a respectful and inclusive work environment. Brembo acknowledges and promotes the value of diversity and takes a zero-tolerance approach to any form of discrimination or harassment (including gestures, language, posture, physical contact, and psychological harassment). It is our goal to contribute positively to the success of Brembo by promoting a diverse and inclusive workplace.

Brembo is committed to ensuring remedial measures in case of negative impacts on human rights, offering reporting channels such as the Legality Whistleblowing web platform and the Legality Whistleblowing mobile app. For reports related to other Brembo Group companies, the whistleblower can choose to send the report to Brembo N.V, or to the local internal channel governed by a specific procedure, if available. The Reporting procedure, available on the platform, outlines the methods for handling reports and the protections in place to ensure the safety of the whistleblower, preventing any form of reprisal.

People & Organization (P&O) Managers within the People & Organization Global Central Function (GCF), operating across the various organizational areas, are available to support employees on any matters related to this topic. When needed, any contact initiated by an employee triggers a hierarchical escalation process, which may progress up to the periodic People & Organization meetings among the Chief People & Organization Officer, the CEO and the Executive Chairman, as defined in the annual Brembo Committee System.

The Brembo Committee System document outlines the structure of meetings and committees that govern information flow and decision-making across the Group, taking into account the variety of organizational dimensions (Businesses, Geographies, Functions). It provides a formal and structured sequence of meetings — such as Country Committees, Global Business Units, Global Central Functions — where urgent or critical issues can be appropriately addressed, when necessary.

Brembo has made the safeguarding of occupational health and safety a core principle of its activities and its way of doing business. Compliance with legislation and applicable requirements is a fundamental prerequisite for ensuring safe and healthy working conditions. The health and safety policy aligns with Brembo's broader Vision and reflects the Group's commitment to being recognized as a trusted partner, valued by all stakeholders.

This commitment is demonstrated through structured prevention activities, systematic hazard identification, and rigorous assessment of risks and opportunities, which inform action plans aimed at continuous improvement. The Group's primary objective, preventing accidents and work-related illnesses, is supported by share responsibility for implementing, maintaining and improving the Occupational Health and Safety Management System, with all the employees contributing according to their roles and responsibilities.

The Management System is also a tool for continuously identifying improvement opportunities and setting progressively more challenging objectives. The policy provides a comprehensive framework for worker health and safety, while specific operational aspects are formalized in Group Guidelines and site procedures. To ensure clarity and broad dissemination, the policy and its related Guidelines and procedures are translated into local languages.

Regarding non-discrimination and diversity, the Group has adopted a dedicated policy on non-discrimination and diversity (see paragraph S1-1). This policy is designed to ensure a work environment founded on respect and explicitly commits the organization to preventing and combating all forms of discrimination. Under no circumstances may an individual's conditions or personal characteristics constitute the basis for discriminatory acts. This includes — among others —gender or gender identity, sexual orientation, ethnicity (including ethnic origin, nationality, and national origin), age, political opinions, religious or social beliefs, marital or family status, disability, medical conditions, union membership or any other personal condition or characteristic.

Brembo has zero tolerance for intimidation, bullying, or harassment, whether intentional or unintentional. Any employee who, in good faith, believes that a violation of the policy or an attempt to violate its principles may have occurred is required to report it. There will be no retaliation against individuals who raise concern or cooperate in related investigations. Discrimination is unacceptable. Ensuring equal opportunity has long been a cornerstone of Brembo's employment practices, as the Group is committed to recruiting, developing and retaining the most talented people.

Brembo provides reporting channels for irregularities or violations of the Code of Ethics and the Organization, Management and Control Model under Legislative Decree 231/01. Policy breaches are addressed under applicable company rules and regulations, with measures proportionate to the severity of the issue, ranging from corrective actions to disciplinary sanctions including dismissal, while complying with legal, regulatory, contractual and internal frameworks.
All issues and non-compliance are assessed and managed on a case-by-case basis.

S1-2 ENGAGING WITH OWN WORKERS AND WORKERS' REPRESENTATIVES

Over the years, Brembo has established an active and ongoing dialogue with its internal stakeholders, grounded in the values of transparency, trust, and consensus in decision-making. This dialogue enables the Group to gain valuable insights into the relevant context and receive feedback on its operations, allowing for continuous improvement of the Company's impact both internally and externally. The main tools for engaging its workforce are: Brembo Global Engagement Survey (GES), the Pulse Survey, industrial relations, internal communication channels, including — just launched as a pilot — the Brembo Communication app, communication campaigns, town hall meetings and the whistleblowing channel. To support its global organizational model, Brembo has P&O Managers positioned across plants, countries, Global Business Units, and Global Central Functions, ready to assist employees.

More in detail, the GES, conducted approximately every three years, is designed to involve all Group employees. The most recent GES was held in April 2025 and ran for three weeks, followed by a phase dedicated to analyzing the results and sharing them internally. Based on these findings, action plans have been developed and are currently being implemented to address identified areas for improvement.

The Pulse Survey is a shorter, ad-hoc survey designed to monitor progress between the GES cycles. It targets specific organizational areas and/or countries and assesses the effectiveness of the actions implemented. Operational responsibility for ensuring effective people engagement lies with the P&O GCF.

S1-3 ADDRESSING NEGATIVE IMPACTS AND EMPLOYEE CONCERNS

Brembo adopts a responsible approach in managing remedies for any material negative impacts on its employees that it has caused or contributed to. The remediation process aims to ensure that the measures taken effectively address the needs of the affected workers. The actions undertaken are evaluated with the objective of verifying that the implemented solutions have indeed resolved the identified issues. In this way, the Group ensures that the remedies provided are adequate and consistent with its social responsibility standards.

Health & Safety matters are addressed through the Occupational Health & Safety Management System, described in detail in section S1-1, which ensures a structured approach to incident response, medical support, root cause analysis, and the implementation of corrective actions.

Employees can raise concerns and seek support through multiple channels, including local P&O Managers, supervisors and site management, workers' representatives and industrial relations, formal grievance mechanisms, health and safety incident reporting, and the confidential whistleblowing channel. Where necessary, issues are escalated through defined governance to senior leadership for oversight.

In addition, they can raise concerns or needs primarily through the internal whistleblowing channel, accessible via the Mobile App and website implemented across European subsidiaries. Moreover, official channels are available in non-EU subsidiaries, such as local email addresses or dedicated platforms. The management and resolution of reports submitted through these channels are governed by the whistleblowing policy, which is published on the Company's website.

In the case of data breaches within the EU Subsidiaries, subject to GDPR rules, Brembo's management of personal data breaches policy applies. It outlines the responsibilities and procedures to ensure that such breaches are managed correctly and specifies the steps, roles, and responsibilities involved.

Any authorized personnel who detect a breach is required to promptly report any anomaly that could indicate a breach to the area Privacy Reference Person, the Privacy Supervisory Board, and the Data Protection Officer (DPO). In the event of a breach involving personal data processed on IT systems, the IT area must also be notified promptly.

In the event of a breach, the DPO supports the Brembo team in carrying out the actions required by applicable laws, such as:

1. Ensuring the immediate cessation of the personal data breach (if it is still ongoing).
2. Identifying the reach and dimensions of the personal data affected by the breach.
3. Verifying the effectiveness of the technical and organizational mitigation measures implemented.
4. Evaluating and supporting the determination of whether it is necessary to communicate the personal data breach to the affected data subjects.

Once it has been established that a personal data breach that presents a risk for the rights and freedoms of natural people, Brembo, duly supported by the DPO, promptly notifies the Data Protection Authority within 72 hours, from the moment in which Brembo becomes aware of it, in accordance with the applicable regulations.

For the exercise of the rights provided by the GDPR (Articles 15-21 GDPR) each data subject (employee or any third party) can contact the DPO by reaching out the Company at its address or by sending an email to the specific addresses indicated in the privacy notices, broken down by the different Brembo Group geographical areas. These email addresses are periodically monitored by the DPO and the authorized Reference Person for each area. The DPO is immediately activated to allow Brembo to manage the request and to respond within the 30-day term established by the GDPR.

Brembo maintains a register in which all data breaches and all requests from data subjects are documented.

Employees are aware of and have confidence in the structures and processes available for raising their concerns. This is evidenced by the attendance rates at training courses and the number of complaints received. Protection policies against retaliation are in place for those who use these channels. Specifically, whistleblowers are protected from any form of retaliation by specific legal provisions, including the nullification of retaliatory acts. These protections also extend to individuals who facilitate the reporting, the whistleblower's colleagues, individuals related to the whistleblower by emotional or familial bonds up to the fourth degree, and entities owned by the whistleblower.

S1-4 ACTIONS RELATED TO OWN WORKFORCE

Brembo actively prevents negative material impacts and risks and fosters positive material impacts concerning its own workforce (as described in the section S1-SBM3) through different actions.

The most relevant human rights areas include employment practices, occupational health and safety, security and work environment, labor relations in the supply chain, and the protection of vulnerable groups and minorities. Brembo has identified and implemented specific policies and processes to prevent the risk of human rights violations in these areas.

Failure to comply may result in human rights violations with serious consequences for affected individuals and communities, such as loss of liberty or degrading treatment, as well as potential negative impacts for Brembo, including reputational harm, sanctions, loss of business, compromised client relationships, and media exposure following client audits.

Current mitigation actions related to human rights:

- Adoption of a human rights policy applicable worldwide.
- Mandatory training for new employees to ensure awareness and knowledge of the Code of Ethics.
- Launch of updated e-learning on the Code of Ethics, containing human rights and working conditions principles.
- Regular self-assessment and risk assessment of the human rights policy through the B-Sustainable tool.

Furthermore, Brembo implemented a series of actions in response to the ongoing trend in technological innovation, which involves the increasing use of automation, mechatronics, data analytics, artificial intelligence, software, and electronics across both manufacturing and non-manufacturing processes. This evolution requires Brembo to continuously attract, develop, and update workforce skills through targeted recruitment and training initiatives. A delay in updating workforce skills and knowledge in line with the gradual digitalization and robotization of processes, as well as the growing role of data, software, and artificial intelligence, could negatively affect process efficiency, project implementation timelines, and overall business development.

We consider the following risk scenario:

- Gradual digitalization and robotization of processes, together with the growing role of artificial intelligence, data, and software in existing processes
- Inadequate or delayed updating of workforce skills and knowledge
- Resulting delays in workforce skill and knowledge development.

For these reasons, Brembo provides its employees with tools and upskilling initiatives to ensure adequate human capital development.

Current mitigation actions related to skill shortage:

- Continuous improvement and enhancement of the Brembo Academy (Training and Development Offer)
- Ongoing training for blue collar workers in Italy with the aim of promoting Industry 4.0 culture across all company levels (Life-Long Learning Hub)
- Internal Function Academies, among others R&D and Manufacturing, to disseminate knowledge within the Group
- Partnerships with local universities, schools, research & development centers to develop training courses focused on emerging trends, while promoting local hiring and community involvement and generating positive economic impacts for local communities
- Periodic mapping and assessment of skills within key functions and areas to identify, prioritize, and address existing skill gaps through targeted upskilling programs.

Among the key risks addressed by the Group is the challenge of attracting and retaining white-collar employees, blue-collar workers, and managers across several geographies in an increasingly competitive global labor market.

Accordingly, Brembo is assessing a scenario in which significant difficulties may arise in recruiting and retaining personnel in line with GCF, GBU, and geographical hiring plans. Such challenges could negatively impact operations, including delays in project execution, higher costs due to increased reliance on external consultants, and potential reputational risks.

Current mitigation actions related to employees' retention:

- Enhancement of recruiting communication and employer branding strategies.
- Diversification of recruiting sources and engagement of recruiting agencies to broaden the search scope.
- Continuous monitoring of labor market conditions.
- Continuous updating of compensation and benefits packages based on market benchmarks.
- Development of talent strategies focused on attracting and retaining key roles, such as data scientists, software engineers, and SAP specialists.
- Proactive and effective maintenance of internal succession plans.
- Monitoring of employee engagement through periodic surveys.
- Monitoring and forecasting of labor cost dynamics through the P&O budget process.
- Adoption of "smart working" arrangements, allowing eligible employees to work remotely several days per week.
- Implementation of B well initiatives to support employee wellbeing, such as:
  - "Brembo for You" and "Brembo for Family" conferences promoting health and wellbeing
  - Nutrition education desk
  - Psychological support
  - Breast cancer prevention campaigns dedicated to women
  - Executive health check-ups
  - Managerial training programs (e.g., unconscious bias, wellbeing, DEI)
  - "Brembo Kids" programs
  - Celebration of sustainability and environmental days

through targeted initiatives and eco-friendly practices (e.g. collection of used toys and books, and a food drive)
– Company seniority awards
– Scholarships programs awards for deserving employees and employees' children.

Future mitigation plans:

- Adoption of a structured set of measures to ensure full compliance with the EU Directive on pay transparency and pay equity.

Regarding diversity, equity and inclusion, pursuant to best practice provision of the Dutch Corporate Governance Code (DCGC), Brembo defined its relevant diversity targets and achievements for which to report annually to the Dutch Social and Economic Council ("Sociaal Economische Raad" - SER). These diversity targets encompass the composition of the Board, as well as that of the Management but also other DEI aspects.

In the context of labor-market shortages affecting certain worker categories, Brembo may face challenges in meeting its management-composition targets. This may make the practical implementation of those targets more complex than initially anticipated.

Current Mitigation actions related to Diversity, Equity and Inclusion (DEI):

- Dissemination of the non-discrimination & diversity policy, including the communication of DEI targets across the organization.

- Confirmation in 2025 of the Italian Gender Equality DEI Certification (UNI/PdR 125:2022) for Brembo N.V., originally obtained in 2024.

- Definition of DEI objectives following an internal review and approval process, followed by submission to Dutch authorities to assess the robustness and sustainability of the targets.

- Maintenance of a DEI management system aligned with recognized standards.

Future mitigation actions:

- Adoption of a structured system of measures to effectively respond to the EU Directive on pay transparency and pay equity.

Regarding the risk related to sustainability audits, Brembo adopts and is certified according to international standards in management systems (ISO) on Quality, Environment & Energy, Health & Safety and related audits are carried out by third-party auditors. In addition, Brembo plants perform periodic internal audits, Sustainability Self-Assessments (SSA), Responsible Business Alliance (RBA) audits and related action plan follow-ups, as well as audits related to the Gender Equality Certification (UNI/PdR 125:2022) issued by UNI, the Italian standardization body. These processes support the monitoring of Sustainability topics at local level and enable the collection of updated and consistent information.

In relation to cyber-attacks, Brembo is strongly motivated to protect this data as well, and for years now has implemented an information security management system, in line with the best market practices. This commitment is also underscored by the fact that, once again, all eligible plants have confirmed the ISO 27001 certification (Information Security Management System).

It is crucial for Brembo to ensure a safe working environment for its employees by reducing safety risks and minimizing the incidence of work-related health issues. This objective is pursued through a combination of safety training and communication initiatives, along with the research and implementation of automation to minimize man-machine interactions wherever feasible.

Current mitigation actions:

- Testing of Innovative Safety Support Systems: In 2024, the system was analyzed and designed, and in the first half of 2025, a Proof of Concept (POC) has been conducted to evaluate the feasibility of the use of artificial intelligence as a preventive tool for accidents and hazardous situations. In 2026 the expansion phase will be launched in other plants.

- Initiatives for Highly Dangerous Activities: Throughout 2025, workshops were held in all regions aimed at regulating and raising awareness among the operational structures of Brembo plants to reduce risks associated with occasional and high-risk work (maintenance activities, hot work, confined spaces, LOTO application etc.).

- WCM Safety Pillar: To reinforce the continuous improvement process, the development of the WCM methodology was promoted in all facilities in 2025. In almost all plants, the application has expanded from a few model areas to a broader implementation, which will see further expansion in 2026. WCM is the program launched in 2022 focused on designing continuous improvement standard methodology for the whole industrial footprint. The method is based on Lean Manufacturing system but tailored on specific Brembo needs.

- Automation: The Health & Safety area has contributed to the investment process for automation, which significantly impacts on the improvement of the risk profile of our factories. Each operation has its own five-year investment plan.

- Ergonomics: To address ergonomic risks, and thus injuries and potential occupational diseases, innovative initiatives were pursued in 2025 regarding the introduction of ergonomic criteria during the design phase of production lines, which will continue in 2026, along with initiatives to study the feasibility of introducing exoskeletons.

Brembo employs communication and automation as key strategies to mitigate the negative impacts of "work-related accidents and illnesses of workers due to inadequate working conditions", as well as to address the "Risk related to sustainability audits conducted by clients, with a potential negative result carried out by customers". The effectiveness of Brembo's initiatives is evaluated through internal and external audits, risk assessments, and the monitoring of incident rates, which are expected to decline alongside effective training. To identify the necessary actions in response to the potential negative impact of work-related accidents and illnesses, Brembo uses various tools, including top-down risk analysis, plant risk assessments, and the analysis of accident and near-miss trends. The Group also values the direct input of its employees by facilitating consultations and participation through Health and Safety Committees, while considering audit results and benchmarking against action plans. Brembo is committed to ensuring that its practices do not cause or contribute to material negative impacts on its workforce by conducting periodic risk assessments focused on employee safety.

Human resources, financial resources, technological resources (BAT) are allocated to the management of Brembo's material impacts. In particular:

- Human Resources: Each facility allocates specific human resources to safety, with one person dedicated full-time and the entire team working to enhance the safety of machines and equipment.
- Financial Resources: All investments made also include a component aimed at improving the safety of new machines and equipment.

Moreover, each facility conducts an annual risk analysis to identify areas for improvement, with the goal of reducing the likelihood and/or impact of potential events.

Information related to Brembo's action plan (CapEx, OpEx) has not been disclosed for the financial year 2025.

S1-5 TARGETS RELATED TO OWN WORKFORCE

Brembo has established several measurable, outcome-oriented, and time-bound targets to effectively manage negative impacts and risks, while promoting positive outcomes for its own workforce. To address negative impacts and risks and to advance positive impacts, Brembo has defined the following targets.

The Group is committed to achieving the following Diversity, Equity, and Inclusion (DEI) targets regarding gender representation[24] within the organization:

1. **Executive Directors of the Board of Directors**: at least 25% representation of each gender upon the renewal of the Board of Directors in 2026.
2. **Non-Executive Directors of the Board of Directors**: at least 40% representation of each gender upon the renewal of the Board of Directors in 2026.
3. **Management Cluster (Executives and Managers at Group Level)**: more than 20% representation of each gender by the end of 2028.

In addition, Brembo has defined further DEI targets aimed at promoting diversity and inclusion across the Group's three main axes: gender, generation, and cultural background. These targets will be achieved through the implementation of dedicated projects and initiatives for both the Group and local community levels:

a. **Implementation of D&I initiatives**: Promoting the implementation of at least 5 initiatives and projects relevant to the Group and/or local communities per year while respecting the principles of Diversity and Inclusion on Brembo's 3 main axes (gender, generation and cultural background). The unit of measurement is the number of initiatives; the base year is 2021 with a baseline value of 5 initiatives.

b. **Training on unconscious bias**: Promoting the renewal and delivery of training by overcoming unconscious biases and stereotypes fostering an inclusive working environment. This is a year-on-year target the renewal of 100% management training courses enriched with pills dedicated to unconscious biases. In 2025, 3 relevant training courses were enriched with dedicated modules on unconscious bias. The base year is 2021 with a baseline value of 20% courses enriched with pills dedicated to unconscious biases.

c. **Employee participation in engagement surveys**: Ensuring that employees remain strongly motivated to participate in company life through extensive involvement in the Engagement Survey. This is a relative target, with the objective of achieving a response rate of at least 74% at the Group level in the next surveys. The unit of measurement is the percentage of responses received; the base year is 2021, with a baseline value of 78%. In 2025 the response rate at Group level was 86%, exceeding the target.

d. **Employee engagement level**: Ensuring that employees remain committed and productive while maintaining a high level of engagement measured through the engagement surveys. This is a relative target, with the objective of achieving an Engagement Index of at least 65%. The most recent Global Engagement Survey, launched in April 2025, recorded an Engagement Index of 69%, exceeding the target. The unit of measurement is the Engagement Index. The base year is 2021, with a baseline value of 66%.

All these targets are in line with the objects of the policy on non-discrimination and diversity. Furthermore, Brembo did not directly engage with its workforce or workers' representatives in the process of defining the targets, monitoring performance against them, or identifying improvements resulting from such performance.

24 Female / Male, in compliance with both Dutch law and the Dutch Corporate Governance Code.

S1-6 CHARACTERISTICS OF BREMBO'S EMPLOYEES

According to the data, up to the 31 of December 2025, Brembo had 14,739 employees.

Table 33

		2025					2024				
Characteristics of Group's employees - number of employees by gender	u.m.	Male	Female	Other	Not reported	**Total**	Male	Female	Other	Not reported	**Total**
Number of employees (head count), at end of period	n.	12,008	2,731	-	-	**14,739**	11,715	2,609	-	-	**14,324**
Percentage of employees by gender, at end of period	%	81.5%	18.5%	0%	0%	**100%**	81.8%	18.2%	0%	0%	**100%**

Table 34

		2025					2024				
Characteristics of Group's employees - number of employees by country[25]	u.m.	Male	Female	Other	Not reported	**Total**	Male	Female	Other	Not reported	**Total**
Brazil	n.	252	14	-	-	**266**	218	13	-	-	**231**
China	n.	1,482	465	-	-	**1,947**	1,540	476	-	-	**2,016**
Czech Republic	n.	984	351	-	-	**1,335**	934	330	-	-	**1,264**
Denmark	n.	98	45	-	-	**143**	85	44	-	-	**129**
India	n.	1,398	24	-	-	**1,422**	1,242	30	-	-	**1,272**
Italy	n.	2,792	778	-	-	**3,570**	2,823	772	-	-	**3,595**
Mexico	n.	1,466	295	-	-	**1,761**	1,562	306	-	-	**1,868**
Poland	n.	2,028	336	-	-	**2,364**	2,101	345	-	-	**2,446**
Spain	n.	351	119	-	-	**470**	403	135	-	-	**538**
Sweden	n.	208	55	-	-	**263**	-	-	-	-	**-**
Thailand	n.	95	64	-	-	**159**	-	-	-	-	**-**
UK	n.	143	35	-	-	**178**	146	35	-	-	**181**
US North America	n.	647	131	-	-	**778**	630	112	-	-	**742**

25 The countries with 50 or more employees representing at least 10% of the total number of employees are Italy, Poland, China and Mexico.

Table 35

		2025					2024				
Characteristics of Group's employees - number of employees by contract type and gender, at end of period	u.m.	Male	Female	Other	Not reported	**Total**	Male	Female	Other	Not reported	**Total**
Number of permanent employees (50bi)	n.	10,034	2,223	–	–	**12,257**	9,485	2,037	–	–	**11,522**
Number of temporary employees (50bii)	n.	1,974	508	–	–	**2,482**	2,228	572	–	–	**2,800**
Number of non-guaranteed hours employees (50biii)	n.	–	–	–	–	**–**	2	–	–	–	**2**
Total	n.	12,008	2,731	–	–	**14,739**	11,715	2,609	–	–	**14,324**

Table 36

		2025					2024				
Characteristics of Group's employees - number of full-time and part-time employees, at end of period	u.m.	Male	Female	Other	Not reported	**Total**	Male	Female	Other	Not reported	**Total**
Number of full-time employees (52a)	n.	11,936	2,523	–	–	**14,459**	11,652	2,385	–	–	**14,037**
Number of part-time employees (52b)	n.	72	208	–	–	**280**	63	224	–	–	**287**
Total	n.	12,008	2,731	–	–	**14,739**	11,715	2,609	–	–	**14,324**

Table 37

		2025					2024				
Employee turnover[26]	u.m.	Male	Female	Other	Not reported	**Total**	Male	Female	Other	Not reported	**Total**
Number of employees who have left Group	n.	2,758	439	–	–	**3,197**	2,690	442	–	–	**3,132**
Total number of employees	n.	12,008	2,731	–	–	**14,739**	11,715	2,609	–	–	**14,324**
Percentage of employee turnover	%	22.97%	16.07%	0%	0%	**21.69%**	22.96%	16.94%	0%	0%	**21.87%**

26 It includes number of employees who have left the company on FULL voluntary basis (i.e. employees with a permanent contract), on voluntary basis (i.e. planned end of fixed-term contract, retirement) and not on voluntary basis (i.e. dismissal).

S1-7 CHARACTERISTICS OF NON-EMPLOYEES IN BREMBO'S OWN WORKFORCE

Brembo has decided to include in this report the disclosure related to this requirement, although this requirement is subject to a phase-in period.

A "non-employee" is an individual who is not directly employed by Brembo but performs activities on behalf of the company or contributes to its operations.

These individuals may include temporary workers and interns. For temporary workers, FTE is calculated by dividing the total paid hours by the number of hours worked in the month, based on working days excluding Saturdays and Sundays. The number of non-employee workers is reported as at end of the reporting period.

Table 38

		2025					2024				
Characteristics of non-employee in the Group's own workforce by gender	u.m.	Male	Female	Other	Not reported	**Total**	Male	Female	Other	Not reported	**Total**
Total number of non-employees (interns)	n.[27]	173	96	–	–	**269**	176	101	–	–	**277**
Total number of non-employees (temporary workers)	FTE	933.90	201.84	0	0	**1,135.74**	882.12	214.65	0	0	**1,096.77**

27 The number of non-employees present at 31.12.2025.

S1-8 COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

Brembo has decided to include in this report the disclosure related to this requirement, although this requirement is subject to a phase-in period.

71.33% of Brembo's employees are covered by collective bargaining agreements.

The percentage of 81.84% represents the share of employees covered by workers' representatives, calculated and reported for each EEA and non-EEA country where the company employs a significant number of employees.

Table 39

2024	Collective bargaining coverage		Social dialogue
Coverage rate	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl)	Workplace representation (EEA only) (for countries with >50empl. representing >10% total empl)
0-19%		India	
20-39%	Poland		
40-59%			
60-79%	Denmark		Denmark
80-100%	Italy, Czech Republic, Spain, UK	Brazil, China, Mexico	Italy, Czech Republic, Poland, Spain, UK

2025	Collective bargaining coverage		Social dialogue
Coverage rate	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl)	Workplace representation (EEA only) (for countries with >50empl. representing >10% total empl)
0-19%		India, USA, Thailand	
20-39%	Poland		
40-59%			Sweden
80-100%	Denmark	Mexico	Denmark
	Czech Republic, Italy, Spain, Sweden, UK	Brazil, China	Czech Republic, Italy, Poland, Spain, UK

S1-9 DIVERSITY

Brembo's top management, defined within the Group as the number of executives and managers, consists of 844 individuals, of whom 686 males and 158 females.

Female representation therefore accounts for 18.7% of Brembo's top management, while males represent 81.3%.

In terms of age distribution, 3,086 employees are under 29.9 years of age (20.94%), 8,963 are between 30 and 50.9 years old (60.81%), and 2,690 are over 51 years old (18.25%).

S1-10 ADEQUATE WAGES

All employees receive an adequate wage consistent with:

- Official minimum-wage requirements issued by local government, where applicable.
- Wage benchmarks established through collective bargaining agreements, where applicable.
- Market Salary benchmarks provided by external consultancy firms, where applicable.

S1-13 TRAINING AND SKILL DEVELOPMENT

Brembo has decided to include in this report the disclosure related to this requirement, although this requirement is subject to a phase-in period.

The Brembo Academy is the Group's corporate training school certified in accordance with UNI EN ISO9001 EA37. It is supported by a network of internal trainers and certified Domain Experts, who share their expertise across the organization through training programs and technical manuals. The Academy guarantees a structured, flexible and inclusive training and development offer, tailored to different employee population.

Brembo's training and development offer covers a broad range of needs across four key development areas:

1. Organizational behavior and skill development.
2. Technical skills relevant to Brembo's business.
3. Compliance with legislative and regulatory requirements.
4. Group culture and identity.

Training needs are collected annually through the Global Training Needs Campaign and may be further integrated and updated during the year based on specific requests. Employees have the flexibility to select training courses through self-enrollment with manager's approval. While the overall training and development offer is coordinated centrally, its implementation is managed locally by each country.

In 2025, the methodology for collecting and reporting data related to training and performance review processes was updated and aligned with the criteria set out in the ESRS, in order to ensure consistency with sustainability reporting standards.

In 2025, Brembo delivered an average of 22.19 training hours per employee. On average, women received 18.02 hours of training, while men received 23.13 hours. By employee category:

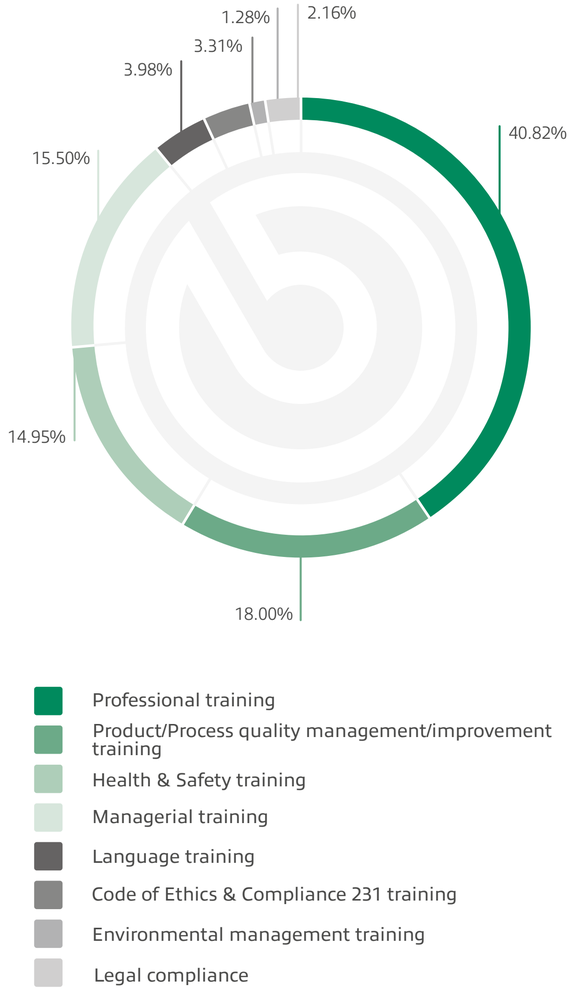
- executives and managers received an average of 25.33 training hours;
- white-collar employees received an average of 29.65 training hours;
- blue-collar workers received an average of 18.91 training hours.

A regular performance check is conducted over the year, based on criteria shared between employees and their managers.

In 2025 80.66% of Brembo's employees – white and blue collars – have been involved in the performance and career development review cycle, comprising 80.45% male and 81.55% female employees.

The above employees are distributed by employee category as follows:

- executives and managers (89.45%)
- white-collar employees (92.22%)
- blue-collar workers (75.25%).



S1-14 HEALTH AND SAFETY METRICS

Brembo has decided to include in this report the disclosure related to this requirement, although this requirement is subject to a phase-in period.

At Brembo, 93% of employees and interns are covered by a health and safety management system, as well as 79% for temporary workers.

No fatalities on employees were reported in 2025, neither from work-related injuries nor from work-related ill health. Brembo recorded a total of 78 work-related accidents: 72 involving its own employees and 6 involving temporary workers. Considering the total number of employees and hours worked, the overall rate of recordable work-related accidents is 2.60. The result achieved in 2025 is equal to a frequency rate of 2.60 (normalized through 1Milion conversion factor). This corresponds to a reduction of 28% with respect to the 2022 baseline. The increase with respect to the previous year is related only to the normalization factor of the index. Brembo continues year over year, also in 2025, in its journey of continuous improvement towards the "zero injuries" mission.

Regrettably, Brembo reported a fatal incident involving an employee of a contractor. No responsibility were ascribed to Brembo by the competent authorities.

In 2025, there were 5 cases of recordable work-related ill health. The combination of ill health and work-related injuries and accidents[28] resulted in 2,975 days lost for employees and 43 days lost for non-employees.

No cases of recordable work-related ill health were detected among former employees.

S1-16 REMUNERATION

GENDER PAY GAP

Brembo regularly monitors both synchronous phenomena, such as the gender pay gap, and diachronic phenomena, such as the internal labor-market dynamic. When assessing the gender pay gap, it is important to consider the characteristics of the sector in which Brembo operates – a highly male-dominated industrial environment with a strong concentration of STEM-related roles, where academic pipelines remain predominantly male.

The Group's DEI initiatives aim to increase gender representation in leadership roles and throughout the organization, while also ensuring pay equity for employees performing equal work with comparable qualifications. Although Brembo applies the principle of equal pay for equal work, aggregate figures may still reflect gender imbalances typical of the industry.

Brembo is committed to continuously improving data quality and analytical methodologies to better understand gender-related pay differences and their underlying causes. In this context, the Group is actively preparing for the EU Pay Transparency Directive and is working to identify and mitigate potential pay gaps across the organization. Brembo is finalizing a standard job architecture to reduce inequality and minimize structural discrepancies.

At Brembo, the gender pay gap — defined as the difference between the average pay of male and female employees, expressed as a percentage of the average male pay level — stands at 1.86% at Group level (excluding AP Racing NA, Brembo France, Reinsurance AG, Scandinavia).

This means that, on average, male employees earn 1.86% more than female employees globally.

The gender pay gap is calculated in accordance with the ESRS requirements using the following formula: (average gross hourly pay of male employees - average gross hourly pay of female employees) divided by average gross hourly pay of male employees.

ANNUAL TOTAL REMUNERATION RATIO

The annual total remuneration ratio is calculated as the ratio between the annual total remuneration of the Group's highest-paid individual and the median annual total remuneration of employees, excluding the highest-paid individual.

This ratio differs from the internal pay ratio disclosed in the remuneration report section (paragraph 4.5 e 4.6) as the two indicators rely on different calculation methodologies.

Brembo has chosen to present the annual total remuneration ratio primarily based on the employee population of Brembo N.V., that stands at 100.11. As a multinational Group operating across three continents and multiple countries — each with different cost-of-living levels, remuneration structures and social-contribution systems — using the entire Group workforce would not provide a methodologically sound or comparable denominator. Including all employees would result in a highly heterogeneous dataset that would not accurately reflect average pay or working conditions.

The annual total remuneration ratio, calculated in accordance with ESRS requirements and based on the median remuneration of Group employees as of 31 December, amounts to 174.55.

S1-17 INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

In 2025, Brembo reported one incident of discrimination, harassment, or serious human rights violations, that has been resolved through appropriate disciplinary action.

During the year, 7 reports were received through the company's employee whistleblowing channels, a decrease from 14 in the previous year. In addition, no reports were submitted to the OECD National Contact Points for Multinational Enterprises. Consequently, Brembo incurred no fines or penalties and was not required to pay compensation for damages.

28 The estimate made for the division of hours worked between men and women is based solely on the data from December, as is done every year. Therefore, it is important to note that slight deviations may occur if the data were considered on a monthly basis rather than using the consolidated percentage from December.

S2 - WORKERS IN THE VALUE CHAIN

S2 SBM-3 WORKERS IN THE VALUE CHAIN IMPACTS, RISKS AND OPPORTUNITIES

The double materiality assessment has led to the identification of Impacts, Risk and Opportunities related to the matter of the value chain's workers of the Group.

- **Positive impact** - Reduced social impacts in the supply chain enabled by Brembo's selection and engagement of suppliers on environmental and social criteria, promoting adoption of best available practices.
- **Negative impact** - Injuries and occupational diseases among client/supplier workers (including chronic and mental health issues) caused by inadequate working conditions along the upstream and downstream value chain, such as unsafe machinery and stressful, unsafe environments.
- **Negative impact** - Discrimination of supplier employees caused by suppliers' lack of adequate practices to ensure equal opportunities, diversity and inclusion, exposing workers to discrimination based on gender, ethnicity, religion, disability or sexual orientation.
- **Negative impact** - Violations of workers' rights and improper labor practices caused by insufficient monitoring of human-rights compliance along the Group's complex, geographically dispersed value chain, particularly during primary materials production and in certain geographies.
- **Opportunity** - Greater operational resilience and supply-chain performance (lower logistics costs, quicker deliveries, reduced disruption risk, better continuity/efficiency/quality) deriving from developing competitive, qualified local suppliers and a partnership-based approach.
- **Risk** - Reputational damage and financial repercussions deriving from suppliers' non-adherence to human-rights working conditions set out in the Supplier Code of Conduct for Responsible Business.

The Impacts, Risks and Opportunities described above are mainly related to the upstream part of the value chain, particularly raw material suppliers (extraction and processing). Brembo has also strengthened its human rights due diligence processes to identify workers who may be at greater risk of harm or increasingly exposed to risks or specific vulnerabilities due to specific contexts or characteristics. This includes mapping suppliers sourcing from Conflict-Affected and High-Risk Areas (CAHRAs), where the extraction and trade of minerals such as gold, coltan, cassiterite, wolframite and their derivatives (tantalum, tin, tungsten) are subject to international regulations like the Dodd-Frank Act and EU Regulation No. 2017/821. Brembo does not directly purchase minerals from conflict zones and requires suppliers to declare the presence and origin of any of these minerals in the supplied products. In compliance with OECD guidelines, Brembo investigates its supply chain to ensure minerals do not originate from countries at risk and to evaluate potential human rights violations, including forced labor and unsafe working conditions affecting vulnerable workers in these regions. In addition, in 2025, Brembo launched a targeted assessment to investigate potential risks of Uyghur forced labor within its supply chain, expanding the analysis beyond tier-1 suppliers to gain visibility into relevant sub tiers. This initiative further strengthened Brembo's commitment to proactively identifying and addressing human rights risks affecting workers across the value chain. Insights from these assessments feed into Brembo's strategic decisions, ensuring alignment with international standards and continuous improvement of its business model to uphold ethical and sustainable practices across the value chain.

About the methodologies, assumptions and tools used in identifying and assessing material impacts, risks and opportunities along Brembo's value chain, please refer to section ESRS 2 IRO-1 herein.

Brembo considers the relationship with its value chain and its workers an important moment for dialogue and a mutual opportunity for growth and enrichment. The Group's strategy increasingly involves customers and suppliers, fostering a community perspective, and the exchange of skills and best practices. Accordingly, Brembo is committed to prioritizing a local supply chain and selecting suppliers based on sustainability criteria, including safe workplaces and human rights.

For information on how interest, views and rights of Brembo's stakeholders inform its strategy and business model please refer to ESRS 2 SBM-2 (General Disclosure).

Workers in Brembo's value chain are divided into those in the upstream phases and those in the downstream phases. Workers in the upstream phase are those involved in the production of direct and indirect materials (e.g. raw materials, components, utilities, tools, packaging) and services (e.g., painting, treatments, maintenance, logistics).

On the other hand, workers in the downstream phases include mainly automotive manufacturers, downstream logistics services, and recovery and disposal activities. It should also be noted that the employees of Brembo's joint venture, which is a strategic supplier, are included.

S2-1 POLICIES RELATED TO VALUE CHAIN WORKERS

The Group has a structured system of policies and codes aimed at managing the impacts, risks and opportunities related to its value chain's workers. The policies adopted by the Group not only aim to minimize risks and negative impacts on workers in the value chain, but also to identify and exploit opportunities to continuously improve their practices.

All the sustainability issues identified as relevant for Group supply chain's workers are addressed within the Supplier Code of Conduct for Responsible Business, through which Brembo asks its suppliers to, among other things:

- comply with regulatory requirements, laws and standards and ensure respect for human rights, including not to use child labor and any form of forced labor, not to tolerate any form of harassment and/or discrimination and to promote the positive value of diversity;
- protect the health and safety of its employees and the community;
- protect the security and integrity of the data and information exchanged that they use and store.

In addition to the Code, the following documents also apply to workers in the value chain:

- the Code of Ethics, which specifies that each Brembo supplier must comply with the values and principles expressed therein and in all the other Brembo documents dedicated to suppliers, with the indication that failure to comply with these provisions may result in the termination of the supply relationship;
- the human rights policy which addresses trafficking, forced or compulsory labor, and child labor, among other core human rights and ethical principles;
- the Modern Slavery Statement, that specifies the measures adopted by Brembo to eliminate slavery and human trafficking along its value chain through the implementation of specific systems and processes;
- the stakeholder engagement policy, where Brembo outlines the engagement processes in place with the workers in the value chain.

For further information on the policies mentioned please refer to paragraph S1-1.

Table 40

Key concepts	Scope of application	GCF/GBU/ Bodies	External standards	Policy availability and sharing
SUPPLIER CODE OF CONDUCT FOR RESPONSIBLE BUSINESS				
The Code, that as of 2025 integrates and supersedes the sustainable procurement policy, reinforces the Company's commitment to responsible procurement by requiring suppliers to respect human rights, ensure fair and safe working conditions, promote diversity, protect the environment, and maintain transparent business practices. It also includes verification, audits, monitoring, training, and corrective actions to support suppliers collaboratively.	The Supplier Code of Conduct is distributed globally to all Brembo direct suppliers of materials and services and to indirect suppliers that meet the defined threshold. They are required to accept the content of the Code and comply with its provisions.	Chief Purchasing Officer.	The Code is drawn up according to international frameworks, including the UN Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, ILO standards, OECD Guidelines, UN Global Compact, the 2030 Sustainable Development Agenda, ISO standards (ISO 20400, 9001, 14001, 45001, 26262, 27001), IATF 16949, ASPICE, TISAX and responsible minerals standards (RMAP, OECD Conflict Minerals.	The Code is shared with suppliers prior to the qualification process through direct communication. For other stakeholders, it is available on Brembo's website.

S2-2 ENGAGING WITH VALUE CHAIN WORKERS

As mentioned in the previous paragraphs, the methods of involvement and interaction with workers in the value chain are addressed by the stakeholder engagement policy, and specifically by suppliers, by the Code of Conduct for Responsible Business, which reflects the Group's commitment to creating long-lasting relationships with its supply base.

Engaging workers in the value chain is a fundamental element for Brembo for the process of mutual improvement. In this regard, Brembo considers the perspectives of workers in the upstream value chain through on-site supplier Environmental, Social and Governance (ESG) audits. These assessments are conducted by a third-party auditor and include anonymous interviews with workers at supplier companies[29] , ensuring that their perspectives are considered in evaluating these companies' compliance with ethical and responsible business standards. The objective of these audits is to identify critical issues related to working conditions, compensation, working hours, health, safety, and environmental practices, while providing Brembo with clear visibility into any non-conformities raised by workers in the supply chain. They serve as a valuable channel for gathering workers' input and concerns, allowing Brembo to effectively address and manage both actual and potential impacts on labor conditions within the supply chain.

29 (S2-2; 23) Auditors select a representative sample of the workforce, considering gender, job roles, pay levels, and, if applicable, immigrants and contractors. Interviews focus on health and safety, wages, and ethical-social issues.

Other channels for listening and engaging with suppliers include:

- daily activities and reports on Purchasing Global Central Function;
- a supplier Engagement Survey on the importance of material issues for Brembo;
- targeted campaigns and surveys on specific ESG topics (e.g., environmental practices, human rights, conflict minerals etc.);
- the Brembo supplier portal.

These forms of engagement could take place any time during the duration of the supplier's contract and may occur directly with the workers in the value chain, with their legitimate representatives, or through delegated mechanisms, depending on specific needs.

The Chief Purchasing Officer has operational responsibility for ensuring that the engagement with the supplier is implemented correctly and transparently, and that the results obtained influence the Company's strategic approach, where possible.

The effectiveness of the engagement mechanisms in place regarding workers in the supply chain is assessed by observing improvements in sustainability assessment scores and by monitoring the implementation of corrective actions defined at the end of audit activities.

In addition, Brembo also has a whistleblowing mechanism in place to receive and manage reports from suppliers' and other value chain workers, allowing them to report any human rights violations. Brembo guarantees the confidentiality of the identity of those who report in good faith. Suppliers' workers are also involved annually in the process of identifying and evaluating the actual or potential impacts that Brembo may generate on them. For information on the methods of engagement, please refer to chapter ESRS 2.

The Chief Purchasing Officer has operational responsibility for ensuring that the engagement with the supplier is implemented correctly and transparently, and that the results obtained influence the Company's strategic approach, where possible.

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S2-3 ADDRESSING NEGATIVE IMPACTS AND VALUE CHAIN WORKER CONCERNS

In accordance with its dedicated policies, Brembo adopts a responsible approach in managing remedies for material potential adverse impacts on workers in the value chain that it has caused or contributed to, and that were identified by the Group through the engagement methods described in the previous paragraph. The effectiveness of the remedies is assessed through direct contact with the concerned stakeholders and the related follow-ups, with the aim of verifying that the solutions implemented have effectively solved the issues identified. In this way, the Group ensures that the remedies provided are adequate and consistent with its social responsibility standards. Using tools such as supplier self-assessments, on-site audits, and ESG evaluations based on recognized frameworks, the Group identifies risks related to labor practices and working conditions at an early stage. Suppliers that fall below minimum sustainability thresholds undergo an internal escalation process involving specialist functions and, where appropriate, the Chief Purchasing Officer, to ensure timely remediation and that sourcing decisions appropriately reflect the supplier's ability to meet Brembo's standards.

With respect to on-site audits, for example, Brembo remediation process requires suppliers to develop and implement a Corrective Action Plan in response to any identified non-compliance. To ensure the effectiveness of these measures, Brembo conducts follow-up audits to verify that any issues or concerns from workers in the supply chain have been appropriately addressed and resolved. If the supplier violates the principles outlined within Brembo's policies, does not actively contribute to providing the requested information, or does not implement appropriate improvement plans, Brembo reserves the right to precautionarily suspend and/or terminate any business relationship early and with immediate effect.

In 2025, Brembo has also strengthened its Supplier Sustainability Assessment procedure by enhancing post-audit follow-up to ensure non-conformities are resolved promptly and effectively. Through this approach, the Company aims to minimize ESG violations, protect value chain workers, and promote continuous improvement and responsible business practices.

Brembo has a whistleblowing mechanism in place and ensures that these channels are accessible and communicated to all intended users via the company website. Additionally, policies are in place to protect individuals using the channel from retaliation, as described in section S1-3.

S2-4 ACTIONS RELATED TO WORKERS IN THE VALUE CHAIN

Brembo actively prevents and mitigates material negative impacts and pursues positive material impacts on value chain workers (as described in the section S2-SBM3) through different actions.

To prevent, address and remediate material impacts and risks that may arise, Brembo has established a procedure for following up on suppliers who formerly resulted in poor sustainability performance. This procedure applies to all suppliers across the Group and entails initiating follow-up actions on suppliers who either fall below a specified minimum threshold or violate any zero-tolerance non-conformities. If required, as mandated by the procedure, an internal escalation process is initiated, involving the Sustainability & Risk GCF or, where appropriate, the Chief Purchasing Officer. This ensures that critical issues are promptly addressed and that sourcing decisions appropriately reflect the supplier's ability to meet Brembo's sustainability standards.

For on-site audits, suppliers are assigned remediation timelines proportionate to the severity of the findings. For self-assessment questionnaires, which form an integral part of the supplier qualification process, a dedicated escalation process applies to suppliers with insufficient performance or recurring issues, ensuring enhanced monitoring and further evaluation under Brembo's governance framework. Brembo may suspend or terminate contracts if a supplier breaches the conduct principles set out in the policies referenced above, including the Supplier Code of Conduct for Responsible Business, human rights policy and policy on non-discrimination and diversity, or in the Group's General Terms and Conditions.

Additionally, Brembo has implemented initiatives aimed at generating positive impacts for value chain workers through continuous supplier engagement on sustainability topics and the provision of one-to-one support to align suppliers with the Group's objectives. A supplier engagement program has also been launched to enhance supplier capabilities and improve working conditions, focusing on training on the newly introduced Supplier Code of Conduct for Responsible Business and supported by practical implementation guidance.

Brembo monitors the effectiveness of its actions by tracking improvements in sustainability scores and verifying the timely closure of identified non-conformities. Sustainability criteria are embedded in supplier selection and monitoring processes through on-site audits, ESG self-assessments conducted via the NQC platform and based on the SAQ 5.0 model, as well as other targeted ESG evaluations, supporting the achievement and maintenance of positive outcomes for value chain workers. These mechanisms also enable Brembo to identify potential risks related to labor practices and working conditions at an early stage of the relationship.

Through these measures, Brembo aims to minimize the likelihood of ESG violations and protect value chain workers by promoting continuous improvement and responsible business practices.

Information related to Brembo's action plan (CapEx, OpEx) has not been disclosed for the financial year 2025.

S2-5 TARGETS RELATED TO WORKERS IN THE VALUE CHAIN

To manage negative impacts and risks and advance positive impacts, Brembo has set three measurable, outcome-oriented and time-bound targets.

The first target is to expand the scope of suppliers' on-site ESG assessment and monitoring to cover 80% of purchasing spend on direct relevant suppliers by the end of 2026.

This target is aligned with the objectives of Brembo's Supplier Code of Conduct for Responsible Business as it aims to embed ESG principles into supplier evaluation and engagement. Audits are performed on upstream suppliers across all geographies in which the Group operates. By extending on-site ESG assessments and monitoring, the organization ensures that procurement practices actively support sustainability goals, such as reducing environmental impact, promoting ethical labor practices, and fostering responsible sourcing.

It is a relative target measured as the percentage of spend coverage, calculated as expenditure towards direct relevant audited suppliers by total expenditure on direct relevant suppliers.

The base year for measuring progress is 2020, with a baseline of 70% spend on direct relevant suppliers assessed through on-site ESG evaluations. The measurement period spans 2020–2026.

In terms of methodologies and key assumptions, the target focuses on "direct relevant suppliers", i.e., those suppliers that are essential to Brembo's core operations and contribute to the Company's finished products, encompassing both material providers and outsourced manufacturing activities.

Since the adoption of the target, no changes have been introduced. The data source used to calculate the percentage of spend coverage is Brembo's Purchasing systems, and internal stakeholders from both the Purchasing and Sustainability & Risk Global Central Functions have been involved in the target definition. The target is monitored annually. In 2025, Brembo successfully achieved the target, one year ahead of the planned 2026 deadline, reaching a level of on-site ESG assessment coverage corresponding to 80.7% of purchasing spend on direct relevant suppliers. The proactive acceleration of this target reflects the effectiveness of the methodologies adopted and the strong collaboration established across the supply chain, further reinforcing Brembo's dedication to promoting sustainable and ethically responsible procurement.

The second target focuses on ensuring that the Local for Local Index is maintained above 85%. By prioritizing local procurement, this target supports the reduction of the environmental footprint associated with transportation and logistics (e.g., greenhouse gas emissions and energy consumption), while also contributing to local economic development and enhancing supply chain resilience.

The target is based on the purchasing spend in the regions where Brembo operates and includes the purchase costs of goods and services directly related to the production of finished products, including raw materials, components, semi-finished and finished goods, as well as auxiliary materials and services — primarily transportation, utilities, packaging and MRO. It includes services not strictly tied to production, such as information and communication technology (ICT) and telephony expenses, cleaning,

S3 - AFFECTED COMMUNITIES

security, and canteen services. Costs associated with tax and legal advice, insurance, sponsorships, business travel, recruitment and training activities, property leases, and industrial assets are excluded.

The base year for measuring progress is 2020, during which the baseline value was 87%, and the target is set to be maintained until 2030.

Since the adoption of the target, no methodological changes have been made. The data source used to calculate the percentage of spend coverage is Brembo's Purchasing systems and internal stakeholders from both the Purchasing and Sustainability & Risk GCFs have been involved in the target definition. The target is monitored annually, and Brembo is currently on track to maintain it. There has not been a significant change in the Company's performance, which has remained stable over the years. In 2025, the Local for Local Index reached 90.42%, confirming strong alignment with the target.

The third target focuses on extending the adoption of the ESG self-assessment questionnaire to cover 85% of direct supplier spend by 2030. By extending this assessment to cover an increasingly significant share of direct supplier spend, Brembo strengthens its ability to systematically evaluate suppliers' alignment with the provisions of its Supplier Code of Conduct for Responsible Business.

It is a relative target, measured as the Percentage of expenditure coverage (spend towards direct suppliers with a self-assessment by total spend towards direct suppliers). Self-assessments questionnaires are administered to direct suppliers as part of Brembo's updated qualification process, which gradually extends coverage across the upstream value chain and across all locations where the Group operates as suppliers undergo new or renewed qualifications. In addition, a selected portion of indirect suppliers is subject to the assessment based on relevant risk and spend thresholds.

The base year for measuring progress is 2024, during which the baseline value was 77%, and the target is set to be maintained until 2030.

The target focuses on "direct suppliers" and internal stakeholders from both the Purchasing and Sustainability & Risk GCFs have been involved in the target definition. The target is monitored annually. In 2025, the performance showed a significant improvement, reaching the 2030 target ahead of schedule and rising from 77% in 2024 to 85%, driven by the introduction of Brembo's new e-procurement platform, which made the completion of the self-assessment questionnaire a mandatory requirement for all new direct suppliers. This enhancement strengthened the overall monitoring process and accelerated the progressive increase in coverage across the supplier base.

Regarding the targets, the intended outcome is to strengthen the sustainability performance of value chain workers by ensuring that direct suppliers operate in accordance with Brembo's expectations on ethics, human rights, environmental protection, and occupational health and safety. Value Chain workers were not engaged in the process of defining the targets, monitoring performance against them, or identifying areas for improvement.

S3 SBM-3 AFFECTED COMMUNITIES' IMPACTS, RISKS AND OPPORTUNITIES

Brembo includes within the scope of disclosure under ESRS 2 communities that may be materially affected by the company. These are the local communities in the countries where the Group operates through its production plants and research and development centers.

The double materiality assessment has identified the following positive impacts and opportunities in relation to the matter of affected communities :

- **Positive impact** - Positive socio-economic spillovers caused by the Group's national and international presence and the direct transfer of investments, technology, knowledge, and skills.
- **Positive impact** - Social development in host communities caused by donations and specific projects not related to the core business.
- **Opportunity** - Faster innovation and development of strategic skills (anticipation of technological trends) deriving from partnerships with universities and research centers.

The materiality assessment conducted by the Group considered the impacted communities, and Brembo did not identify any groups of people at greater risk of harm or more exposed to risks or vulnerabilities than others. Additionally, no significant negative impacts or risks have been identified in relation to these communities.

The insights gained from the materiality assessment inform and guide Brembo's strategy and business model. By aligning initiatives with the identified needs of local communities, the Company aims to enhance its positive contributions to social growth. This proactive approach not only strengthens Brembo's commitment to sustainability but also fosters shared social value, reinforcing its role as a responsible corporate citizen in the regions where it operates.

Recognizing the significant impact of its operation on local areas and communities, Brembo actively engages with communities as part of its commitment to the UN 2030 Agenda and the Sustainable Development Action Program. For more information, please refer to chapter SBM- 3 of ESRS 2.

Regarding the methodologies, assumptions and tools used in identifying and assessing material impacts, risks and opportunities along its value chain, please refer to the section ESRS 2 IRO-1 herein.

Brembo is committed to building lasting and responsible relationships with local communities, particularly around its facilities, safeguarding the health and interests of people in affected areas. The Group contributes to economic and social development by promoting employment, developing local skills, supporting infrastructure and training programs. Through its global presence, Brembo amplifies positive impacts by transferring investments, technology, and expertise, sharing know-how with partners and institutions, and fostering intellectual capital in the districts where it operates. These efforts reinforce trust, social responsibility, and the sustainable development of surrounding communities.

For information on how interest, views and rights of Brembo's stakeholders inform its strategy and business model please refer to ESRS 2 SBM-2 (General Disclosure).

S3-1 POLICIES RELATED TO AFFECTED COMMUNITIES

The Group does not have a specific policy related to affected communities but intends to develop one. At present, Brembo has a Committee in place, and the topic is addressed through reference in other relevant policies, including in the Group's Code of Ethics and stakeholder engagement policy. Through these documents, Brembo aims not only to mitigate and minimize potential negative impacts on communities, but also to identify and leverage opportunities to continuously improve its practices and positive impact on the affected communities.

To ensure structured and strategic management of social initiatives, Brembo has established the Socio-Cultural Sponsorship and Donation Committee at a central level. This body periodically convenes selected GCF Chief Officers with the aim of defining criteria, Guidelines and priorities for sponsorship and donation activities in the social and cultural sphere, evaluating the initiatives to be supported, as well as monitoring the consistency and effectiveness of the projects promoted.

The primary responsibilities of the Committee include defining the budget, criteria, and Guidelines for selecting socio-cultural sponsorship and donation initiatives. Additionally, the Committee analyzes proposals submitted by the Chief Legacy Officer, validating or rejecting their adoption as appropriate. It also monitors Brembo Group's commitments to align with intervention categories and enhances the company's engagement through a structured internal and external communication plan when necessary.

In its Code of Ethics, Brembo identifies the population and local communities of the countries in which it operates among its main stakeholders and is committed to promoting relationships with them in the forms provided for by the applicable laws in the various jurisdictions. Brembo is also committed to protecting the health of people, natural resources, and the environment by promoting sustainable and responsible industrial development, which is appreciated by local communities.

Within its stakeholder engagement policy, Brembo outlines the engagement processes with local communities (described in the following paragraph S3-2). For more information on the Code of Ethics and the stakeholder engagement policy, please refer to Table S1-1. Both documents refer to the positive impacts described above.

S3-2 PROCESSES FOR ENGAGING WITH AFFECTED COMMUNITIES ABOUT IMPACTS

For projects carried out with the CESVI Foundation, Brembo engages with affected communities through a structured Complaints and Feedback Mechanism (PCFM) aligned with the Core Humanitarian Standard on Quality and Accountability. CESVI Foundation is an Italian NGO founded in 1985, focusing on international cooperation and humanitarian aid, with a mission is to combat poverty and promote sustainable development in various parts of the world, particularly for vulnerable populations. The PCFM ensures that community perspectives inform decision-making by incorporating feedback, operational complaints, and serious complaints related to project implementation, staff conduct, and service quality.

Engagement occurs directly with communities and their representatives through suggestion boxes, verbal and written complaints, and emails. Community consultations take place at different stages, from project design to implementation and monitoring, with quarterly reviews and annual accountability meetings. The Project Manager and MEAL (Monitoring, Evaluation, Accountability, and Learning) Officer ensure feedback is recorded, addressed, and used to refine strategies, while serious complaints are escalated to senior management. Effectiveness is assessed through periodic evaluations, complaint follow-ups, and mechanisms designed to ensure inclusivity, particularly for marginalized groups such as women, children, and economically disadvantaged populations. CESVI's emphasizes cultural sensitivity and the inclusion of marginalized voices to maintain a participatory and respectful approach.

Brembo's commitment to local communities translates into active management to protect the interests and health of people in affected areas. The Group contributes to economic and social development by promoting employment, developing local skills, and supporting community initiatives. Through its global presence, Brembo amplifies positive external impacts by transferring investments, technology, and expertise, supporting local supply chain growth. Employees at all levels are involved in this process, including Country President & CEOs, Country General Managers, General Managers and the voluntary Sustainability Ambassadors and Sustainability Champions.

Within the stakeholder engagement policy, Brembo also outlines the additional methods for engaging affected communities. The following engagement tools are used:

- orientation and engagement activities for high school students and university institutions, along with related recruiting programs;
- roundtable discussions and dialogues with Public Administration;
- initiatives such as "Open House" days to welcome workers' families into Brembo's plants;
- initiatives to support the social and cultural development of the territories promoted by the Group.
- channels for reporting violations of the Code of Ethics;
- monitoring through media (press, specialized magazines, TV, web, social networks).

S3-3 ADDRESSING NEGATIVE IMPACTS AND AFFECTED COMMUNITY CONCERNS

Brembo has determined that it will not report on "Processes to remediate negative impacts and channels for affected communities to raise concerns", as the process of Double Materiality did not identify any significant negative impacts on local communities. Instead, Brembo highlights its positive contributions to the social growth of local areas and communities. The Group's efforts are focused on fostering development and wellbeing in the areas where it operates, prioritizing initiatives that promote social advancement, ensuring its presence is a positive influence on the lives of individuals and the overall health of the communities it serves.

Brembo monitors the effectiveness of its initiatives through continuous dialogue with the local institutions and non- profits organizations involved in its projects and evaluates the overall impact to ensure that community-support activities remain meaningful and aligned with local needs.

S3-4 ACTIONS RELATED TO AFFECTED COMMUNITIES

The global challenges and ongoing transformations make today's world even more complex than in 2016, the year the UN 2030 Agenda for Sustainable Development action program was launched. These changes require greater cooperation and support from everyone, which translates into a concrete and renewed commitment to the social dimension of sustainability.

In this context, companies are called to play an increasingly active role within the communities where they are present, contributing to the generation of shared social values. Brembo is aware of being an important actor in the economic and social fabric of the territories in which it operates worldwide, and this generates a profound sense of responsibility toward people, entities, and institutions, as well as the environment.

Over the years, the Group has developed an extensive program of projects and initiatives aimed at local communities, with the goal of bringing a concrete and positive impact to areas of greatest social need.

To ensure structured and strategic management of these activities, Brembo has established the Socio-Cultural Sponsorships and Donations Committee at a group level, which periodically involves selected GCF Chief Officers. The Committee defines criteria, guidelines, and priorities, evaluates the initiatives to be supported, and monitors the consistency and effectiveness of the promoted projects.

Projects are designed and developed in collaboration with the non-profit sector and local institutions and are oriented toward the following areas of intervention: education, training and research, environment and sustainability, sports, art and culture, social welfare, and child protection.

Listening to communities involves Brembo people at a widespread level, including Country President & CEOs, Country General Managers, General Managers and the volunteer figures of Sustainability Ambassadors and Sustainability Champions who, by interfacing with the company's Sustainability & Risk GCF, bring the needs emerging from local communities to the Group's attention.

A "HOUSE OF SMILE" FOR MOTHERS AND CHILDREN IN INDIA

Brembo has been present for years with its production sites in Pune, a large city in western India. Long experience in the country has allowed the company to acquire deep knowledge of the area's socio-economic dynamics and the consequent needs of its community.

It is for this reason that in 2017, Brembo launched the "House of Smile" (Casa del Sorriso), in collaboration with the CESVI Foundation. The project is aimed at women and children in conditions of high vulnerability living in the difficult context of the outskirts of Pune, in which 3 educational centers and a House of Smile service center are operational today.

Within these structures Swadhar, a local partner that coordinates pathways on the territory, aimed not only at responding to people's immediate needs but also at building a possible tomorrow together. In particular, the House of Smile guarantees a safe and stimulating environment in which children can carry out educational activities and receive assistance and healthcare, while families participate in vocational guidance, awareness, and counseling programs.

In 2025, a total of 589 beneficiaries (302 girls and 287 boys) took part in the educational activities designed for different age groups. Among these are:

The nursery school involves preschool children between 3 and 6 years old, with the goal of providing training aimed at improving their cognitive, social, and sport skills.

Support classes to promote literacy, study support, civic, and proper nutrition education.

Furthermore, each educational center has a library and spaces dedicated to e-learning to ensure greater involvement of young people through interactive in-person lessons and the necessary training for teachers.

Since 2024, the "Toy House" (Casa dei Giocattoli) has also been active, dedicated to the youngest children from 6 months to 6 years old. The project offers families a welcoming place to spend time together and receive support. Swadhar educators support new mothers, providing useful information for taking care of their children, ensuring proper nutrition, and stimulating their development even in the domestic environment. Inside the Toy House, children have access to toys designed to favor their physical and cognitive development, contributing to their healthy and playful growth.

Over time, the House of Smile program has expanded with new activities also designed for adolescents. In collaboration with the Dignity Academy Foundation, Life Skills sessions were introduced for youth between 12 and 18 years old, dedicated to self-awareness and communication through play activities that help recognize and manage different interaction modes. Art-therapy workshops were also launched with the organization, with the aim of promoting the emotional expression of young people and improving their well-being through visual art.

The House of Smile also involves the parents of the community with family counseling activities, both individual and group, and with meetings dedicated to parenting, education, health, and access to public welfare programs.

In the three educational centers, professional training pathways for young women are also active, including courses in tailoring, beautician services, and embroidery, with the issuance of a recognized certificate of participation. The objective of these training pathways is to favor the economic and social independence of the participants. In 2025, 873 women took part in these initiatives, strengthening their professional skills and opening new opportunities for their future.

In this context, the team of Brembo India maintains an open and constant dialogue with CESVI operators for project supervision and with local Swadhar managers to ensure closeness to the women and young families who benefit from the House of Smile activities.

EMPOWERMENT AND SOCIAL INCLUSION FOR THE WOMEN AND CHILDREN OF THANE

In 2022, Brembo launched a project in the Indian city of Thane, near Mumbai, with the aim of supporting mothers, who are artisans in the textile sector, in the development and care of their children, while promoting their economic and social emancipation.

In collaboration with the local partner ProAction, the project established a Day Care Center (DCC), active five days a week, which offers various socio-educational services. These include educational support activities, art and craft workshops, sports activities, interactive learning lessons, specialized English sessions, and healthcare.

This multifunctional space allows children to learn, explore, and grow in a safe and stimulating environment that contributes to the enhancement of their learning abilities and the improvement of their general well-being. During 2025, 37 children (13 girls & 24 boys) participated in the art and craft workshops, while another 37 (13 girls & 24 boys) took part in the vocational guidance sessions.

To complete the educational offer, the Center has a fully equipped computer lab with a full-time teacher who guides students in learning computer basics. The course, lasting three months, is divided into six groups of five students each and concludes with a theoretical and practical exam. Participants who pass the exam receive a certificate recognizing the skills acquired.

The project also includes numerous recreational and sports activities, such as karate courses, chess workshops, and outdoor games, in which 47 children participated, thus favoring socialization, discipline, and the physical well-being of the young beneficiaries.

The mothers involved in the project are artisans from the tailoring unit located near the Center and receive concrete support to balance work and family care. The project guarantees healthcare for mothers and their families, regular medical check-ups for mothers and children, and economic support to prevent children from dropping out of school and to manage family emergencies. Furthermore, training and awareness sessions aim to enhance the professional skills of the women.

In 2025, the Center guaranteed health insurance to entire households, covering a total of 106 beneficiaries between adults and children, while 64 women benefited from medical visits.

In conclusion, the Brembo project in Thane is generating a significant impact on the local community. Thanks to the Day Care Center (DCC), children find opportunities for growth, learning, and recreation, while mothers receive fundamental support for family management and personal development. In Thane during the year 2025, 135 children attended community computer courses, English, Math, and Science classes, and 319 women and children attended community health camps.

THE "SCHOOL ON WHEELS" PROJECT TO REACH GIRLS AND BOYS IN INDIA WITH A MOBILE EDUCATIONAL SPACE

In 2019, Brembo launched the "School on Wheels" project in India, transforming a school bus into a school classroom and a traveling library. The initiative was born thanks to the collaboration with the Door Step School Foundation, a local organization that supports the education of children from vulnerable families in the most marginalized communities of the city of Pune.

The organization works to contrast three main critical issues in education: lack of school enrollment, early school dropout, and learning difficulties. The project offers children an environment that favors educational growth and involves families and the community.

Inside the "School on Wheels" school bus, there are books, notebooks, computers, and educational materials useful for supporting literacy, basic calculation, and study activities. Over 795 children participate in the activities offered through dynamic teaching methods suited to their needs.

From Monday to Saturday, the school bus reaches the peripheral areas of the city of Pune, stopping at each stage to welcome groups of 20-25 children, divided according to their learning level.

The Door Step School Foundation team follows children from three to fourteen years old in the development of the three fundamental skills: reading, writing, and math's, and in personal care practices. During some stops, lasting about two hours, the mobile unit is also open to the community, which can access the space dedicated to reading. Books and worksheets are also distributed to practice at home.

The initiative is very useful both for those learning to read and for those who have already acquired the basics but do not have books outside of the project.

During the year, practical activities are also proposed to bring children closer to scientific topics: small experiments to understand everyday phenomena such as atmospheric pressure, the water cycle, or the solar system, as well as themed days and group work that stimulate curiosity and autonomy.

The Door Step School Foundation team maintains constant dialogue with parents, favoring the continuity of their children's educational path. Every month, meetings and visits to the communities are planned to share the children's progress and strengthen family involvement. Participation in the activities is monitored and recognized to maintain high motivation.

Recently, thanks to the support of Brembo Brake India, a new educational center was inaugurated in Balaji Nagar, in the Municipality of Pimpri-Chinchwad. The center provides useful tools for the school to actively involve parents, contributing to creating an environment favorable to children's growth.

In 2025, the project received the Impresa Award in the Community Building & Social Inclusion category during the Italian Tech in Mumbai, the event promoted by the Indo-Italian Chamber of Commerce and Industry (IICCI). The recognition highlights the value of Indo-Italian entities that develop projects capable of bringing the two countries closer. For Brembo, this award represents further confirmation of the commitment with which the company supports educational and inclusive initiatives in local communities.

SUPPORT FOR THE YOUNG PATIENTS OF THE TATA MEMORIAL HOSPITAL IN MUMBAI

The Tata Memorial Hospital in Mumbai is a center of excellence for pediatric oncology care in India. Every year, numerous families turn to the facility to ensure their children receive the necessary oncological treatments, often in long-term therapeutic paths.

Since 2024, Brembo has supported the project of St. Jude India Child Care Centers, an Indian NGO that collaborates with the Tata Memorial Hospital to follow young patients and their families during the therapeutic treatment path. The St. Jude network provides free accommodation and essential nutritional programs for those from difficult economic conditions, in addition to activities dedicated to the psychological and emotional well-being of the entire household.

Learning is one of the central aspects of the St. Jude approach, which offers personalized school programs to allow children to continue studying during treatment. The educational proposals stimulate creativity and curiosity, with drawing workshops, educational games, and interactive lessons in mathematics, science, and languages. In the afternoon, the youngest children participate in artistic activities, while the older ones deepen their computer skills.

Emotional support is equally fundamental. Music therapy, yoga, and individual and group counseling sessions help children give voice to emotions and improve self-awareness, creating safe spaces in which to feel understood.

Parents also have an active role in the project. For them, paths are organized that favor both emotional management and the approach toward greater economic autonomy. Practical activities such as tailoring, gardening, cooking, and crafts allow them to learn new skills and become opportunities for sharing and personal growth.

Furthermore, families gather to celebrate birthdays and anniversaries together, moments that favor a sense of community and contribute to recreating a serene and shared daily life. When conditions permit, outdoor activities such as cricket, volleyball, and jump rope games are also organized, which encourage socialization and strengthen relationships within the community.

All these initiatives build a reassuring and stimulating context, strengthen the relationship between parents and children, and contribute to better adherence to treatments. Thanks to an approach that combines emotional support, personal growth, and learning, children and their families face difficulties with greater confidence and determination, finding valid support in the community that surrounds them.

THE "MANOBAL" PROJECT: A DEVELOPMENT AND SOCIAL INCLUSION CENTER FOR THE COMMUNITY OF PUNE

In Pune, one of the most dynamic cities in Western India, many young people living in the peripheral areas of the Maharashtra district often face limited access to educational opportunities and personal growth pathways. Among them are individuals with disabilities, orphans, and youth from vulnerable backgrounds who require adequate support to progress in their educational journey and build greater autonomy opportunities and personal growth paths.

To respond to these needs, the Manobal project was born, promoted by the local NGO Deepstambh Foundation and supported by Brembo since 2023. Located in a residential training center, the project guarantees a safe and stimulating environment in which young people can access quality training programs, follow activities that strengthen their personal growth, and develop useful skills for their professional future.

In particular, the center provides free residency, healthy nutrition, and health services besides higher education and university paths, professional courses, and individual mentoring programs. Youth are provided with study support for exams, materials, and economic aid. Furthermore, beneficiaries participate in recreational activities, artistic workshops, and music courses that foster curiosity, personal expression, and emotional well-being.

In 2025, thanks also to the support of Brembo Brake India, the project welcomed 20 boys and girls, offering them the opportunity to study and grow in an environment attentive to individual needs and oriented toward their autonomy.

In 2023, the Deepstambh Foundation was recognized as the 'Best NGO in India' for its commitment to improving the living conditions of people with disabilities, an award that confirms the positive impact of the organization within the community.

AT JANTA VASAHAT (PUNE), EDUCATION BECOMES A MEETING POINT FOR THE COMMUNITY

In the Janta Vasahat neighborhood, many families face difficulties related to access to health services and school opportunities, as well as a lack of tools to improve their living conditions. In this reality, community learning places become fundamental reference points: locations where children find an environment in which they can grow and adults can develop new perspectives.

It is from these needs that, in 2024, "Proaction – Educational Support & Community Empowerment" took shape, developed by CESVI with the local NGO ProAction and supported by Brembo. The project aims to strengthen the link between the community and resources for collective well-being, offering a point of reference where children and families can find support. The goal is to accompany the youngest in their school paths, while families receive concrete support to expand their opportunities.

The core of the project is the program dedicated to young beneficiaries, designed to make learning more engaging and tailored to their specific needs. Children are supported with their homework, motivated to continue their education, and assisted in subjects such as mathematics and English, as well as in recreational workshops that foster self-confidence and curiosity. Particular attention is devoted to girls, to ensure they can continue their academic path and build new, future prospects.

A computer lab with PC stations was also established within the center, where children learn the fundamental concepts of information technology and participate in the creation of the community newsletter, an activity that engages them and strengthens the sense of participation in the neighborhood.

This space is complemented by a library open to the entire community, featuring books, newspapers, and magazines in both local languages and English. It is a welcoming place, designed to encourage reading and offer a quiet environment for study and the cultivation of personal interests.

The focus on the well-being of minors also extends to health: beneficiaries receive medical check-ups, psychological support, and opportunities for discussion between teachers and parents to monitor academic and personal progress over time.

Furthermore, the project supports families in accessing the Indian government's social assistance programs through practical assistance in requesting fundamental documents, such as the voter ID card or the opening of a bank account, steps that are often complex for those with limited reading and writing skills.

To broaden the impact of these activities, information sessions are also offered to the entire community, providing in-depth information on essential daily life topics, including literacy, drug addiction prevention, education, child protection, and the fight against domestic violence and child labor.

In 2025, 298 boys and girls took part in the educational activities, receiving academic support, psycho-social accompaniment, and health checks. Additionally, 96 young people participated in computer courses, 66 people received assistance in obtaining government documents, and 132 families took part in awareness sessions.

Thanks to these actions, the project contributes to creating an environment in which children grow with greater serenity and curiosity, and families acquire useful tools to improve their lives within the community.

In 2025, the initiative received the "Impresa Award" in the Community Building & Social Inclusion category, presented during the Italian Tech event in Mumbai and promoted by the Indo-Italian Chamber of Commerce and Industry (IICCI). The award recognizes Indo-Italian entities that develop programs capable of bringing the two countries closer and represents for Brembo a further acknowledgment of the support the company dedicates to educational and inclusive pathways in local communities.

KENYA, INDIA AND POLAND: 3 BREMBO PROJECTS UNITING COMMUNITY AND ENVIRONMENT

Every tree holds a silent strength: it transforms light into life, gives oxygen to the planet, and creates an authentic bond with the people who inhabit those territories. It is a sign of rebirth and care, a gesture that grows over time and unites those who plant it with those who will benefit from it. From this idea, a path takes shape connecting three Brembo initiatives developed in Kenya, India, and Poland, all united by attention to the environment and the involvement of local communities.

To celebrate the 60th anniversary of its founding in 2021, Brembo donated a tree to every person in the Group worldwide, creating the Brembo Forest in Kenya, in the Lake Victoria region. The initiative, "Brembo4Earth – A gift for you, our forest for the planet," developed with Treedom, led to the planting of 14,000 trees, including timber and fruit species, selected based on the characteristics of the territory.

The Brembo Forest contributes to the achievement of 10 of the 17 Sustainable Development Goals defined by the United Nations and involves local communities in the management of crops, creating new agricultural opportunities.

In 2025, monitoring of the Brembo Forest continued, as did support for the Biodiversity Park in the Chakan industrial area in India. This project was developed and implemented in collaboration with the local NGO Bosch & Forest following the "Miyawaki Method". This forestation technique, designed by Japanese botanist Akira Miyawaki, uses resistant and spontaneous plants for the recovery and reclamation of abandoned land which, as in the case of Chakan, was previously used for the illegal dumping of waste and slag.

The careful selection of species has made it possible to recreate an ecosystem capable of favoring the soil's ability to retain water, cool the microclimate, and reduce pollution. Today, the Park is a green space open to the entire community and workers in the area.

In Poland as well, Brembo has brought to life a special project that combines nature, education, and community. In Tucznawa, near the production site currently under construction, over 180 trees were planted together with students from the local primary school, during a day dedicated to discovering nature and the value of trees for the ecosystem. Each tree, purchased from a local plant nursery familiar with the territory, received a name chosen by the children, becoming a small symbol of shared commitment and care for the territory.

Three different projects, one single direction: contributing to the growth of the territories where Brembo is present, with initiatives that create value for people and the environment. This choice reflects a concrete way of investing and growing alongside local communities.

BREMBO ALONGSIDE ACCADEMIA CARRARA AND GAMeC

Over the years, Brembo has been able to build an active and constant dialogue with the voices of the territory where it originated, collaborating with prominent organizations that operate even outside the corporate context.

After the significant experience as a partner of Bergamo Brescia Italian Capital of Culture 2023, Brembo chose to give continuity to its commitment by collaborating with two major cultural institutions of the territory: Accademia Carrara and GAMeC, the Gallery of Modern and Contemporary Art of Bergamo. In particular, the company decided to support the three-year programs of both entities, backing artistic and cultural projects of social interest.

As for Accademia Carrara, Brembo is the Educational Partner for the 2024-2026 three-year period, supporting the educational and didactic activities proposed by La Carrara Educazione, designed to discover the museum since childhood and experience it as a familiar place even as adults. Since 2016, La Carrara Educazione has developed activities dedicated to schools, families, children, adults, and people with fragilities, through guided tours, workshops, classroom activities, and training meetings for teachers. The initiatives supported by Brembo aim to introduce works of art, but above all to encourage the discovery of the museum as a space for meeting, reflection, and collective growth.

At the same time, Brembo supports the artistic and cultural projects of GAMeC for the 2024 period, including "Thinking like a mountain" which, since 2024, involves not only museum spaces but also the territory and local communities. The project promotes paths of sharing and reflection on the themes of sustainability and collectivity, involving internationally renowned artists, such as Maurizio Cattelan with the Seasons exhibition, which attracted over 180,000 visitors in 2025 and stimulated reflection on natural and historical cycles from a broader and more inclusive perspective.

It is based on the common traits of social and cultural commitment that Brembo decided to collaborate with Accademia Carrara and GAMeC, contributing to the creation of shared value for the community and the territory.

THE "DREAM CENTER" PROJECT TO GUARANTEE ACCESS TO EDUCATION FOR CHILDREN IN RURAL CHINA

In the complex socio-economic context of rural China, millions of children living in vulnerable conditions often face difficulties in accessing quality education, which is fundamental for acquiring the knowledge and skills necessary to begin building their future.

To contribute positively to the needs and challenges of the territory on this front, Brembo has collaborated since 2019 with the Chinese NGO Shanghai Adream Foundation through the "Dream Center" project.

This project focuses not only on the structural redevelopment of some schools in the peripheral areas of rural China but also on training paths for teachers, aimed at ensuring better teaching quality and stimulating the abilities and aspirations of students thanks to an innovative, equitable, and inclusive approach.

There are five Dream Centers active with the help of ADream.org and the local Public Education Office:

- The center at "Taizhou Experimental Primary School" in Jiangsu province with 66 classes, 167 teachers, and 2,500 students.
- "ZiXi Experimental Primary School," in FuZhou city, Jiangxi Province, with 45 classes, 107 teachers, and 1,981 students.
- "Jietian Central Primary School" in Jiangxi province, with 17 classes, 60 teachers, and 653 students.
- "Muye Township Central Primary School" in Chongqing city with 118 classes, 378 teachers, and 6,013 students.
- "Jiangxi Ganzhou SiYuan Experimental School" in Ganzhou city with 118 classes, 372 teachers, and 6,013 students.

In support of the project, the participation of the Brembo China team in "Tencent 99 Giving Day" was significant, a national fundraising program through which Brembo people contributed to the purchase of new educational materials for the Dream Centers.

This is further confirmation that commitment, if shared, not only favors the reduction of geographical and social gaps but also creates new opportunities for change. For the "Dream Center" project, this occurs while respecting diversity and individual aptitudes, ensuring that no one is left behind.

In 2025, the "Dream Center" project received recognition in the Community Involvement & Development category of the Brembo Sustainability Awards.

FOSTERING SYNERGIES TO SUPPORT RESEARCH AND INNOVATION

Brembo's strong propensity for innovation and research leads the company to pay particular attention to specialist education and training programs aimed at young people, as well as to support advanced scientific research projects in fields of application that go beyond the automotive sector. This approach takes concrete form in the support of organizations and initiatives that promote research in various fields, creating synergies capable of generating positive and significant impacts.

One example is the support for FROM, the Research Foundation of the Papa Giovanni XXIII Hospital in Bergamo, established in 2008 with the aim of promoting the development of research projects within the Bergamo Hospital and playing an active role in the national and international clinical research landscape. FROM is committed to enhancing and expanding the research potential in all hospital sectors, with the goal of improving the quality of care and people's health.

Brembo also supports the activities of the Mario Negri Institute, one of the major biomedical and pharmacological research centers in Italy. The Institute is engaged in the dissemination of scientific culture through various initiatives and tools aimed at informing the scientific community and providing citizens with correct information on the use of medications, strengthening the bond between advanced research and social impact.

During the Covid-19 pandemic, Brembo's support for these organizations, together with the Papa Giovanni XXIII Hospital, enabled the financing of joint research projects for the study of the virus and its medium-to-long-term consequences. The results of this research have been published in the most prestigious scientific and medical journals worldwide, demonstrating the importance of collaboration between businesses, hospitals, and research centers in responding to complex health challenges.

BREMBO AND ATALANTA: SPORT AS AN EDUCATIONAL AND SOCIAL VALUE

Sport has always represented an extraordinary tool for growth, capable of educating and forming individuals on both a personal and collective level. It fosters inclusion, promotes participation, and values talent, offering young people the chance to develop skills that go far beyond the play itself. Brembo, as a Top Partner of the Atalanta Bergamasca Calcio Youth Sector, supports the educational and social role of sport. The collaboration with Atalanta stems from shared values rooted in sports culture and the growth of young people: loyalty, team spirit, sacrifice, merit, passion for challenges, valuation of talent, and continuous improvement. Qualities that, when learned on the field, become precious tools in daily life and academic education as well.

Since 2018, Brembo and Atalanta have collaborated to translate this vision into concrete initiatives. One key element of this collaboration is the Brembo Award, through which the Group annually rewards the most deserving boys and girls of the team, from the Under 15s to the Primavera. The award evaluates not only athletic performance but also academic results and personal behavior.

Reaching its seventh edition in 2025, the Award was presented by Cristina Bombassei, Chief Legacy Officer of Brembo, during the ceremony held at the Atalanta Youth Sector headquarters in Zingonia, in the presence of over 500 young male and female players, staff, and club officials. Brembo also supports the summer Football Camps promoted by Atalanta for children aged 7 to 14. Every year, these camps confirm their success thanks to wide participation and represent a precious opportunity for young people to approach sport, consolidate fundamental values, and have formative experiences under the guidance of qualified professionals.

Through these initiatives, Brembo confirms its commitment to supporting sport as an engine for educational and social growth, demonstrating how collaboration between businesses and sports organizations can contribute concretely to the development of new generations.

S4 - CONSUMERS AND END-USERS

Information related to Brembo's action plan (CapEx, OpEx) has not been disclosed for the financial year 2025.

S3-5 TARGETS RELATED TO AFFECTED COMMUNITIES

Brembo has not set specific targets or measurable objectives related to Local Communities for 2025. However, Brembo is committed to developing appropriate targets and key performance indicators (KPIs) for the future reporting year.

S4 SBM-3 CONSUMERS AND END-USERS' IMPACTS, RISKS AND OPPORTUNITIES

In defining its strategy and business model, Brembo includes within the scope of disclosure under ESRS 2 the interests, rights, and opinions of consumers and end users.

The double materiality assessment has led to the identification of the following IROs, in relation to the consumers and end users:

- **Positive impact** - Higher safety standards for end users enabled by R&D investments to develop innovative products that increase vehicle safety using Brembo components.
- **Negative impact** - Threats to end-user safety caused by product nonconformity in braking systems, which are safety-critical components.
- **Opportunity** - Higher sales and stronger business relationships deriving from increased brand awareness and improved reputation among consumers and OEMs, together with a reduction in product liability claims.
- **Risk** - Extra costs, recalls/warranty actions, and reputational or client-relationship impacts deriving from product defects detected on the market (including safety-related issues).
- **Risk** - Reputational harm, penalties and adverse market reactions deriving from incorrect external/ internal disclosures.

Regarding the methodologies, assumptions and tools used to identify and assess material impacts, risks and opportunities along its value chain, please refer to the section ESRS 2 IRO-1 herein.

The safety of end users is inseparable from the quality of Brembo's products. For this reason, Brembo is committed to managing its impacts and risks while defining strategies to ensure the production of high-quality, safe, and reliable products. By leveraging innovative technologies, Brembo aims to enhance braking systems performance of its braking systems, ensuring maximum reliability and safety for end users.

For information on how interest, views and rights of Brembo's stakeholders shape its strategy and business model please refer to ESRS 2 SBM-2 (General Disclosure).

The analysis conducted by the Group for identifying and evaluating impacts, risks, and opportunities did not identify specific end user groups at greater risk of harm or more exposed to risk or vulnerabilities. The impacts, risks, and opportunities identified therefore refer to the drivers of vehicles equipped with brake components manufactured by Brembo.

S4-1 POLICIES RELATED TO CONSUMERS AND END-USERS

The Group has a structured system of policies and codes aimed at managing the impacts, risks, and opportunities also related to end users. The policies adopted by the Group not only aim to minimize negative impacts on end users, but also to identify and leverage opportunities to continuously improve its practices.

Table 41

Key concepts	Scope of application	GCF/GBU/ Bodies	External standards	Policy availability and sharing
QUALITY POLICY				
Brembo Group's quality policy[30] defines Brembo's intentions and strategies regarding the quality and safety of its products and processes. The policy is centered on the ability to constantly innovate products, processes, and services to provide the highest level of quality and performance excellence. The policy emphasizes the Company's focus on health, safety, environmental protection, ethics, sustainability, and legal compliance, both internally and throughout its supply chain.	The policy applies to all Brembo products and processes, covers the entire value chain from suppliers to customers, and is effective across all regions where Brembo operates.	The Quality GCF is responsible for defining the policy, the CEO is accountable for its implementation. The policy is approved by the Executive Chairman.	The policy is consistent with ISO 9001 and IATF 16949 standards.	Public on the Company's website.

30 The current policy in force is dated 24/07/2017, and there have been no significant changes to the policies during the reference year.

Brembo has implemented a Quality Management System compliant with the IATF 16949:2016 standard. This system, characterized by Guidelines common to all the Group's plants, allows best practices to be transferred from one plant to another, as well as all the sites to be managed according to the same standards and quality indicators. Its effectiveness is verified periodically through specific internal system and process audits, as well as annual third-party audits for IATF 16949. On specific projects, assessments are also conducted again ISO 26262 and ASPICE.

Like other management systems, at newly opened sites the Quality Management System is implemented when production begins, and certification audits are normally conducted around twelve months after plant is commissioned.

All sites are certified according to the IATF 16949:2016 standard, except for Zaragoza and Shandong (BRGP) site, which are ISO 9001 certified as they are aftermarket sites. The recently acquired Jiaxing and Rayong plants are expected to achieve IATF 16949 certification by 2026, once integration activities are completed.

Within the framework of the Quality Management System, audits are also carried out on the adoption and management of product regulatory requirements, in order to ensure their full compliance and minimize the risk of reputational damage.

The results of all audits related to Quality Management System are published in the biannual Quality Reports and, for regulatory audits only, also on the internal Regulation Management Portal.

S4-2 ENGAGING WITH CONSUMERS AND END-USERS

Brembo Group is committed to complying with quality standards and legal requirements, ensuring transparent communications and establishing lasting relationships with its stakeholders, including end users. To this end, the Group has adopted the stakeholder engagement policy which defines methods of dialogue with stakeholders, including end users and customers (refer to Table in S1-1).

An example of consumers and/ or end-users' engagement is the Brembo Claims Hunter project, a digital tool that continuously identifies posts, comments, and discussions on the web representing the voice of the customer. This enables Quality GCF to analyze customer feedback in an aggregated manner, extract insights, and define areas for product improvement along with potential enhancements, allowing the Company to respond more effectively to user needs. In addition, Brembo has adopted a channel through which consumers and end users can raise concerns, as described in G1-1.

For the Aftermarket GBU, in the event of product issues, end users can contact Brembo directly or reach out their dealer, who will then liaise with Brembo to obtain all the necessary information for prompt resolution of the problem. Quality GCF also monitors news, particularly from government agencies, regarding recall campaigns potentially related to Brembo products, to detect "early warnings" of any issues affecting the quality and safety of the Company's products.

Based on this information, an assessment is carried out to determine Brembo's exposure to these risks, involving the necessary functions and considering the following factors:

- similar events have already occurred at Brembo and/or at suppliers.
- problem-solving processes already implemented for comparable events.
- correct identification, in the documentation (e.g., drawings, FMEA, design manuals), of the severity of the characteristic subject to the recall campaign.
- controls in place within internal production processes or at suppliers.

According to the assessed level of risk exposure, an appropriate action plan is defined to adequately eliminate the identified risk.

In doing so, Brembo ensures continuous improvement of its processes and a prompt response to potential issues, thereby strengthening Brembo's position on the market as a leader in the quality and safety of its products.

S4-3 ADDRESSING NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS' CONCERNS

Brembo invests in Research and Development to deliver innovative products that enhance the safety of vehicles equipped with Brembo components, raising safety standards for end users. To ensure safety and product quality, Brembo adopts a proactive approach across its processes, anticipating problems and intervening to prevent their occurrence with a view to continuous improvement.

During the design and development phases, Brembo conducts FMEA and FMECA analyses for both products and processes to identify characteristics with potential impacts on end-user safety, so they can be managed and systematically controlled across the production chain, including product development, internal processes, and supplier processes.

Dedicated training on product and process FMEA is provided on a periodic basis. In the development phase, a test plan is executed, including bench and vehicle testing, to ensure that products meet the required specifications. Throughout production, specific controls covering 100% of products are performed to detect any deviations from the quality standards defined in the design phase, ensuring that all requirements, particularly those related to product safety, are met.

A similar rigor applies to the entire supply chain, from supplier selection and qualification to verification of compliance with agreed supply conditions. This is carried out through a structured evaluation and approval process based on objective and measurable parameters, site visits to verify the ability to meet required quality standards and early supplier involvement in development.

This approach is underpinned by a solid Project Management process (Stargate), which uses defined control points and, where needed, recovery plans to verify the correctness and completeness activities and confirm readiness for mass production in full compliance with the defined requirements.

At plant level, product quality and safety are continuously monitored through specific indicators (e.g., customer PPM, internal scraps) which are then further analyzed centrally.

Annually, the Quality GCF prepares the Quality Plan which

consolidates the quality targets for individual GBUs/Plants and for the Group, with respect to specific indicators monitored quarterly within dedicated Committees and others evaluated on a half- yearly basis and included in a specific document (Quality Report). To measure product quality and safety, indicators (customer PPM and incidents) are used, considering the number of defects sent to the customer divided by cause, criticality index (which measures the disturbance to the customer), and severity index (which measures the impact of non-conformities on the end user's safety). Moreover, any market recalls and/or special statuses attributed by the customer to the production units in case of deviations from the defined standards are also monitored.

S4-4 ACTIONS RELATED TO CONSUMERS AND END-USERS

Brembo has established specific Guidelines to manage all product non-conformities reported by customers, clearly defining responsibilities and operating procedures. For each non-conformity, a structured Problem-Solving process is implemented. This process enables the identification of root causes, the implementation of appropriate corrective actions to eliminate them, and the standardization of solutions across similar products and processes to prevent the recurrence. In 2025, a new internal problem-solving methodology ("Resolvo") was launched to strengthen problem-solving activities in all company processes with the specific new training course delivered at a global level by internal trainers, in coordination with Brembo Academy.

Brembo managed all product issues, both during development and in series production, through "Eureka", an internally designed tool that consolidates all relevant information into a single repository and facilitates the understanding of root causes and the sharing of solutions among all plants. Whether originating internally or reported by customer, all issues are managed through a common problem-solving methodology. The objective is to leverage shared knowledge to proactively address potential issues and prevent their recurrence in other plants and/or on similar products. The system also provides real-time reporting of open issues, their management status, resolution times, and ongoing problems.

A new version of the tool, Eureka 2.0, has been developed internally and its global rollout is ongoing.
All data from the tool is now cloud-based, ensuring greater robustness, enhanced security and availability, and accessibility from multiple platforms. A user-friendly monitoring dashboard has been integrated, and the problem-solving methodology has been improved through the inclusion of additional tools like Ishikawa, 5Whys in alignment with Resolvo.

Moreover, Brembo has developed a "Warranty analyzer" aimed at automating the analysis of warranty data to improve product reliability and trigger product improvement plans. This initiative includes the development of a structured and unified tool for warranty analysis, the implementation of predictive models for warranty trend evolution, and the enablement of ad hoc product reliability analyses.

Brembo has also defined a Guideline for the management of potential recall campaign. This Guideline outlines responsibilities and operating procedures for the timely implementation of a set of activities and actions aimed at minimizing the general risks associated with the introduction or circulation on the market of a non-conforming product that may pose a risk to end-user safety or health.

Information related to Brembo's action plan (CapEx, OpEx) has not been disclosed for the financial year 2025.

S4-5 TARGETS RELATED TO CONSUMERS AND END-USERS

During 2025, Brembo set a measurable outcome-oriented target, in line with the Quality Management System:

- Percentage of audits executed on mandatory regulatory requirements compared to the Quality Plan.

As of 2025, 100% of the audits have been executed.

- Percentage of plants certified according to the IATF 16949:2016 standard

As of 2025, 100% of the sites are certified according to the IATF 16949:2016 standard except for Zaragoza and Shandong (BRGP), which are ISO9001 certified as aftermarket sites. The recently acquired Jiaxing and Rayong plants are expected to obtain the IATF 16949 certification by 2026, once integration activities are completed.

The target is in line with the Quality Management System, which is characterized by guidelines common to all Group plants, allowing best practices to be shared across sites and ensuring that all locations are managed according to the same standards and quality indicators. The effectiveness of the Quality Management System is verified periodically through internal system and process audits, as well as third-party audits assessing compliance with IATF 16949.

As with other management systems, newly opened sites implement the Quality Management System when production begins, and certification audits are normally conducted around twelve months after plant commissioning.

3.4 GOVERNANCE

G1 - BUSINESS CONDUCT

G1 - BUSINESS CONDUCT

G1 GOV-1 ROLE OF ADMINISTRATIVE, SUPERVISORY AND MANAGEMENT BODIES

Brembo's Board of Directors (BoD) is the key body that guides the Group's ethical conduct, ensuring legality, transparency and responsibility in its actions, and establishes its strategic direction, integrating social and environmental considerations into corporate decisions to ensure the creation of sustainable value in the long term.

The BoD oversees the implementation of the Codes of Conduct, ESG policies and risk management and control systems, and it is responsible for verifying the adequacy of the organizational, administrative and accounting structure and of the controls necessary to monitor the performance of the Company and the Group, collaborating closely with Top Management to promote a corporate culture focused on integrity and compliance with ethical and sustainability principles.

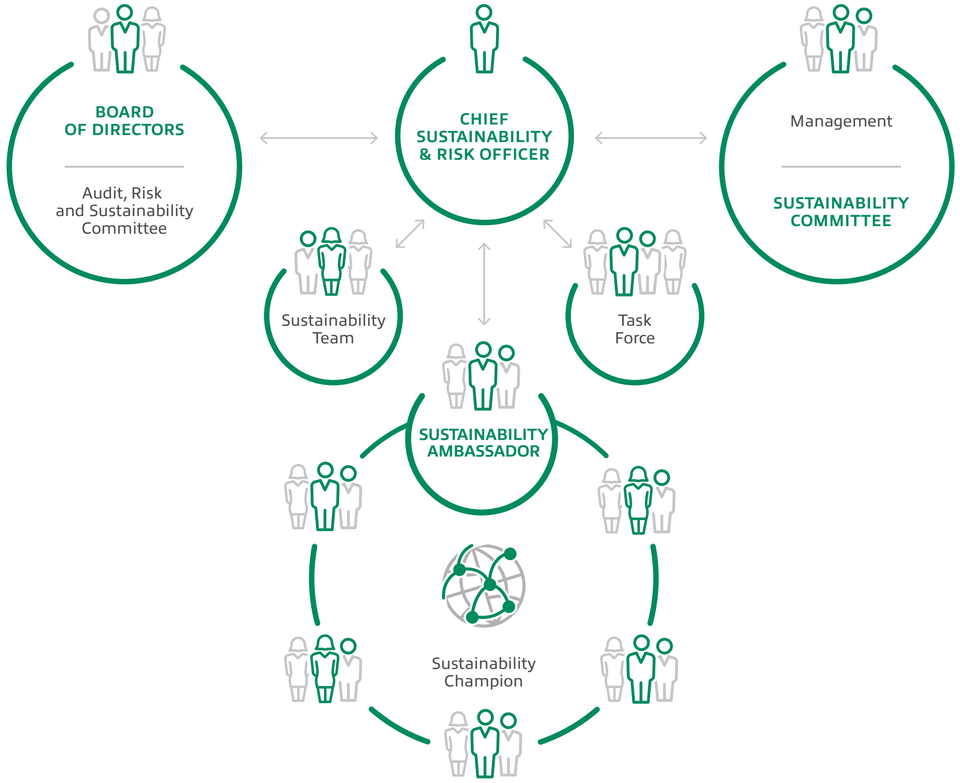
The BoD is collectively responsible for decisions, even if decisions are prepared by individual Directors, who may only exercise those powers expressly attributed to them and may not exercise powers beyond those reserved for the Board of Directors as a whole.

In addition, Executive Directors, such as the Executive Chairman and the Chief Executive Officer, must always inform the other directors in a clear and timely manner about the exercise of their powers and major developments in their responsibilities.

Brembo has adopted a one-tier board system, in which the Board of Directors is composed of executive and non-executive directors. Under this structure, supervision by non-executive directors — who represent the majority of the BoD members — can be properly carried out and independent supervision is assured in accordance with the Dutch Corporate Governance Code.

The Audit, Risk and Sustainability Committee is responsible, inter alia, for assisting the Board of Directors in carrying out its duties in the area of internal control, assessing the proper application and consistency of accounting standards for the preparation of the consolidated financial statements, and supervising the effectiveness of the audit process. The Committee periodically reports to the Board of Directors on its activities and on the adequacy of the internal control system. Moreover, with specific reference to Ethics, the Audit, Risk and Sustainability Committee oversees mechanisms for reporting unethical or illegal activities and ensures protection for whistleblowers and proper investigation of complaints.

On the other hand, the Supervisory Committee appointed by the Board of Directors pursuant to Legislative Decree no. 231 of 8 June 2001 (the "Legislative Decree 231") has been maintained after the Cross Border Conversion, and it continues to monitor that the Company acts in compliance with the organizational, management and control model according to article 6 of Legislative Decree 231[31] (the "231 Model") and proposes any updates required under Italian law.



With reference to business conduct in 2025, the Board of Directors approved the sixth edition of the 231 Model, which integrates the Company's organizational changes resulting from the Cross-Border Conversion and the adoption of a revised governance framework. It also incorporates the most recent regulatory and jurisprudential developments in criminal law and in the administrative liability of legal entities under Legislative Decree 231/2001.

Furthermore, on 6 November 2025 the Board of Directors approved the Brembo Code of Conduct for the Development and Use of AI Systems and Tools (the "Code"), which defines the principles and operational guidelines applicable to all Brembo activities involving either third-party or proprietary AI systems, in alignment with the Company's Code of Ethics and other internal policies. Recognizing the increasing complexity and rapid evolution of generative AI capabilities, Brembo commits to implementing measures to mitigate potential negative and/or unpredictable effects, with particular attention to potential impacts on Fundamental Human Rights as preserved in the Charter of Fundamental Rights of the European Union, as well as to the security and accuracy of data and the integrity and fairness of outcomes. The Code is grounded in the Company's ethical values, including honesty, fairness, legality and transparency, and establishes binding principles and guidelines for the direct or indirect use of AI systems; it applies to all forms of AI,

31 The Italian "231 Model" refers to the organizational and management model established under Legislative Decree No. 231/2001. It aims to prevent corporate crimes and administrative offenses within organizations. The model requires companies to implement specific internal controls, procedures, and protocols to promote ethical behavior and compliance with legal standards. Adopting the "231 Model" Brembo benefits from reduced liability in the event that a crime is committed by its employees or representatives. The model emphasizes the importance of a corporate culture that prioritizes integrity and accountability.

present and future, without claiming to be exhaustive and with a commitment to continuous adaptation and improvement in line with technological evolution.

For information on the specific responsibilities of the administrative, management and supervisory bodies in terms of business conduct and other additional information on the Group's governance structure, please refer to section ESRS GOV-1 herein. For detailed information on professional skills and competencies, please refer to section ESRS 2 GOV-1. Compared with the 2024 results, the Company recorded an increase of one unit in the "Strategy" category and an increase of one unit in the "ESG" category.

G1 IRO-1 BUSINESS CONDUCT IMPACTS, RISKS AND OPPORTUNITIES

The double materiality assessment has led to the identification of the Group's Impacts related to business conduct. The material IROs are listed below.

- **Positive Impact** - More ethical and competitive business environment caused by the spread of anti-corruption principles and practices across the value chain through mandatory training and contractual codes and clauses.
- **Negative impact** - Economic difficulties and organizational stress on suppliers, caused by a combination of supplier-relationship practices (including payment practices), such as delays or onerous payment terms, high technical and logistics requirements, ESG compliance burdens, and stringent contractual clauses.
- **Risk** - Fines, penalties and other legal actions deriving from non-compliance with internal policies/procedures or local regulations, including potential fraud attempts and/or market abuse.

Regarding the methodologies, assumptions and tools used in identifying and assessing material impacts, risks and opportunities along its value chain, please refer to section ESRS 2 IRO-1 herein.

G1-1 POLICIES RELATED TO BUSINESS CONDUCT AND CORPORATE CULTURE

The Group has a structured and organized system of policies, which applies to the entire Group (the "Brembo Compliance Systems" based on the "Corporate and Compliance Tools") and is aimed at preventing, managing and mitigating potential impacts and risks related to business conduct and ensuring a high ethical standard in conducting business and continuous improvement of its operating practices. The well-built compliance program adapts to regulatory changes, minimizes risks and drives business growth. In particular, the Brembo Legal Compliance System, as an integral part of the Internal Control and Risk Management System, provides for:

i) the implementation at Group level of the general principles of behavior defined by the Parent (Brembo Corporate and Compliance Tools) to guarantee the maintenance of common high ethical standards;

ii) Brembo N.V.'s adoption of the 231 Model and the setting up of a Supervisory Committee tasked with constantly monitoring the functioning, appropriateness and effectiveness of the said 231 Model;

iii) the adoption by each Subsidiary of a compliance plan in accordance with local regulations governing Administrative/Criminal liability;

iv) addressing, communication and control guidelines on compliance matters at a Group level, issued by the Executive Chairman, and the power of the Chief Executive Officer to guarantee that such guidelines are implemented at all levels, both in Italy and abroad;

v) the performance of monitoring and auditing relevant compliance activities by "second level control" entities and by the Internal Audit GCF;

vi) the establishment of a whistleblowing channel, to ensure the reporting of misconduct or violations of the Code of Ethics and the Brembo Compliance Tools, of Brembo 231 Model and any anomalies or weaknesses in the Company's Internal Control System.

Brembo Corporate and Compliance Tools means all the instruments (documents, codes, oversight mechanisms and control procedures) implemented by the Parent at global level, and include, in particular: (i) the Code of Ethics; (ii) the Brembo Compliance Guidelines; (iii) the 231 Model; (iv) the Antibribery Code of Conduct; (v) the Antitrust Code of Conduct, as described below.

Table 42

Key concepts	Scope of application	GCF/GBU/Bodies	External standards	Policy availability and sharing
ORGANIZATION, MANAGEMENT AND CONTROL MODEL ACCORDING TO LEGISLATIVE DECREE NO. 231/2001 "231 MODEL"				
Voluntary document (due to Dutch office) aimed at ensuring legal compliance, preventing offences — including through the identification of Sensitive Activities and criminal risks exposure —, improving business practices, and preventing/monitoring the risk that offences related to business conduct will be committed. In 2025, the BoD approved the Sixth Edition of the 231 Model, which reflects the Company organizational changes following the Cross-Border Conversion and the adoption of a new governance system, as well as the most recent regulations and jurisprudential developments regarding criminal law and liabilities of legal entities pursuant to Legislative Decree 231/2001. This update mainly integrates the special sections based on regulatory changes.	The 231 Model applies to all members of the Board of Directors (including the Executive Chairman and the Chief Executive Officer), Directors, Coworkers and Third Parties performing duties for or on behalf of Brembo N.V., whether directly employed by Brembo N.V.	Brembo's BoD is the highest body responsible for implementing and updating the Model, supported by the Supervisory Committee that monitors its adequacy and efficiency.	Confindustria Guidelines (2021 ed.). The 231 Model is built using a risk-based approach and inspired by the principles of ISO 37301:2021 and of UNI 11961:2024	Public on the Company's Intranet website and on the Brembo website, except for the most sensitive parties. Training provided to all those who work with or within the Company, or who are directly or indirectly involved in risky activities. Brembo implements training programs to ensure in depth knowledge of the Model by all those who work with or within the Company, or who are directly or indirectly involved in risky activities. All Subsidiaries are informed about the 231 Model and its updates by the Corporate. Business partners are also indirectly informed of the introduction of the 231 Model through compliance obligations included in the contractual agreements by the Group.
BREMBO COMPLIANCE GUIDELINES				
The Guidelines summarize the main rules of conduct to prevent wrongdoing, identify areas of risk and relevant sensitive activities/ processes and ensure high ethical and compliance standards in all companies, preventing criminal liability	All Subsidiaries must adopt, implement and, where appropriate, integrate the Guidelines in the implementation of local compliance program to prevent criminal liability being transferred to Brembo N.V.	The Guidelines are approved by the Board of Directors of Brembo N.V. and the Board of Directors of each Subsidiary	International Best Practices such as ISO 37301:2021.	Public on the Company's Intranet website.
ANTITRUST CODE OF CONDUCT				
The Code raises awareness among corporate functions of compliance with competition rules, providing simple and accessible guidance on antitrust constraints, risk situations and correct behavior	It applies to employees of Brembo N.V. and its subsidiaries in the EU and forms a model of reference for the other extra-EU compliance programs.	The Code was approved by the BoD of Brembo N.V. and the Executive Chairman, with individual effect, was delegated by the BoD to make any changes necessary to comply with laws and regulations	It complies with applicable laws in all countries in which it conducts business	Public on the Company's Intranet website. Training and awareness-raising sessions are periodically organized with expert lawyers to disseminate the rules and behaviors provided for by the Code.
ANTIBRIBERY CODE OF CONDUCT				
The Code aims to: ensure principles of transparency, outline permitted conduct, ensure compliance with the anticorruption regulations in force in all jurisdictions in which Brembo operates and ensure the highest levels of integrity by defining, among other things, Brembo's policy on the acceptance and offer of gifts, hospitality and entertainment.	It applies to all employees and other individuals or companies performing duties on behalf of Brembo whether directly employed by it.	The Code is approved by the Board of Directors of Brembo N.V. and by the Board of Directors of each Subsidiary. Any changes made to the Code are shared with the Audit, Risk and Sustainability Committee and with the Supervisory Committee and are then approved by the Board of Directors	It complies with applicable anticorruption laws in all countries in which it conducts business (i.e., UK Bribery Act 2010, USA Foreign Corrupt Practices Act -FCPA) and is inspired by the principles of ISO 37001	Public on the Company's Intranet website and on the Brembo website. Trainings and awareness on Anticorruption provided to Group employees
CODE OF ETHICS				
Please refer to ESRS S1 – 1 section herein				

As a basic principle of business conduct, Brembo Group is committed to complying with laws in the various countries in which it operates, its corporate culture is based on a policy aimed at preventing any corporate criminal liability of companies, in line with the principles and methods of the 231 Model but also with reference to local laws of the countries where Brembo operates and is inspired by the principles of ISO 37301:2021 and of UNI 11961:2024. This involves:

- a risk assessment based on the potential offences/risks applicable to the subsidiary's business.
- identification of sensitive areas with a view to assessing which corporate areas/sectors are at risk of commission of the offences.
- the adoption of preventive procedures/measures to avoid the commission of offences.
- dissemination and training.
- monitoring and auditing of the sensitive activities and preventive procedures/measures.

Currently, the Brembo Compliance System is based on three levels of compliance:

1. the implementation by each subsidiary of the local compliance program, by each subsidiary according to local law.

2. the Brembo Compliance Guidelines to maintain high ethical standards throughout the Group, while also preventing potential corporate liability of the Corporate for offences committed at subsidiaries.

3. the adoption of the 231 Model by the Headquarters and the appointment of an independent and autonomous body for its supervision (the Supervisory Committee - SC).

To avoid possible conflicts between the local compliance program and the guidelines issued at central level, the Principle of Prevalence applies: where local requirements are less stringent than those of the Headquarter, the latter will prevail in the definition of the local compliance program. Another important factor in the Brembo compliance system, and therefore in the definition and maintenance of the corporate culture at global level is the relationship between the Corporate Supervisory Committee (the Italian SC) and the Top Management of each Subsidiary, i.e. the figure appointed by the local Board of Directors for the implementation of the compliance program in the Subsidiary itself. The two bodies are periodically in contact through meetings and exchanges of reports or questionnaires, to monitor the risks of non-compliance.

To identify, report and verify any episodes or conduct that are unlawful or in conflict with Brembo's internal regulations, Brembo, in compliance with the Directive (EU) 2019/1937, has adopted a whistleblowing policy that establishes and regulates the internal channels for reporting misconduct and irregularities.

Brembo has implemented an official whistleblowing channel, i.e. a dedicated platform aimed at properly and timely managing reporting of violations related to:

- Regulatory provisions within the scope of Brembo Group's activity.
- 231 Model (with the involvement of the Supervisory Committee, where necessary).
  Other Brembo corporate Codes of Conduct, policies and procedures.
- Any other (suspected) unlawful conduct or irregularity which, based on concrete evidence, harms the public interest or the integrity of the public administration or the Group (including using Artificial Intelligence).

Through computer methods and encryption tools, this platform guarantees the confidentiality of the identity of the whistleblower, the persons involved, as well as the content of the report and the related documentation, and now also offers the option to report submit anonymous reports.

The whistleblowing channel is managed by Brembo's Internal Audit GCF, an autonomous office with staff specifically trained to manage the whistleblowing channel. The whistleblowing channel is also accessible in all local languages of the countries where Brembo works, as specified in the procedure relating to whistleblowing reports and as requested by the relevant EU Directive.

Any person related to Brembo Group's business, such as employees and collaborators, suppliers and customers, shareholders and persons with administrative, management, control, supervisory or representative functions has the opportunity to report, through the dedicated channels, any cases of violations and irregularities without fear of potential retaliation; the system is structured according to the legislation in force in the country in which Brembo operates.

Specifically:

- In compliance with the applicable European Directive (2019/1937), in the European subsidiaries (included the headquarters) a software is in place for handling whistleblowing reports: in 2025 it has been extended also to Öhlins (a company acquired by Brembo in 2025) in compliance with the applicable European Directive (2019/1937), at the European subsidiaries (including the Headquarters) software is in place for handling whistleblowing reports.
- In non-EU subsidiaries, different tools are in place (the Red Flag software in the U.S. and Mexico, the AloEtica software in Brazil, or dedicated email boxes at subsidiaries where a dedicated software is not implemented).

The whistleblower may choose to send the report to the parent company Brembo N.V. or to the local internal channel. The mechanism is regulated by a specific company procedure available on the intranet or on the website: each European company has defined a customized procedure based on that of Brembo N.V., integrated with any further request by local legislation.

Brembo has implemented different kinds of information and/or training for all employees:

1. Communications via email

2. News on the intranet and on the noticeboards of the plants

3. News in the company house organ

4. The procedure is available on the intranet and on the website

5. A specific module is included in the training courses dedicated to new recruits and in the refreshing safety & compliance training courses.

As specified in the Whistleblowing procedure and as requested by the EU Directive, the whistleblowing channel is managed by the Internal Audit GCF, autonomous area with personnel specifically trained for the management of the whistleblowing channel.

More generally, Brembo provides various training methods regarding business ethics, aimed at making interested parties aware of the provisions of the compliance system, the reasons for implementing the latter and the main conduct to be adopted to prevent the commission of offences.

The training methods vary, in terms of content and mode, depending on the role of the recipients, the level of risk associated with the area in which they operate, as well as on whether they are entitled to represent Brembo vis-à-vis third parties. In addition to the training delivered in a "traditional" way through classroom lessons, another method involves the distribution of multimedia materials to employees (managers, middle managers and office workers) for self-learning.

Every year the training plan is submitted for review to the Supervisory Committee, which on a quarterly basis also receives an update of the numbers of trained people.

To ensure compliance with the regulations and maintain virtuous business conduct, with the purpose of improving the group culture of prevention, the Group has identified the functions that are most at risk of episodes of active and passive corruption in the different sensitive areas:

- Executive Chairman, CEO and other Executive Directors
- GCFs:
  - Business Development GCF
  - Legal and Corporate Affairs GCF
  - People & Organization GCF
  - Purchasing GCF
  - Sustainability & Risk GCF
- Other GCFs with specific areas:
  - Administration & Finance GCF with Tax, Treasury, Import/Export areas
  - Industrial Operations GCF with Environment & Energy, Health & Safety, Real Estate Development areas and Plants
  - R&D GCF with Intellectual Property Rights area
- GBUs with specific areas:
  - Logistics
  - Sales.

G1-2 MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

In line with its commitment to continuous improvement in product quality and risk management, Brembo continuously monitors indicators relating to the quality and cost of supplies, while also assessing risks inherent in the supply chain, such as increased supplier dependence on Brembo, Brembo's dependence on specific suppliers, and suppliers' financial solidity. This approach enables the early identification of potential critical situations.

Approximately 90% of procurement[32] comes from local suppliers, i.e. suppliers located in the same geographical areas in which the Group operates, thereby enhancing the efficiency, responsiveness and sustainability of the supply chain, while supporting the economic development of local communities.

The Group also provides incentives to its Purchasing team members, aimed at encouraging the team to prioritize sustainable practices in procurement decisions. For example, a significant share of Purchasing staff and executives have performance objectives that include targets designed to enhance suppliers' sustainability performance, i.e. their environmental management practices and adherence to sustainable production processes.

These targets are linked to the performance of suppliers providing products and services to Brembo, both direct and indirect, and they are measured against suppliers' ESG scores (e.g., scores obtained through ESG questionnaires or on-site third-party audits), as well as participation in other ESG initiatives (e.g., suppliers' emissions data collection campaign for Scope 3 calculation).

With the aim of guaranteeing solidity and quality throughout its supply chain, Brembo has defined a structured process for the evaluation and approval of new key suppliers. The first phase of the process involves inviting suppliers to register on Brembo's e-procurement platform and completing a pre-assessment questionnaire. This allows Brembo to perform a preliminary screening of potential suppliers and refrain from establishing commercial relationships with those who do not comply with the minimum requirements, to identify in advance any critical issues relating to new potential suppliers and to implement corrective actions accordingly. The questionnaires are analyzed by the Purchasing, Administration & Finance, Quality and Sustainability & Risk GCFs, with the aim of assessing operational, financial and sustainability risk profiles.

To ensure a robust sustainability evaluation, suppliers are required to register on a digital platform managed by an external provider and complete an ESG assessment questionnaire based on the SAQ 5.0 model, developed within the Drive Sustainability initiative. This approach enables Brembo to align with industry sustainability guidelines and ensure compliance with emerging regulations and international due diligence standards.
As part of this assessment, suppliers are requested to provide further information and documentation to support a comprehensive evaluation across environmental, social and governance topics. This includes elements such as the existence of management systems, practices for handling chemicals, energy and resource use, emissions and waste management, as well as policies and processes relating to labor conditions, human rights, business ethics and compliance. During the qualification phase, direct suppliers are also required to share documentation demonstrating the presence of structured environmental management practices.

Suppliers are assessed based on the outcomes of this ESG evaluation. Brembo's Sustainability & Risk GCF flags those falling below minimum acceptable thresholds, after which the Purchasing GCF, together with relevant internal stakeholders, decides whether to proceed with further evaluation or take corrective actions. Since 2023, more than 700 direct and indirect suppliers have been invited to register on this platform and complete the assessment. Indirect suppliers not identified as critical and not exposed to significant ESG risks are required to complete a simplified questionnaire that also addresses ESG topics.

32 This includes the purchase costs of goods and services directly involved in the production of finished goods, i.e. the purchase of: raw materials, components, semi-finished and finished products, auxiliary materials and services – mainly transport, utilities, packaging and MRO. The provision of services not strictly associated with production, such as ICT and telephony costs, cleaning, security and canteen services, is also included. Tax and legal advice, insurance, sponsorships, business travel, recruitment and training activities, property leases and industrial assets are excluded.

During this phase, suppliers also sign Brembo's Supplier Code of Conduct for Responsible Business, which defines the core sustainability expectations to be upheld throughout the entire contractual relationship. This Code, issued in 2025, integrates and supersedes the previous sustainability procurement policy, consolidating Brembo's standards on ethical conduct, human rights, environmental protection and responsible business practices and ensuring alignment with the latest regulatory developments and internationally recognized sustainability frameworks. To support suppliers in familiarizing themselves with these principles and ensuring consistent implementation across the supply chain, in 2025 Brembo also developed a digital training experience focused on the content of the Code, ensuring its availability to all partners within the Group's global supply base.

Direct material suppliers also receive site visits from Quality Global Central Function to verify that quality and process requirements are effectively met. Once the approval process has been completed, the supplier becomes eligible for new business award. The awarding of a specific supply takes place through the benchmarking of the various offers received based on the following evaluation criteria:

A. Compliance with technical specifications
B. Technological and innovative capabilities
C. Quality and service
D. Economic competitiveness
E. Sustainability performance

In 2025, Brembo introduced an additional environmental commitment aimed at accelerating the decarbonization of its supply chain. As part of this approach, suppliers involved in new assignments are expected to align with Brembo's objective of transitioning towards the use of 100% renewable electricity by 2030 for Brembo-related production activities, while progressively increasing the share of renewable electricity for existing Brembo-related production. Suppliers are also expected to work towards extending this requirement to their sub-tier suppliers. This criterion represents a concrete measure that reinforces Brembo's commitment to reducing Scope 3 emissions and promotes the widespread adoption of renewable electricity across its global supply network. Once collaboration begins, Brembo monitors suppliers through KPIs, including environmental indicators such as CO_2 emissions, use of hazardous chemicals, and exposure to climate-related physical risks. In addition to this ongoing monitoring, key suppliers are subject to on-site ESG audits conducted by independent third parties with the specific aim of assessing compliance with the sustainability standards imposed by the Group. Regarding this initiative, in 2025 Brembo completed the review of its Supplier Sustainability Assessment procedure, established in 2018, to strengthen the Group's approach to managing supplier non-conformities on a global scale and improve oversight throughout the supply chain.

The procedure defines, among other elements, the criteria for the selection of suppliers involved in audits, the processes for managing third-party audits, the related follow-ups and any corrective actions. It also establishes minimum expectations for suppliers, including specific scoring requirements and threshold levels, to ensure alignment with Brembo's ESG standards. The parameters for selecting suppliers involved in ESG audits are the country of origin of the supplies, the turnover with the Brembo Group, the type of production process, as well as other ESG indicators (i.e., outcomes from previous ESG assessments). The objective of these audits is to identify critical issues impacting areas such as working conditions, pay and working hours, health, safety, management systems and the environment.

When non-conformities are identified, suppliers are required to prepare a Corrective Action Plan (CAP) that sets out measures to address all identified issues, the implementation of which is monitored and verified by the same independent third-party assessor. To date, Brembo has involved 180 suppliers in sustainability-related audits certified by a third party, of which 33 in 2025 (32 direct suppliers and 1 indirect supplier). Of these, 7 direct suppliers were identified as having significant negative environmental and social impacts, both potential and actual. Brembo has agreed on environmental and social improvement actions with each of these suppliers and follow-up audits were planned to remedy the non-conformities detected, in line with the Group's objective of accompanying its suppliers towards an increasingly sustainable approach to business. In 2025, the procedure was also broadened to include additional assessment criteria and methodologies, expanding the scope of supplier evaluation and ensuring even stronger alignment with Brembo's ESG standards.

In addition to the activities described, Brembo has progressively strengthened its approach to managing potential risks related to controversial sources, trade-related constraints and the presence of critical or conflict related materials within its supply chain. As part of its due diligence practices the Group has been expanding the information collected from suppliers to improve understanding of the origin of certain raw materials and components, especially where geopolitical or responsible sourcing risks may be present. This level of scrutiny supports greater supply chain transparency, enables the Group to adopt preventive measures and ensures alignment with international expectations on responsible sourcing.

Finally, it should be noted that, although currently Brembo does not have a specific and formalized policy governing any late payments, a procedure is in force for European markets that defines payment terms in accordance with the relevant EU directive, while in other countries Brembo complies with local payment practices.

G1-3 PREVENTION AND DETECTION OF CORRUPTION OR BRIBERY

As mentioned in paragraph (G1-1) policies related to business conduct and corporate culture, Brembo has adopted an Antibribery Code of Conduct to prevent, detect and address allegations of active and passive corruption, in line with the principles set out in the Code of Ethics and in accordance international best practices. Both documents form an integral part of the 231 Model.

The purpose of the Antibribery Code of Conduct is to ensure transparency, provide clarity on acceptable behavior and ensure compliance with applicable anti-corruption legislation wherever Brembo operates. Its objective is to uphold the highest standards of integrity. The Code also outlines Brembo's policy on giving and receiving gifts, hospitality and entertainment, as well as individual responsibilities.

According to the Antibribery Code of Conduct, no director, officer, employee, consultant, agent, representative, supplier or business partner shall, directly or indirectly, give, offer, request, promise, authorize, solicit or accept bribes or any other undue advantage (including gifts or gratuities, except for items of modest value commonly accepted in an international context, permitted by applicable laws and in compliance with the Code and related procedures), in connection with their work for Brembo at any time or for any reason.

In addition to the assignment of specific responsibilities detailed by the Antibribery Code, a further preventive measure is the separation of Internal Audit GCF from management. Its function is to investigate allegations or incidents of corruption and bribery, including those potentially involving management. Consequently, the Chief Internal Audit Officer is not responsible for any operational area, has direct access to all the information necessary for the performance of his or her duties and reports on activities at each meeting of the Audit, Risk and Sustainability Committee (ARSC) and the Supervisory Committee. The Internal Audit GCF also informs the Board of Directors and the Chair of the ARSC without delay if, during its activities, it discovers or suspects material misconduct or irregularities.

In addition, Brembo relies on entity-level controls that contribute to mitigating corruption and bribery risks, such as delegation of authority and power of attorney, segregation of duties, the 231 Model and the related compliance training on 231, remuneration and accounting policies, internal audits on group legal entities, investigations following Whistleblowing reports, and Whistleblowing communication campaign. Process-level controls are also in place in procurement, production, real estate development, finance, people & organization, R&D, marketing, sales, logistics, as well as in all processes potentially exposed to corruption and bribery risks.

As noted above, the Antibribery Code of Conduct, together with other relevant Group policies, is available to all employees and stakeholders, as it is published in full on the Company's Intranet and on the Brembo website. In addition, new hires receive an information package (including the National Collective Agreement, Code of Ethics, welcome kit, and related documentation), to ensure awareness of the Company principles and are required to sign a dedicated register confirming receipt. For further details on anti-corruption and anti-bribery training activities, please refer to section G1-1.

ANTI-CORRUPTION AND ANTI-BRIBERY TRAINING

Brembo provides anti-corruption and anti-bribery training to employees in areas exposed to risk, with content tailored to roles and responsibilities. Training covers the Code of Ethics, the Anti-Bribery Code of Conduct and the 231 Model and is delivered through e-learning and classroom sessions. In 2025, a dedicated anti-corruption module was included in the updated Code of Ethics e-learning course.

Directors receive training on the compliance system, including the Code of Ethics and the 231 Model, upon appointment and whenever relevant updates are introduced.

Table 43

Training coverage - At-risk functions	u.m.	2025
Percentage of employees covered by training programs (21b)	%	100%

G1-4 INCIDENTS OF CORRUPTION OR BRIBERY

Brembo currently has no legal proceedings outstanding for corruption or bribery. Accordingly, in 2025 the number of convictions and fines for violation of anti-corruption and anti-bribery laws for Brembo was zero. Consequently, no convictions or fines were recorded during the year, and no remediation actions were required.

G1-6 PAYMENT PRACTICES

Brembo group's contractual terms of payment are in line with main regulations (e.g. for EU, Directive 2011/7/EU). At Worldwide level, Brembo's average standard contractual payment terms are around 60 days.

In 2025, the average time taken to pay an invoice, calculated from the date when the contractual payment begins, was approximately 69 days. This average reflects the Group's average performance across all supplier categories and regions and considers approximately 80% of Group turnover, including invoices paid during 2025, as the calculation methodology is still being fine-tuned. To calculate the days of outstanding payables, the invoice amounts are weighed by the related payment days (contractual and actual) to obtain the overall weighted average.

In 2025, one material legal proceeding claim for late payments to suppliers was recorded. The incident involved a Mexican supplier; however, immediate remediation actions were taken, and an agreement was reached with the supplier.