



## **Code of Business Conduct and Ethics**

## **BSCCB - CODE OF BUSINESS CONDUCT AND ETHICS**

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## I. Purpose and Scope

### 1. Why a Code?

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

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

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

### 2. Basic Principles

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

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

### 3. Personal Responsibility and Accountability

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

#### 4. Information

If you have any doubt about the requirements and principles stated in this Code, you should contact your Direct Supervisor.

If you don't understand a policy or procedure, you are responsible for asking your Direct Supervisor until you achieved clarity.

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

## II. Specific Areas

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

### 1. Corporate Security

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

For this purpose, the relevant key areas are:

- Working Environment and Employment practices
- Environment, Health and Safety (EHS)
- Company Assets, Property and Business Secrets
- Records and Internal Control Requirements

#### 1.1. Working Environment and Employment Practices

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

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

Therefore BSCCB:

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

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

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

## 1.2. Environment, Health and Safety (EHS)

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

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

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

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

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

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

### 1.3. Company Assets, Property and Business Secrets

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

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

Moreover, **proprietary rights over any knowledge** developed in BSCCB workplace belong to BSCCB, which upholds its right to use such knowledge in accordance with applicable laws.

All employees shall actively contribute, within their functions and responsibilities, to managing and safeguarding intellectual property in order to allow its developments, protection and enhancement. In doing so, they are also required to refrain from using or allowing others to use BSCCB intellectual property for personal purposes, with a view to preventing behavior that could prove prejudicial to BSCCB's industrial property or trade secrets and protecting the company's rights against infringement.

Finally, BSCCB ensures the protection of **information and personal** data concerning its employees and third parties or the ones of any stakeholder and avoids improper uses of them by limiting data access to employees who need it for business or organization purposes according to applicable laws and best practice privacy protection requirements.

BSCCB defines adequate regulations for processing of information and personal data at its locations and for storing and keeping them according to established (IT-)security measures to avoid risks of unlawful use, destruction and losses or unauthorized access or processing.

### 1.4. Records and internal control requirements

BSCCB will ensure and maintain accurate and complete business records, in accordance with the applicable laws, practices and principles.

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

## 2. Antitrust and Competition laws

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

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

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

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

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

### 3. Anti-Bribery Practices

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

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

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

Violations of Anti-Corruption laws can lead to costly investigations, reputational damage and criminal penalties against both the company and the individuals involved. Persons found guilty of corruption face possible imprisonment as well as fines.

Third parties must not be used to circumvent any of the principles set forth in BSCCB's Anti-Bribery Code of Conduct.

Furthermore, BSCCB does not allow any Facilitation Payments.



#### 4. Corporate Social Responsibility

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

BSCCB is committed to the principles of sustainable development.

#### 5. External Relations

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

BSCCB's **suppliers** are considered valuable business partners and key contributors to the achievement of BSCCB goals, so that the overall business relationships must be driven based on the principles and values set forth in the paragraphs above.

Suppliers are required to observe and follow the values and principles expressed in this Code and in all BSCCB documentation dedicated to the Suppliers.

The BSCCB approach and behaviors during the stages of selection, qualification and the entire duration of the supply of goods and services are based on excellent quality and service levels, innovative product and process as well as cost competitiveness. BSCCB commits to ensure equal opportunity to any potential source of supply, in line with principles of transparency and with aim of develop cooperative and collaborative relationships with an iterative and interactive communication process for a mutual partnership.

The selection of suppliers must be based on the evaluation of the product and services, quality and competitiveness, technical and professional as well as performance adherence to specification but also on the environmental and social responsibility as stated into the BSCCB "General Supply Agreement of Purchase Direct Materials and Services".

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

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

## 6. Conflict of Interests

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

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

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

### III. Whistleblowing

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

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

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

- For Italy:

The Global Central Function Internal Audit of Brembo s.p.A, as autonomous department with personnel specifically trained for the management of the whistleblowing channel, in the person of the *Chief Internal Audit Officer* is entrusted for the management of the internal reporting channel having the task of receiving any whistleblowing reports from everyone related to BSCCB S.p.A.. Reports can be submitted both orally and written, through:

- the web platform [Legality Whistleblowing](#)
- the Legality Whistleblowing App Mobile.

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

Alternatively, it is possible to send the written report by ordinary mail addressed to the attention of the *Chief Internal Audit Officer*, as Manager of the internal reporting channel, at his office located in Brembo S.p.A. Viale Europa n.2, Stezzano (Italy)

- For Germany

The German *Ombudsperson* is entrusted for the management of the internal reporting channel having the task of receiving any whistleblowing reports from everyone related to BSCCB GmbH. Reports related to breaches have to be addressed to the Ombudsperson’s channel through:

- verbal reports

- ordinary mail (to notify to the attention of Rechtsanwalt Mr. Prof. Dr. Sandmann, Steingasse 13, 86150 Augsburg (Deutschland))
- e-mail (info@hsk-arbeitsrecht.de)

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

**“Open Environment to raise any integrity issues”**

**“Ask us”**

**“Tell us”**

#### **IV. Information and Contacts**

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

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