

English Translation for convenience – Only the Italian version is authentic

**ILLUSTRATIVE REPORT OF THE BOARD OF DIRECTORS CONCERNING THE FOURTH ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING OF BREMBO S.P.A., CALLED ON 23 APRIL 2024 (SINGLE CALLING).**

*(prepared in accordance with art. 125-ter of the Legislative Decree Nr. 58 of February 24, 1998, as subsequently amended and integrated, and with Art 84-ter of Consob Regulation adopted through Resolution No. 11971 of 14<sup>th</sup> May 1999 as subsequently amended and integrated)*

**4. Presentation of the Consolidated Disclosure of Non-Financial Information of the Brembo Group for the year ended 31 December 2023, pursuant to Legislative Decree No. 254 of 30 December 2016.**

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Shareholders,

the following Illustrative Report – prepared up pursuant to art. 125-ter, paragraph 1, of Legislative Decree 24 February 1998 n. 58, as subsequently amended and integrated (the "**TUF**"), and art. 84-ter of Consob Regulation adopted through Resolution No. 11971 of 14 May 1999 as subsequently amended – has been approved by the Board of Directors of Brembo S.p.A. ("**Brembo**" or the "**Company**") at the meeting on 5 March 2024 and is made available to the public, in accordance with the law and regulations, at the registered office, on the Company's website, at [www.brembo.com](http://www.brembo.com), section "Investors" - "For Shareholders" - "Shareholders' Meeting", as well as on the authorized storage mechanism "1info-storage" ([www.1info.it](http://www.1info.it)).

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With reference to the 4 item of the agenda of the Ordinary Shareholders' Meeting, the Board of Directors intends to submit for your examination, in accordance with the law, the Consolidated Disclosure of Non-Financial Information of the Brembo Group (hereinafter the "**Group**"), drawn up in accordance with the Legislative Decree D. L.gs. 30 December 2016, n. 254, (hereinafter "**NFS**"), which constitutes a separate report from the Financial Statements of the Brembo Group.

It is reminded that the Legislative Decree No. 254 of 30 December 2016 (the "**Legislative Decree 254/2016**"), Brembo is obliged to prepare and publish, for each financial year, a statement at the individual or consolidated level containing a series of information on environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The information contained in the Brembo Group's NFS has been defined in compliance with Legislative Decree 254/2016 in a series of non-financial information areas of a social / environmental nature considered relevant, taking into account the Brembo Group's activities and characteristics. For each of the aforementioned areas, the relative business model of management and organization of the activities, the policies applied, and the results achieved, as well as the fundamental non-financial performance indicators are described. The main risks, generated and / or suffered, connected, are also identified.

The information was provided according to the methodologies and principles in compliance with the standard guidelines published by the Global Reporting Initiative ("**GRI**").

To define the structure and the contents of the Statement on Non-Financial Information pursuant to Legislative Decree 254/2016 ("NFS"), the Brembo Group conducted a materiality analysis aimed at identifying areas of non-financial reporting of a social and environmental nature deemed relevant in relation to its business profile, strategies, stakeholders' expectations, business environment, that may be considered relevant in reflecting the economic, environmental and social impacts of the organization or that influence the decisions of the Group's stakeholders.

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For the 2022-2024 period, the materiality analysis process was thus carried out assessing the potential material topics based on the macro-trends in the industry, the trends emerged through benchmarks and the topics identified during interviews with management.

In addition, Brembo has performed the dual materiality exercise in anticipation of the guidance in the Corporate Sustainability Reporting Directive for 2023: EFRAG's European Sustainability Reporting Standards (ESRS), the reporting standard to be used by companies subject to the Corporate Sustainability Reporting Directive (CSRD) from the 2024 financial year (publication in 2025), provides a process for identifying material issues according to a materiality approach that takes a dual view: impact materiality and financial materiality. While the former is aligned with the requirements of the GRI, the latter considers risks and opportunities that may affect the creation of value. The material issues and impacts identified under impact materiality provide input for the identification of financial risks and opportunities.

The materiality analysis process was thus updated by assessing the positive and negative, current and potential impacts of the material issues. These aspects were first assessed by Brembo's management and then involved the members of the Board of Directors, the Risk and Sustainability Control Committee and the Board of Statutory Auditors. The result of this analysis was then presented and integrated with the comments collected through the involvement of some priority stakeholders, such as customers, suppliers, investors and insurance companies (impact materiality). For financial materiality, the CSR Committee discussed relevant risks and opportunities, i.e. those that could have a significant impact on the company's performance.

The Materiality Matrix, the basis of the non-financial reporting, was previously assessed by the CSR Committee, audited by the Audit, Risk & Sustainability Committee on 18 December 2024 and then approved by the Board of Directors on 19 December 2024. The Matrix emphasises the topics that Brembo has identified for disclosure in 2023 in its NFS for the said reporting year.

The NFS for 2023 was examined and approved by the Board of Directors at its meeting of 5 March 2024, after being examined by the Audit, Risk & Sustainability Committee during its meeting of 1 March 2024, and it was then submitted to the control bodies (Board of Statutory Auditors and Independent Auditors) for the activities within their remit. The NFS was also subject to *limited assurance* by the same auditing firm commissioned to audit the financial statements (Deloitte & Touche S.p.A.), who verified that it conforms to Legislative Decree 254/2016 and complies with the principles and methodologies of the reporting standard used. The related report, which is separate from the independent auditors' report, is appended to and published together with the NFS. The NFS is available on the Company's website [www.brembo.com](http://www.brembo.com), section "Sustainability", "Reports").

It bears also recalling that the NFS is available for the Shareholders and for public consultation in accordance with the terms set forth by current regulations applied for the Financial Statement Report, at the Company's registered offices in Curno (Bergamo), Via Brembo 25, as well as on the corporate website [www.brembo.com](http://www.brembo.com), section "Sustainability", "Reports", and through the mechanism for the storage of regulated information "*1info-storage*" ([www.1info.it](http://www.1info.it)). Should any participant wish to receive a paper format of the above-mentioned documentation, a request can be sent to [ir@brembo.it](mailto:ir@brembo.it) no later than 31<sup>st</sup> March 2024 so that the Company could arrange and satisfy the request.

In light of the foregoing, the Shareholders' Meeting of Brembo S.p.A. is invited to examine the Consolidated Financial Statements of the Brembo Group at 31 December 2023.

Stezzano, 5 March 2024

On behalf of the Board of Directors  
The Executive Chairman  
signed by Matteo Tiraboschi