

**Brembo**

# Anti-bribery code of conduct

II<sup>^</sup> edition (November 2017)





## **BREMBO**

### **ANTI-BRIBERY CODE OF CONDUCT**

Effective date: November 2017

#### **1. Code Statements**

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

Brembo does not tolerate any form of corruption and is committed to complying with applicable anti-corruption laws in all countries in which it conducts business.

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

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

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

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

This Code sets out guidelines to ensure that the above code statements can be adhered to. The aim of the Code is to ensure that the highest standards of

integrity are maintained and that it can never be suggested that there was an improper motive behind the offer or acceptance of the gift or hospitality, of unduly influencing the recipient, or on the part of the recipient in accepting it.

This Code should be read in conjunction with Brembo's Code of Ethics.

## 2. **Definitions used in this Code**

**Brembo:** Brembo S.p.A. and all its Subsidiaries worldwide.

**Bribe/Bribery:** Either:

The offering, promising or giving anything of value to improperly influence another in order to obtain business for Brembo; or

The requesting or accepting anything of value as a reward for or as an inducement to act improperly in relation to the awarding of business by Brembo.

Bribes can include money, gifts, hospitality, expenses, reciprocal favours, political or charitable contributions, or any direct or indirect benefit or consideration.

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

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

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

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

**Gadget Catalogue:** the list of the gifts Brembo branded for internal and external use (customers, visitors, suppliers, fairs, events, etc.) which is available on Brembo Intranet (Red portal, Service & App, Tools, Gadgets and stationery, Gadgets Catalogue); the Catalogue is managed and updated by the Communication Department. Brembo's Subsidiaries shall<sup>1</sup> implement a similar

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<sup>1</sup> In case a Brembo's Subsidiary intends not to establish its own gifts catalogue it shall immediately inform the Communication Department and give for its decision.

catalogue, whose gifts shall be realized according to Brembo's Corporate Identity Guidelines and previously approved by Communication Department.

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

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

### 3. **Application of this Code**

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

This Code extends to all Brembo's operations worldwide and Employees and Third Parties wherever located, regardless of geographical location. Employees and Third Parties are required to familiarise themselves with the applicable laws in each jurisdiction in which they conduct business on behalf of Brembo.

### 4. **Bribery and Corruption**

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

These principles apply equally in any jurisdiction in which Brembo operates or carries on business.

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

## 5. **Facilitation Payments**

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

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

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

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

## 6. **Gifts, Hospitality, Entertainment and Travel Expenses**

This section of the Code sets out Brembo's policy on the giving and receiving of gifts, hospitality and entertainment. The following guidelines are intended to reduce the risk that a gift or hospitality could be construed as a bribe to the lowest practicable level.

All business gifts, hospitality, business entertainment and travel expenses must comply with the guidelines stated in the following paragraphs:

### 6.1 **Government Official**

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

### 6.2 **Gifts to Private Parties**

For the purposes of this Code, a gift can be anything with a cash or face value, such as a bottle of wine or a ticket for a sport and/or social and cultural event where the giver/host is not present.

You are permitted to give or accept gifts of negligible value. For the purposes of this Code **a gift will be treated as having negligible value if it has a face**

**value (including taxes) of not more than €50<sup>2</sup> or equivalent amount in foreign currency per person** and it is customary to give or receive such a gift in the ordinary course of business. Examples of acceptable gifts might be calendars, diaries, or a bottle of wine or spirits at Christmas. You may not attempt to split a gift in order to reduce its face value (e.g. a case of wine) in order to bring it within this exception.

Brembo recommends to give priority to gifts included in Brembo Catalogue, which are aimed to promote Brembo's trademark. In relation to **gifts included in Brembo Catalogue, the face value (indicated in the Brembo Catalogue – tax included) has been increased to €100 or equivalent amount in foreign currency per person.**

For Brembo S.p.A. Brembo Catalogue is available on Brembo Intranet (Red portal, Service & App, Tools, Gadgets and stationery, Gadgets Catalogue) and is updated and managed by the Communication Department.

All Subsidiaries are requested to implement their own Gadget Catalogue<sup>3</sup>, whose gifts shall be realized according to the rules of Brembo's Corporate Identity Guidelines and previously approved by the Communication Department.

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

Such consent is requested also in case you want to give a gift over the above mentioned limit amount per person, as said above, both for gifts in general and for the ones provided in the Gadget Catalogue.

The consent will only be given where the Direct Manager considers that the gift could not be mistaken for an inducement, within the limits per person imposed above. In such circumstances the gift must be acknowledged on behalf of Brembo and noted on the Register of Gifts and Hospitality.

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<sup>2</sup> Or any other value provided local laws of the countries where Brembo operates through its Subsidiaries.

<sup>3</sup>In case a Brembo's Subsidiary intends not to establish its own gifts catalogue it shall immediately inform the Communication Department and give for its decision.

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

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

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

### 6.3 Hospitality and Entertainment

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

You are permitted to give or accept corporate hospitality of negligible value. For the purposes of this Code **entertainment or hospitality will be treated as having negligible value if it has a real or apparently face value (including taxes) of not more than €75 or equivalent amount in foreign currency per person** and it is customary to give or receive such hospitality in the ordinary course of business. Examples of acceptable hospitality and entertainment might be dining out or tickets to a sporting event, theatre or music concert of not more than €75<sup>4</sup> or equivalent amount in foreign currency per person. **It is specified that the face value (taxes included) of €75 or equivalent amount in foreign currency per person** refers to hospitality in its entirety (contest) therefore it is not permitted to divide an event/hospitality in several parts (for instance, dividing dinner from aperitif and/or from the invite to a sport event if those events take place in the same contest and in favour of the same individual) with the aim to reduce its economic value and make it enter within the limit value.

You may give or accept entertainment that exceeds the value of €75 per person (or its equivalent in local currency) only if it is in Brembo's interests to do so, you have obtained the prior written approval of your Direct Manager (by filing the Gifts and Hospitality Received Form or the Gifts and Hospitality Dispensed Form attached to this Code in Annexes 2 and 3) and the entertainment is then recorded in the Gifts and Hospitality Register. Such consent will only be given where the Direct Manager considers that the entertainment or hospitality could not be mistaken for an inducement.

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<sup>4</sup> Or any other value provided by local laws of the countries where Brembo operates through its Subsidiaries.

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

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

#### 6.4 **Register of Gifts and Hospitality**

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

- **Brembo S.p.A. Register of Received Gifts and Hospitality**, kept and duly updated by the Administration and Finance Director (andrea\_pazzi@brembo.it, phone 035 6055531).
- **Brembo S.p.A. Register of Dispensed Gifts and Hospitality**, kept and duly updated by the Communication Director (simone\_piattelli@brembo.it phone 035 6052277).
- **Subsidiary Register of Received and Dispensed Gifts and Hospitality**, kept and duly updated by the CFO/Finance Manager/Local-Division or BU Controller.

The abovementioned functions are required to review the Registers on quarterly basis and to report to the Supervisory Committee of Brembo S.p.A. about the contents of the Registers at least twice a year (or more frequently upon request).

The Supervisory Committee of Brembo S.p.A. (in the person of its President) reports to the Board of Directors of Brembo S.p.A. on anti bribery and corruption issues that may arise from the execution of the Code twice a year, within the periodical Supervisory's Committee Report to the Board of Directors or when it occurs.

#### 6.5 **Business Travel**

All business travel for Employees and Third Parties must comply with Brembo's Corporate Guidelines for Foreign Companies Referring to Business Travels which can be found at BREMBO DOCS > Direzione Risorse Umane e Organizzazione / Human Resources and Organization Dept. > ENG > PROCEDURES and the Brembo Travel Policy which can be found at BREMBO DOCS > Direzione Risorse Umane e Organizzazione / Human Resources and Organization Dept. > ITA > PROCEDURE.



## 6.6 **Further Guidance on Gifts and Hospitality**

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

## 7. **Contributions to Political Parties**

Any and all forms of payments to political parties<sup>5</sup> or representatives of the same are not admitted.

## 8. **Charitable Donations**

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

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

All donations, to be dispensed both by Brembo S.p.A. or by any Subsidiary, must comply with Brembo's Corporate Social Responsibility approach and must be performed according to the guidelines and the criteria defined by the Socio-Cultural Sponsorship and Donation Committee and the relevant authorization flow.

## 9. **Third Parties and Due Diligence**

Brembo may be liable for "indirect" payments made or offered to any entity or person on its behalf by a Third Party. When working with a Third Party it is essential that appropriate due diligence is carried out on the Third Party's

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<sup>5</sup> A Political Party is a group of people who come together to share a common political purpose or a common sight on fundamental issues about the administration of a State or a community or about specific and particular matters. The activity of the Political Party is committed to operating for the National Interest and , it develops in political activism by being involved in its own administration, and, in the current representative democracies, the main area of interest is the voting system.

background and reputation and to understand any bribery and corruption risks that may exist.

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

- assessing the fraud, Bribery and Corruption risk associated with the country in which the business is to be conducted;
- reviewing the Third Party's potential business partners; and
- reviewing the proposed project or business transaction in order to identify as far as possible the risk of Corruption or Bribery.

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

- A Government Official recommends that Brembo hires a specific Third Party;
- A Third Party requests that Brembo hires someone avoiding the internal recruiting policies;
- The proposed compensation of a Third Party retained by Brembo is unreasonably high compared to the market rate without a reasonable explanation;
- A Third Party retained by Brembo requests that payments shall be made to a country or geographic location different from where the Third Party resides or conducts business or to an off-shore; to an unknown Third Party; be split among multiple accounts; be made to an account in a country other than where the Third Party is located or business is to be performed; or any other unusual financial arrangements;
- A Third Party which Brembo seeks to retain lacks qualifications or staff to perform the expected services;
- A Third Party relies heavily on political or government contacts instead of technical skills or time invested;
- Upon checking references, you find that the Third Party has a bad reputation or is not well known in the industry;

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

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

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

10. **Books, Records, and Internal Control Requirements**

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

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

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

11. **Obligations to Report Breaches of Anti-Bribery Laws**

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

Employees and Third Parties are required to report any circumstances which are in breach of this Anti-Corruption Code to the Supervisory Committee according to the Report Procedure PG.W. IA. -1 rev 01, which can be found at <http://www.brembo.com/en/investors/Corporate-Governance/Documents/REPORTS%20PROCEDURE.pdf>

All reported incidences of actual or suspected corruption will be promptly and thoroughly investigated and dealt with appropriately. All reports will be dealt

with in confidence and in a manner which protects the legitimate personal interests of the person making the report.

## 12. **Consequences for Breaches of Anti-Bribery Laws**

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

**Consequences for Brembo:** Consequences may include the company facing unlimited fines, damage to the corporate brand and reputation of Brembo, loss of the ability to trade in certain jurisdictions, debarment from bidding for government contracts, loss of business, legal action by competitors, litigation and substantial investigation expenses.

In addition, under certain Anti-Bribery laws, the directors and senior officers of Brembo can be held personally liable for the breaches committed by Employees and Third Parties and face significant fines and/or imprisonment.

## 13. **Enforcement and Discipline**

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

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

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

## 14. **Information and Diffusion of Anti-Bribery Knowledge**

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

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

15. **Responsibilities**

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

Administration and Finance Director of Brembo S.p.A.	<p>Keeping and updating Brembo S.p.A. Register of Received Gifts and Hospitality.</p> <p>Reporting to the Supervisory Committee of Brembo S.p.A.</p>
Communication Director of Brembo S.p.A.	<p>Keeping and updating Brembo S.p.A. Register of Dispensed Gifts and Hospitality.</p> <p>Reporting to the Supervisory Committee of Brembo S.p.A.</p>
CFO or Finance Manager	<p>Keeping and updating Subsidiary Register of Received and Dispensed Gifts and Hospitality.</p> <p>Reporting to the Supervisory Committee of Brembo S.p.A.</p>
Direct Manager	<p>Considering questions received from Employees concerning the following:</p> <ul style="list-style-type: none"> <li>- Facilitation Payments;</li> <li>- Due Diligence of Third Parties</li> <li>- Gifts, Hospitality and Entertainment received or to be given which exceed the financial limits set out in clauses 6.2 and 6.3 of this Code; and</li> <li>- Where appropriate, providing consent to the giving or receiving of exceptional gifts and/or hospitality and filing the relevant forms and sending it to the register's keeper.</li> </ul>
Legal and Corporate Affairs Department	<p>Assisting and Supporting Direct Manager/Employees on the working mechanism of the Code.</p>
Supervisory Committee of Brembo S.p.A.	<p>Considering and analysing breaches of this Anti-Corruption Code.</p> <p>Receiving and analysing reports on the content of the</p>

	Registers.  Reporting to the Board of Directors of Brembo S.p.A. at least twice a year.
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It shall be the responsibility of the Legal and Corporate Affairs Department of Brembo S.p.A. to review this Code as necessary and at least every two years in order to ensure it continues to comply with relevant anti-corruption laws.

16. **Questions and Information**

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

- Direct Manager
- Legal and Corporate Affairs Department

17. **Revision History**

Version	Date Revised	Description of Change
1.0	-	-
2.0	<b>November 2017</b>	Introduced Brembo's Gifts Catalogue and increase of the threshold for for gifts included in the Catalogue.

## ANNEX 1

### Gifts and Entertainment

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

#### *Gifts*

- You are permitted to give or accept gifts of negligible value that is, gifts worth under €50 or equivalent amount in local currency if it is customary to give or receive such a gift in the ordinary course of business.
- Examples of acceptable gifts might be a ball point pen, calendar or diary.
- You may accept other gifts if they are received on behalf of Brembo, where they exceed the value of €50 or its equivalent in local currency and you have the prior written approval of your Direct Manager and the gift is then recorded in the relevant Gifts and Hospitality Register. At the discretion of a manager, these gifts may be disposed of, distributed or donated to charity.
- You are permitted to give as gift Brembo "50 years book", included in Brembo Catalogue, whose price value is equal to € 89: this because it is a Brembo branded gift included in the official Gadget Catalogue, for which the threshold is € 100 (face value taxes included) without the need of a prior written consent.
- A good test to apply to giving or receiving gifts is: would you be comfortable telling your line manager about the gift?



- You may not give gifts that have more than a negligible value, unless you have prior written approval from your Direct Manager.
- Examples of gifts that must not be accepted without such approval are a lavish hamper, case of champagne, tablet computer or anything delivered to your home address.
- You may not attempt to split a gift in order to reduce its face value (e.g. a case of wine) in order to bring it within this exception.
- You must not repeatedly give or accept gifts to or from the same Third Party.
- You may never give or accept a gift of cash, regardless of the value. High value cash equivalents such as gift vouchers or travel vouchers must not be offered or accepted.
- Holidays will always be considered to have more than a negligible value and must not be offered or accepted.
- Gifts offered to your relatives or friends by a Third Party must always be refused, regardless of their value.
- You should never offer a gift to the friends or relatives of any Third Party during the course of your employment or carrying out your duties for Brembo. Such gifts can obviously be perceived as an inducement to win or secure new business.

#### *Entertainment*

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

- You must not accept tickets to sporting or cultural events where the host is not present.
- If you are offered entertainment or hospitality that falls outside these guidelines you must, politely but firmly refuse it. If you consider that the refusal of the entertainment or hospitality would cause offence you must obtain prior written approval from your Direct Manager.
- Hospitality or entertainment offered to relatives or friends by a Third Party must always be refused, regardless of their value.
- You should never offer hospitality to the friends or relatives of any Third Party during the course of your employment or carrying out your duties for Brembo. Such hospitality can obviously be perceived as an inducement to win or secure new business.

### **Government Officials**

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

**ANNEX 2**

**BREMBO**

**GIFTS AND HOSPITALITY DISPENSED FORM**

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



Signed	
Date	

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Authorised by	
Signed	
Date	

Rejected by	
Signed	
Date	

**ANNEX 3**

**BREMBO**

**GIFTS AND HOSPITALITY RECEIVED FORM**

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



Signed	
Date	

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Date	

Rejected by	
Signed	
Date	