



## **Whistleblowing Reports Procedure**

## 1. PURPOSE AND SCOPE

This procedure is aimed to establish and regulate internal reporting channels of Brembo SGL Carbon Ceramic Brakes Group in Stezzano and in Meitingen (hereinafter jointly “BSCCB”) pursuant to EU Directive 2019/1937 *and Legislative Decree 24/2023*<sup>1</sup> and *Whistleblower Protection Act*<sup>2</sup>, in order to guarantee the confidentiality of the identity of the whistleblower, the person concerned and the person mentioned, as well as the content of the report and the related documentation. The presence of these reporting channels, in addition to complying with specific regulations, contributes to strengthening the principles of legality, transparency and responsibility, as well as the BSCCB Group Internal Control and Risk Management System.

This document aims, among other things, to regulate the whistleblowing procedure management process (feedback, verification and analysis), ensuring that the same happens in the ways and within the times provided for by the legislation in force from time to time.

Brembo SGL Carbon Ceramic Brakes adopts this procedure with reference to all reports received by BSCCB through the reporting channel specifically established according to both the Italian and the German statutory prerogatives, with the purpose to ensure the respect of BSCCB values and principles. It, however, being understood, as described in this procedure, that:

- i. the Global Central Function Internal Audit (see par. 7.1 in Annex 1) of Brembo S.p.A., 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. – **describe in Annex 1**;
- ii. 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 – **describe in Annex 2**.

Without prejudice to the above, it is specified that the possibility of sending reports through the local internal channel of BSCCB, or, alternatively, through the reporting channel of one of the Parent Company (e.g. Brembo S.p.A. or SGL Carbon SE) remains at the discretion of the whistleblower. In addition, consistent with the provisions of the next par. 10 in Annex 1, the possibility for the Italian whistleblower to use external reporting channels established by ANAC is recognized.

In order to ensure the widest possible dissemination, this procedure is published in the BSCCB’s Intranet aziendale (ViFlow) and red portal aziendale of BSCCB, and the communication has been spread by posting the news in the company dashboards.

## 2. ABBREVIATIONS AND DEFINITIONS

**ANAC:** National Anti-Corruption Authority (in Italy)

**Parent Company:** Brembo S.p.A. and/or SGL Carbon Se

**BSCCB:** Group Brembo SGL Carbon Ceramic Brakes

**CIAO:** Chief Internal Audit Officer of the parent company Brembo S.p.A.

<sup>1</sup> Legislative Decree 10 March 2023, no.24 – Italian Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons reporting breaches of Union law and laying down provisions concerning the protection of persons reporting breaches of national legal provisions

<sup>2</sup> Whistleblower Protection Act is German implementation of the Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons reporting breaches of Union law and laying down provisions concerning the protection of persons reporting breaches of national legal provisions

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**Facilitator:** a natural person who assists a whistleblower in the reporting process in a work-related context, and whose assistance should be confidential

**GCF:** Global Central Function

**IA:** Internal Audit

**Information on breaches:** information, including reasonable suspicions, about committed violations or, based on factual elements, could occur in the *BSCCB* Group, as well as elements related to acts to omit such violations

**MOGC:** BSCCB S.p.A. Organizational Management and Control Model contemplated in Italy under Legislative Decree 231 of 8 June 2001 that introduced a regime of corporate administrative liability for certain types of offences, this document was adopted by resolution of the Board of Directors of Brembo SGL Carbon Ceramics Brakes S.p.A. and amended in light of subsequent legislative reforms

**OdV:** BSCCB S.p.A. external Supervisory Body of BSCCB S.p.A. (“Organismo di Vigilanza”) and it is an institutional body appointed by Brembo SGL Carbon Ceramics Brakes S.p.A. Board of Directors, having the task of supervising the functioning and observance of the Organizational, Management and Control Model. Members meet the requirements of autonomy, independence, personal integrity, professionalism and competence as well as ongoing oversight capabilities within the meaning of Legislative Decree 231/01

**Ombudsperson:** BSCCB GmbH institutional representative of the information channel in Brembo SGL Carbon Ceramics Brakes GmbH, having the task of preliminary checking and assessing any reports received from everyone is connected with the German corporate situation, as dedicated, external and independent consultant

**Person concerned:** a natural or legal person who is referred to in the report as a person to whom the breach is attributed or with whom that person is associated

**Whistleblower:** natural person or entity who files the report

**Platform:** software used to manage the reporting channel (in Italy)

**Reporting manager:** person who receives and manages an internal report (on the platform *in* Italy)

**Feedback:** information provided to the whistleblower on the action envisaged or taken as follow-up

**Retaliation:** any behavior, act or omission, even if only attempted or threatened, prompted by the report and that causes or may directly or indirectly cause unfair damage to the whistleblower

**Follow-up:** action taken to assess the accuracy of the allegations made in the report and any measures taken

**Report:** the oral or written communication of information on breaches and possible violations

**Breaches:** behaviors, acts or omissions tied to BSCCB Group's business that harm the public interest or the integrity of the public administration or the Brembo Group itself.

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## 3. DISTRIBUTION

This procedure must be disseminated and distributed as widely as possible.

Towards such end, it shall be published on:

- BSCCB's Intranet aziendale L:\CCM\Documentazione SQ\DOCUMENT QUALITY OFFICIAL COMMON Managementsystem (Viflow) – Bulletin Board – Policies, Code and Vision & Mission;
- red portal aziendale: <http://red-portal/sites/bsccb/SitePages/Home.aspx>

The Compliance Officer of BSCCB, to support the **GCF Internal Audit Brembo S.p.A.** and of the **Ombuds-person**, shall be in charge of updating this procedure.

## 4. REFERENCE DOCUMENTS

Title	Link
<b>Code of Business Conduct and Ethics</b>	\\itcurnsr01\BU_STAFF\CCM\Managementsystem (Viflow)\Managementsystem (Viflow)\1\html\p463.htm
<b>Anti-Bribery Code of Conduct</b>	\\itcurnsr01\BU_STAFF\CCM\Managementsystem (Viflow)\Managementsystem (Viflow)\1\html\p463.htm
<b>Organizational, Management and Control Model of Brembo SGL Carbon Ceramic Brakes S.p.A.</b>	\\itcurnsr01\BU_STAFF\CCM\Managementsystem (Viflow)\Managementsystem (Viflow)\1\html\p463.htm

## 5. DOCUMENT HISTORY

Date of creation	Revision	Brief description of the change / modification
12.12.2017	00	First Edition
26.11.2017	01	Updated according to Privacy Notice on Personal Data Processing pursuant to article 13 Reg (Ue) 2016/679
23.07.2021	02	Adjusted according to the new Privacy Compliance System of the BSCCB Group as approved by the Board of Directors on 06.05.2021
25.07.2022	03	Updated according to the new Whistleblowing Channel – by hand – for BSCCB's Employees reports to be addressed to ODV as approved by the Board of Directors on 25.07.2022
26.07.2023	04	Updated pursuant to EU Directive 2019/1937 and Legislative Decree 24/2023 and Whistleblower Protection Act as approved by the Board of Directors on 26.07.2023

## ANNEX 1 - Whistleblowing Reports Procedure for BSCCB S.p.A.

### 6. RESPONSIBILITY MATRIX

Type of Responsibility	GCF Internal Audit Brembo S.p.A.	ODV <i>Involved for reports concerning the BSCCB S.p.A. MOGC*</i>	BSCCB Compliance Function	Competent Body Involved as needed upon the whistleblower's consent
Ensure the updating, preservation and dissemination of this procedure	Primary Responsibility		X	
	Supporting Responsibility	X		
Ensure the establishment and maintenance of reporting channels according to <b>Legislative Decree 24/2023</b>	Primary Responsibility	X		
	Supporting Responsibility		X	
Ensure receipt, registration and acknowledgement of receipt of the report to the whistleblower within the established deadlines	Primary Responsibility	X		
	Supporting Responsibility			
Preliminary assessment of the reports received and the area of remit	Primary Responsibility	X		
	Supporting Responsibility		X	X
Follow up on the report, through verifications and any internal investigations	Primary Responsibility	X		
	Supporting Responsibility		X	X
Ensure the closure of the report and its feedback to the whistleblower within the established deadlines	Primary Responsibility	X		
	Supporting Responsibility		X	X
Guarantee the obligation of confidentiality	Primary Responsibility	X		
	Supporting Responsibility		X	X
Guarantee the prohibition of retaliation and other protections provided in favour of the whistleblower according to <b>Legislative Decree 24/2023</b>	Primary Responsibility	X		
	Supporting Responsibility		X	X

### 7. OPERATING PROCEDURES

#### 7.1. Internal Reporting Channels

BSCCB S.p.A. has implemented an internal reporting channel with IT methods that provide encryption tools to guarantee the obligation of confidentiality (see par 8.1) through the channel accessible from:

- Web piattaforma Legality Whistleblowing;
- App Mobile “Legality Whistleblowing”.

Reports can be made in **both written and oral form through this platform**. The whistleblower can also request a **direct meeting** with the Chief Internal Audit Officer, leaving a written or oral message in the platform. The report, with the consent of the whistleblower, will then be registered in the platform to ensure proper management.

For technical information, please refer to the instruction in the platform.

## 7.2. Subject Entrusted with Channel Management

The management of the internal reporting channel is entrusted to the **Brembo S.p.A. GCF Internal Audit**, as dedicated independent office with specifically trained personnel also for the management of the internal reporting channel of BSCCB S.p.A..

## 7.3. Whistleblowers<sup>3</sup>

Reports can be made by parties related to BSCCB's business, such as: BSCCB group employees; self-employed workers, collaborators, freelancers and consultants; employees or collaborators of suppliers, contractors or subcontractors; customers; volunteers and trainees; shareholders and people who hold administration, management, control, supervision or representation positions.

## 7.4. Subject of the Report

The report may concern behaviours, acts or omissions related to BSCCB activities, in the following areas:

- Breaches of specific national or European Union regulations that harm the public interest or the integrity of the public administration or BSCCB<sup>4</sup>;
- breaches of BSCCB's Organisational Management and Control Model in accordance with Leg. Decree 231/01<sup>5</sup>;
- breaches of other company codes of conduct, policies and procedures for which the reporting channel is provided (by way of example and not limited to: Code of Ethics, Anti-Corruption Code of Conduct, Privacy Policy, Code of Basic Working Conditions).

The reports will be processed within the deadlines provided for by the legislation from time to time in force<sup>6</sup>.

## 8. PRINCIPLES OF REFERENCE IN BSCCB

### 8.1. Obligation of Confidentiality<sup>7</sup>

The reports can be used by those who manage the channel exclusively to follow up on them, with the express prohibition of revealing the identity of the whistleblower.

<sup>3</sup> For further details, please refer to art. 3 of Legislative Decree 24/2023.

<sup>4</sup> In particular, these are:

a) breaches of national and European provisions consisting of offences in the following areas: public procurement; financial services, products and markets and the prevention of money laundering and terrorist financing; product security and compliance; transport security; environmental protection; radiation protection and nuclear safety; food and feed safety and animal health and welfare; public health; consumer protection; protection of privacy and protection of personal data and security of networks and information systems

b) breaches of European provisions consisting of: (i) acts or omissions affecting the financial interests of the Union; (ii) acts and omissions concerning the internal market; (iii) acts and conduct which undermine the object or purpose of the provisions of Union acts in the areas referred to above;

c) breaches of national provisions consisting of: i) administrative, accounting, civil or criminal offences; ii) significant unlawful conduct pursuant to Legislative Decree 231/2001 or breaches of organizational models and management.

<sup>5</sup> Legislative Decree 231 of June 8, 2001: Discipline of administrative liability of legal persons

<sup>6</sup> For further details, please refer to art.2, para.1 a) of Legislative Decree 24/2023

<sup>7</sup> For further details, please refer to art. 12 of Legislative Decree 24/2023

**The identity of the whistleblower and any other information from which that identity may be deduced, directly or indirectly, may not be disclosed** to persons other than those assigned to receive or follow up on the reports, **without the express consent of the whistleblower.**

**Even the identity of the persons concerned and of the persons mentioned in the report** is also subject to the same protections, therefore the same guarantees of confidentiality are recognised. The company reserves the right to provide BSCCB internal institutional bodies with general information regarding the reports received on the basis of the provisions of par. 11 Periodic Reporting.

## 8.2. Whistleblower Protection

The whistleblower may not suffer any retaliation and is protected by specific legal provisions<sup>8</sup>, including for example the regime of nullity of retaliatory acts possibly suffered in violation of this prohibition.

The protections shall also apply to report facilitators, colleagues of the whistleblower and persons of the same work background who are linked to the whistleblower by a stable emotional or kinship bond within the fourth degree and to entities owned by the whistleblower<sup>9</sup>.

There are also specific protection and support measures for whistleblowers, including by the National Anti-Corruption Authority (ANAC) for the Italian reports; in particular, the whistleblower can benefit from the assistance and advice of third sector entities free of charge and can communicate the retaliation they believe they have suffered to ANAC so that measures are taken<sup>10</sup>.

## 8.3. Protection Against Bad Faith Reports

The protection referred to in the previous paragraph shall apply only where, at the time of the report, the whistleblower had reason to believe that the information on the reported breaches was true and within the scope of the procedure.

In the event that criminal or civil liability is established for the whistleblower for the offences of defamation or slander, in cases of wilful misconduct or gross negligence, the protections are no longer guaranteed and the whistleblower may be subject to a disciplinary sanction<sup>11</sup>.

## 9. MANAGEMENT OF WHISTLEBLOWING REPORTS IN BSCCB S.P.A.

### 9.1. Sending and Receiving a Report

The report must be sent through the platform, prior user registration.

**The user's data is separated from the report, therefore the report is sent through the platform to the users identified as "Report Managers"** (Chief Internal Audit Officer and Assistant to GCF Internal Audit), concealing the whistleblower's identity.

If deemed necessary, the Chief Internal Audit Officer can view the identity of the whistleblower, who is automatically informed through the platform.

The Internal Audit Assistant shall issue a notification of receipt of the alert to the whistleblower within 7 days from the date of receipt.

### 9.2. Preliminary Assessment of the Report

All reports are subject to preliminary assessment by the Chief Internal Audit Officer to:

<sup>8</sup> For further details, please refer to art. 17 of Legislative Decree 24/2023

<sup>9</sup> For further details, please refer to art. 3 of Legislative Decree 24/2023

<sup>10</sup> For further information, please refer to art.18 and 19 of Legislative Decree 24/2023

<sup>11</sup> For further information, please refer to art 6 para 3 of Legislative Decree 24/2023



- assess whether the information received falls within the scope of this procedure; otherwise, a prompt response is provided to the whistleblower and the report is archived;
- assess whether the report falls within the scope of the Management and Control Organisation Model for the purposes of Legislative Decree 231/01; in this case, the report is also notified through the platform to the Supervisory Committee of BSCCB S.p.A., which may have access to the contents of the report, as the subject responsible for managing such reports;
- assess whether there are the conditions to proceed with further checks: in the event that any additions and/or clarifications are necessary, the whistleblower can be contacted, also through the platform; in the event of no response, the report will be filed providing a timely response to the whistleblower.

### 9.3. Internal Verification after the Report

In the event that the prerequisites for proceeding are met, an internal verification shall be established. The verification must be conducted by **qualified personnel** and, therefore, **may directly involve other GCF Internal Audit members, depending on the skills required; the involvement of other people**, within BSCCB S.p.A. or Brembo S.p.A. (performing intercompany services on behalf of BSCCB S.p.A.), or external, with specific skills and/or responsibilities in the verification, **is possible only after prior information to the whistleblower**.

The Chief Internal Audit Officer evaluates from time to time which information of the report must be shared with the other entities involved, for the sole purpose of verification and **always through the platform**; in the event that it is necessary to also share the identity of the whistleblower, his/her authorisation is required.

During the verification, the Chief Internal Audit Officer maintains discussions with the whistleblower and may request integration.

The person concerned can be heard, or, at his/her request, is heard, also through a paperwork process, through the acquisition of written observations and documents, possibly contacting the whistleblower, also through the platform.

### 9.4. Report Closure

The procedure initiated following the receipt of the report must be terminated, providing feedback to the whistleblower, **within 3 months** from the date of the acknowledgement of receipt.

In the event that the related assessment and analysis necessarily requires a time greater than 3 months, it must be promptly communicated to the whistleblower, indicating the reasons and providing in any case an update on the progress of the investigation and the planned closing times.

It is understood that each report will be treated diligently, assessing the existence of the facts reported, the outcome of the investigations and any measures taken.

### 9.5. Filing of Documents

The information and documentation related to the report, as well as the information flows with the entities involved in the investigation, are managed and stored only within the platform, in order to guarantee the highest level of security and confidentiality and in compliance with the provisions of art. 14 of the Decree.

It should be noted that in the event that the written form has been used to make the report, it is still possible, with the consent of the interested party, to proceed to its conservation through registration on a suitable device or with a detailed report or minutes.



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Reports and relative documentation are kept for the time required for processing of the report, and in any event for no more than five years after the date that the whistleblower is notified about the final outcome of the report.

## 10. EXTERNAL REPORTING CHANNEL FOR BSCCB S.P.A.

The whistleblower may also file an external report with ANAC if specific conditions are met, including:

- the internal reporting channel is not active or does not comply with legislation;
- the whistleblower has already filed an internal report and it has not been followed up;
- the whistleblower has reasonable grounds to believe that, if an internal report were to be filed, it would not be effectively followed up or that the same report could determine the risk of retaliation;
- the whistleblower has reasons for believing that the breach may constitute an imminent or clear threat to the public interest.

For further details, please refer to Italian Legislative Decree 24/2023 and the ANAC guidelines<sup>12</sup>.

## 11. PERIODIC REPORTING

The Chief Internal Audit Officer maintains a generic and periodic report on the reports received through the platform, without information from which the identity of the whistleblower and the person concerned can be deduced.

This report is periodically once per year sent to the BSCCB S.p.A. Board of Director and to BSCCB Supervisory Committee.

## 12. PROCESSING OF PERSONAL DATA

The processing of the personal data related to the receipt and management of the reports is pursuant to (UE) 2016/679 regulation.

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<sup>12</sup> Guidelines on the protection of persons reporting breaches of Union law and the protection of persons reporting breaches of national regulatory provisions – procedures for the submission and handling of external reports.