

**CORPORATE GOVERNANCE
AND OWNERSHIP STRUCTURE REPORT 2021**

pursuant to Article 123-*bis* of the Consolidated Law on Finance



Brembo S.p.A.

www.brembo.com,

section Company/Corporate Governance/Corporate Governance Reports 2021

Approved by the Board of Directors of Brembo S.p.A. on 3 March 2022.



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Glossary

Brembo/Issuer/Company: Brembo S.p.A., with registered offices in Curno (Bergamo), via Brembo 25, tax code and VAT code No. 00222620163, listed on the Milan stock exchange.

2020 Corporate Governance Code or 2020 CGC: The Corporate Governance Code, approved by the Corporate Governance Committee and published in January 2020, which issuer Companies are required to apply with effect from the first year beginning after 31 December 2020, informing the market thereof in the Corporate Governance Report to be published in 2022 (<https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020eng.en.pdf>).

Civil Code: the Italian Civil Code.

Board/Board of Directors/BoD: the Board of Directors of Brembo S.p.A.

Financial year: the financial year which the Report refers to, specifically the financial year ended 31 December 2021.

Group: the Brembo Group.

Borsa Italiana Instructions: Instructions on the Rules of Markets organised and managed by Borsa Italiana S.p.A.

Brembo's Corporate Governance Code or Brembo's CGC: the document defining Brembo's corporate governance rules, fully incorporating the 2020 Corporate Governance Code. The latest version is available on Brembo's website (www.brembo.com, Company section, Corporate Governance, Governance Documents).

Brembo's 231 Model: the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001 of Brembo S.p.A. – Fifth Edition (last update: December 2021), available on Brembo's website in its latest update (www.brembo.com, Company section, Corporate Governance, Codes and Policies).

Related Party Transactions Procedure: the Related Party Transactions Procedure adopted by Brembo S.p.A. (last update 10 May 2021), in compliance with the Consob Resolution No. 17221 of 12 March 2010, and lastly amended by Resolution No. 21624 of 10 December 2020 (in force with effect from 1 July 2021 – implementing Directive EU 2017/828); the Procedure is available on Brembo's website in its latest update (www.brembo.com, Corporate Governance, Governance Documents).

Consob Regulation on Related Party Transactions: the Consob regulation introduced by Resolution No. 17221 of 12 March 2010 as lastly amended by Resolution No. 21624 of 10 December 2020.

SC: Brembo S.p.A.'s Supervisory Committee.

Regulations of the BoD: the Regulations of the Board of Directors governing its formation, composition and functioning, adopted for the first time by the Board of Directors on 3 March 2017, after having heard the opinion of the Remuneration & Appointments Committee and subsequently amended in accordance with the laws and regulations from time to time in force, as well as the recommendations of the Corporate Governance Code (most recently amended on 17 December 2021).

Rules of Borsa Italiana: the Rules of Markets organised and managed by Borsa Italiana S.p.A., as amended and extended.

Rules for Issuers: the Rules for issuers established by Consob with Resolution No. 11971 of 1999, as amended and extended.

Market Regulations: the market regulations established by Consob with Resolution No. 20249 of 2017.

Report: the Corporate Governance and Ownership Structure Report pursuant to Articles 123-*bis* of TUF and 89-*bis* of the Rules for Issuers, approved on 3 March 2022 by the Board of Directors of Brembo and available on Brembo's website (www.brembo.com, Company section, Corporate Governance, Corporate Governance Reports).

Remuneration Report: the Report on the Remuneration Policy for 2022 and Remuneration Paid in 2021, pursuant to Article 123-*ter* of TUF, which is available on Brembo's website (www.brembo.com, section Company, Corporate Governance, Remuneration Policies).

By-laws: the By-laws of Brembo S.p.A., in the current applicable version, amended by the Extraordinary Shareholders' Meeting of 17 December 2021¹, available on Brembo's website (www.brembo.com, Company section, Corporate Governance, Governance Documents).

ICRMS: Internal Control and Risk Management System.

TUF: Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance), as further amended and extended.

Where not otherwise specified, reference should also be made to the definitions included in the 2020 Corporate Governance Code.

¹ Introduction of Article 17-*bis* (Chairman Emeritus) in the By-laws of Brembo S.p.A.

1. COMPANY PROFILE

Brembo is a world leader in the design, development and manufacture of braking systems and components (or any parts and/or components and/or accessories) of vehicles in all markets at the global level and for all types of consumers or users. Electrification, autonomous driving, digitalisation and sustainability are macro trends that are transforming the automotive world and are therefore at the centre of the strategies of the market's main players. The Company operates, directly or through subsidiaries or associates, in 15 countries in 3 continents, with 23 production sites and commercial offices and over 12,000 employees, of which about 10% consists of engineers and product specialists working in the research and development area.

As of 2020, Brembo decided to embark on a new path, based on a strategic vision, Turning Energy into Inspiration, and a mission: becoming a Solution Provider. As Solution Provider, the Company aims to a high added value integration of products and services so as to anticipate the new mobility paradigms. Therefore, it supports its partners in creating solutions with high technological content to the challenges posed by the new mobility paradigms, such as electrification, autonomous vehicles and digitalisation, as well as to allow the Company to enter sectors of activity adjacent

to that in which it currently operates. Therefore, the creation and acquisition or marketing of technologies for analysing and processing data and/or information, as well as using and storing it, in order to perform custom consulting services to third parties and propose and develop solutions intended to meet specific needs through its technical and engineering expertise, are in addition to the industry core activities. Brembo offers innovative consulting services and conducts research activity in collaboration with Italian and international entities, universities and research centres in order to pursue optimal quality of its services, ensure innovative content and keep them constantly abreast of technological progress.

Moreover, at the heart of the new strategic vision there is the commitment to sustainability, also in view of sustainable success, a priority that Brembo has always applied to all its activities, products and processes, employees, supply chain and territories in which the Group operates, with the aim of actively contributing to the wellbeing of the planet, communities and people. Lastly, the increasing use of environmentally friendly technologies, recycling of all materials used during production and thorough prevention of all forms of pollution are further evidence of Brembo's commitment to the environment.

1.1. 2021 Report's main new contents

This Report, approved by the Board of Directors on 3 March 2022, provides a general description of the corporate governance system adopted by the Group, its ownership structure and quantitative and qualitative information on the functioning of the Board of Directors, its committees and its Internal Control and Risk Management System. It illustrates the methods through which the Company has concretely applied the principles

included in the 2020 Corporate Governance Code and any departures, with the related reasons.

This Report is available on the Company's website (www.brembo.com, section Company, Corporate Governance, Corporate Governance Reports) and through the authorised storage mechanism (www.1info.it).



2021 HIGHLIGHTS	Reference paragraphs
Sustainable Success	1.2 and 4.1
Update in accordance with the 2020 Corporate Governance Code and related departures	1.2 and 3
Brembo's Shareholders' Engagement Policy and activities performed	1.2 and 12
Classification of the Company pursuant to the 2020 Corporate Governance Code (large company with concentrated ownership)	3
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1.2. Governance Model

Governance system

Brembo S.p.A., a Company listed on the Milan stock exchange, has adopted a traditional form of administration and control as provided for by Italian laws: the company's management is attributed to the Board of Directors, the supervisory functions to the Board of Statutory Auditors, and the statutory and accounting audit of the Company's accounts to the Independent Auditors appointed by the General Shareholders' Meeting.

In order to promote a corporate governance model that devotes constant attention to all stakeholders, while also anticipating new needs and the most impactful trends, Brembo:

- constantly monitors governance principles and models generally adopted at the European and international level that represent best practices in the area of corporate governance;

- reviews the results of the analyses and most authoritative observers on the subject of corporate governance, in Italy and abroad, and compares them with its own structural and organisational elements, for purposes of ongoing improvement.

For this reason, the Corporate Governance System of Brembo S.p.A. has always been inspired by and fully implements the recommendations issued from time to time by the Corporate Governance Committee², which have been incorporated into Brembo's Corporate Governance Code, as well as in the Regulations of the Board of Directors and the rules of its Committees.

See paragraph 3.

Classification of the Company pursuant to the 2020 Corporate Governance Code

On the basis of the definitions provided by the 2020 Corporate Governance Code and ownership structure, Brembo qualifies as:

- a large Company, whose capitalisation was greater than €1 billion on the last Exchange business day of each of the previous three calendar years before the adoption of the 2020 CGC;
- a Company with concentrated ownership since its majority shareholder directly holds the majority of the votes that may

be exercised in the ordinary shareholders' meeting (see paragraph 2.2).

Regardless of such classifications, the Company decided, where possible, to implement all recommendations of the 2020 Corporate Governance Code, without exercising any of the flexibility options granted.

See paragraph 3.

² Reference is made to the Corporate Governance Code issued in January 2020 by the Corporate Governance Committee.

Sustainable Success³ and Corporate Social Responsibility

Corporate social responsibility is not an abstract concept for Brembo, rather it is part of its corporate strategy.

The principles driving the Group's sustainable development and Corporate Social Responsibility originated with Brembo and grew and developed over time with it through daily concrete practices, designed to balance economic decisions against an assessment of their social and environmental impact, while always taking account of the expectations of all Group stakeholders. They are rooted in the Company culture and are an integral part of its strategy. Brembo aims to contribute concretely to constant improvement of the Company's environmental and social aspects: from a responsible relationship with natural ecosystems to the wellbeing of the communities and people who live in the territories in which the Group operates around the world.

Brembo has translated this awareness in a structured sustainability path started at the end of the Nineties with an analysis of the value of the intangibles, aimed at measuring the Group's ability to create value not only in economic terms, but also considering the social and environmental impacts, safeguards for employment, appreciation of human resources, promotion of employee safety and capacity for growth and innovation. In 1999, this process was formalised with the preparation of the first Intangible Capital Report and continued between 2004 and 2007 with the publication of the Value Report, describing the inter-relationship between the Group's economic results and its environmental and social performance. The reporting process continued over the next years through the inclusion of the sustainability performance in the company's business model with an in-depth analysis, included in the Report on Operations, of aspects regarding the global macro-economic scenario, safety and environmental risks, company organisation, research and human resources.

Today Brembo reports its environmental and social performance within its Disclosure of Non-Financial Information which also includes all the policies that have since always been part of the Group's actions at global level in the areas of compliance, ethics, responsibility, sustainability and transparency. Brembo considers these values to be the foundation of the precious 'intangible' capital formed by its brand, its reputation and the

set of principles that characterise the way in which a socially responsible company acts (brembo.com, section Sustainability, Report, Reports and presentations).

Brembo has a strong culture of sustainability that translates into a transversal commitment to all ESG (environmental, social and governance) issues. Accordingly, Corporate Social Responsibility and sustainable development activities are steered by the virtuous guidance provided by the United Nations. In 2021, Brembo strengthened its commitment to the roadmap laid down by the UN by subscribing to the ten Principles of the Global Compact, reaffirming the commitment in the areas of human rights, labour, environment and anti-corruption.

This comes in addition to Brembo's now solid track record in Agenda 2030: in the over four years since the Company adhered in 2018 it has implemented projects in support of 15 of the 17 Sustainable Development Goals. These projects were also shared with all Brembo people worldwide through the internal communications campaign "We Support SDGs" — an initiative that reached its second edition in 2021 and is designed to raise awareness among the company population of the goals of Agenda 2030 and to promote tangible actions that everyone can take to achieve them.

As far as environment is concerned, the CDP (formerly the Carbon Disclosure Project), a global non-profit organisation that supports companies in measuring and managing climate change information, awarded Brembo for the fourth year running with a double A for having proven to be a leading company at global level through meaningful and transparent action in terms of climate change and water resource risk management.

Further significant recognition was awarded to Brembo by EcoVadis, a French company that is now the world's largest supplier of business sustainability ratings and that awarded the Group its "Platinum Sustainability Rating," bestowed on just 1% of the 75,000 companies subjected to ESG evaluations from over 165 countries and 200 industrial sectors.

Sustainability is a way of thinking that also takes concrete shape in Research & Development and for Brembo translates

³ For further information, see the Company's website (www.brembo.com, Sustainability section).



into designing and producing greener brake systems that help reduce CO2 emissions and particulates. These are also the principles that in 2020 resulted in the launch of the Greentive® disc and Enesys® brake spring, solutions that facilitate a decrease in consumption, increasing general vehicle efficiency. In an automotive industry that is increasingly electrification-oriented.

Electrification, digitalisation and autonomous driving are the unprecedented challenges that the automotive industry is facing, as well as trends that have a significant impact on the environment. Brembo wants to lead the way in this process and in 2020 presented a new vision, *Turning Energy into Inspiration*, outlining a new mission — to become a solution provider to support customers in anticipating these macro trends, developing ever more sustainable solutions. A fundamental stage of this journey took place in 2021, thanks to the global launch of SENSIFY™, a new pioneering intelligent braking system that integrates the most advanced software based on artificial intelligence with the Company's brake components.

The business development strategy also contributed to the sustainability of Brembo's products. The acquisition of SBS Friction — a Danish company that joined the Group in early 2021 — marked the start of a journey that will allow the Group to develop and use increasingly sustainable processes and materials for two-wheel brake pads.

Brembo's target is to become carbon neutral, in other words to reduce CO2 emissions to zero by 2040. In five years, Brembo has cut total emissions by almost 20% thanks to energy efficiency projects and a constant increase in the use of renewable energy, which in some plants reaches 100% of the sources used. As far as resources are concerned, Brembo promotes the reduction of water consumption in production processes and the development of solutions for the reuse of water. It recycles waste materials, aiming to maximise their salvage, and reduces the production of waste and consumption of energy and natural resources, including water, as far as possible.

The supply chain is also a cornerstone for Brembo, not only as regards the business. Only shared commitment can lead to real progress: for this reason Brembo is spreading the sustainability culture also amongst its suppliers who, accompanying it in the process of continual innovation and quality improvement, are required to operate in a context of social responsibility and

respect essential issues such as human rights and protection against child labour, as well as specific issues such as conflict minerals.

Projects to further strengthen Brembo's commitment to the environment continued in 2021 as well: during the year, Brembo decided to plant a forest of over 14,000 trees in Kenya to celebrate its 60th anniversary, donating a tree to each of its employees. In the same year, Brembo was also included among the 40 companies in the new MIB ESG index launched by Euronext and Borsa Italiana, dedicated to Italian listed companies that demonstrate the best sustainability practices.

The remuneration policy approved by the BoD is designed to remunerate the management and personnel for sustainable growth. Brembo thus seeks to reach the new milestones set by this new scenario. Its product innovation programmes are focused on reducing environmental impacts and are part of its larger ESG activities, an area in which the Group continued its process of continuous improvement. This process is aimed at concrete pursuit of the SDGs of the UN Agenda for Sustainable Development, to which Brembo has pledged its adherence, while prioritising some of the goals and also launching various specific initiatives over time. In particular, Brembo's 2021 Remuneration Policy mainly aims at giving a tangible contribution to the Group's corporate strategy and sustainability, taking into account its medium/long-term strategic direction, in order to assure attraction and retention for all the key roles with the necessary credentials and skills to ensure that value is created for all stakeholders, including Shareholders, employees, customers and suppliers (see paragraph 8).

This commitment also resulted in an amendment to the By-laws (Article 4 "Purpose") by the Shareholders' Meeting on 22 April 2021, on the proposal of the BoD, designed to enshrine a commitment already pursued by the Group — that of pursuing sustainable, lasting development — in its By-laws.

Dialogue with internal and external stakeholders is a fundamental part of Brembo's strategy for doing business in a consistently sustainable manner, since it allows important information to be gathered about the environment in which it operates and feedback to be obtained about its actions. Through this process of listening and dialogue, Brembo is able to assess the extent to which it is understanding and satisfying the expectations and

interests of its stakeholders by identifying the areas in which to increase its commitment and those in which to confirm the approach adopted. Establishing ongoing, mutually satisfactory dialogue requires the identification of key stakeholders with which to promote periodic dialogue initiatives and the definition of the most appropriate methods of securing their engagement. This approach, in particular towards current and/or potential Shareholders and/or Investors, was also applied within the Brembo Shareholders' Engagement Policy approved by the Board of Directors convened on 17 December 2021 (see paragraph 12).

Moreover, Brembo S.p.A. has adopted an effective Internal Control and Risk Management System, which represents an essential mainstay for the sustainable success. Moreover, the adoption of a 231 Model and a compliance system, which are key elements of the Internal Control and Risk Management System and, at the same time, are included among the ESG parameters (with particular regard to the Governance aspect), and therefore can be seen as sustainability tools, also in light of the many and significant correlations between the 231 Models and the Sustainable Development Goals 2030 (see paragraph 9).

Several years ago Brembo set up a "CSR Meeting" (formerly, the Corporate Social Responsibility Steering Committee) which, supported by a team consisting of representatives from the various company functions, is responsible for defining guidelines and adopting Corporate Social Responsibility policies, approving and supervising the projects proposed by the Chief CSR Officer, overseeing the stakeholder engagement process, drawing up a draft Materiality Matrix to be submitted to the Board of Directors, and assessing the draft Disclosure of Non-Financial Information.

In order to oversee and coordinate the performance of the activities of this working group, the position of "CSR Officer"

was created as early as in 2013 and was subsequently renamed Chief CSR Officer. This role is filled by the Director in charge of the Internal Control and Risk Management System, with the aim of:

- coordinating and implementing the CSR Meeting activities;
- coordinating the communication streams required to collect data and prepare the draft Disclosure of Non-Financial Information;
- interfacing periodically with the Audit, Risk & Sustainability Committee as liaison to the CSR Meeting;
- proposing CSR projects and initiatives;
- monitoring outside best practices by managing relations with stakeholders.

At its meeting on 20 April 2017 the BoD also identified the Audit and Risks Committee as the governance committee to be tasked with supervising all sustainability issues and interactions with all stakeholders, changed its name into Audit, Risk & Sustainability Committee and updated the list of its tasks as described in the Committee's Rules⁴ (see paragraph 10).

Brembo's first Sustainability Report (2016 edition) was presented to the Shareholders' Meeting held on 20 April 2017 and then published on the Company's website (brembo.com, Sustainability, Report and Presentations section), one year before the publication became mandatory by law. It was drawn up in accordance with the guidelines issued by the Global Reporting Initiative (G4) following a materiality analysis process aimed at identifying the areas of greatest interest and with the greatest risks and opportunities for the purposes of business development and value creation from the perspective of long-term sustainability. On the basis of this, priority indicators were identified for use in monitoring and communicating the Group's sustainability performance. Brembo's sustainability reporting was gradually brought into line with reference standards and best practices, which the Company constantly monitors.

⁴ www.brembo.com, section Company, Corporate Governance, Governance Documents.



2021 Materiality Matrix and 2021 Disclosure of Non-Financial Information

To define the structure and contents of the Consolidated Disclosure of Non-Financial Information pursuant to Legislative Decree 254/2016 (hereinafter also “NFD”) – implementing Directive No. 2014/95/EU as regards disclosure of non-financial and diversity information – Brembo conducted a materiality analysis aimed at identifying the topics that are deemed relevant – in relation to its business profile, strategies, stakeholders’ expectations and business environment – to report the Company’s economic, environmental and social impacts and that can influence the decisions of the Group’s stakeholders.

Materiality corresponds to the threshold above which the material aspects become sufficiently important as to be included in the NFD. Beyond this threshold, not all Material Aspects have the same importance, and the significance attributed to them in the NFD must reflect the priorities in the Group’s various activities. The analysis was conducted according to the guidelines published by the Global Reporting Initiative (GRI) and is valid for three years, with periodic review of the assessments of individual Aspects.

For 2021, the materiality analysis process was carried out reassessing the material topics based on the reports made in 2020, the main trends identified through benchmarks and the topics that emerged during interviews with Management. These aspects were assessed by both Brembo’s management and several stakeholders identified as being priorities, such

as: customers, suppliers, insurance companies and trade associations, and – by way of addition to the previous 2020 edition – the members of the Board of Directors, the members of the Board of Statutory Auditors and various investors particularly attentive to sustainability issues.

The Materiality Matrix was previously assessed by the CSR Meeting on 6 December 2021, audited by the Audit, Risk & Sustainability Committee on 9 December 2021 and then approved by the Board of Directors on 17 December 2021. The Matrix emphasises the topics that Brembo has identified for disclosure in 2021 in its NFD for the said reporting year.

The NFD for 2021 was examined and approved by the Board of Directors at its meeting of 3 March 2022, after being examined by the Audit, Risk & Sustainability Committee during its meeting of 23 February 2022, and it was then submitted to the control bodies (Board of Statutory Auditors and Independent Auditors) for the activities within their remit. The NFD was also subject to limited assurance by the same auditing firm commissioned to audit the financial statements (EY), who verified that it conforms to Legislative Decree No. 254/2016 and complies with the principles and methodologies of the reporting standard used (GRI). The related report, which is separate from the independent auditors’ report, is appended to and published together with the NFD. The 2021 NFD is available on the Company’s website (www.brembo.com, in section Sustainability, Report, Report and Presentations).

1.3. Company Key Highlights

(euro million)	2020	2021	Change
Sales	2,208.6	2,777.6	25.8%
EBITDA	388.7	502.7	29.3%
Profit	136.5	215.5	57.9%
Net financial position	384.7	411.8	7.0%
Market capitalisation at 31 December	3,606	4,184	16.0%
Workforce (headcount)	11,039	12,225	10.7%

1.4. 2017-2021 Stock Performance

Brembo vs FTSEMIB Index 2017-2021





2. INFORMATION ON OWNERSHIP STRUCTURE AT 31 DECEMBER 2021

2.1. Structure of share capital

Brembo S.p.A.'s subscribed and fully paid-up share capital amounted to €34,727,914 and was divided into 333,922,250 ordinary shares, without nominal value As at the date of the

approval of this Report, the Company holds 10,035,000 own shares representing 3.005% of share capital.

SHARE OWNERSHIP AT 31 DECEMBER 2021

Feature	Yes/No	Share capital %
Presence of syndicate agreements	No	—
Presence of increased voting right	Yes	179,025,265 (53.61%)
Restrictions on the transfer of securities	No	—
Securities carrying special rights	No	—
Employee share ownership scheme	No	—
Restrictions on voting rights	No	—
Minimum shareholding required for the submission of lists	Yes	1%

2.2. Significant shareholdings

(Figures taken from the Shareholders' Register at 31 December 2021 and information received by the Company)

Total ordinary shares outstanding	333,922,250
Total voting rights outstanding ⁵	512,947,515

MAIN SHAREHOLDERS AT 31 DECEMBER 2021

	Declarant	Direct shareholder	Nationality	No. of shares	% of share capital with right to vote	No. of voting rights	% on Total voting rights
1	Bombassei Alberto	NUOVA FOURB SRL	ITALIAN	178,739,605	53.527	357,463,370	69.688
2		BREMBO SPA	ITALIAN	10,035,000	3.005	10,035,000 (*)	1.956
3		STATE STREET BANK AND TRUST CO	U.S.	8,105,963	2.428	8,105,963	1.580
4		MAWER GLOBAL SMALL CAP FUND	CANADIAN	6,765,451	2.026	6,765,451	1.319
5		CITY OF NEW YORK GROUP TRUST	U.S.	5,026,584	1.505	5,026,584	0.980
6		VANGUARD INTERNATIONAL VALUE FUND	U.S.	4,513,767	1.352	4,513,767	0.880
7		BANK OF ITALY	ITALIAN	3,354,123	1.004	3,354,123	0.654
8		MAWER GLOBAL EQUITY FUND	CANADIAN	3,058,396	0.916	3,058,396	0.596
9		GOVERNMENT OF NORWAY	NORWEGIAN	2,593,985	0.777	2,593,985	0.506
10		BNP PARIBAS SMALLCAP EUROLAND	FRENCH	2,024,014	0.606	2,024,014	0.395

⁵ See paragraph 2.3

* treasury shares are not included in voting rights

2.3. Increased Voting Right

The Shareholders' Meeting on 18 April 2019 approved the amendment to Article 6 of the By-laws, introducing — pursuant to Article 127-*quinquies* of TUF — the increased voting right mechanism. The amendment aims to foster stable and loyal ownership by promoting medium/long-term investment in Brembo's share capital in order to support the Group's organic and non-organic growth.

Stable share ownership is a strategic factor to the success of the Company's growth projects, since these are projects that, in view of the characteristics of the Group's business, are to be developed over a medium-to-long term time horizon, and therefore require the support of shareholders whose investment rationale and return expectations are oriented accordingly.

The company's By-laws provides for the allotment of two votes for each share belonging to the shareholder requesting to be registered in the Special List — maintained and updated by the Company — provided that the said share is held for a period of no less than 24 subsequent months starting from the date of its registration in such Special List⁶.

All details relevant to the procedure for the registration, maintenance and updating of the Special List, complying with the applicable laws, the By-laws and the market practice, are described in the Increased Voting Right Regulations approved by the Board of Directors of Brembo on 18 April 2019 and subsequently amended on 23 April 2020.

<https://www.brembo.com/en/investors/for-shareholders/increased-voting-right>

INCREASED VOTING RIGHTS AT THE DATE OF PUBLICATION OF THIS REPORT

	No. of shares comprising the capital	No. of voting rights
Total shares of which:	333,922,250	512,951,315
Ordinary shares IT0005252728	154,893,185	154,893,185
Ordinary shares with increased voting right IT0005380149	179,029,065	358,058,130

2.4. Change of control clauses

As part of their business, Brembo and its direct or indirect subsidiaries are parties to various joint venture, supply, cooperation and financing agreements. As is customary at the international level and in negotiating practice for such

agreements, they include clauses that if applied grant each of the parties the power to terminate and/or amend such agreements in the event of a direct and/or indirect change of control of one of the parties.

⁶ On 23 April 2020, the General Shareholders' Meeting of the Issuer amended Article 6 of the By-laws to bring it into line with Consob Communication No. 0214548 of 18 April 2019, which establishes the automatic award of increased voting rights upon satisfaction of the legal requirements and specifies that communication by the depositary intermediary certifying continuous possession of the shares from the beginning of the required period of time does not constitute an additional requirement for award of the rights, but merely a method whereby the company may assess that the rights have accrued.



2.5. Power to increase the share capital

In accordance with Article 2443 of the Civil Code, on 18 April 2019 the General Shareholders' Meeting again vested the Board of Directors (until 18 April 2024) with delegated powers to increase the share capital by issuing new shares — on one or more occasions, also in several tranches, pursuant to Article 2439, paragraph 2, of the Civil Code, while excluding the option right pursuant to Article 2441, paragraph 4(2), of the Civil Code — for an overall maximum value of €3,472,791.40 and no more than 33,392,225⁷ shares without nominal value, or — if fewer — of the number of shares that, at each date such delegated powers are exercised (and taking due account of any and all the shares that may already have been issued pursuant to said powers), represents 10% (ten percent) of the Company's total

shares at such date⁸. To this end, the Board of Directors is additionally empowered to:

- establish, for each issue, the number, unit price of issue and dividend rights of the related ordinary shares, without restriction except as specified under Article 2441, paragraph 4(2), and/or Article 2438, and/or Article 2346, paragraph 5, of the Civil Code;
- determine the deadline to subscribe the Company's ordinary shares;
- exercise the delegated powers, as well as the authority mentioned above, including and not limited to, full powers to accordingly amend the Company's By-laws, as may be required from time to time.

2.6. Authorisation to repurchase own shares

After revocation of the previous Resolution dated 23 April 2020, the General Shareholders' Meeting of Brembo S.p.A. held on 22 April 2021 approved a plan for the buy-back of own shares ending on 22 October 2022, thus a maximum period of 18 months.

This authorisation entails:

- the purchase of a maximum of 8,000,000 treasury shares for up to €144,000,000 and the sale of all treasury shares held, in one or more tranches, for a maximum period of 18 months, at a minimum price of no more than 10% below the reference price of the shares during the trading session on the day before each purchase transaction is undertaken and a maximum price of no more than 10% above the reference price of the shares during the trading session on the day before each individual purchase transaction is undertaken, by drawing on unrestricted reserves;
- with reference to the disposal of own shares for a maximum term of 18 months, granting the Board of Directors the power to define, from time to time, all the criteria to set the relevant consideration and/or methods, terms and conditions to use

own shares in portfolio, taking due account of the realisation methods applied and the price trend of the stock in the period before the transaction, acting in the best interest of the Company;

- granting the Chairman and Executive Deputy Chairman (in office at the date of approval of the said plan) full powers, to be exercised severally and/or delegated to third parties, to implement the Resolutions as per the points above, even availing of attorneys-in-fact, in accordance with applicable laws and as requested by relevant authorities.

It should be noted that, as at the date of approval of this Report, the Company has not yet launched the plan approved by the General Shareholders' Meeting of 22 April 2021.

Own Shares in portfolio at 31 December 2021

No. of own shares	% of share capital
10,035,000	3.005%

⁷ The number of shares reported herein accounts for the stock split approved by the General Shareholders' Meeting of 29 April 2017.

⁸ Please refer to Article 5 of the By-laws.

2.7. Direction and coordination

Brembo S.p.A. is not subject to the direction and coordination of any company or entity pursuant to Article 2497-*bis* of the Civil Code, despite it being controlled by another company. This is because, in accordance with the provisions of the 2020 Corporate Governance Code, decisions that result in the following are subject to the collective examination of and exclusive approval by the Board of Directors of Brembo S.p.A. which as of 31 December 2021 includes six independent Directors:

- the preparation of the Group's business, strategic and financial and budget plans;
- the issuance of directives on matters of financial and credit policy and the centralisation of functions such as treasury management, administration, finance and control; and
- the definition of the strategies for the growth, strategic and market positioning of the Group and its individual Companies, particularly where policies may influence and

determine their practical implementation by the Company's management.

The professional expertise and authoritativeness of non-executive and independent Directors represent a guarantee that all Board of Directors' decisions are adopted in the sole interest of the Group and its stakeholders, without being subject to any direction or interference from third parties representing interests other than those of Brembo S.p.A.

Brembo S.p.A. is responsible for coordination and control of its Subsidiaries pursuant to Article 2497 of the Civil Code, and sets the company and Group strategies aimed at medium-to-long-term sustainability in terms of financial performance, business objectives, investments and sales and marketing policies. The requirements pursuant to Article 2497-*bis* of the Civil Code have been complied with.



3. COMPLIANCE WITH THE 2020 CORPORATE GOVERNANCE CODE (pursuant to Article 123-bis, paragraph 2, letter a, of TUF)

The Corporate Governance System of Brembo S.p.A. is inspired by and fully implements the principles and recommendations issued by the Corporate Governance Committee⁹ in the 2020 CGC. In fact, said principles and recommendations have been incorporated into Brembo's Corporate Governance Code (as approved on 17 December 2021 and available on the Company's website in its latest version - www.brembo.com, section Company, Corporate Governance, Governance Documents), as well as into the Regulations of the BoD and the rules of its Committees.

In 2020 and 2021, Brembo constantly followed the developments and interpretative discussions regarding the preliminary works for the 2020 Corporate Governance Code in order to analyse in detail every single aspect and understand the trend of implementation of the main listed companies.

In light of the analyses carried out, the BoD firstly proposed to the Shareholders' Meeting to amend the By-laws (the article relating to "Purpose") in order to enshrine a commitment already pursued by the Group — that of pursuing sustainable, lasting development — in its By-laws. This amendment was approved by the Shareholders' Meeting on 22 April 2021.

Brembo thus prepared a new Brembo Corporate Governance Code, which was circulated in preliminary consultation on 15 October 2021 to the members of the Audit, Risk & Sustainability Committee and Board of Statutory Auditors — along with comparative details, underscoring the proposals for deviations and reasons for the same — and then to all Directors.

The new Brembo Corporate Governance Code was then expanded to include some formal suggestions and on 25

October 2021 once again forwarded, in its final version, to the members of the Audit, Risk & Sustainability Committee and Board of Statutory Auditors, who gave their approval on 9 December 2021.

Following the above in-depth analysis and assessment on the basis of the principle of the prevalence of substance over form and also of the "comply-or-explain" principle¹⁰, on 17 December 2021 the Board of Directors of Brembo S.p.A. then approved the final text of the Brembo CGC, which incorporates all the principles and recommendations of the 2020 CGC as deemed already concretely applied, except for some deviations due to the fact that the practice recommended by the 2020 CGC was not deemed to be functional to or compatible with Brembo's current governance model.

The concrete application of principles of the 2020 CGC is illustrated in the various sections of this Report, whereas the deviations are shown in the table below at page 17, along with the related reasons¹¹.

To this end, it is also clarified that, on the basis of the definitions provided by the 2020 CGC and ownership structures, Brembo qualifies as:

- a large Company¹², whose capitalisation was greater than €1 billion on the last Exchange business day of each of the previous three calendar years before the adoption of the 2020 CGC and approval of Brembo's CGC;
- a Company with concentrated ownership since its majority shareholder directly holds the majority of the votes that may be exercised in the ordinary shareholders' meeting¹³.

⁹ Reference is made to the Corporate Governance Code issued in January 2020 by the Corporate Governance Committee, available to public on the following website: <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020eng.en.pdf>

¹⁰ Since these are not obligations, the so-called "comply or explain" approach is adopted, whereby when Brembo decides not to implement these recommendations, it explains the reasons for non-application or partial application through a specific Board resolution. Where primary or secondary legislation is incompatible with the application of some recommendations, a resolution by the Board of Directors justifying non-application or partial application is not required.

¹¹ However, adherence to the Code entails that each deviation must be clearly indicated in the Corporate Governance Report and that the companies: (a) explain how the best practice recommended by the Code has been disregarded; (b) describe the reasons for the deviation; (c) describe how the decision to deviate from the Code was taken within the company; (d) if the deviation is limited in time, indicate when they plan to apply the relevant best practice; and (e) describe any conduct adopted by way of alternative to the best practice deviated from and explain how this decision achieves the goal underlying the principles of the Code and contributes, in any event, to good corporate governance.

¹² Companies that assume the status of "large company" as of 31 December 2020 apply the relevant principles and recommendations starting from the second financial year following the achievement of the "large company" status.

¹³ Companies that lose the status of "company with concentrated ownership" can no longer apply the proportionality measures provided for this category starting from the second financial year following the loss of the status.

Regardless of such classifications, the Company decided, where possible, to implement all recommendations of the 2020 CGC, without exercising any of the flexibility options granted. See the table below at page 19.

Finally, it should be acknowledged that the Board of Statutory Auditors indicated that it had found a detailed analysis with regards to the comparison with the 2020 Corporate Governance Code.

MAIN DEVIATIONS COMPARED TO THE RECOMMENDATIONS OF THE 2020 CORPORATE GOVERNANCE CODE

Ref. in the 2020 CGC - Deviations	Justifications
Definitions	<p>On the basis of the Group's current organisational structure, approved by the Shareholders' Meeting on 17 December 2021, and in keeping with the delegated powers assigned by the Board of Directors on that same date, there are several individuals who may be characterised as holding primary responsibility for management of the company, identifiable as those in the following roles:</p> <ul style="list-style-type: none"> • Executive Chairman • Chief Executive Officer - CEO • Chief CSR Officer and Director in charge of the Internal Control & Risk Management System <p>all those designated Executive Directors, to whom the Board of Directors granted specific powers, authority, duties and areas of responsibility.</p> <p>Accordingly, all references in the 2020 CGC to the person holding primary responsibility for management of the company or CEO are specified in Brembo's CGC as identifying one of the roles indicated above by virtue of the powers, authority, duties and areas of responsibility defined by the BoD.</p> <p>N.B. In the Q&A included in the 2020 CGC it is specified that companies normally identify a single executive director as the person holding primary management responsibility. However, the BoD may identify more than one such person where multiple directors are attributed equivalent management authority.</p>
Article 1 - BoD's role	<p>Recommendation 3 CEO – Engagement Policy</p> <p>On 17 December 2021 the BoD approved Brembo Shareholder Engagement Policy, delegating the Executive Chairman with operational management of all processes of engagement and dialogue with the current and/or potential Shareholders and/or Investors, ensuring that such processes are always performed in the Company's interest and in accordance with the law. This delegated authority was granted on the basis of the experience gained over the years in the role of head of Financial Reporting and knowledge of Brembo's business sector.</p> <p>For further details, see paragraph 12.</p>
Article 2 - Composition of the Corporate Bodies	<p>Recommendation 4 Chairman's role</p> <p>On the basis of the Brembo Group's organisational and corporate structure (company with concentrated ownership), the BoD has decided to assign an executive role to the Chairman to ensure optimal use of the wealth of knowledge, experience, values and skills gained over time by Brembo's founder, so that the Group may continue its growth and development without interruption, in accordance and harmony with its past and identity.</p> <p>The independence of judgment of BoD's in its activities is any case ensured by the presence of 6 Directors qualifying as independent, whose professional expertise and authoritativeness are an additional guarantee that all Board of Directors' decisions are taken in the sole interest of the Group and its stakeholders, without being subject to any direction or interference from third parties representing interests other than those of Brembo S.p.A.</p> <p>See paragraph 4.8.</p> <p>Recommendation 7 Independence criteria</p> <p>The BoD assesses on an annual basis, after the preliminary review by the Remuneration & Appointments Committee, whether the individual Directors meet the independence requirements. Such assessment is performed in compliance with the consolidated principle of the prevalence of substance over form, which takes account of the principles set out in the 2020 CGC, as well as the professionalism and dedication shown, the active participation in Board meetings, and to speeches and thoughts relating to debate within the Board.</p> <p>See paragraphs 4.3, 4.4 and 4.10.</p>



<p>Article 4 - Appointment of Directors and BoD's self- assessment process</p>	<p>Recommendation 19 e) Succession plans</p>	<p>On 17 December 2021, the Board of Directors of Brembo S.p.A. approved Brembo Group's current organisational structure reinforcing the Company's governance model in order to strengthen the top management team and gradually initiate internal succession mechanisms. Within this proven organisational structure and in accordance with the delegated powers assigned by the Board of Directors, Matteo Tiraboschi holds the position of Executive Chairman, Daniele Schillaci that of Chief Executive Officer (CEO). The organisational macro structure was illustrated at the BoD's meeting on 17 December 2021.</p> <p>In addition, for each top management position, Brembo also drew up guidelines, as summarised in specific documents approved by top management, to identify both short- and medium-term successors, so as to be able to manage unforeseeable cases of replacement of executives in as prompt and orderly a manner as possible and guarantee management stability.</p> <p>Pending the approval of the new Brembo's CGC (it was approved on 17 December 2021), during the meeting of the RAC (12 November 2021) the Chief HRO Officer illustrated the Talent Management & Succession Plan.</p> <p>See paragraph 7.2.</p>
	<p>Recommendation 19 a) Board Performance Evaluation</p>	<p>On the proposal of the Remuneration & Appointments Committee, the BoD assigned the LID (Lead Independent Director) responsibility for coordinating the Board Performance Evaluation, in addition to determining that the process of evaluating and circulating the plan of activity and its results would involve the participation of all Independent Directors and not just the members of the Remuneration & Appointments Committee.</p> <p>This was determined in light of the well-consolidated, effective methods used by the LID and Independent Directors (who, <i>inter alia</i>, are members of the Remuneration & Appointments Committee) to perform this activity in the course of the current term of the Board of Directors and to proceed in continuity with the three-year plan of the 2020-2022 BPE.</p> <p>See paragraph 7.1.</p>
	<p>Recommendation 24 RAC and Succession Plan</p>	<p>Brembo's BoD:</p> <ul style="list-style-type: none"> • defines, with the support of the RAC, a succession plan for the Chief Executive Officer and Executive Directors that identifies at least the procedures to be followed in the event of early termination of office; • verifies the existence of appropriate succession plans for top management. <p>Pending the approval of the new Brembo's CGC (it was approved on 17 December 2021), during the meeting of the RAC (12 November 2021) the Chief HRO Officer illustrated the Talent Management & Succession Plan.</p> <p>See paragraphs 7.2 and 8.2.</p>
<p>Article 6 - Internal Control and Risk Management System</p>	<p>Recommendations 32 b) and 34 CEO - ICRMS</p>	<p>The BoD identified the Executive Director with the role of Chief CSR Officer as the Director responsible for setting up and maintaining the ICRMS (hereinafter the "ICRMSD"), on the basis of the experience gained over the years and the knowledge of Brembo's business sector and in continuity with the governance model for the risk management and control implemented to date.</p> <p>See paragraph 9.</p>

RECOMMENDATIONS OF THE 2020 CORPORATE GOVERNANCE CODE FOR LARGE COMPANIES WITH CONCENTRATED OWNERSHIP - APPLICATION WITHIN BREMBO

Topic	2020 CGC's Recommendations for Large Companies with Concentrated Ownership	Application into Brembo S.p.A. (as a Large Company with Concentrated Ownership)
Number of Independent Directors	At least 1/3	In the BoD of Brembo S.p.A. 6 Directors out of 11 qualify as independent.
Meetings of Independent Directors	At least once a year	In 2021, Independent Directors, coordinated by the LID, met three times: 20 January 2021, 29 July 2021, and 19 November 2021. Moreover, on 19 January 2022 they met to assess the results of the 2021 Board Performance Evaluation.
LID	Recommended	Following the appointment of the company boards upon the Shareholders' Meeting of 23 April 2020, Non-Executive and Independent Director, Valerio Battista, was reappointed by the BoD in his position as Lead Independent Director.
Maximum number of positions	Recommended	In order to ensure availability over time adequate to the diligent performance of the director's functions, the Company included a maximum number of four positions at listed companies in its Regulations of the Board of Directors. Positions at listed companies in which the Director also holds a significant equity interest are not taken into account to this end.
Appointments Committee	Powers may be delegated to the BoD.	Brembo implemented the recommendation to set up the Appointments Committee in 2012, entrusting such function to the Remuneration Committee and accordingly changing its name to Remuneration & Appointments Committee. The Remuneration & Appointments Committee is made up of 3 Independent Directors.
Audit & Risk Committee	Recommended	Brembo appointed an Audit, Risk & Sustainability Committee, made up exclusively of Independent Directors, and which also acts as the Related Party Transactions Committee.
Self-assessment	At least every 3 years	The BPE (Board Performance Evaluation) shall be performed on annual basis.
Guidelines on the optimal composition of the BoD	Not recommended	The Company requires that the outgoing BoD — based on the criteria defined by the BoD in its Regulations and with the support of the Remuneration & Appointments Committee — express, in view of each renewal of the BoD, an orientation on what it deems its optimal quantitative and qualitative composition, also taking account the results of the self-assessment, and on the managerial and professional candidates to be nominated for the new company officers and/or the integration of the same.
Succession plans	Recommended	On 17 December 2021, the BoD of Brembo S.p.A. approved the Brembo Group's current organisational structure reinforcing the Company's governance model in order to strengthen the top management team and gradually initiate internal succession mechanisms. Within this proven organisational structure and in accordance with the delegated powers assigned by the Board, Matteo Tiraboschi holds the position of Executive Chairman, Daniele Schillaci that of Chief Executive Officer (CEO). The organisational macro structure was illustrated at the BoD's meeting on 17 December 2021.

As in previous years, in order to apply the 2020 Corporate Governance Code in an increasingly consistent and substantial manner, the Executive Directors, the Lead Independent Director and Independent Directors have examined the recommendations

made by the Corporate Governance Committee in its Letter sent to issuers, on the basis of the Ninth Report on the Application of the Corporate Governance Code, indicating a sound level of application at Brembo (see paragraph 16).



4. BOARD OF DIRECTORS

4.1. Role of the Board of Directors

Brembo's Board of Directors plays a key strategic guidance role that is not limited to defining the Company's strategic plans and determining its organisational structure, values and standards, but also constantly focuses on the creation of value in the long term and the pursuit of a "Sustainable Success". The Board:

- promotes sustainable growth in the medium-to-long term which takes into due consideration social and environmental aspects affecting its activity, through an adequate control and risk management system, including risks having an impact on sustainability;
- ensures utmost transparency towards the market and investors; and
- pays particular attention to material changes in business prospects and situations of risk to which the company is exposed.

The Board of Directors is also responsible for verifying the adequacy of the organisational, administrative and accounting structure and the appropriateness of the controls necessary to monitor the performance of the company and the Group, as well as for performing the tasks set out in Article 1 of the Corporate Governance Code of Brembo S.p.A.

The performance of such activities / duties is described in detail in the paragraphs below.

4.1.1 Activity carried out by the Board of Directors

In 2021, the Board of Directors exercised its powers and performed its duties. The main activities performed are summarised below.

Sustainable Success

The BoD proposed to the Shareholders' Meeting convened on 22 April 2021 to amend the By-laws (the article relating to "Purpose") in order to enshrine in its By-laws a commitment already pursued by the Group, that of pursuing sustainable, lasting development in performing its activities, while taking account of the development of the Group's business, the technological progress and natural development of the same and preserving the opportunity of serving the entire chain of value creation, including by entering sectors adjacent to its core business.

The Industrial Plan, examined by the BoD on 10 February 2022, took account of the material aspects identified in the Materiality Matrix, identifying strategic goals and actions to be taken to achieve those goals in keeping with the chosen risk exposure to promote the company's Sustainable Success (see paragraph 1.2 below).

Top Management Organisational Structure, Chairman Emeritus and Strategic Steering Committee

On 16 November 2021, following the communication of Alberto Bombassei concerning his resignation from his executive roles, the BoD convened the Shareholders' Meeting and formulated the related proposals, in line with the succession plan, to define the corporate governance structure:

- Matteo Tiraboschi, Executive Chairman of Brembo S.p.A.
- Daniele Schillaci, CEO of Brembo S.p.A.
- Alberto Bombassei, Chairman Emeritus of Brembo S.p.A. through the introduction into the By-laws of a new article (Article 17-bis).

Having acknowledged the new corporate governance structure and the amendment to the By-laws, the BoD, which met immediately after the Shareholders' Meeting on 17 December 2021, granted all the necessary powers to the newly appointed positions and set up a Strategic Steering Committee, also approving its Regulation. For further details on the Chairman Emeritus and the Strategic Steering Committee see paragraph 14.1.

Extraordinary transactions - Acquisition of SBS Friction A/S

On 8 January 2021, the acquisition, approved by the BoD, of 100% of the capital of SBS Friction A/S, a Danish company that develops and manufactures brake pads for motorbikes using particularly innovative and eco-friendly sintered organic materials, was finalised. The transaction allowed the Company to integrate a strategic component such as brake pads into Brembo's current product range, with a particular focus on the environment, and to further reinforce Brembo's leadership in the motorbike sector.

The consideration for the transaction, amounting to 224 million Danish krone, equivalent to approximately €30 million, paid using available liquidity and subject to the usual adjustment mechanisms applicable to similar transactions. The enterprise value of the transaction was 300 million Danish krone, equivalent to approximately €40.3 million.

Extraordinary transactions - Acquisition of J.JUAN	<p>The acquisition, approved by the BoD, of a 100% stake in the J.Juan Group, a Spanish company specialising in the development and production of motorbike braking systems, was finalised on 4 November 2021. Founded in 1965, J.Juan is based in Gavà (Barcelona) and has three plants in Spain and one in China, manufacturing especially brake hoses, a strategic component for the braking system's safety that will complement the current range of Brembo products for motorbikes. Through this transaction, Brembo pursues the path that it has embarked on to become an authoritative solution provider. The acquisition of J.Juan entailed a total outlay of €73 million and will enable the Group to complete its range of solutions for the motorbike braking system and to expand its brand family for the growing motorbike sector.</p>
Industrial Plan	<p>On 10 February 2022, Brembo's BoD examined the Brembo Group's Business Plan, which sets out the company's strategic goals and the actions to be taken to achieve those goals in keeping with the chosen risk exposure to promote the Company's Sustainable Success.</p>
Operations and delegated powers	<p>During its meetings of 19 January 2021, 4 March 2021, 22 April 2021, 10 May 2021, 29 July 2021, 9 November 2021 and 17 December 2021, the BoD examined, assessed and monitored:</p> <ul style="list-style-type: none"> • the performance and foreseeable evolution, also in light of the Covid-19 health emergency, through information received from the Delegated Bodies, when presenting and approving the interim results; • the adequacy of the organisational structure of the Group and its administrative and accounting system, after receiving the opinions of the Governance Committees and the Board of Statutory Auditors, while constantly receiving information regarding the main organisational changes and the administrative and accounting standards observed; • the transactions with a significant strategic, operating, capital and/or financial impact carried out by the Company and/or its subsidiaries, assessing the relating risks and constantly monitoring their progress; • the state of progress of the activities performed in the exercise of the delegated powers and of material transactions and transactions in potential conflict of interest.
Significant Transactions	<p>With regard to significant transactions, the Company acts in accordance with the instructions for managing the same. Significant Transactions are the transfers of resources, services or obligations that by purpose, payment, procedures, or execution time may have an impact on the integrity of company assets or the completeness and fairness of information, including accounting information. These instructions also envisage quarterly disclosures of these transactions, as well as transactions involving potential conflicts of interest carried out by Brembo S.p.A. or its subsidiaries pursuant to Article 2359 of the Civil Code, by Brembo's internal entities to the BoD and by the Board of Directors to the Board of Statutory Auditors. An examination of the significant transactions carried out in 2021 led to the conclusion that they were all consistent with the resolutions taken by the Board of Directors.</p>
Performance of the reference market and new products	<p>During the meetings on 4 March 2021, 10 May 2021, 29 July 2021 and 9 November 2021, the Board of Directors examined, assessed and monitored the performance of, and outlook for, the automotive market, with an eye to the Covid-19 health emergency (as well as to the trend of raw material prices and the chip shortage), and also received an update regarding the main significant projects and product evolution (Business Transformation).</p>
Group's growth strategies and related risks	<p>With the participation of the Chief Business Development Officer and in some cases of the various Chief Operating Officers, the Board of Directors periodically discussed and reviewed the Group's organic and non-organic growth strategies, including mergers and acquisitions, and analysed the related risks (meetings of 19 January 2021, 4 March 2021, 10 May 2021 and 29 July 2021).</p>
Brembo Inspiration Lab	<p>The BoD approved the setting up of a new Company under US-law in relation to the opening of its first centre of excellence, based in the Silicon Valley, California (United States). It is an experimental lab mainly focused on strengthening the Company's expertise in software development, data science and artificial intelligence. For Brembo, the opening of the Group's centre of excellence represents a further step forward in the process of becoming an authoritative solution-provider and expediting the company's digitalisation, one of the goals of its strategic vision, Turning Energy into Inspiration, announced in September 2020.</p>



Proposals to be submitted to the Shareholders' Meeting on 22 April 2021 - Amendment to Purpose and Appointment of new Independent Auditors	<p>At its meeting on 4 March 2021 the BoD assessed the proposals to be put to the Shareholders' Meeting of 22 April 2021, and in particular those relating to:</p> <ul style="list-style-type: none">• the expansion of the purpose (Article 4 of the By-laws) to render it compatible with the technological evolution of the automotive market and with Brembo's new mission of becoming a Solution Provider to support its partners in creating solutions to the challenges posed by the new mobility paradigms, such as electrification, autonomous vehicles and digitalisation, as well as to allow the Company to enter sectors of activity adjacent to that in which it currently operates;• amendment to the company name from Freni Brembo S.p.A. to Brembo S.p.A. (Article 1 of the By-laws);• the reasoned recommendation, as prepared by the Board of Statutory Auditors, in its capacity as Internal Control and Audit Committee, which indicates Deloitte & Touche S.p.A. and PricewaterhouseCoopers S.p.A. as possible candidates to be awarded the mandate for the statutory auditing of the accounts for the years ended 31 December 2022-2030, specifying its preference for the bid submitted by the auditing firm Deloitte & Touche S.p.A.
Materiality Matrix and Disclosure of Non-Financial Information	<p>With reference to Sustainability, the Board examined, assessed and approved:</p> <ul style="list-style-type: none">• at the meeting on 17 December 2021, the proposed 2021 Materiality Matrix drawn up also taking into account the outcome of the survey conducted with internal and external stakeholders;• timetable of the process of collecting and preparing the NFD for 2021 (including the assurance activities plan by the firm commissioned);• at the meeting on 3 March 2022, the 2021 Disclosure of Non-Financial Information made available to the public along with this Report on 21 March 2022, as discussed in paragraph 1.3 above. <p>Non-financial reporting standardisation trends (new taxonomies, etc.) were constantly monitored through the reports of the Chief CSR Officer to the Audit, Risk & Sustainability Committee.</p>
Remuneration Policies¹⁴	<p>In the area of remuneration policies, the BoD reviewed and approved, with the prior favourable opinion of the Remuneration & Appointments Committee and with the attendance at the meetings of the Chief Human Resources & Organisation Officer, the subjects indicated below:</p> <ol style="list-style-type: none">1) On 4 March 2021:<ul style="list-style-type: none">• the closing results of the short-term annual Incentive Plan (MBO 2020) and their consistency with the short-term policies adopted previously; it also defined the proposals of the short-term annual Incentive Plan (MBO 2021);• the 2021 Report on the Remuneration Policy (Section I and Section II), drawn up in accordance with Article 123-ter of TUF, assessing and confirming the effective implementation of the remuneration policies as defined in 2020;2) On 3 March 2022:<ul style="list-style-type: none">• the closing results of the short-term annual Incentive Plan (MBO 2021) and definition of the proposals of the short-term annual Incentive Plan (MBO 2022);• the closing results of the Incentive Plan for Executive Directors and Top Managers (2019-2021 LTIP), and consistency with the long-term policies adopted previously;• the proposals for new short- and long-term remuneration policies, including the new Three-Year Incentive Plan for Top Managers (2022-2024 LTIP), incorporated into the Remuneration Report pursuant to Article 123-ter of the TUF (Section I);• the Report on the Remuneration Policy for 2022 and Remuneration Paid in 2021 (Sections I and II), assessing and confirming the effective implementation of the remuneration policies as defined and amended in 2021. <p>The main aspects of the new short- and long-term remuneration policies, approved by the Board, are illustrated in the Remuneration Report drawn up in accordance with Article 123-ter of TUF, which is available on Brembo's website.</p>

¹⁴ www.brembo.com, section Company, Corporate Governance, Remuneration Policies

Adequacy of the Internal Control and Risk Management System	<p>With regard to the ICRMS, the Board constantly monitored the main aspects associated with the System in the context of the various improvement/development plans of the different processes. Monitoring activities included the periodic reports received during the meetings of 4 March 2021, 29 July 2021 and 3 March 2022 from the Director in charge of the ICRMS, the Audit, Risk & Sustainability Committee, the Supervisory Committee and the Chief Internal Audit Officer, thus confirming the adequacy of the Internal Control and Risk Management System of Brembo, and the appropriateness of action plans for preventing risks identified by the management, including the actions/initiatives implemented in Italy and at Group companies to address the Covid-19 epidemic emergency and the related risks.</p>
Internal Audit	<p>The Board of Directors met the Chief Internal Audit Officer in order to examine, respectively:</p> <ul style="list-style-type: none"> • at the meeting on 4 March 2021, the 2021 Audit Plan for the Internal Audit function; • the results of the internal audit activities carried out in 2020, the function indicators (2020 final and 2021 target) and the revision of the 2021 Audit Plan at the meeting of 10 May 2021; • at the meeting on 17 December 2021, the 2022 Budget for the Internal Audit function.
Workplace safety indicators	<p>At its meeting of 4 March 2021, the Board of Directors analysed the 2020 Safety Performance and the related Group indicators, further exploring the programmes launched at the global level to constantly increase Group security levels.</p>
Update of the RPT Procedure	<p>On the basis of the changes introduced by Consob Resolution No. 21624 of 10 December 2020 (in implementation of Legislative Decree No. 49/2019 transposing the SHRD-EU Directive No. 2017/828), the Company updated its Related Party Transactions Procedure. The Procedure as amended became effective on 1 July 2021 (as provided for by Consob Resolution No. 21624 of 10 December 2020). The previous version of the Procedure remained effective up to that date.</p> <p>For further details, refer to paragraph 10.</p>
2020 Corporate Governance Code	<p>With reference to 2020 Corporate Governance Code, Brembo has acknowledged and constantly followed the developments and interpretative discussions in order to analyse in detail every single aspect and understand the trend of implementation of the main listed companies. In the light of the analyses carried out, the text of the new Brembo Code was circulated for preliminary consultation on 15 October 2021 to the members of the Audit, Risk & Sustainability Committee and Board of Statutory Auditors, along with a detailed comparison of the deviations and their justification (it should be noted that the deviations set out in Annex 1 to the new Brembo Code are due to the fact that the practice recommended by the 2020 CGC was deemed not to be functional or compatible with the Company's governance model).</p> <p>The Board of Statutory Auditors found a detailed analysis of the comparison with the 2020 CGC.</p> <p>The new Brembo CGC was therefore expanded to incorporate some formal suggestions and the final version was then forwarded to the members of the Audit, Risk & Sustainability Committee and Board of Statutory Auditors on 25 October 2021. Lastly, the new Brembo Code also incorporated the governance-related amendments as approved by the General Shareholders' Meeting of 17 December 2021 and was then approved by the BoD on that same date. The document is available for consultation on the Company's website (www.brembo.com, section Company, Corporate Governance, Codes & Policies).</p>
Regulations of the BoD	<p>The Regulations of the BoD are a tool recommended by the 2020 Corporate Governance Code and Brembo adopted them for the first time in November 2017 to identify the criteria for its optimal composition and the rules and procedures for its functioning, in particular to ensure effective management of Board reporting.</p> <p>To implement the amendment to the By-laws approved by Brembo's Extraordinary Shareholders' Meeting on 17 December 2021 — which, through Article 17-<i>bis</i>, introduced the role of the Chairman Emeritus — the Regulations of the Board of Directors needed to be amended to enable the Chairman Emeritus to participate in the meetings of the Board of Directors with the right to speak but not to vote, since he is not a member of the Board of Directors.</p> <p>The BoD thus adopted the updated Regulations on 17 December 2021.</p>



Brembo's Shareholder Engagement Policy	<p>In accordance with the recommendations provided for in the 2020 Corporate Governance Code and in compliance with the adoption of the new Brembo Corporate Governance Code, the Company adopted the Brembo's Shareholder Engagement Policy.</p> <p>The text was circulated for preliminary consultation on 15 October 2021 to the members of the Audit, Risk & Sustainability Committee and Board of Statutory Auditors. Subsequently, on the basis of the suggestions received by the Board of Statutory Auditors and some Directors, the document was also circulated to the LID and Independent Directors, which organised a specific meeting on 19 November 2021.</p> <p>The final text incorporating the indications that emerged from the meeting of the LID and Independent Directors was circulated to the members of the Audit, Risk & Sustainability Committee and Board of Statutory Auditors on 25 November 2021.</p> <p>The policy was also circulated to the firm Studio Bonelli Erede and lays down the issues and methods of implementing dialogue between the Company and the shareholders at large, drawing inspiration from the principles of integrity, transparency and symmetry of information, in accordance with European and national market abuse legislation.</p> <p>It involves granting general delegated powers to the Executive Chairman for operational management of all processes of engagement and dialogue with the current and/or potential Shareholders and/or Investors, ensuring that such processes are always performed in the Company's interest and in accordance with the laws, regulations, policies and internal rules.</p> <p>Within the framework of this delegated authority, the Executive Chairman is supported by the Head of Investor Relations and coordinates, where necessary or appropriate, with the CEO, Secretary of the BoD and the Chief Communication Officer, according to their respective responsibilities.</p> <p>The document was then approved in its final version by the Board of Directors on 17 December 2021 and made available to the public on the Company's website (www.brembo.com, section Company, Corporate Governance, Codes & Policies).</p>
BoD self-assessment (Board Performance Evaluation)	<p>At its meeting on 29 July 2021, the Board of Directors examined and discussed the activity calendar related to the BoD's self-assessment (Board Performance Evaluation), which for 2021, in concert with the Remuneration & Appointments Committee, was drawn up by the LID, with the support of Brembo S.p.A.'s Legal and Corporate Affairs Department.</p> <p>The findings of the BoD self-assessment (2021 Board Performance Evaluation) were examined and discussed by the Board of Directors at its meeting of 20 January 2022.</p> <p>For a detailed description of activities and related results, see paragraph 7.1.</p>
Budget 2022	<p>During the meeting of 17 December 2021, the Board of Directors, following examination of the market trends relating to the automotive sector and the main projects identified by Brembo, analysed Brembo's 2022 budget, finding the targets set in it to be compatible with the nature and levels of the risk identified, and adequate in view of the sustainability of Brembo's business in the medium and long term.</p>

4.2. Appointment and replacement of Company Directors

The Company is governed by a Board of Directors made up of a minimum of five and a maximum of eleven members, as determined by a resolution of the General Shareholders’

Meeting. Directors are appointed by the ordinary Shareholders’ Meeting on the basis of lists with a minimum threshold of 1% of share capital.

Summary of the Company’s by-laws provisions

<p>Composition (Article 15 of the By-laws)</p>	<p>The Board of Directors consists of:</p> <ul style="list-style-type: none"> • a minimum of five and a maximum of 11 members (executive and non-executive Directors), who may be re-elected and, unless otherwise resolved by the General Shareholders’ Meeting, shall hold office for the period specified in the General Shareholders’ Meeting appointment resolution, up to a maximum of three years; they shall expire at the date set for the General Shareholders’ Meeting called to approve the Financial Statements for their last year of office, subject to the causes for termination and forfeiture provided for by law and the By-laws; • at least one (1) Board member, or two members if the Board is made up of more than seven members, meeting the independence criteria pursuant to laws and the Corporate Governance Code of Borsa Italiana, endorsed by the Company; • its composition must reflect gender balance, in accordance with the laws and regulations from time to time in force. <p style="background-color: #f0f0f0; padding: 5px;">The Brembo’s Corporate Governance Code, which also incorporates the provisions of the Regulations of the BoD, as updated on 17 December 2021, establishes additional both quantitative and qualitative criteria for the formation of the BoD, so that its composition is suited to the Group’s size, positioning, complexity, specific industry and strategies. These criteria also represent and include the diversity policies in the composition of the governing body (see paragraph 4.4).</p>
<p>List voting (Article 15-bis of the By-laws)</p>	<p>With regard to the lists of candidates, duly signed by the Shareholders submitting the same, or the Shareholder delegated to do so, together with all the other related documents as required under the By-laws:</p> <ul style="list-style-type: none"> • the lists containing a number of candidates equal to or greater than three cannot include only candidates of the same gender (men and women); these lists must include a number of candidates of the under-represented gender such as to ensure that the composition of the Board of Directors complies with the laws and regulations on gender balance from time to time in force, it being understood that where the application of the distribution criterion between genders results in a non-integer number, this must be rounded up in compliance with the laws — including regulatory — applicable from time to time and as specified in the notice of calling of the General Shareholders’ Meeting called to resolve on the appointment of the members of the Board of Directors. Moreover, all lists must be drawn up taking into account the diversity criteria specified in Brembo’s CGC; • the lists must be filed with the Company’s registered offices at least 25 calendar days prior to the scheduled date of the General Shareholders’ Meeting at first calling and they must be made available to the public at the Company’s registered offices, on the corporate website and in the other manners and forms specified under statutory and regulatory provisions, at least 21 calendar days prior to the scheduled date of the General Shareholders’ Meeting; • the lists shall be numbered in serial order according to the date of their filing with or submission to the company; • the filing of voting lists pursuant to the provisions of Article 15-bis of Brembo S.p.A.’s By-laws shall also be valid for General Shareholders’ Meetings held at subsequent callings, if any; • in this latter case, new voting lists may be submitted and the aforementioned terms set forth for the filling of lists are reduced to 15 and 10 days, respectively.



Voting and Election (Article 15-ter of the By-laws)

With reference to the procedures regulating the voting process to appoint the Governing Body:

- all the Board members to be appointed as determined by the General Shareholders' Meeting, save one (1), shall be drawn from the list obtaining the highest number of the votes cast by Shareholders, in the same serial order in which they appear on the said list;
- the remaining seat on the Board shall be awarded to the first candidate on the list that obtained the second highest number of votes and that is not linked in any way, whether directly or indirectly, with the Shareholders who submitted or voted in favour of the list that obtained the highest number of votes;
- the positions of Independent Directors, who must meet the requirements of independence, pursuant to article 15 of these By-laws as mentioned above, will be filled from the list that obtained the highest number of the votes cast, or if this is not possible, from the list that obtained the second highest number of votes;
- for the intents and purposes of appointments to the Board of Directors, no account must be taken of lists that failed to obtain a number of votes representing at least half the aforementioned percentage established under Article 15-bis of the By-laws for the submission of voting lists (for instance, half the 1% of share capital);
- should only one list be submitted, all the members of the Board of Directors must be drawn from the said list, it being understood that in the event no list is submitted, the General Shareholders' Meeting shall pass related resolutions by majority vote, in accordance with applicable laws and regulations, and provisions concerning gender balance (including the rounding-up to the next higher unit in the event the application of the distribution criterion between genders results in a non-integer number);
- should be presented two or more lists, the Board of Directors members shall be drawn: (i) from the list obtaining the highest number of the votes cast by shareholders, in the same serial order in which they appear on the said list, all the Board members to be appointed save one (1), without prejudice to provisions concerning gender balance and pursuant to applicable laws and regulations; (ii) the remaining seat on the Board shall be awarded to the first candidate on the list that obtained the second highest number of votes and that is not linked in any way, whether directly or indirectly, with the Shareholders who submitted or voted in favour of the list that obtained the highest number of votes.

It should be noted that Brembo's By-laws does not provide for the possibility for the outgoing Board of Directors to submit its own list.

4.3. Composition of the Board of Directors for the three-year period 2020-2022

The General Shareholders' Meeting held on 23 April 2020 confirmed the number of Board members at 11 and appointed the Board of Directors for the three-year period 2020–2022, i.e., until the General Shareholders' Meeting called to approve the Financial Statements for the year ending 31 December 2022, based on the two lists submitted respectively by the majority shareholder Nuova FourB S.r.l. and a group of Asset Management Companies and other institutional investors (holding 2.27836% of the share capital, overall).

The candidates for the three-year period 2020-2022 were nominated on the basis of opinions expressed by the then outgoing Board of Directors regarding its size and composition and the types of professionals and managers (number, number of independent directors, length of term, gender, professional skills), and the related remuneration, as described in the Directors' report on the appointment of the Board of Directors, made available on the Company's website.

Said opinions were expressed by the outgoing Board of

Directors, taking account of the indications expressed by the Remuneration & Appointments Committee during the meeting held on 3 March 2020, the recommendations of the Independent Directors, as well as the findings of the 2019 Board Performance Evaluation (end-of-term assessment for the period 2017-2019), with the aim of ensuring an ideal mix of skills, experience and professionalism among the members of the Board of Directors for the 2020-2022 term.

As of 17 December 2021, the Board of Directors' composition changed: following the resignation of Alberto Bombassei from his role as Chairman and member of the Board of Directors:

- the member of the Board of Directors currently in office Matteo Tiraboschi was appointed Executive Chairman;
- the Board was integrated to bring again the number of its members to 11, with the appointment of the Non-Independent Director Roberto Vavassori, until the Shareholders' Meeting called to approve the Financial Statements for the year ending at 31 December 2022.

Composition of the Board of Directors and Board Committees - 2021

Board of Directors													2021 Meetings		Audit Risk & Sustainability Committee/ Related Party Transactions Committee	Remuneration & Appointments Committee
Office held	Name and surname	Year of birth	Date of first appointment ¹	In office from	In office until	List ²	Exec.	Non. exec.	Indep. as per Code	Indep. as per TUF	Attendance rate at 2021 meetings ³	Other offices held ⁴	Attendance rate at Shareholders' Meetings	Member	Member	
Executive Chairman	Matteo Tiraboschi	1967	24.04.2002	23.04.2020	Approval of the Financial Statements at 31.12.2022	Ma	x				100%	–	100%			
Chief Executive Officer	Daniele Schillaci	1964	28.06.2019 (coopt.)	23.04.2020	Approval of the Financial Statements at 31.12.2022	Ma	x				100%	–	100%			
Director	Cristina Bombassei	1968	16.12.1997 (coopt.)	23.04.2020	Approval of the Financial Statements at 31.12.2022	Ma	x				100%	–	100%			
Director	Elisabetta Magistretti	1947	23.04.2020	23.04.2020	Approval of the Financial Statements at 31.12.2022	Ma		x	x	x	87.5%	2	100%	x (100%)		
Director	Elizabeth M. Robinson	1956	23.04.2020	23.04.2020	Approval of the Financial Statements at 31.12.2022	Ma		x	x	x	100%	3	100%		x (100%)	
Director	Laura Cioli	1963	20.04.2017	23.04.2020	Approval of the Financial Statements at 31.12.2022	Ma		x	x	x	87.5%	3	100%	x (Chair.) 100%	x (100%)	
Director	Gianfelice Rocca	1948	29.04.2011	23.04.2020	Approval of the Financial Statements at 31.12.2022	Ma		x	x ⁵	x	100%	8	50%			
Director	Umberto Nicodano	1952	03.05.2000	23.04.2020	Approval of the Financial Statements at 31.12.2022	Ma		x			100%	–	100%			
Director (LID)	Valerio Battista	1957	20.04.2017	23.04.2020	Approval of the Financial Statements at 31.12.2022	Ma		x	x	x	87.5%	2	100%			
Director	Nicoletta Giadrossi ⁶	1966	20.04.2017	23.04.2020	Approval of the Financial Statements at 31.12.2022	Mi		x	x	x	100%	3	50%	x (100%)	x (Chair.) 100%	
Director	Roberto Vavassori	1959	17.12.2021	17.12.2021	Approval of the Financial Statements at 31.12.2022	Ma	x				100%	–	100%			
Number of meetings held during the year of reference									(2021)		BoD: 8	Shareholders' Meetings: 2	Audit, Risk & Sustainability Committee: 7	Remuneration & Appointments Committee: 4		
Directors who left office in 2021																
Chairman Emeritus	Alberto Bombassei	1940	21.12.1984	23.04.2020	17.12.2021	Ma	x				100%	–	100%			

NOTES

- ¹ This column shows the date on which the Director was appointed by the General Shareholders' Meeting as a Director of Brembo for the first time; 'co-option' means the date of co-option by the Board of Directors.
- ² This column indicates the list from which each Director was appointed ("Ma": majority list; "Mi": minority list). It should be noted that Brembo's By-laws does not provide for the possibility for the outgoing Board of Directors to submit its own list.
- ³ This column shows the Directors' attendance rate at the meetings held by the BoD or Board Committees in 2021 (No. of times attended/No. of meetings held during the Director's actual term of office).
- ⁴ This column shows the number of Directorships or Auditorships held in other companies listed on regulated markets, including foreign markets, financial companies, banks, insurance companies and large companies. Said information can be obtained from their respective

statements. It should be noted that the maximum number of Directorships and Auditorships in listed companies is set at four. Positions at listed companies in which the Director also holds a significant equity interest should not be considered. The positions of each Director are indicated in his or her respective Professional profile.

- ⁵ It should be noted that Gianfelice Rocca qualified as independent due to the consolidated principle of the prevalence of substance over form (since the renewal of his appointment as Director of Brembo follows nine years of completed service in office). This was also in light of the professionalism and dedication that he has always shown and his active, punctual participation in Board meetings, and to his speeches and thoughts that have enriched and instilled quality into debate within the Board towards the resolutions passed while also maintaining complete independence of judgement.

- ⁶ The candidature of Director Nicoletta Giadrossi was submitted by a group of Shareholders representing 2.27836% of the share capital - General Shareholders' Meeting held on 23 April 2020.



The BoD's self-assessment activities performed through the analysis and evaluation of the individual statements by the Statutory Auditors upon appointment by the Shareholders' Meeting of 23 April 2020 and verification thereof each year (the last time during the meeting held on 3 March 2022), confirmed the following:

- all the appointed Directors meet the requirements of personal integrity, professionalism and respectability imposed by applicable statutory and regulatory provisions;
- the Non-executive Directors and those who can qualify as Independent Directors meet the requirements set by Article 148, paragraph 3, of TUF, and/or by the 2020 Corporate Governance Code and Brembo's Corporate Governance

Code, as indicated in the table on page 27. The table also specifies the Directors' respective roles within the company, their attendance rate at the Board of Directors' meetings held in 2021, their seniority of service, and the number of positions held with other relevant companies;

- at least two-fifths (2/5)¹⁵ of the BoD consists of the less-represented gender;
- no Directors reported circumstances requiring the submission of a report by them for the purpose of a departure from the competition principle.
- an Executive Director (R. Vavassori) is also Director of a company 50% owned by Brembo S.p.A. (BSCCB S.p.A.); no other Director holds positions in subsidiaries of the Group.

Professional profile of the Directors currently in office

A short professional profile of each Director, with his/her personal and professional features, is included hereinafter, and is also available on the Company's website¹⁶.

ALBERTO BOMBASSEI

Chairman Emeritus¹⁷

Company founder and Chairman Emeritus of the Company, of which he was Chairman of the Board of Directors from 1993 to 2021.

He is also founder and Chairman of the Kilometro Rosso Scientific and Technological Park.

President of FROM - Bergamo Hospital Research Foundation
Since 2020, he has been a member of Confindustria Executive Board.

He has been Member of the Board of Directors of ISPI – Institute for International Political Studies since 2016. He has been member of the Executive Board of Assonime, an association of Italian joint-stock companies, since 2017. Vice-President of Aspen Institute Italy since 2018.

Member of the Leonardo Committee's Executive Board since 2018.

Member of the Board of Directors of MADE - Competence Center Industry 4.0 since 2019.

President of the Italy-China Foundation (2018-2020).

Member of the Chamber of Deputies and the X Production Activities Committee (2013-2018).

Vice President of Confindustria in charge of Industrial Relations (2004-2012). President of Federmeccanica (2001-2004)

Over the years he received several awards and honours, including: "Parete" (2021); "Barsati and Matteucci Award" (2021); "Gianni Mazzocchi Award" (2021); "Casco d'oro" (2019); "Capo d'Orlando" Award for section "Science and Industry" (2019); "Leonardo" Award (2017) bestowed on him by Italian President Sergio Mattarella; "Automotive Hall of Fame" Award (2017); title of Commander of the Order of Isabel the Catholic (2014) bestowed on him by Spain's Ambassador to Italy; the Ernst & Young Prize as "Entrepreneur of the Year" (2012); "Tiepolo 2012" Award; title of "Cavaliere del Lavoro" (2004) bestowed on him by Italian President Carlo Azeglio Ciampi; Leonardo "Qualità Italia" Award (2003).

¹⁵ Minimum quota of the less-represented gender in the corporate bodies of listed companies (Law No. 160 of 27 December 2019), in force at the date of appointment of the Board of Directors (General Shareholders' Meeting of 23 April 2020) for the three-year term 2020-2022.

¹⁶ www.brembo.com, section Company, Corporate Governance, Governing Boards and Committees

¹⁷ The Directors served as Chairman until 17 December 2021.

MATTEO TIRABOSCHI

Executive Chairman¹⁸

Born in Bergamo in 1967, he has been Executive Chairman of Brembo Group since December 2021. From 2011 to 2021, he held the role of Executive Deputy Chairman and since 2002, the year he joined the company as Chairman of a subsidiary, he has been a member of the Board of Directors of Brembo S.p.A. He has served in roles of increasing responsibility at Brembo, including at an international level, such as Head of Foreign Subsidiaries and Group CFO and Investor Relator. After obtaining a degree in Economics and Business from the University of Bergamo, and after being admitted to the Bergamo Accountants Association and the Register of Statutory Auditors in 1995, he began his career at the Milan offices of a major auditing firm, where he remained for approximately four years. He then went into private practice for ten years as a Certified Public Accountant specialising in restructuring of companies undergoing a crisis situation, bankruptcy proceedings, taxation and corporate matters, while also serving as Director and Statutory Auditor in various companies. He has served as Director of two Italian SPACs and he has been a member of the Board of Directors of Milan Polytechnic since January 2017.

DANIELE SCHILLACI

Chief Executive Officer

Chief Executive Officer of the company since 1 July 2019. Daniele Schillaci was born in Sicily, Italy in 1964. After graduating in Industrial Technologies Engineering at the Polytechnic University of Milan in 1993, he has gained an experience of over 25 years in the automotive sector covering increasingly complex roles at an international level. After his initial experience at Renault and then as Alfa Romeo Brand Manager at Fiat Auto, Schillaci joined Toyota covering positions of increasing responsibility in Spain and France until he was appointed Senior Vice President, Sales & Marketing Toyota Europe. Since July 2015 he has worked in Japan in the role of Executive Vice President and Executive Committee Member of Nissan Motor Corporation, with responsibility as Head of Global Sales & Marketing and Electric Vehicles for all the Constructor's brands — Nissan, Datsun, Infiniti — focusing specifically on car production and market positioning. He also served as President of Japan&Asia Region with responsibility for production, engineering, development, sales and marketing, as well as administration and finance and led Nissan's "Zero Emission Vehicles" project.

CRISTINA BOMBASSEI

Director in charge of the Internal Control & Risk Management System

Cristina Bombassei has been a Director of Brembo S.p.A. since 1997 and Chief CSR Officer, tasked with promoting Brembo Group's commitment to Corporate Social Responsibility, since 2013. She is a Director of Kilometro Rosso S.p.A. She is President of the Pro Universitate Bergomensis association. She is a member of the Board of Directors of fashion group OTB – Only The Brave. At Confindustria Nazionale she holds the position of President of the Technical Corporate Social Responsibility and Sustainability Group and is also Vice President of Confindustria Bergamo in charge of education. In addition, she is on the Board of Directors of AIDAF, the Italian Family Business Association. She was made a Commander of the Order of Merit of the Italian Republic in 2021 and named as one of Forbes magazine's '100 successful Italian women' in 2018. Additionally, she is an Honorary Member of the Fondazione Cesvi humanitarian organisation.

ELISABETTA MAGISTRETTI

Independent Director

Italian citizen. She has been Non-executive Independent Director of Brembo S.p.A. since April 2020. She graduated with honours in Economics and Business Administration at the Bocconi University of Milan. She is registered in the Certified Public Accountants Register, as well as in the Auditors Register. From 1972 to 2001, she worked for Arthur Andersen becoming a partner in 1984. In 2001, she became Central Manager Head of Administration Governance at Unicredit. From 2006 to 2009 she served as Head of Group Internal Audit Department within Unicredit. She has also been Management Board member of Italian National Accounting Body and BoD member of Interbank Deposit Protection Fund (until 2009), as well as member of the Supervisory Board of Efrag. From 2011 to 2016 she served as Non-executive Independent Director of Pirelli & C. S.p.A. and from 2012 to 2020 as Non-executive Independent Director of the Luxottica Group S.p.A.

¹⁸ The Director was appointed Chairman by the Shareholders' Meeting of 17 December 2021, while the first Board of Directors' meeting convened after said Shareholders' Meeting granted him the powers to manage the Company. He had previously served as Executive Deputy Chairman since 2011.



Currently, she is a Non-executive Director of Mediobanca-Banca di Credito Finanziario S.p.A. and of Smeg S.p.A.

She is member of the Board of Statutory Auditors of the Unicredit Foundation and of Fondazione Italiana Accenture, as well as member of the Executive Board of the “Per Milano Onlus” association and the Management Committee of the “Associazione per Milano” Fund.

ELIZABETH MARIE ROBINSON

Independent Director

She was a co-founder of NicOx S.A. and has been President of NicOx Research Institute S.r.l. since January 2006. From March 2014 to May 2018 she served as Venture Capital Area Investment Director in Quadriovio Capital SGR. She has broad experience in the development and licensing of innovative pharmaceutical products.

She was a co-founder and has been Vice President and responsible for funds of Indaco Venture Partners SGR S.p.A. since May 2018.

She has been a Director of Brembo S.p.A. since 2020.

From 2006 to 2008 she served as Chairman of the Board of Directors of Layline Genomics.

She has held, *inter alia*, the following positions: Director, Product Development, at Recordati Italy (1990-1996); Consultant, Technology Development, at Techint Engineering Company (1988-1990); Vice President, New Technology Ventures Europe, at Genzyme (1985-1988); Visiting Scientist at MIT (1984-1987); Instructor at MIT (1983) and Post Doctorate Research Associate at MIT (1982-1984).

Elizabeth Robinson was a member of the Fulbright Commission in Italy and currently is a member of the Board of Directors of Penta Foundation, a no profit organisation.

She graduated Phi Beta Kappa from Wellesley College in 1977, received her M.S. in Chemical Engineering from Massachusetts Institute of Technology in 1979 and her Ph.D. in biotechnology from MIT in 1982.

LAURA CIOLI

Independent Director

A Director of Brembo S.p.A. since 2017.

She has served in various executive roles at leading global companies operating in telecommunications, media, energy, financial services and management consulting. In particular, she has been: (i) Chief Executive Officer of GEDI Gruppo Editoriale S.p.A. (ii) Chief Executive Officer of Rcs Mediagroup, (iii) Chief Executive Officer of CartaSi, (iv) Chief Operating Officer of Sky

Italia (News Corporation Group), (v) Senior Vice President of ENI Gas & Power, (vi) Executive Director of Vodafone Italia, member of the Executive Committee in various roles, including Head of Strategy and Business Development, Head of Operations and Head of the Business Division, and (vii) partner at Bain & Company. Moreover, she has acted as Non-Executive Director on the boards of various companies, such as Pirelli, Ansaldo Energia, Telecom Italia, Salini-Impregilo, World Duty Free Group, Cofide, Ansa and Visa Italia (as chairwoman).

She is currently a member of the Board of Directors and Remuneration Committee of Sofina S.A., a member of the Board of Directors, the Appointments Committee, the Risks Committee and the Related Parties Committee of Mediobanca and a member of the Board of Directors, the Strategies and Sustainability Committee and the Committee for Operations with Related Parties of Autogrill.

After graduating with honours in Electronic Engineering from the University of Bologna, she also earned a master's degree in Business Administration from Milan Bocconi and is a member of the International Advisory Board of SDA Bocconi.

NICOLETTA GIADROSSI

Independent Director

She has been a Director of Brembo S.p.A. since 2017. She is currently also Chairwoman of the Ferrovie dello Stato Italiane Group, and of Cairn Energy Plc, as well as a member of the Board of Directors of Royal Vopak N.V. and Falck Renewables Spa. Previously, she also served as a member of the Board of Directors IHS Markit Ltd, Fincantieri S.p.A., Faiveley Transport SA, Bureau Veritas SA, and Aker Solutions Asa. She began her career in 1988 at The Boston Consulting Group in Paris. In 1995, she joined General Electric Company, where she stayed for more than ten years, serving in various managerial roles in the Equipment and Oil & Gas sector, such as General Manager, GE Oil & Gas Downstream. From 2009 to 2012, she was Vice President & General Manager, Europe, Middle East and Africa of Dresser-Rand, a company operating in the Oil & Gas and Renewable Energies sector. From 2012 to 2014, she was Executive Vice President/Head of Operations at Aker Solutions Asa in Oslo, an offshore engineering firm. From 2014 to 2016, she was President Region A (Europe, Africa, Middle East, Russia and India) of Technip, a French engineering and technology firm in the energy and infrastructure sectors. She holds a degree in Mathematics and Economics from Yale University and an MBA from Harvard Business School.

VALERIO BATTISTA

Independent Director

With a degree in Mechanical Engineering from the University of Florence, Valerio Battista is a manager with a deep knowledge and understanding of the industrial sector thanks to over 30 years of experience, first with the Pirelli Group and then with the Prysmian Group, of which he took the helm in 2005. At the Pirelli Group, he occupied positions of increasing responsibility, handling in particular the restructuring and reorganisation of Pirelli Cavi, making it into one of the company's most profitable and competitive divisions in the period 2002-2004. In 2005, he oversaw the creation of the Prysmian Group, which he led to its IPO in 2007. The Group, of which he is currently the Chief Executive Officer, is world leader in the energy and telecom cable systems industry, with about 30,000 employees and 112 plants worldwide.

He has been President of Europacable since June 2014 and a member of the Board of Directors Brembo S.p.A., with the role of Lead Independent Director, since April 2017. He is also the sole director of VB Invest S.r.l.

UMBERTO NICODANO

Non-executive Director

A Director of Brembo S.p.A. since 2000.

A partner in the law firm Bonelli Erede since its foundation, he deals primarily with extraordinary finance transactions and matters of corporate governance and succession.

He has gained an extensive experience as Director and member of committees within listed and private companies. He sits on the Board of Directors of various companies including Valentino S.p.A., Miroglio and Illva Saronno Holding.

GIANFELICE ROCCA

Independent Director

He is Chairman of the Techint Group, which includes the companies Tenaris, Ternium, Tenova, Techint E&C, Tecpetrol and Humanitas. A recognised global leader in the iron and steel, energy and infrastructure sectors, last year the Group reported annual revenues of 17.452 billion dollars and a headcount of approximately 51.956. In the 90s, he founded the Humanitas Clinical Institute, a general hospital among the most renowned in Europe: an international centre of research, teaching and case management of the Harvard University. He has been a member of the Board of Directors of the Luigi Bocconi Business School since November 2014. In July 2017, he was named a member of the Board of Directors of the Leonardo Da Vinci National Museum of Science and Technology Foundation.

In June 2020, he was appointed Special Advisor Life Sciences within Confindustria. In Italy, he sits on the Boards of Directors of Brembo S.p.A., Buzzi Unicem S.p.A. and is also a member of the Advisory Board of Milan Polytechnic. From June 2013 to June 2017, he was President of Assolombarda, the largest territorial association of entrepreneurs in Italy. For eight years — from May 2004 to May 2012 — he was Vice President of Confindustria in charge of Education, and from June 2012 to June 2016 he was a member of the Executive Board of EIT (the European Institute of Innovation and Technology). At the international level, he is Vice President of the Aspen Institute and also a member of its Executive Board, in addition to being a member of the European Advisory Board of the Harvard Business School, the International Cancer Center Board of Advisors of the Beth Israel Deaconess Medical Center, and, finally, a member of the Trilateral Commission and ERT (European Round Table of Industrialists). Active in social and charity initiatives, he is Chairman of the Fondazione Rocca and the Fondazione Fratelli Agostino ed Enrico Rocca. In 2007, he was granted the Italian honorary title of “Cavaliere del Lavoro” and in 2009 he was awarded an honorary degree in Management Engineering from the Polytechnic of Milan. In 2010, the President of the Italian Republic, Giorgio Napolitano, awarded him the “2009 Leonardo Prize” for his contribution to the strengthening of the Italian international expansion in the steel, energy and infrastructure industries. In 2018, he was awarded the honorary title of “Commendatore” by President of the Italian Republic Sergio Mattarella for his dedication and contribution to Italy's economy. He graduated with honours in Physics from the University of Milan and completed a PMD at the Harvard Business School in Boston. He lives in Milan, is married and father of two children.

ROBERTO VAVASSORI

Executive Director¹⁹

A manager of just over 60 years of age, he joined Brembo in 1978 as a part-time employee and was hired as a manager in 1986.

Italian nationality, knowledge of English at mother tongue level and German at basic level.

His entire career, after graduating and qualifying as a chartered accountant and auditor, took place in the automotive world at Brembo Group and in roles of increasing responsibility, especially in the multinational sphere.

In his various responsibilities, he has always worked closely with the ownership, the Board and the CEO, depending on the tasks assigned.

¹⁹ He was appointed by the Shareholders' Meeting of 17 December 2021 and will remain in office until the end of the current Board's term.



He is known and respected as an expert in the automotive sector, its dynamics and in particular the evolution of future trends and regulations, both within the industry community and the financial community.

He is a regular speaker at conferences and seminars, including international ones.

He is aware of extra-sectoral and geopolitical trends and phenomena, in particular related to decarbonisation and energy transition issues.

He is familiar with the Italian, European and international regulatory frameworks of the sector and regularly interacts with Italian and European legislative authorities.

He can draft, read and interpret complex and strategic financial and business reports and plans.

He is familiar with typical corporate development transactions and has actively participated in more than twenty acquisition transactions during his career.

He is currently a board member of high-level scientific and cultural institutions.

Thanks to his work experience, he has an excellent knowledge of Brembo's products and processes.

He is currently chairman of BSCCB S.p.A., an equal joint

venture between Brembo and the German group SGL for the development and production of carbon ceramic disc brakes, with two plants, located in Italy and Germany.

He is a member of the General Council of the Italian Confederation of Italian Industry (Confindustria), as a representative of large-scale industry, and is a member of the Culture and Energy technical groups.

He is a member of the General Council of Confindustria Bergamo.

From 2012 to 2015 he was President of ANFIA, the Italian Association of the Automotive Industry, where he is currently a member of the Board of Directors.

He is a member of the board of the Lombardy Mobility Cluster. From 2016 to 2019, he was President of CLEPA, the Brussels-based European Association of Component Manufacturers, which is a permanent contact point for the European institutions on mobility issues, and is a member of the Board.

He is managing director of Kilometro Rosso.

He is a member of the board of directors of the Istituto di Ricerche Farmacologiche Mario Negri IRCCS.

He is a councillor of the International Piano Festival of Brescia and Bergamo.

4.4. Criteria and Policies for Diversity in the Composition of the Board and the Company's Organisation

Brembo's Board of Directors approved the Board of Directors' Diversity Policies and Criteria, applicable with effect already from the Board's 2017-2019 term of office, which provide for new criteria, based on as objective a foundation as possible, in addition to those established by applicable laws and regulations, relating to the professionals to propose as candidates in order to ensure that the composition of the Board of Directors is adequate to the Group's size, position, complexity and the specific nature of its business sector and strategies.

These criteria take account of the adjustment of the minimum quota reserved to the less represented gender in the corporate bodies introduced by Law No. 160 of 27 December 2019²⁰.

The BoD' Diversity Policies and Criteria, indicated in the Brembo's CGC and the Regulations of the Board of Directors (and in line

with the 2020 CGC), as and described below, aim at ensuring the appointment of Board members who have an optimal combination of skills and professional background and form the diversity policies for the Governing Body's composition not only with regard to gender, but also experience, professionalism, age and other relevant aspects. Within these criteria, qualitative and quantitative criteria have also been formulated to be used to assess the significance of the relationships being examined for the purposes of assessing the independence of the Directors.

The above-mentioned criteria constituted, *inter alia*, the basis for the orientation by the outgoing Board of Directors for the managerial and professional candidates to be nominated for the incoming company officers during the General Shareholders' Meeting of 23 April 2020 and the integration of the same during the Shareholders' Meeting of 17 December 2021.

²⁰ 2020 Budget Law – which applies from the first renewal of the governing and control bodies of companies listed in regulated markets after the law enters into force, i.e. after 1 January 2020. Article 1, paragraphs 302 and 303, which provides that: i) the three terms of office be extended to six terms; ii) at least 2/5 (no longer at least 1/3) of the members of the relevant governing or control body be reserved for the less represented gender.

Diversity Policies and Criteria in the Composition of the Board of Directors (Article 2 - Composition of the Corporate Bodies – Article 3 - Functioning of the governing body of the Corporate Governance Code of Brembo S.p.A.)

Legal and Regulatory Requirements

NON-EXISTENCE OF GROUNDS FOR DISQUALIFICATION	Non-existence of situations entailing ineligibility or disqualification within the meaning of Article 2382 of the Italian Civil Code ²¹ .
INTEGRITY AND PROFESSIONALISM	Satisfaction of the requirements pursuant to article 147- <i>quinquies</i> of TUF.
GENDER	Percentage of seats reserved to the less represented gender in accordance with legislation applicable from time to time ²² .
INDEPENDENCE	Satisfaction of the independence requirements pursuant to Article 147- <i>ter</i> , paragraph 4, and Article 148, paragraph 3, of TUF, and Satisfaction of the independence requirements pursuant to Recommendation No. 7 of the 2020 CGC and Application Rule No. 7 of Brembo's CGC.

Quantitative Features

AGE	Independent Directors: a maximum age of 75 and a minimum age of 35 (at the date of submission of the lists for the purpose of a potential candidacy). Reaching the maximum age limit will not be considered mid-term and, if reached, will not entail any forfeiture.
OVERALL NUMBER	11
No. OF MINORITY DIRECTORS	At least one (1) (or more than one (1), where required by the By-laws.
GENDER	Percentage of seats reserved to the less represented gender in accordance with legislation applicable from time to time ²³ .
No. OF NON-EXECUTIVE DIRECTORS	At least seven (7)
No. OF INDEPENDENT DIRECTORS	At least five (5) The BoD assesses the independence of each Non-Executive Director immediately after appointment, and thereafter when circumstances relevant to independence occur and, in any event, with at least annual frequency, according to the criteria laid down in the 2020 CGC and Brembo's CGC. In assessing the independence of Non-executive Directors, the Board of Directors shall have more regard for substance than for form.

21 Article 2382 of the Italian Civil Code: Grounds for ineligibility and disqualification – A person cannot be appointed director, and shall be disqualified if appointed, if he/she has been debarred, declared unfit or bankrupt, or convicted and sentenced to a penalty that entails permanent or temporary debarment from public offices or the inability to serve in executive offices.

22 At the date of approval of the Regulations of the Board of Directors in force, current regulations provide for a quota of at least 2/5 of the less represented gender for 6 terms (beginning from the 2020-2022 term of office).

23 For the three-year term 2020-2022, the 2020 Budget Law 2/5 applies.



<p>SIGNIFICANCE CRITERIA for the assessment of INDEPENDENCE</p>	<p>With regard to the recommendations of the Corporate Governance Committee and the indications of the new Code relating to the assessment of the significance of the relationships concerned (any commercial, financial or professional relationships) and the advance formulation of the quantitative and/or qualitative criteria of reference for this assessment (with transparent disclosure to the market in this Report), without prejudice to its discretion in assessing the specific nature of the situation, taking account of the Company's best interest, the significance of the relationship and its suitability to affect the Director's independence, the Board has long adopted the following quantitative criteria for determining significance:</p> <p>i) for relationships of a commercial or financial nature, an amount exceeding:</p> <ul style="list-style-type: none"> • 5% of turnover, in the case of a small- or medium-sized legal entity, supplier or beneficiary; or • 2% of turnover, in the case of a large-sized legal entity, supplier or beneficiary; <p>ii) in the case of professional services, an amount exceeding 5% of income or €250,000 for professional services.</p>
<p>RELEVANT POSITIONS</p>	<p>Number of positions held in companies falling within the relevant categories as identified in Brembo's CGC (Application Rule No. 17), and defined as follows:</p> <ul style="list-style-type: none"> • Listed on regulated markets, including foreign markets, • Banks, financial and insurance companies, • Large companies (companies that reported total sales or turnover exceeding €500,000,000.00 in the last financial year).
<p>MAXIMUM NUMBER OF RELEVANT POSITIONS</p>	<p>A maximum of four (4) positions at listed companies. Positions at listed companies in which the Director also holds a significant equity interest do not count.</p>
<p>ALTERNATION</p>	<p>Change of a maximum of three (3) Directors each time the Board is elected, in order to ensure continuity of management, while also providing an incentive for the progressive election of new Directors.</p>
<p>SENIORITY OF SERVICE</p>	<p><i>Independent Directors:</i> persons who have already served three terms on the Company's Board of Directors cannot stand as candidates for the office of Director.</p>
<p>NO CROSS-DIRECTORSHIPS</p>	<p><i>Executive Directors:</i> they cannot be directors of another company (not belonging to the same Group) of which a company director is the Chief Executive Officer.</p>

Qualitative Features

<p>SKILLS</p>	<ul style="list-style-type: none"> • At least four (4) positions must be filled by entrepreneurs or managers who have an international background and/or are from a geographical area where Brembo's business has a significant presence. • A maximum of two (2) positions may be filled by academics and/or professionals.
<p>PROFESSIONALISM</p>	<ul style="list-style-type: none"> • Record of honouring shared ethical principles. • Knowledge of business mechanisms, strategies, risk assessment and management techniques and sustainability profiles. • Ability to interpret industry scenarios and trends, performance of competitors and development of enterprises in the medium-to-long term and to assess alternative strategic guidelines and options with a view towards strategic orientation. • Managerial, entrepreneurial, business and organisational experience. • Understanding of the dynamics of the global financial system. • Experience as director or auditor, or as executive or manager, of listed or medium-to-large enterprises. • Managerial, professional or university lecturer experience in legal, economic, business or technical disciplines.

PERSONAL APTITUDES	<ul style="list-style-type: none"> • Sufficient time available in view of the complexity of the assignment (see also “Maximum number of positions” below). • Full understanding of the powers and obligations inherent in the position and the functions to be performed. • Ability to stand up for and defend his or her own ideas and take a stand for the interest of Brembo and its stakeholders. • Collaboration, involvement and ability to influence (knowing how to instil and contribute to professionalism and the development of opinions and taking a part in resolving conflicts). • A result-oriented approach and encouragement of colleagues in focusing constructively on the goals to be achieved. • Business judgement and decision-making ability (encouraging behaviour and ensuring evaluation and decision-making skills focused on developing the business).
NO COMPETITION	Candidates for the office of Director cannot have or accept consulting assignments from competing firms.
MAXIMUM NUMBER OF POSITIONS	<p>The commitment required of Directors does not consist solely of participation in Board meetings, but also extends to an analysis of the documentation sent in view of each meeting, participation in Board Committees and participation in informal and/or induction sessions. It is therefore essential that Directors have sufficient time to carry out their duties.</p> <p>Directors may not have more than four (4) simultaneous positions at listed companies (positions at listed companies in which the Director also holds a significant equity interest do not count).</p> <p>The Board of Directors conducts an assessment based on the declarations made by the Directors (or candidates for the position of Director) and the following criteria:</p> <ul style="list-style-type: none"> • professional competence and independence of judgment; • verification of their commitment, active and constant participation in the meetings of the BoD, Board Committees and various management activities of the Company, also in light of their professional commitments; • any relationship that may be or appear such as to compromise the independence of judgment of the Director.

At the Board meeting on 3 March 2022, based on the statements issued by each Director and the professional profile thereof, and including in light of the assessments expressed with regard to individual positions by the Remuneration & Appointments Committee convened on 17 February 2022, it was assessed whether the current Board met/continued to meet the above requirements.

Within this process, it was found that the Board of Directors currently in office²⁴ represents a combination of professional skills and managerial expertise, including at an international level, that meets the requirements of integrity, independence and gender balance established in applicable laws, regulations, and the By-laws.

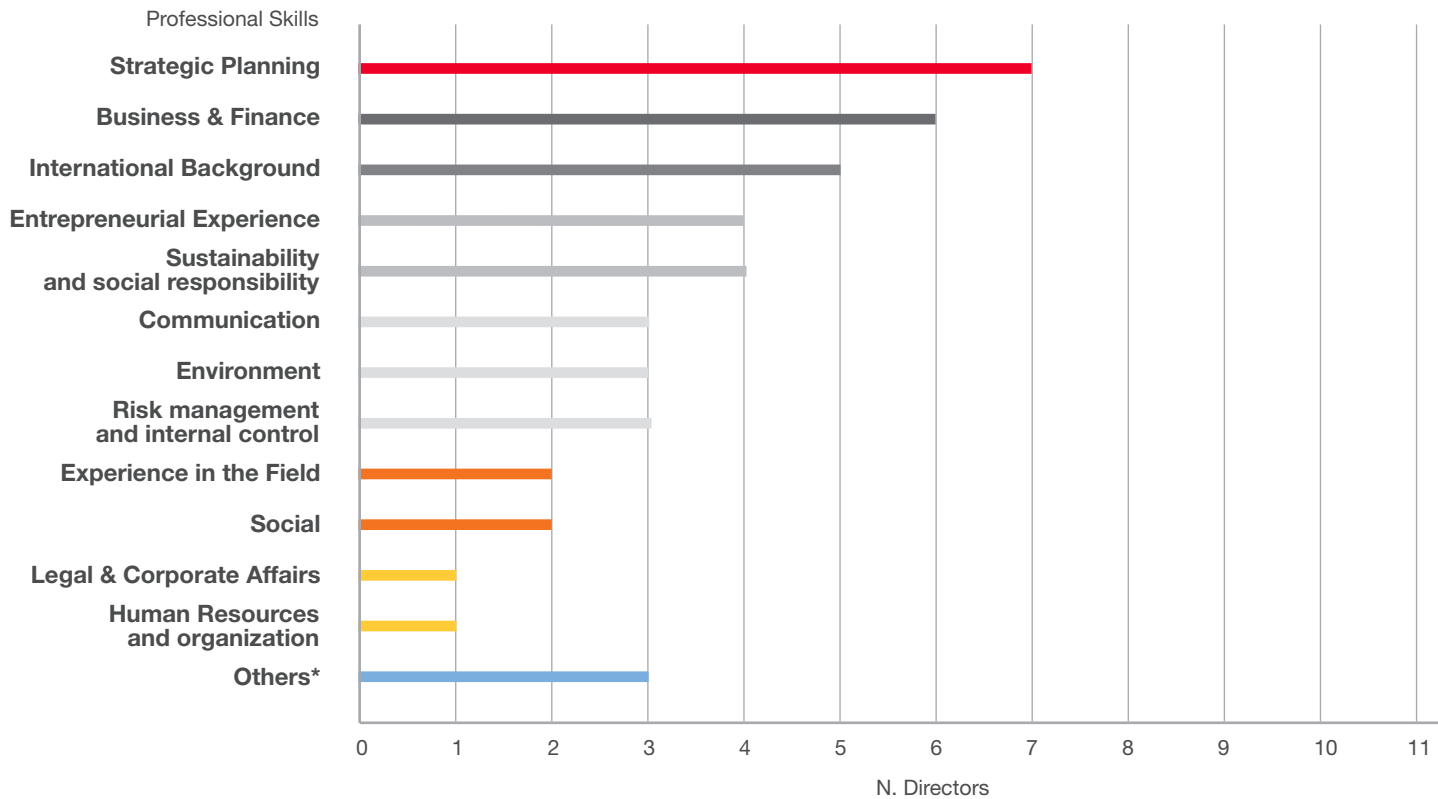
This is also borne out by the 2021 BoD’s self-assessment process (Board Performance Evaluation) 2021, (the findings of which are discussed in detail in paragraph 7.1) and in relation to which the current composition and size of the Board was assessed positively by the Directors. It was also confirmed that the skill set (as shown in the Skills Matrix here below) is adequate, including in terms of diversity of skills (with a majority of directors having a managerial profile), age groups and seniority of service, size, positioning, complexity, the specific nature of the Group’s sector and strategies, which, additionally, represents a fundamental requirement for effective, competent management of the business.

²⁴ Appointed by the General Shareholders’ Meeting on 23 April 2020; it will remain in office until the Shareholders’ Meeting called to approve the Financial Statements for the year ending 31 December 2022.



BOD'S SKILLS MATRIX 2020-2022²⁵

Directors' Skills emerged from the questionnaire



* Others include the additional skills not listed above that each Director has declared independently.

With reference to the Company's organisation, diversity is a strength for a global Company like Brembo, which operates and is constantly confronted with very diverse situations from the economic and cultural point of view. Every day Brembo is committed to promoting an inclusive environment that ensures people's sense of belonging and encourages them

to feel they are leading characters in the Group's success, fostering a culture of diversity from the moment they are hired and respecting the points of view, voices, individualities and special qualities of each person. For further details, see the Disclosure of Non-Financial Information available on the Company's website.

4.5. Maximum number of positions held at other companies

At the time of appointment and annually thereafter, during a specific Board session (the last was held on 3 March 2022), the Board of Directors verifies the compatibility of the positions held by Directors in other companies based on examination and assessment of the Directors' individual statements, as well as in accordance with Brembo's CGC and the Regulations of the Board of Directors, as updated by the BoD of 17 December 2021.

With regard to concurrent positions, Brembo's CGC provides as follows:

- a maximum of four positions at listed companies. Positions at listed companies in which the Director also holds a significant equity interest do not count;
- the commitment required of Directors does not consist solely of participation in Board meetings, but also extends to an

²⁵ The professional skill set that emerged from the individual questionnaires submitted to Directors within the 2021 BoD's self-assessment process (Board Performance Evaluation).

analysis of the documentation sent in view of each meeting, participation in Board Committees and participation in informal and/or induction sessions. It is therefore essential that Directors have sufficient time to carry out their duties;

- Board of Directors' assessment based on the declarations made by candidates for the position of Director and the following criteria:
 - professional competence and independence of judgment;
 - verification of their commitment, active and constant participation in the meetings of the Board of Directors, Board Committees and various management activities of the Company, also in light of their professional commitments;
 - any relationship that may be or appear such as to compromise the independence of judgment of the Director.

Moreover, Brembo's Corporate Governance Code identified as relevant the positions held in the following categories of companies:

- Listed on regulated markets, including foreign markets,
- Banks, financial and insurance companies,
- Large companies (companies that reported total sales or turnover exceeding €500,000,000.00 in the last financial year).

In 2021, the Board of Directors confirmed, based on the criteria set out above, that the positions held by Directors in other companies met the necessary requirements and were compatible with effectively discharging their duties. The number of positions held by each director is indicated in the table on page 27.

4.6. Induction Programme

Brembo organises an induction programme structured in several sessions and dedicated to Directors and Statutory Auditors, in particular the newly appointed ones, aimed at providing an adequate understanding of the Company and the business industry in which the Group operates, its products, company dynamics and their evolution, including in a view of Sustainable Success, as well as organisational structure, the principles of proper risk management, applicable laws and regulations and major trends that may have an impact on the current performance and the Group's short-, medium- and long-term growth strategy, through:

- specific meetings with management;
- visits to the Group's production facilities in Italy or abroad (where possible, based on the Covid-19 protocols in force);
- thorough inquiries on specific subjects during sessions of the Board.

Continuing education programmes and personalised modules are offered based on the particular interests or responsibilities that individual Directors may assume within Board Committees or to focus on the specific issues driving the need for personalisation expressed at meetings of the Independent Directors and in the findings of the Board Performance Evaluation. Among these initiatives, worthy of note is the BoD' meeting for the examination of the Industrial Plan and the

related risks, which is convened on an annual basis.

In addition to the ad hoc induction sessions planned primarily for newly appointed directors, during Board sessions additional follow-ups were conducted with regard to the Company's strategic market positioning and new product/process/production development/digital transformation/automotive sector trends. Detailed reports on new legislation and regulations of interest for Brembo, supported by specific documentation prepared by the Legal and Corporate Affairs Department, were provided for induction purposes in Board meetings, and included in the Work files of each meeting (responsibility of the Chief Legal and Corporate Affairs Officer).

Induction activities organised in 2021 are indicated in the table below. It should be noted that in 2021 the Company decided, in accordance with the applicable safety measures and protocols, to postpone visits to plants until the Covid-19 emergency is resolved.

The 2021 Board Performance Evaluation confirmed the adequacy of the induction processes deemed useful to exploring the main trends in the sector in which the Company operates and the related strategies, also considering sustainability issues and ESG factors.



INDUCTION SESSIONS FOR THE BOD IN 2021

Training Sessions	Number and Duration of Sessions	Recipients	Date	Activities Description
Induction for to the Remuneration & Appointments Committee	2 (approximately 30 minutes)	Members of the Remuneration & Appointments Committee, Chairman of the Board of Statutory Auditors	19.07.2021	Analysis of the evolution in voting in relation with the Reports on Remuneration Policy and the related trends.
			12.11.2021	Succession Plan & Talent Management Process
Induction for the Audit, Risk & Sustainability Committee	3 (approximately 30 minutes)	Members of the Audit, Risk & Sustainability Committee and the Supervisory Committee	04.05.2021	Amendment to RPT Rules
			04.05.2021	Non-financial reporting standardisation trends (new taxonomies, etc.)
			29.10.2021	
Induction for the BoD (follow-ups during Board meetings)	4 (approximately 1 hour each)	All Directors and Statutory Auditors	22.04.2021	231 changes introduced by the PIF Directive (tax offences)
			10.05.2021	Amendment to RPT Rules
			03.03.2021	Automotive market performance
			10.05.2021	
			09.11.2021	

4.7. Functioning of the Board of Directors

The Regulations of the BoD are a tool recommended by the 2020 Corporate Governance Code and Brembo adopted them for the first time in November 2017 to identify the criteria for its optimal composition and the rules and procedures for its functioning, in particular to ensure effective management of board reporting.

On 17 December 2021, the Board of Directors approved the Regulations in their latest version. In order to ensure a transparent account of the functioning of the Board of Directors, the following paragraphs contain a description of the concrete functioning procedures thereof.

4.7.1 Meetings of the Board of Directors

2021 Meeting Calendar

In 2021, the Board of Directors met on eight occasions, of which four according to the company calendar published. The average length of meetings was approximately three hours. The meetings saw the regular participation of both directors and the members of the Board of Statutory Auditors. The attendance rate was very high (in most meetings it was equal to 100%), as

indicated in the table on page 27. The heads of the company functions were regularly invited to participate in the meetings of the Board of Directors to provide appropriate clarification for the various items on the agenda.

In 2021, a year characterised by the Covid-19 epidemiological emergency, almost all board meetings were held by audio and video connection, in accordance with the legislation in force from time to time, and in any event in compliance with the measures aimed at combating and containing the spread of the Covid-19 virus. Accordingly, informal meetings, whether one-on-one or in groups, between the Directors were limited.

2022 Meeting Calendar

In the fourth quarter of each year, the BoD approves the calendar of meetings scheduled for the following year, inclusive of the planned date of the annual Shareholders' Meeting. This calendar is drawn up by the Secretary on the basis of the availability of the Directors and Statutory Auditors to ensure their maximum participation in board meetings and the shareholders' meeting event. The calendar calls for meetings with a regular frequency,

normally held at least monthly to ensure effective performance of Board functions.

Once approved by the BoD, the annual calendar of the main company events for the following year is then made public by 30 January of the year to which it refers.

The 2022 calendar approved by the Board of Directors on 9 November 2021 and then published calls for four meetings to review interim financial data. These were in addition to ad hoc meetings, such as that called to review the findings of the 2021 Board Performance Evaluation and the strategic Industrial Plan.

At the date of publication of this Report, three Board meetings have already been held:

- on 20 January 2022, with the aim of examining the outcome of the BoD's self-assessment (2021 Board Performance Evaluation) (see paragraph 4.12);
- on 10 February 2022 with the aim of examining the strategic Industrial plan and the related risks;
- on 3 March 2022, with the aim of examining and discussing the 2021 Annual Report, the 2021 Disclosure of Non-Financial Information, and the 2022 Remuneration Policies (including the new 2022-2024 LTIP), as well as the items, documents and proposals to be submitted to the Shareholders' Meeting convened on 21 April 2022.²⁶

Content of additional periodic reporting

After Brembo's exit from the STAR segment of Borsa Italiana effective 3 May 2017, the Company decided that it will continue to publish — on a voluntary basis — its interim financial reports, as previously announced, and in a manner consistent with the information made available until now, and until otherwise provided for by the Board of Directors. Content, timescales and methods of voluntary periodic financial reporting are also published on the Company's website (www.brembo.com, section Investors, Calendar).

Calling and holding the BoD Meetings

Board meetings are called and held in accordance with the By-

laws and in compliance with legal obligations, and in particular:

- they are chaired by the Chairman of the BoD and, in the Chairman's absence, by the eldest director, and conducted as the chair deems most appropriate to permitting the Board's proceedings to unfold optimally;
- are valid, as well as the related resolutions, even without a formal call, when all the Directors and Statutory Auditors in office are present;
- may be held by telecommunication means that allow participation in the discussion and provide the same information to all those in attendance;
- may be held in Italy or a foreign country in which the Company operates, directly or through subsidiaries or investees.
- they are conducted in Italian. Where deemed necessary or even merely appropriate by the person chairing the meeting, simultaneous translation service may be made available to the meeting's participants.

The related resolutions are approved pursuant to law and the By-laws.

The Agendas of meetings focus on four macro-areas:

- financial and periodic reporting aspects;
- strategic aspects (such as: strategies, product diversification, trends in reference markets, digital transformation, automotive sector evolution, as well as acquisitions, investment in assets, Subsidiaries' projects, etc.);
- sustainability, materiality, ESG factors and risk aspects;
- governance and compliance aspects;

To provide the appropriate clarification of specific issues put to the examination and approval of the BoD, the Chairman invites the Company's Executives or other external parties or consultants whose presence is deemed useful by the Chairman in view of the subjects to be discussed to participate in the BoD meeting. Such parties will in any event be bound by the confidentiality undertakings applicable to Board meetings.

²⁶ Please refer to the Notice of Calling and the Illustrative Reports: www.brembo.com, section Investors, For Shareholders, Shareholders' Meeting, 2022.



4.8. Role of the Chairman of the Board of Directors

4.8.1. Chairman of the Board of Directors

The Chairman of the Board ensures, through the Secretary, that the Directors and Statutory Auditors are provided with access to documentation concerning subjects on the Agenda suitably in advance of the date of the Board meeting.

The documentation relating to items on the agenda is normally prepared in Italian. Documents may also be prepared in English and/or, where deemed necessary and/or even merely appropriate by the person chairing the meeting, may be made available to those requesting that a courtesy translation be made.

In order to ensure that pre-session information is timely, complete and adequate, the supporting documentation:

- is prepared by the Secretary of the Board, with brief overviews of each subject on the agenda, accompanied by detailed, in-depth reports illustrating the elements to be assessed (in descriptive and numerical terms) required to make the decisions concerned in a fully informed manner;
- is made available to the Directors and Statutory Auditors at least five days before each meeting, except in particularly urgent cases, when it is made available at least two days in advance, through the app “Portale CdA by Brembo” (an application for mobile devices that allows materials to be made available for consultation solely to current Directors and Statutory Auditors, before and during sessions of the Board, through access with a username and password). The notice period is normally observed. The documentation concerning financial performance data for the period and certain strategic projects is presented directly during the meeting, and is made available to the Directors and Statutory Auditors in a protected format to ensure the confidentiality of the data it contains. In such cases, thorough inquiries are conducted during sessions of the Board;
- ensures that the Directors are informed about new laws and regulations relevant for the Company. Moreover, through the Secretary of the Board, it ensures the organisation of the Board Induction sessions.

Where deemed necessary, in order to ensure informed participation, the Non-Executive Directors may formulate requests for information or clarification on issues relating to

company management, during or outside of Board meetings. In this case, they address their requests – which may be relayed by the BoD’s Secretary – solely to the BoD’s Chairman, who responds at Board meetings either personally or drawing for this purpose on the Executives of the Company and/or the Group to which it belongs.

The Regulations of the Board of Directors also specify the methods of storing and retrieving documentation, which depend on the confidentiality level assigned to each document.

During Board meetings, the Chairman ensures balanced oversight of the Board’s proceedings, playing a role of liaison between Executive Directors and Non-Executive Directors, in addition to ensuring the necessary balancing for effective, balanced management of meetings and the decision-making process, while also promoting the effective functioning of the corporate governance system and Board proceedings. With the support of the Secretary of the Board of Directors, the Chairman:

- organises and coordinates the proceedings;
- facilitates dialogue between the executive and non-executive members of the Board of Directors in order to permit constructive debate;
- coordinates with the delegated bodies and requests the necessary information/reports for the Board;
- acts as interlocutor of the control body and of the internal committees;
- invites the Company’s Executives to participate in the meeting to provide the appropriate clarification of the specific issues submitted for the Board’s examination and approval;
- ensures that the minutes are drafted so as to provide a thorough description of the documentation illustrated and represent the debate within the Board and what was said by the individual Directors and any Managers involved.

Finally, with the support of the Board Secretariat, the Chairman promotes initiatives aimed at providing adequate knowledge of the sector in which the Company operates and the related clarification (see paragraph 4.6 – Induction Programme) to Non-Executive Directors.

In this regard, it should be noted that the results of the BoD's self-assessment (2021 Board Performance Evaluation) indicated that the Directors were highly satisfied with the organisation and operational management (discussion and quality of debate) of Board meetings, while also confirming the adequacy of the documentation prepared by the structures and pre-meeting information, deemed clear and complete. Compliance with the deadlines for circulating the necessary documentation and the positive view of how the Company and BoD dealt with the Covid-19 emergency were also confirmed.

4.8.2 Board Secretary

On the proposal of the Chairman, on 23 April 2020 the BoD appointed the Secretary, who was chosen from among Company executives on the basis of professional profile and for demonstrating that he possesses adequate competency and experience in matters of corporate law and corporate governance.

The Secretary:

- assists the Chairman of the BoD in preparing Board and Shareholders' Meetings, drawing up the related resolutions, ensuring the adequacy, completeness and clarity of the flows of information for the BoD, communicating with the Directors and organising Board induction;

- coordinates the secretaries of Board committees and takes the minutes of Board meetings in a detailed manner and according to best practices;
- provides assistance and legal advice on an independent basis (with respect to the management) to the BoD and Directors on matters of corporate governance and their powers, rights, duties and obligations, to ensure the regular exercise of their attributes, protect them against potential liability and ensure that the interests of all shareholders and other stakeholders contemplated by the company's corporate governance system are taken into due account;
- may also perform other functions within the company, provided they do not compromise his independence of judgement in relation to the BoD or the regular performance of his functions.

The Chairman ensures that the Secretary of the BoD possesses powers, tools, an organisational structure and personnel adequate to the performance of his functions, supervises the Secretary's independence and determines his remuneration, in line with the Company's policies for its top management.

The Secretary proposes the annual budget on issues relating to the corporate governance system according to the existing company process and on the basis of the indications and prescriptions provided by Management Control.

4.9. Executive Directors

As of 17 December 2021, the following Directors are considered as Executive Directors:

- Matteo Tiraboschi, Executive Chairman, appointed by the Shareholders' Meeting of 17 December 2021 (whose powers are described in paragraph 4.9.1);
- Daniele Schillaci, CEO (whose powers are described in the previous paragraph 4.9.1);
- Cristina Bombassei, Executive in charge of the Internal Control and Risk Management System, as well as Chief CSR Officer (whose powers are described in paragraph 9.1);
- Roberto Vavassori, appointed by the Shareholders' Meeting of 17 December 2021, and to whom the Board of Directors granted specific powers in his capacity as Chief Public Affairs & Institutional Relations Officer.

Alberto Bombassei was also Executive Director until the Shareholders' Meeting of 17 December 2021, when he resigned from his executive functions.

4.9.1 Delegated Bodies

On the basis of the new top management organisational structure approved by the Shareholders' Meeting on 17 December 2021, the Board of Directors granted new powers to Matteo Tiraboschi as Executive Chairman and to Daniele Schillaci as Chief Executive Officer.²⁷

The changes in powers were necessary to implement the new governance structure, which, in any event, did not entail a significant change in the structure of powers granted (including

²⁷ Until 17 December 2021, on the basis of the succession plan approved on 6 June 2011, the Board of Directors had split these powers between the Chairman, Executive Deputy Chairman and Chief Executive Officer.



those regarding workplace health and safety, which continue to be responsibility of the CEO).

The new structure is focused on the diversification of the duties and responsibilities of the delegated bodies (the Executive Chairman and CEO) and is intended to make the most of the respective professional and personal aptitudes, competencies and characteristics of the delegated bodies, while also being inspired by the need to create a clear, precise division of competencies functional to avoiding overlapping and/or situations of decision-making impasse and to enabling the rapid identification of those responsible for individual management decisions, both within the company and by stakeholders.

In addition, in accordance with the Corporate Governance Code, the powers attribute the Executive Chairman, *inter alia*, a more strategic and institutional role than in the past, identifying him as the liaison between the Company and its stakeholders. The Board of Directors retains the power to decide, *inter alia*, on the purchase and sale of shareholdings in other companies (M&As), the issuance of guarantees to third parties by Brembo S.p.A., and responsibilities regarding annual budgets, strategic plans and medium-/long-term incentive plans.

With the favourable opinion of the Remuneration & Appointments Committee, in addition to the Directors not holding special offices and the Acting Auditors, the following were identified and confirmed as Key Management Personnel of the company: the Executive Chairman, and the Chief Executive Officer, as the only individuals having the powers to influence and/or affect the development, future prospects and overall performance of the company and/or the Group.

Authority to delegate powers is vested solely in the Executive Chairman, and Chief Executive Officer (exclusively in relation with powers concerning safety and environment), on the basis of specific powers vested in the latter by the Board of Directors, without prejudice to specific Board resolutions.

The GBU Global Chief Operating Officer — and other Global Central Function Officers —, who have been assigned specific company functions (generally coinciding with the first reports to the Executive Chairman and Chief Executive Officer of Brembo S.p.A., also identified as C-Suite), have been granted limited powers for ordinary management in relation to the performance of their respective offices and powers, regularly registered with the Company Register of Bergamo, to be exercised in accordance with company authorisation processes.

Employers have also been identified pursuant to Article 2, paragraph 1, letter B, of Legislative Decree No. 81/2008 for Brembo's various production units, to which all of the necessary powers of organisation, management and spending authority have been assigned for the performance of the role of employer, as defined in current legislation.

Solely on an exceptional basis (subject to review from time to time by the Executive Chairman, the Chief Legal & Corporate Affairs Officer and the Chief Human Resources and Organisation Officer), special powers are granted to employees whose job descriptions do not fall within the categories mentioned above, but who, by reason of their assigned tasks, are required to represent Brembo in the latter's relations with the Public Administration (such as for instance, customs authorities, the Provincial Labour Department, etc.).

Summary of the Executive Directors' Powers

CHAIRMAN OF THE BOARD OF DIRECTORS (M. Tiraboschi)

The Executive Chairman is the company's legal representative, pursuant to law and Brembo's By-laws. The Executive Chairman was also granted the widest powers of direction, communication, coordination and control according to his office, and the powers of ordinary administration, strategic direction, the development and proposal of guidelines concerning the Group's international development and its financial and re-organisation policies. The Executive Chairman was also granted the widest powers of ordinary administration of the Company and the business, subject to specific limitations, powers concerning real estate leases and leases of companies and/or business units, purchase and sale of real estate, including registered real estate, companies and business units and, generally, any transactions on movable or immovable property, purchase and sale of equity investments in Italy and abroad, the incorporation of new companies in Italy and abroad, having the power to choose the organisational system of the new company, as well as the issuance of letters of patronage, comfort letters, sureties and guarantees (subject to the periodic reporting to the Board of Directors) and taking out mortgage loans, loans or finance leases in the various existing forms, as well as the power of representation in trade union matters.

In addition, within the framework of the broadest powers of direction, coordination and control according to the position filled, the Executive Chairman is assigned the following tasks:

- setting guidelines for compliance and the internal control and risk management system;
- ensuring the implementation and constant updating of the Organisational, Management and Control Model according to Legislative Decree No. 231/2001, as well as the implementation of regulations in foreign countries where the investee companies operate, including all necessary training and awareness-building activities necessary to create a compliance culture within the Group;
- planning and managing external communications, with the broadest powers;
- setting and proposing to the Board of Directors the Group's medium- and long-term development strategies;
- setting guidelines for business development, property development and corporate development;
- designing general policies for the organisation and human resource management.

CHIEF EXECUTIVE OFFICER (D. Schillaci)

The Chief Executive Officer has been given specific powers to manage the company and its business, powers relating to organisation, representation in trade union matters and the mandate pursuant to Article 2381 of the Civil Code for the implementation, improvement and supervision of safety in the workplace, accident prevention and the protection of workers' health (environmental protection inside and outside the company, waste management, including the power to identify the person/s who is/are to be considered as Employer pursuant to Article 2, paragraph 1, letter B, of Legislative Decree No. 81/2008 for Brembo's different manufacturing units). Moreover, he has been given the power, within his remit, to ensure the implementation, at all levels in Italy and abroad, of the provisions set forth by the Law, the By-laws, the internal procedures, the Corporate Governance Code and the Corporate Governance Manual, the Code of Ethics and, more generally, the compliance in force in the Company and its investee companies; in this regard, specific reference is made to the provisions of Legislative Decree 231/2001 and similar provisions in force in foreign countries where the investee companies carry out their operations, to risk management policies and indications of the Audit, Risk & Sustainability Committee and the Supervisory Committee.

In the area of strategic guidelines, the following powers and functions have been granted:

- the power to draw up and propose to the Executive Chairman the Group's Medium- and Long-Term Industrial Plan and all other projects completing it, including extraordinary transactions, in order to implement the strategic guidelines formulated by the Board of Directors, within the framework of risk management and Sustainable Success;
- the power to design and propose corporate restructuring and/or reorganisation plans necessary for the concrete implementation of the Industrial plan.

4.9.2 Reporting to the Board by Directors – Delegated Bodies

In accordance with laws and regulations, and the By-laws, the Delegated Bodies (Executive Directors) report on the activities

carried out in the performance of their respective delegated powers, at least on a quarterly basis and in any case in the subsequent meeting. During 2021, these activities were always carried out consistently with the Board's resolutions.



4.10. Independent Directors

The Board of Directors adopted the independence criteria of the 2020 Corporate Governance Code for assessing the Directors' independence, while defining qualitative and quantitative criteria to be used to assess the significance of the relationships being examined for the purposes of assessing the independence of the Directors (for further details, refer to paragraph 4.4).

Satisfaction of the aforesaid requirements is verified by the Board of Directors, upon appointment and, subsequently, on an annual basis by examining and discussing the individual situation during a Board meeting (through the statement issued by each Director), after the preliminary review of the individual positions by the Remuneration & Appointments Committee.

For financial year 2021, a total of 6 Directors met all the said independence requirements: Laura Cioli, Nicoletta Giadrossi, Elisabetta Magistretti, Elizabeth Marie Robinson, Valerio Battista and Gianfelice Rocca, as they satisfy the requirements set forth by law and Brembo's CGC.

It should be noted that, with regard to Gianfelice Rocca, the Board of Directors, after having valued his specific position, qualified him as independent due to the consolidated principle of the prevalence of substance over form (since the renewal of his appointment as Director of Brembo follows nine years of completed service in office). This was also in view of the professionalism and dedication that he has always shown and his active, punctual participation in Board meetings, and to his speeches and thoughts that have enriched and instilled quality into debate within the Board towards the resolutions passed, while also maintaining complete independence of judgement.

At the Board meeting on 3 March 2022, based on the statements issued by each Director and including in light of the assessments expressed with regard to individual positions by the Remuneration & Appointments Committee convened on 17 February 2022, it was assessed whether the current Board met/continued to meet the above requirements. The Board of Statutory Auditors verified that the criteria mentioned above and the procedures adopted by the Board of Directors to assess the Directors' independence were correctly applied, and highlighted the same within the Statutory Auditors' Report.

Meetings of the Independent Directors

Independent Directors meet, at least on annual basis, coordinated by the Lead Independent Director (hereinafter "LID" in short) to discuss issues deemed of interest in regards to the functioning of the Board of Directors or the company's management.

Meetings are chaired by the LID. The Chairman shall appoint an Independent Director or another person, who is not required to be a member, to act as Secretary (usually, this function is granted to the Secretary of the Board of Directors). LID may draw on the support of Company units in organising meetings.

The LID shall gather the petitions and contributions of the Independent Directors and include them in specific minutes signed by the LID and the Secretary, and forwarded by the same to the Chairman of the Board of Directors. Minutes of meetings are kept in chronological order by the Legal and Corporate Affairs Department in its capacity as Corporate Secretariat.

In 2021, Independent Directors met, coordinated by LID, three times (average length was 1 hour). The Board Secretary participated in meetings and prepared the minutes for each, as well as submitted to Executive Directors the suggestions and proposals put forward.

1. On 29 July 2021:
 - for the advance examination of the Work Programme for the 2021 Board Performance Evaluation drawn up and proposed by the LID, supported by Brembo S.p.A. Legal and Corporate Affairs Department;
 - for sharing any proposals/considerations for the constant improvement of Board proceedings, with a focus on strategic issues.
2. On 19 November 2021
 - to examine the text of the Brembo's Shareholder Engagement Policy and the comments received following the preliminary consultation launched with the members of the Audit, Risk & Sustainability Committee and Board of Statutory Auditors.

3. On 19 January 2022 for the advance examination and discussion of:

- the results of the BoD self-assessment (2021 Board Performance Evaluation), and in particular to examine the findings, analyse existing operating practice and best practices and, on this basis, the Recommendations formulated by the Corporate Governance Committee

according to the Ninth Edition of the Annual Report on the Application of the Borsa Italiana Corporate Governance Code and to assess the level of implementation within Brembo (see paragraph 16);

- the process of identifying the independent consultant for the 2022 Board Performance Evaluation activity (third year of term).

4.11. Lead Independent Director

Following the appointment of the company boards upon the Shareholders' Meeting of 23 April 2020, the Non-Executive and Independent Director, Valerio Battista, was reappointed in his position as Lead Independent Director.

The Lead Independent Director function is regulated by its own Rules approved by the Board of Directors, fully incorporating the recommendations of the 2020 CGC. More specifically, he is tasked with:

- serving as a point of reference for and coordinator of the petitions and contributions of Non-executive Directors and, in particular, Independent Directors, within the Board of Directors;
- collaborating with the Chairman of the BoD in order to ensure

that members of the latter receive complete and timely information flows regarding operations;

- convening, at least on annual basis, the Independent Directors to discuss issues deemed of interest in regards to the functioning of the Board of Directors or the company's management;
- carrying out any and all additional duties that may be assigned from time to time by the Board of Directors and the Chairman;
- conducting, at the request of the Chairman, and after having heard the opinion of the Remuneration & Appointments Committee, the BoD's self-assessment (Board Performance Evaluation) on the functioning, size and composition of the Board of Directors and its Committees.



5. HANDLING OF CORPORATE INFORMATION

In accordance with current legislative and regulatory provisions, Brembo has for some time adopted specific in-house procedural provisions to ensure the highest level of propriety, accuracy

and timeliness in the corporate information handling process, in addition to the utmost transparency and accessibility in the market's favour.

5.1. The EU provisions on market abuse

Following the entry into force, on 3 July 2016, of the European Market Abuse Rules as per Regulation (EU) No. 596/2014 ("MAR"), the Company has taken appropriate steps to adapt – also in light of the current temporary national regulatory framework – its own internal regulations regarding both the handling of Inside²⁸/Relevant²⁹ Information and the provisions on Internal Dealing, as well as the related public disclosure. The related documents are available on Brembo's website: www.brembo.com, section Company, Corporate Governance, Governance Documents.

Procedures with regard to the handling of Inside/Relevant Information, the maintenance of the Register of persons with access to inside information ("Insider Register") and the management of disclosure obligations for Relevant Persons and Persons Closely Associated with them ("Internal Dealing") were updated on several occasions by the governing body so as to implement the legal and regulatory changes introduced over time, including those relating to the above mentioned European Regulation, as well as the guidance provided by Consob in

its Guidelines for the Management of Inside Information of 13 October 2017 (the "2017 Guidelines").

After an analysis and examination of its flows and processes, Brembo has adopted several organisational tools, based on best practices, including:

- the assignment to the Business Development Committee (composed of the Executive Chairman, Chief Executive Officer, Chief Business Development Officer, Chief Public Affairs & Institutional Relations Officer, Chief Legal and Corporate Affairs Officer and Head of M&A) of the Inside Information Management Function, with the Chief Legal and Corporate Affairs Officer acting as point of contact for the formal adoption of the relevant decisions;
- identification of the members of the C-Suite as Organisational Functions Responsible for Inside Information;
- setting up of the RIL – Relevant Information List;
- the mapping of categories of information to be classified as Relevant and of the organisational roles/functions that may originate them.

5.2. Procedure for Handling Inside and Relevant Information

Brembo's Procedure for Handling Inside and Relevant Information or Price-sensitive Information, updated by the Board of Directors on 8 May 2018, fully reflects not only the provisions of the Market Abuse Regulation ("MAR"), but also the indications provided in the 2017 Consob Guidelines. The Procedure is available on Brembo's website: www.brembo.com, section Company, Corporate Governance, Governance Documents.

The purpose of this Procedure is to define the principles and rules governing the internal management and the disclosure of information pertaining to the operations of Brembo and the Group, with specific regard to Inside and Relevant Information. This is to ensure compliance with applicable statutory requirements in force from time to time and guarantee that Inside and Relevant Information is treated with the utmost confidentiality in order to prevent the selective disclosure of

²⁸ Information of a precise nature, which has not been made public, relating, directly or indirectly, to Brembo or a Group company, or to one or more Financial Instruments of the Company, and which, if it were made public, would be likely to have a significant effect on the prices of those Financial Instruments or derivatives linked thereto.

²⁹ Company information that is not yet precise, even though one may reasonably presume that it has all the characteristics to become Inside Information under current Laws.

documents and information pertaining to Brembo and the Group, and that is to say, the divulgation of data to certain persons, including, without limitation, shareholders, journalists or analysts, prior to the public disclosure thereof, or otherwise, any form of untimely, incomplete or inadequate disclosure of the said data.

In keeping with the provisions of Brembo's Code of Ethics, the Procedure is therefore a preventive measure aimed at detecting and interdicting the abuse of Inside Information, market manipulation and improper circulation of Inside Information within the meaning of Articles 31 and 54 of Directive No. 2014/65/EU (so-called MiFid II), Articles 8, 10 and 12 of MAR, and Articles 184 et seq. of TUF, all of which constitute offences that, pursuant to Legislative Decree No. 231/2001, could potentially give rise to corporate administrative liability. Accordingly, the Procedure forms an integral part of Brembo's 231 Model and Corporate Governance Code.

The Procedure must be observed by Directors, Statutory Auditors, Company Executives and all employees of Brembo

and the Group, as well as by any person (whether they are natural or legal persons) afforded access on a regular or occasional basis to Brembo's Inside or Relevant Information relating to Brembo and/or the Group by virtue of his/her professional activity.

Assessing if and to what extent specific events could be deemed to give rise to Relevant or Inside Information, as well as whether or not to apply for authorisation to delay public disclosure of the Inside Information, is undertaken on a case-by-case basis and is the responsibility of the Business Development Committee, viewed as the organisational function charged with assessing whether information regarding the Company and other Group companies qualifies as Relevant or Inside Information and with taking the relevant market-disclosure decisions.

The Investor Relations function is in charge of the publication of press releases. Brembo's Inside Information is published and stored using the Consob-authorized 1INFO system (www.1info.it), managed by Computershare S.p.A.

5.3. Internal Dealing Procedure

Brembo's Internal Dealing Procedure has been drawn up pursuant to and for the intents and purposes of Article 19 of MAR (the Market Abuse Regulation) and in compliance with all rules and regulations in force at the time of its issuance. The Procedure is available on Brembo's website: www.brembo.com, section Company, Corporate Governance, Governance Documents.

This procedure regulates the management and disclosure of the so-called Internal Dealing transactions, i.e., transactions involving Brembo S.p.A.'s financial instruments made, whether directly or through third-party intermediaries, by persons exercising management, control and direction functions (Managers) and persons closely associated therewith, and Shareholders, i.e., any and all persons who hold an equity interest equal to or exceeding 10% of Brembo's share capital, insofar as they are potentially in possession of Inside Information. The procedure, *inter alia*, sets forth the ban for Managers to carry out such transactions commencing on the 30th day immediately

preceding Brembo's Board Meetings convened for the approval of the annual or interim financial results that the company discloses to the market, also on a voluntary basis, and expiring upon public disclosure of the press release on the results (so-called black-out period).

In line with the provisions of Brembo's Code of Ethics, the Internal Dealing Procedure constitutes a direct measure aimed at promoting parity of information and at deterring the misuse of advantages arising from information asymmetry to garner undue gains through insider trading transactions which, *inter alia*, could entail corporate administrative liability for related criminal offences pursuant to Legislative Decree No. 231/2001. Accordingly, this procedure forms an integral part of the 231 Model. The Head of Investor Relations is responsible for maintaining and periodically updating the list of insiders, as well as complying with public disclosure obligations in respect of transactions reported by Insiders.



5.4. Procedure for Handling the Insider Register and the Relevant Information List (RIL)

The Register and RIL Procedure (lastly updated through Board resolution of 8 May 2018) is designed to ensure compliance with all the obligations pertaining to the maintenance and timely updating of the Insider Register mentioned in Article 18 of MAR. The Register and RIL Procedure is also compliant with the requirements and recommendations set out in the 2017 Guidelines regarding the keeping and updating of the RIL, i.e. the list of parties with whom the issuers have professional collaborative relationships, including employment relationships, and who have access to the Relevant Information in the course of certain of their duties.

This Register and RIL Procedure lays down the methods to be used to draft and update the Registers in accordance with the instructions given in Commission Implementing Regulation (EU) No. 2016/347 with regard to the Insider Register, extended, where possible and/or advisable, to the RIL. In particular, this Register and RIL Procedure:

- identifies the requirements the Insider Register and the RIL must meet;
- determines the data to be recorded in the Insider Register and the RIL;
- outlines the structure of the Insider Register and the RIL;
- regulates the updating of the Insider Register and the RIL.

This Register and RIL Procedure applies to Brembo in its capacity as an Italian company whose shares are traded on the Italian regulated market, and to any and all persons and parties afforded access to Inside or Relevant Information by virtue of

an employment contract with the company or any other type of working relationship with the same.

So as to prevent the commission of offences by employees and consultants who stand in a position to materially engage in criminal conduct, the Company has imposed a series of further requirements, over and above the provisions set forth in the Procedure for Handling Inside and Relevant Information, including confidentiality obligations contractually binding on consultants and employees, and the confidentiality requirement pursuant to the Code of Ethics.

In accordance with the recently introduced regulatory requirements, Brembo S.p.A. takes all necessary measures to ensure that all persons and parties included in the Insider Register and the RIL are aware of the legal and regulatory duties underlying their inclusion, as well as the sanctions attaching to the misuse or improper circulation of Inside Information, ensuring that all the such persons are served appropriate information in such regard, in writing, against written acknowledgement of receipt and acceptance.

The Insider Register is maintained electronically using specific management software (RAP – *Registro Accesso alle Informazioni Privilegiate*) designed and licenced by Computershare S.p.A. to ensure full regulatory compliance. The Legal & Corporate Affairs Department is tasked with maintaining and updating the Insider Register and the RIL.

6. BOARD COMMITTEES

Brembo set up all the Committees recommended within the 2020 Corporate Governance Code, exercising preliminary, propositional and advisory functions. In detail:

- Brembo implemented the recommendation to set up the Appointments Committee in 2012, entrusting such function to the Remuneration Committee and accordingly changing its name to Remuneration & Appointments Committee and the related regulations to extend its functions. The composition of the Committee and the reporting of the activities and tasks it carries out are described in paragraph 8.2;
- when appointing the new company officers on 20 April 2017, the Board of Directors assigned responsibility for supervising sustainability issues to the Audit & Risk Committee, resulting in the change of the Committee's name to the Audit, Risk & Sustainability Committee, and its specific duties were updated accordingly. Said approach, defined on the basis of the best practices in this area, Legislative Decree No. 254/2016 on the Disclosure of Non-Financial Information, as well as the related nature of its duties, has been maintained also in view of the reappointment of the company bodies to occur during the Shareholders' Meeting of 23 April 2020 for the 2020-2022 term. See paragraph 9 for information on the Committee's composition, duties and the activities carried out in 2021.

Regulations on the functioning of the Committees

The composition, duties and functioning of all Committees are defined in specific Regulations fully implementing the recommendations of the 2020 CGC. Said Regulations are available on the Company's website.

The Committees:

- meet, at the request of the Chairman, even by telephone and/or video conference call;
- their meetings are chaired by the Chairman or, in the latter's absence, the oldest member;
- are considered validly in session when the majority of its members is present;
- Committee meetings may be held by means of teleconferencing and videoconferencing, provided that all participants may be identified and are able to follow and participate simultaneously in the discussion of the subjects raised, as well as view documents in real time;
- they take decisions by the majority of the members participating in the meeting, with the vote of the chair breaking any ties;
- on the Chairman proposal, may also be attended by persons, other than Committee members, who have been specifically invited and are part of the Company's management, in relation to specific needs or items on the Agenda;
- minutes are taken for all meetings and signed by the Chairman and Secretary. The minutes are signed by the Chairman of the meeting and the Secretary of the meeting and are forwarded to the members of the Committee in the Work files at the following meeting;
- in performing their functions, enjoy access to the information and company functions required to discharge their duties and may secure the assistance of external advisors within the terms and the budget set by the Board of Directors;
- the composition of committees has been determined by privileging the competence and experience of the Directors that are members.

Number of Committee Meetings and Attendance Rate of Directors

COMMITTEES	NUMBER OF MEETINGS IN 2021	ATTENDANCE RATE	PRESENCE OF INDEPENDENT MEMBERS	ACTIVITIES CARRIED OUT IN 2021
REMUNERATION & APPOINTMENTS COMMITTEE	4	100%	100%	Paragraph 8.2
AUDIT RISK & SUSTAINABILITY COMMITTEE (which also acts as the related party transactions committee)	7	100%	100%	Paragraph 9.2
LID + INDEP. DIRECTORS	3	88.89%	100%	Paragraph 4.10 and 4.11



7. SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS

7.1. 2021 BoD self-assessment (Board Performance Evaluation)

At least annually an evaluation is made of the functioning of the Board of Directors and its Committees, as well as their size and composition, taking also into account aspects such as the professional expertise, experience (including managerial experience), gender of their members, seniority of service and effectiveness and efficiency in the performance of their assignment (Board Performance Evaluation).

This activity is also designed to assess the role played by the BoD in setting strategies in view of Sustainable Success and monitoring operating performance, with periodic assessment of the efficacy of its activity and the contribution made by its components, as well as of the adequacy of the internal control and risk management system.

The assessment process may be carried out at least every three years (and in particular in view of renewal of the BoD), evaluating whether an independent advisor should be consulted at least every three years.

In line with the provisions of the Recommendation No. 22 of the 2020 CGC, the Board of Directors in office from 23 April 2020 initiated a three-year self-assessment process broken down into three stages, in line with the 2020-2022 Board term.

On the basis of the 2020 CGC, the task of supporting this activity has been entrusted to the Remuneration & Appointments Committee. However, to ensure continuity of the ongoing three-year process launched in 2020 (for the 2020-2022 term), in agreement with the Remuneration & Appointments Committee, the BoD assigned the LID responsibility for coordinating the Board Performance Evaluation, in addition to determining that the process of evaluating and circulating the plan of activity and its results would involve the participation of all Independent Directors and not just the members of the Remuneration & Appointments Committee. This was also done in light of the above and in view of the well-consolidated, effective methods used by the LID and Independent Directors (*who, inter alia*, are members of the Remuneration & Appointments Committee) to perform this activity and to proceed in continuity with the Three-year Plan of the 2020-2022 BPE.

During the second year of the term, the activity focused on analysis and reassessment of the findings of the 2020 BPE. Individual questionnaires were then submitted to the Directors, along with a copy of the self-assessment document compiled in 2020, so as to compare the assessments conducted the previous year with those that emerged in 2021, in the following macro-areas:

- Size and Composition of the Board of Directors and Board Committees;
- Functioning of the Board of Directors;
- Sustainability;
- Directors' role and responsibilities;
- Committees;
- Covid-19 emergency.

The activity was structured in the following steps:

- analysis of the outcome of the 2020 BoD self-assessment (Board Performance Evaluation);
- sharing with the Remuneration & Appointments Committee of the coordination activities for 2021 and 2022, including on the basis of the 2020-2022 Three-year plan, already approved and launched by the BoD;
- sharing of the working plan with the Independent Directors and the Board of Directors;
- sending an individual questionnaire to Directors;
- analysis of the findings by the LID and face-to-face meetings, where deemed necessary;
- final presentation to Independent Directors and the BoD of the findings of the BoD self-assessment (2021 Board Performance Evaluation).

The results were summarised in a special document provided to the Directors and examined during the meeting between the LID and the Independent Directors on 19 January 2022 and, subsequently, on 20 January 2022, during the Board of Directors' plenary session.

The participants also examined the Recommendations contained in the letter of the Chairman of the Corporate Governance Committee to all issuer companies relating to the

Ninth Edition of the Annual Report on the state of application of the Borsa Italiana Corporate Governance Code with the aim of assessing and comparing the level of implementation within Brembo and identifying any areas of improvement.

For the third year (2022), the LID and the Independent Directors agreed it was appropriate to engage an independent advisor,

currently being selected, to provide an end-of-term overview and formulate proposals and orientations in view of the renewal of company bodies for the 2023-2025 term.

A summary table emphasising the results of the BoD's self-assessment (2021 Board Performance Evaluation) is shown below:

Summary of the results of the BoD's self-assessment (2021 Board Performance Evaluation)

General comments on the functioning of the BoD	The very positive situation found in 2020 and the very high overall level of appreciation of the operating and organisational functioning were confirmed. In short, the Directors confirmed that the Board is working in substantial compliance with the 2020 CCG and best practices, at both Italian and international level.
General comments on the composition and size of the Board of Directors	The composition and size of the Board of Directors were found to be perfectly in line with the outgoing Board's suggestions, as well as totally adequate to Brembo Group's size, position, complexity and the specific nature of its business sector and strategies.
Areas of Excellence	In particular, the following areas of excellence have been identified: <ul style="list-style-type: none"> – the management of the Covid-19 emergency by the BoD and the Group; – the approach to Sustainability issues: specifically, particular appreciation was expressed for the sensitivity of Brembo and the BoD to this area and the extension of the stakeholders involved in the analysis relating to the Materiality Matrix.
2021 Recommendations of the Italian Corporate Governance Committee	With regard to the recommendations formulated by the Italian Corporate Governance Committee in its "2021 Report on the Evolution of the Corporate Governance of Listed Companies" regarding the "Main Areas of Improvement Identified in 2021", a sound level of implementation of the Code by Brembo is reported. For further details, refer to paragraph 16 below.

7.2. Succession plans

On 17 December 2021, in line with the plan defined as of June 2011, following the resignation of Alberto Bombassei from the role of Chairman and member of the Board of Directors, the Board of Directors of Brembo S.p.A. approved the new organisational structure of the Brembo Group, which provides for Matteo Tiraboschi to serve as Executive Chairman and Daniele Schillaci as Chief Executive Officer. The Macro organisational structure was illustrated to the BoD convened on 17 December 2021. Said organisational structure was disclosed to the public on 16 November 2021, upon calling of the Shareholders' Meeting which subsequently implemented it on 17 December 2021.

It should be noted, with regard to succession issues, that — for each top management position — Brembo drew up a

periodical and structured process, as summarised in specific documents approved by top management, to identify both short- and medium-term successors, so as to be able to manage unforeseeable cases of replacement of executives in as prompt and orderly a manner as possible, and ensure management stability.

Moreover, the Talent Management & Succession Plan annual system was presented to the Remuneration & Appointments Committee during the meeting held on 12 November 2021. On the same date, the Committee made an advance examination of the new top management organisational structure, as proposed by the BoD to the Shareholders' Meeting of 16 November 2021 and definitively approved on 17 December 2021.



8. REMUNERATION OF DIRECTORS and REMUNERATION & APPOINTMENTS COMMITTEE

8.1. Directors' remuneration

Brembo's Remuneration Policy was formulated in line with the company's long-term strategy and objectives and is associated with company results so as to pursue the Group's long-term interests and sustainability. A description of the same is included in the Report on the Remuneration Policy and Remuneration Paid, prepared pursuant to Article 123-ter of TUF and Annex 3A, Scheme 7 of the Rules for Issuers (www.brembo.com, section Company, Corporate Governance, Remuneration Policies).

The two Sections comprising it are supplemented with additional context-related information to enable the market and Investors to read the remuneration information contained in the Report together with the Group's strategic guidance and sustainability, with a view to understanding the main drivers that allow Brembo S.p.A.'s Remuneration Policy to contribute more fully to the pursuit of long-term value creation for all its stakeholders.

For further details on remuneration policies for 2022 and remuneration paid in 2021, please refer to the Report on Remuneration Policy for 2022 and Remuneration Paid in 2021 drawn up pursuant to Article 123-ter of TUF and available on Brembo's website (www.brembo.com, section Company, Corporate Governance, Remuneration Policies).

The information required by Article 123-bis, paragraph 1, letter i, of TUF ("agreements between the Company and the Directors [...] providing for compensation in case of resignation or dismissal without just cause or if their employment ceases as a result of a public tender offer" are contained in the 2021 Remuneration Report in accordance with Article 123-ter of TUF, which is available on Brembo's website (section Company, Corporate Governance, Remuneration Policies).

8.2. Remuneration & Appointments Committee

The Remuneration & Appointments Committee³⁰, appointed on 23 April 2020 by the Board of Directors meeting convened after the General Shareholders' Meeting, will remain in office

until the General Shareholders' Meeting called to approve the Financial Statements for the year ending 31 December 2022, and is made up of 3 members:

Office held	Members	Attendance rate at 2021 meetings	Position within the Remuneration & Appointments Committee
Independent Director	Nicoletta Giadrossi	100%	Chairwoman
Independent Director	Laura Cioli	100%	Member
Independent Director	Elizabeth Marie Robinson	100%	Member

³⁰ Brembo implemented the recommendation to set up the Appointments Committee in 2012, entrusting such function to the Remuneration Committee and accordingly changing its name to Remuneration & Appointments Committee.

The professional profile of the members of the Remuneration & Appointments Committee (available on Brembo's website, www.brembo.com, section Company, Corporate Governance, Governing Boards and Committees) meets the experience requirements imposed by the 2020 CGC in order to ensure an efficient performance of the Committee's duties.

The Remuneration & Appointments Committee operates in accordance with its Regulations (available on Brembo's website, section Company, Corporate Governance, Governing Documents), that distinguish its respective remuneration and appointments functions as follows:

- Remuneration function: it ensures that the remuneration policies applicable to the Executive Chairman, the Chief Executive Officer, the Executive Directors, the Directors holding special offices and Key Management Personnel, as well as the Non-executive Directors, are formulated by a Body in the absence of conflicts of interest;
- Appointments function: it identifies the optimal composition of the Board, by indicating the professional roles that may promote its proper and effective functioning and contributing to the preparation of the succession plan for Executive Directors.

The meetings of the Remuneration & Appointments Committee:

- are always attended by the Chairman of the Board of Statutory Auditors or another Statutory Auditor as required by the Chairman; the other members of the Board of Statutory Auditors may also attend the meetings;
- may also be attended by persons, other than Committee members, who have been specifically invited and are part of the Company's management and/or management structures, in relation to specific needs or items on the Agenda; they include, in general, by agreement with the Chairman of the Committee and the Executive Chairman, the Chief Human Resources & Organization Officer and the Secretary of the Board of Directors, as well as the Chief Legal & Corporate Affairs Officer;
- representatives of consulting firms specialising in this area;
- are not attended by Executive Directors.

In performing their functions, committees have access to the information and company functions required from time to time to discharge their duties and may avail itself of external advisors within the terms of the budget approved by the Board of Directors.

In 2021, the Remuneration & Appointments Committee held four meetings (average length of approximately 2 hours) details of which are given below. The Secretary (Chief Legal & Corporate Affairs Officer), the Chief Human Resources and Organisation Officer, and representatives of consulting firms specialising in this area are always invited to attend the meeting.

1. Meeting held on 23 February 2021

The Remuneration & Appointments Committee examined in advance the matters to be submitted to the Board of Directors and subsequently to the Shareholders' Meeting convened on 22 April 2021. On that occasion, the Remuneration & Appointments Committee:

i) with regard to the Composition of the Board of Directors and the Combination of skills and professional backgrounds:

- it assessed the individual statements of the Directors, Statutory Auditors and members of the Supervisory Committee for periodic verification, including to support the BoD's self-assessment process, of continuing satisfaction of the requirements and implementation of the Diversity criteria provided for by Brembo's CGC for Directors, as well as the compatibility of the positions held by them;
- it assessed the combination of professional backgrounds and managerial skills in the light of Brembo's diversity policy pursuant to Article 123-*bis*, paragraph 2, letter *d-bis* of TUF defined by the Regulations of the Board of Directors and Brembo's CGC;

ii) with reference to Remuneration:

- it evaluated the closing results of the short-term annual Incentive Plan (MBO 2020) and defined the proposals of the short-term annual Incentive Plan (MBO 2021);
- it examined the proposals to be submitted to the Board of Directors concerning the alignment of the targets of the Three-year (2019-2021) Incentive Plan for Executive Directors and Top Managers;
- it examined the Report on the Remuneration Policy for 2021 and Remuneration Paid, prepared pursuant to Article 123-*ter* of TUF.

2. Meeting held on 19 July 2021

The Remuneration & Appointments Committee carried out the following activities:

i) with reference to Remuneration

- it examined the results of the votes cast by the Shareholders' Meeting on 22 April 2021 on Section I



and Section II of the Remuneration Report, as well as the analysis in general of the evolution of voting on Reports on remuneration policy and the related trends;

- it agreed with any proposals in view of the definition of Policies for 2022;
- it conducted an advance examination of the documentation required for the 2021 BPE and confirmed the appointment of the LID as responsible for coordinating the 2021 self-assessment activities.

3. Meeting held on 12 November 2021

The Remuneration & Appointments Committee carried out the following activities::

i) with reference to Remuneration

- it was informed about the Succession Plan & Talent Management Process;
- it examined the trend of the results of the 2021 MBO and 2019-2021 LTIP as of 30 September 2021;
- it examined the results of the assessment of Brembo's management made by a consultant specialising in annual incentive systems and discussed about possible deviations/adjustment proposals.

ii) with reference to Appointments

- it expressed a favourable advance opinion of the BoD's proposal to the Shareholders' Meeting of 17 December 2021 to appoint Matteo Tiraboschi as Executive Chairman and Alberto Bombassei as Chairman Emeritus;
- it expressed a favourable advance opinion of the proposal to qualify the Executive Chairman and Chief Executive Officer as Key Management Personnel.

4. Meeting held on 22 December 2021

The Remuneration & Appointments Committee carried out the following activities:

i) with reference to Remuneration:

- it agreed with the proposals on medium- and long-term remuneration policies, with a focus for the 2022 MBO on plan architecture, measurement metrics and formulation of objectives and, for the new LTIP, on industry best practices, ESG goals, the nature of the plan and the eligible population;
- it expressed a favourable opinion of the proposal to increase the Chief CSR Officer's compensation.

5. Meeting held on 17 February 2022:

The Remuneration & Appointments Committee conducted an advance assessment of the matters to be put before the Board of Directors and subsequently the Shareholders' Meeting convened on 21 April 2022, and in particular carried out the following activities:

i) with reference to Remuneration:

- it evaluated the closing results of the short-term annual Incentive Plan (2021 MBO) and defined the proposals of the short-term annual Incentive Plan (2022 MBO), also in light of the analyses conducted in 2021;
- it evaluated the closing results of the Incentive Plan for Executive Directors and Top Managers (2019-2021 LTIP), and their consistency with the long-term policies adopted previously;
- evaluated and defined the proposals of the new long-term remuneration policies, including the new three-year Incentive Plan for Top Managers (2022-2024 LTIP);
- it examined the Report on the Remuneration Policy for 2022 and Remuneration Paid in 2021, prepared pursuant to Article 123-ter of TUF and expressed a favourable opinion in view of its examination and approval by the BoD;

ii) with regard to the Composition of the Board of Directors and the Combination of skills and professional backgrounds:

- it assessed the individual declarations of the Directors, Statutory Auditors and members of the Supervisory Committee for periodic verification, including to support the BoD's self-assessment process, of continuing satisfaction of the requirements and implementation of the Diversity criteria provided for by Brembo's 2020 Corporate Governance Code for Directors, as well as the compatibility of the positions held by them;
- it assessed the combination of professional backgrounds and managerial skills in the light of Brembo's diversity policy defined by the Regulations of the Board of Directors and the 2020 Corporate Governance Code;
- it expressed guidelines on the professional profile for the possible co-option of a new Independent Director as well as guidelines for the composition of Remuneration & Appointments Committee and Audit, Risk & Sustainability Committee.

9. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Main aspects of the Internal Control and Risk Management System	Yes/No
Existence of a document containing Guidelines for the Internal Control and Risk Management System	Yes
Presence of an Executive Director charged with overseeing the Internal Control and Risk Management System	Yes
Presence of a Committee responsible for supervising risks, including sustainability risks	Yes
Presence of organisational structures responsible for risk management (Risk Management Committee - Head of Risk Management)	Yes
Existence of an Audit function tasked by the Board of Directors with systematically assessing the efficiency and efficacy of the Internal Control and Risk Management System	Yes
Preparation of specific compliance programmes (Code of Ethics, Model According to Legislative Decree No. 231, Antibribery Code of Conduct, Policy of Non-Discrimination and Diversity, Code of Basic Working Conditions, Antitrust Code of Conduct, Privacy Policy, Modern Slavery Act, Tax Control Framework)	Yes

Effective risk management is a key factor in maintaining the Group's value over time. In this regard, within the framework of its Corporate Governance system, the Company defined Brembo's Internal Control and Risk Management System (hereinafter referred to as "System" or "ICRMS") consistent and compliant with the provisions of Article 6 of the "Internal Control and Risk Management System" of the 2020 CGC, the adoption of which was approved by Brembo's Board of Directors on 17 December 2021 and, more generally, with national and international best practices.

This system represents the set of organisational structures, rules and procedures that allows the main business risks within the Group, of any kind, including risks relating to medium- and long-term sustainability, to be identified, measured, managed and monitored, while helping the Company to be run in a manner that is sound, correct and consistent with the objectives defined by the Board of Directors, and favouring the adoption of informed decisions consistent with the risk profile, as well as dissemination of a proper understanding of risks, lawfulness and corporate values, which are reflected in Brembo's Code of Ethics.

In operational terms, these principles translate into the achievement of the following Internal Control and Risk Management System objectives:

- helping to ensure the reliability of information;
- ensuring compliance with laws and regulations, as well as the company's By-laws and internal procedures;
- safeguarding company assets;
- facilitating the efficacy and efficiency of company operations and processes.

The Board of Directors, with the support of the Audit, Risk & Sustainability Committee, is tasked with defining the general guidelines of the ICRMS, so that the main risks pertaining to Brembo S.p.A. and Group subsidiaries are properly identified, as well as adequately measured, managed and monitored. It shall also set criteria to ensure that such risks are compatible with sound and proper management of the Company. It is aware that the control processes cannot provide absolute assurances that the company objectives will be achieved and the intrinsic risks of business prevented; however, it believes that the ICRMS may reduce the likelihood and impact of wrong decisions, human errors, frauds, violations of laws, regulations and company procedures, as well as unexpected events.

Monitoring of the adequacy and effective operation of the Internal Control and Risk Management System, as well as any revision thereof, is an essential part of the system's structure. The Internal Control and Risk Management System is therefore subject to regular examination and controls, taking account of developments in the company's operations and reference



context. Based on the roles and responsibilities already defined, various control bodies can be identified with responsibility for performing checks and expressing opinions on the Internal Control and Risk Management System.

The overall and final assessment remains with the Board of Directors, which expresses an opinion regularly based on reports produced by the Control and Supervisory Bodies, not only to verify that the system exists and is being implemented within the Group, but also to carry out a regular detailed examination of its fitness and effective and concrete operation. Such an assessment could therefore indicate the need to draw up further policies, processes and rules of conduct allowing the Group to adequately react to new or mismanaged risk situations. Such improvement measures, which are the responsibility of the respective management area, have to be coordinated by the Chief Executive Officer with the supervision of the Director in charge of the Internal Control and Risk Management System.

The Board of Directors has already identified the key roles and responsibilities in the Internal Control and Risk Management System, through the approval of various company documents to which reference is made. In brief, the ICRMS involves, based on the respective duties, the Governing Bodies (Board of Directors, Audit, Risk & Sustainability Committee, Executive Directors, and particularly the ICRMSD), the Board of Statutory Auditors, Independent Auditors, Supervisory Committee, Internal Audit function, the Risk Management function and the other company roles and functions with specific tasks regarding internal control and risk management, organised in relation to business size, complexity and risk profile. In addition, management is responsible for the effective implementation of the Internal Control and Risk Management System for the areas within their respective remit, through the collaboration and active contribution of all those who work in and with Brembo, at each level in their working activity, helping to create not only economic but also ethical value for the company.

The organisational chart here below shows the roles within the ICRMS. In particular, the following are worth of mention:

- the Executive Directors, generally charged with defining further policies for effective implementation of Guidelines, referring to models of best practice; these policies are approved by Top Managers and reported to the Audit, Risk & Sustainability Committee;
- the Audit, Risk & Sustainability Committee, tasked with supporting the Board of Directors on internal control and

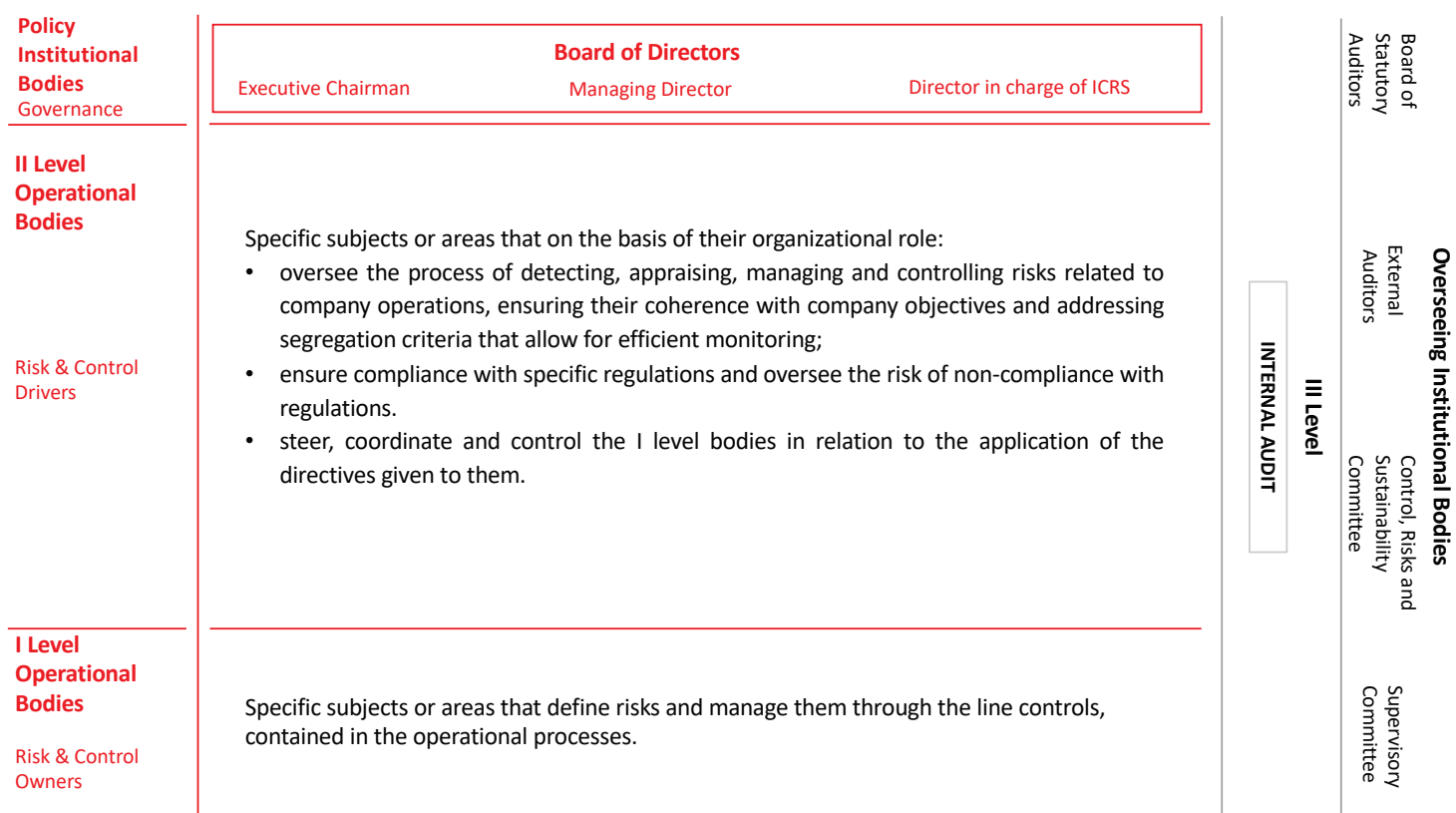
risk management issues, including those relevant from the standpoint of sustainability;

- the Executive Director in charge of the Internal Control and Risk Management System (hereinafter referred to as “ICRMSD”) is tasked with identifying the main corporate risks by executing risk management Guidelines and verifying their adequacy;
- the Managerial Risk Committee responsible for identifying and weighing the macro-risks and working with the system parties to mitigate them;
- the Head of Risk Management, tasked with ensuring, together with the management, that the main risks relating to Brembo and its subsidiaries are correctly identified, adequately measured, managed, monitored, and integrated within a corporate governance system consistent with the strategic objectives.

The Internal Audit function evaluates the effectiveness and efficiency of the overall Internal Control and Risk Management System on a regular basis and reports the results to the Executive Chairman, the Chief Executive Officer, the Board of Statutory Auditors, the Audit, Risk & Sustainability Committee and the Supervisory Committee of Brembo S.p.A. 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.

Risks are monitored at meetings held on at least a monthly basis, where results, opportunities, risks, and potential strategies to mitigate them are analysed for each business unit and geographical region in which Brembo operates. General risk management principles and the bodies charged with their evaluation and monitoring are included in Brembo’s Corporate Governance Code, (approved on 17 December 2021) under “Policies for implementing the Internal Control and Risk Management System”, in its latest edition issued at year-end 2021, in the Risk Management Policy and Procedure, in the Organisational, Management and Control Model (as per Italian Legislative Decree No. 231/2001) and in the reference layout for preparing accounting documents (as per Article 154-*bis* of TUF), to which the reader is referred.

On 20 January 2022, after obtaining the opinion of the Audit, Risk & Sustainability Committee, the Board of Directors of Brembo S.p.A. approved the new edition of the “Guidelines for the Internal Control and Risk Management System”; the new



document reiterates the Company’s principles and general vision on the topic of the ICRMS, a final review of which is performed annually by the BoD, focusing attention on Brembo’s risk management policy and the goals that guide the Internal Control System.

In addition, the new Policies for the implementation of the Internal Control and Risk Management System identify the overall design of Brembo’s Internal Control and Risk Management System, taking into account the changes made to Brembo’s Corporate Governance Code, the evolution of Brembo’s organisational structure with new second-level and first-level control roles, the new company strategy and sustainability goals, changes in the

Appropriateness of the Internal Control and Risk Management System

With reports dated 23 July 2021 and 23 February 2022, the Chairman of the Audit, Risk & Sustainability Committee informed the Board of Directors of the activities undertaken by the

legislative and regulatory framework, international best practices and the standards of reference such as ISO31000 and the CoSo Framework. For further information about risk families, reference should be made to the paragraph concerning Risk Management Policy included in 2021 Annual Report ³¹.

The ICRMS also underpins Brembo S.p.A. Organisational, Management and Control Model according to Legislative Decree No. 231/2001, and the Brembo Group’s Reference Scheme for preparing the corporate accounting documents, pursuant to Law No. 262/2005, and represents, in light of its effectiveness, a key pillar for the Sustainable Success.

Committee during the reference period, confirming the adequacy of the ICRMS, taken as a whole, and the appropriateness of action and monitoring plans identified by the management in order to contain risks and efficiently ensure compliance with the company’s rules of conduct and operating procedures — in spite

31 www.brembo.com, section Investors, Reports.



of the continuation of the Covid-19 health emergency — whilst leaving it up to the Board of Directors to draw its own conclusions in such regard. Furthermore, a particular focus will be assigned by the Company on the impact on the ICRMS arising from the Digital Transformation process started to support the new business models and above all in monitoring the cyber security risk.

The Board of Directors examined the reports of the Chairman of the Audit, Risk & Sustainability Committee and the Executive Director in charge of the Internal Control and Risk Management System, the activities undertaken and planned by the Company's Internal Audit function, the meetings conducted by the Chief Internal Audit Officer with the Chairman of the Board of Directors, the Executive Director in charge of the Internal Control and Risk Management System and the Manager in charge of the Company's financial reports. Based on the foregoing, the Board of Directors shared the opinion expressed by the Chairman of the Audit, Risk & Sustainability Committee and acknowledged that the ICRMS is appropriate to the Group's structure and type of business, suited to prevent the risks identified and able to ensure Sustainable Success. Furthermore, the accounting principles and procedures are properly applied for the purposes of preparing the periodic financial reports.

The Internal Control and Risk Management System as it relates to the financial reporting process

In accordance with the principles outlined by the CoSO Report, the Manager in charge of the Company's financial reports — assisted by the Compliance Officer and supported by Internal Audit and, where applicable, the evaluations provided by Brembo's Audit, Risk & Sustainability Committee — carried out a process to identify and assess the risks that might prevent the company from achieving its objectives regarding the reliability of financial reporting.

The process for identifying and assessing such risks is reviewed yearly. The Manager in charge of the company's financial reports, in collaboration with the Compliance Officer, is responsible for updating the process to reflect any changes during the year that might influence the risk assessment process (i.e., significant organisational changes, business changes, amendments or updates of accounting principles, etc.). Control measures taken to minimise risks identified during the risk assessment process are outlined using the appropriate formats (flow charts and control matrices). Key control measures have been identified from among these.

In determining whether the administrative and accounting procedures are being effectively applied, the Manager in charge of the company's financial reports relies on the support of the Internal Audit function (through the performance by the latter of effectiveness tests on controls pursuant to Law 262) or the Compliance Officer (through the review and validation by the latter of effectiveness tests pursuant to Law 262 carried out by process owners for the processes within their respective remit). The Manager in charge of the company's financial reports, by agreement with the Internal Audit function and the Compliance Officer, draws up a three-year Audit plan that is carried out through scheduled annual test activities and conducted at all Group companies within the scope of application of Law 262.

If the tested control mechanisms are found to be defective, the Manager in charge of the Company's financial reports and the Compliance Officer are required to review them and evaluate, in concert with the process owners, the corrective measures recommended by the latter in a corrective plan.

The corrective plan is used by the Company to address any missing key control measures, existing control measures that following a test have been found not to have been properly applied, or existing control measures that are not entirely adequate. When this document has been defined and shared, the Compliance Officer and/or Internal Audit (in this latter case through a specific follow-up on site) verify that the improvement plan has actually been implemented.

Any event that could potentially impact the adequacy of the above Framework in light of the company's actual situation, or that might compromise the reliability of the risk analysis process, must be identified by the Process Owners and promptly reported to the Manager in charge of the Company's financial reports (through the Compliance Officer).

The Process Owners are responsible for identifying all events within the processes in their purview that could potentially change the above framework and promptly reporting them to the Manager in charge of the Company's financial reports, through the Compliance Officer. Every six months, if no specific events have occurred that could impact the processes or control measures for which they are responsible, the Process Contact Persons must provide a formal notice thereof.

The Compliance Officer and the Internal Audit function periodically report to the Manager in charge of the Company's financial reports as to the activities carried out and test results. Also the

main companies in the Brembo Group are subject to analysis and checks in conjunction with the preparation of the Brembo Group's Consolidated Annual Financial Statements and Six-Monthly Report.

On a half-yearly basis, the Manager in charge of the Company's financial reports, supported by the Compliance Officer, also requests each Group company falling within the scope of Law

No. 262 to submit an attestation, duly signed by the Controller/Manager (for each Brembo S.p.A.'s³² GBU) or the local CFO and CEO/Country Manager (for Group companies falling within the scope of Law No. 262). Through this attestation each Company certifies that as at the date of reference, all financial reporting processes currently in force are reliable and have been properly applied, and that the financial data in the reporting package are correct and complete.

9.1. Executive Director in charge of the Internal Control and Risk Management System

On 23 April 2020, the Board of Directors confirmed Cristina Bombassei in her role as Executive Director in charge of the Internal Control and Risk Management System, vesting her with the functions set forth in Brembo's Corporate Governance Code.

On the basis of the Group's organisational structure approved by its Shareholders' Meeting on 17 December 2021, and in accordance with the delegated powers granted by the Board of Directors on that same date, the delegation of authority for the Internal Control and Risk Management System to Executive Director Cristina Bombassei, in her role as Chief Corporate Social Responsibility Officer, was confirmed, in continuity with the role performed in her previous terms of office.

Said function acts on the basis of the Guidelines issued by the Board of Directors and the Policies for implementing the ICRMS, updated in 2021 and approved by the BoD on 20 January 2022.

In detail, the Director in charge of the Internal Control and Risk Management System is tasked with:

- identifying the main business risks, taking into account the characteristics of the activities carried out by the Issuer and its subsidiaries, and submitting them periodically for review to the Board of Directors;
- implementing the guidelines established by the Board of Directors, supervising the planning, implementation and management of the Internal Control and Risk Management System, as well as constantly verifying its adequacy and efficacy;
- bringing the System into line with the current operating conditions, and legislative and regulatory scenario;
- requesting the Internal Audit function to carry out audits of

specific operating areas, as well as audits of compliance with internal rules and procedures in the performance of company transactions, in addition to informing the Chairman of the Board of Directors, Chairman of the Audit, Risk & Sustainability Committee and Chairwoman of the Board of Statutory Auditors thereof concurrently;

- timely reporting to the Audit, Risk & Sustainability Committee (or to the Board of Directors) regarding problems and critical issues brought to light in performing her activities or of which she has otherwise become aware, so that the Committee (or the Board) may take the appropriate initiatives;
- coordinating the Managerial Risk Committee and relying upon the support of the Head of Risk Management and Internal Audit as the guarantors of the Internal Control and Risk Management System (assurance).

In 2021, the Executive Director in charge of the Internal Control and Risk Management System coordinated with the Head of Risk Management for the activities aimed at updating the assessment of risks, including sustainability risks, using measurement criteria in line with the Group's risk management methodology.

The Executive Director also maintained active channels of communication, coordinating with the Chief Internal Audit Officer and the Audit, Risk & Sustainability Committee, in keeping with operating conditions and the legislative and regulatory framework.

The Executive Director in charge of the Internal Control and Risk Management System submitted the annual report to the Board of Directors at the meeting held on 3 March 2022.

³² In addition to attestations required for each GBU, for Brembo S.p.A. a specific attestation is required for the HR Department (signed by the Chief Human Resources & Organisation Officer and the Head of staff), as well as the ICT Department (signed by the Chief Information Officer).



9.2. Audit, Risk & Sustainability Committee (also acting as the Related Party Transactions Committee)

The Audit, Risk & Sustainability Committee³³, which also acts as the Related Party Transactions Committee, was appointed by the Board of Directors at the meeting held on 23 April 2020 and will remain in office until the General Shareholders' Meeting

called to approve the Financial Statements for the year ending 31 December 2022.

The Committee is composed by 3 members:

Office held	Members	Attendance rate at 2021 meetings	Position within the Audit, Risk & Sustainability Committee
Independent Director	Laura Cioli	100%	Chairwoman
Independent Director	Nicoletta Giadrossi	100%	Member
Independent Director	Elisabetta Magistretti	100%	Member

The professional profile of the members of the Audit, Risk & Sustainability Committee (available on Brembo's website, www.brembo.com, section Company, Corporate Governance, Governing Boards and Committees) meets the experience requirements imposed by the 2020 CGC in order to ensure an efficient performance of the Committee's duties.

The duties and functioning of the Audit, Risk & Sustainability Committee are defined in its Regulations, which has been amended by the Board of Directors during its meeting on 23 April 2020³⁴, and available on Company's website.

The Audit, Risk & Sustainability Committee has the tasks set out in the 2020 CGC, and in particular that of supporting, through adequate preliminary activity, the BoD's assessments and decisions regarding the ICRMS, as well as those concerning the approval of periodic financial and non-financial reports, in addition to performing the function of Related Party Transactions Committee. The main sustainability tasks relate to:

- reviewing and assessing (i) sustainability policies aimed at ensuring the creation of value over time for Shareholders as a whole and all other stakeholders over the medium and long term, in accordance with sustainable development principles; (ii) sustainability guidelines, goals and the resulting processes, and sustainability reports submitted annually to the Board of Directors;

- monitoring international sustainability initiatives and the Company's participation in such initiatives with the aim of strengthening the Company's international reputation.

The following persons are invited to the Committee meetings:

- the Chairman of the Board of Statutory Auditors or another Acting Auditor delegated by the Chairman;
- the Director in charge of the Internal Control and Risk Management System and the Chief CSR Officer;
- the Chief Executive Officer;
- the Chief Internal Audit Officer;
- the Manager in charge of the Company's financial reports, or a person delegated by the said Manager, for matters falling within his remit;
- the Head of Risk Management;
- the Corporate & Compliance Manager, also serving as Committee permanent secretary.

Members in charge of the so-called second-level control functions are also invited from time to time to participate, by agreement with the Chairman of the Committee and the Executive Chairman, so that they can illustrate the main risk factors and risk mitigation plans/actions, each to the extent of his or her competence.

³³ Starting with its term beginning on 20 April 2017, for the first time the Board of Directors assigned the Committee responsibility for supervising sustainability issues, resulting in the change of the Committee's name from the Audit and Risks Committee to the Audit, Risk & Sustainability Committee, and its tasks as set out in the related regulation were updated accordingly. This decision was made in accordance with the suggestion contained in the comment on Article 4 of the previous Corporate Governance Code of Borsa Italiana S.p.A.

³⁴ Article 4.2 of the Regulations of the Audit, Risk & Sustainability Committee was amended to provide that the CEO is to participate in its meetings by invitation of the Chairman and/or where the CEO deems it appropriate in the light of the subject matter and issues on the agenda for each occasion; to this end, the notice of convocation of the committee will always be sent to the CEO in order to permit the CEO to examine the topics on the agenda and thus assess whether to participate.

Given the similarity of the subjects addressed, the sessions of the Audit, Risk & Sustainability Committee often included the joint discussion with the Board of Statutory Auditors and the Supervisory Committee, in accordance with the specific functions and duties of each, in order to ensure an immediate discussion and timely information flows.

In its functions of support to the Board of Directors, the Audit, Risk & Sustainability Committee constantly monitored activities relating to the design, implementation and management of the Internal Control and Risk Management System. It also examined the reports submitted by the Director in charge of the Internal Control and Risk Management System and the Chief Internal Audit Director on the occasion of the approval of the 2021 Financial Statements. On the basis of the activities performed, the Audit, Risk & Sustainability Committee confirmed its opinions on the adequacy of the System for 2021 through specific reports submitted by the Chairman of the committee to the Board.

In 2021, the Audit, Risk & Sustainability Committee held seven meetings, duly recorded in the minutes (lasting about 3-4 hours each on average), on the following dates: 25 February, 4 May, 1 July, 23 July, 29 October, 9 December and 10 December (exclusively in its capacity as Related Party Transactions Committee). In addition, as at the date of the approval of this Report, the Committee held two (2) meetings:

- on 4 February 2022 in which the Head of Risk Management reported on the Risk Report 2021 (ERM and ESG Risks);
- on 23 February 2022, during which it reported on the Internal Audit's activity until the end of the financial year and the final periodic reports for 2021 regarding the internal control and risk management system.

In discharging its functions, the Audit, Risk & Sustainability Committee had access to the information and company functions necessary from time to time to performing its tasks, and it may also avail itself of expert advisors within the limits of the budget approved by the BoD.

In supervising the Internal Control and Risk Management System, the Audit, Risk & Sustainability Committee:

- was informed, by the Heads of the various areas, about the main operating risks inherent in the nature of the business, associated with the supply chain, product marketing, IT, issues involving health, job safety and the environment and

the regulatory framework of the countries in which the Group operates.

- oversaw the effectiveness of the audit process, and assessed and expressed its opinion on the proper use of the accounting standards and their consistency within the Group for the purposes of preparing the Consolidated Financial Statements, based on the information provided by the Manager in charge of the Company's financial reports, and their consistency for preparing the Financial Statements;
- analysed the evaluation criteria and calculation procedures used for the purposes of the impairment tests;
- was informed by the Chief Administration and Finance Officer of the main points of attention identified by the Independent Auditors during their activity in the field (that do not represent significant deficiencies in the internal control system), in addition to the activities carried out in accordance with Law 262/05 (and its extension to Group companies) and the Tax Control Framework;
- examined the reports regularly provided by the Chief Administration and Finance Officer on significant transactions and transactions entailing a potential conflict of interests within the meaning of corporate regulatory framework currently in force;
- was updated on a regular basis by the Head of Risk Management on the following:
 - periodic Enterprise Risk Management process, and its integration with ESG factors, reviewing the update to Brembo's Risk Report of 31 December 2021 and the Heat Map of the Group's risk profiles (including ESG-related risks) and the action/mitigation plans prepared and launched by the management;
 - new insurance covers for the Brembo Group, with in-depth analysis of the insurance spending trend;
 - property damage and business interruption risks, for the purposes of renewals and optimisation of insurance programmes;
 - an update on the losses by which the Company was affected;
- followed the process of complying with the 2020 CGC through a preliminary analysis of the New Brembo Corporate Governance Code, Brembo's Shareholder Engagement Policy and two more documents (the new Guidelines for the Brembo Internal Control and Risk Management System and the new Policies for the implementation of the Brembo Internal Control and Risk Management System).



With the aim of further analysing specific risks and monitoring the improvement plans launched by the management, the Committee conducted specific inquiries into specific issues, meeting directly with top managers of the Company:

- the Chief Information Officer, who illustrated the Company's new IT strategy (closely tied to its vision and company mission), ongoing digital transformation projects and cyber security activities implemented;
- the Chief Quality Officer, who presented the new "Products Regulations" function, risks relating to quality with a focus on recall and the related action plans and update of 231 protocols relating to product development and industrialisation processes, implemented in the light of mechatronic projects, for which specific additional activities relating to the development of such systems were introduced;
- the Chief Purchasing Officer, who provided information regarding Supply Chain Risk Management, ongoing supply chain sustainability projects (with a focus on the environmental aspect) and the state of the results of internal audits and improvement actions;
- the Chief Environment and Energy Officer, to illustrate the findings of the environmental audits undergone, report on emerging issues and environmental due diligence activities and present carbon neutrality projects;
- the Head of Health & Safety, who illustrated workplace safety issues, with a focus on areas of residual risk and any ongoing projects by the Company.

With regard to sustainability issues and the Disclosure of Non-financial Information pursuant to Legislative Decree No. 254/2016, the Committee examined and expressed opinions on the following:

- in the meeting of 4 May 2021, the following was presented:
 - Brembo's 2020 Modern Slavery Statement, drafted pursuant to the Modern Slavery Act 2015 – Section 54 in accordance with international best practices³⁵;
 - Brembo's non-financial reporting strategy and non-financial reporting standardisation trends – EFRAG's proposal;

- the feedback received from the Independent Auditors regarding the 2020 NFD assurance process was presented at the meeting of 23 July 2021;
- at the meeting of 9 December 2021, the Chief CSR Officer presented the proposed Materiality Matrix for the three-year period, subsequently approved by the Board of Directors on 17 December 2021, and the activities carried out for defining said Matrix;
- finally, during its meeting of 23 February 2022, the Committee conducted an advance examination of the 2021 NFD, prepared in accordance with Legislative Decree No. 254/2016 for reporting year 2021, finding it to be consistent with the provisions of the Decree.

At Group level, it was updated by the Chief Internal Audit Officer on the following matters:

- the progress of audit plans (with an average opinion per audit and staffing situation to complete the plan), verifying its implementation according to the Audit Plan approved by the Board of Directors;
- the results of audit activities during the period, with an opinion of residual risk once the Plan is implemented;
- an analysis of reports of violations of laws, procedures and regulations received and/or identified in the course of ethics audits;
- 2020 and 2021 performance indicators relating to the Chief Internal Audit Officer and the Internal Audit function and, subsequently, the results of the assessment activity of the Chief Internal Audit Officer's performance;
- the findings of the audit of compliance;
- the 2022 Audit Plan and related Budget.

These activities did not result in the identification of significant critical issues and allowed the Committee to confirm the substantial adequacy of the Internal Control and Risk Management System.

For further information on the activities performed by the Committee in its capacity as Related Party Transactions Committee, see paragraph 10.3.

³⁵ This document describes the measures adopted and implemented by the Company to ensure the absence of all forms of modern slavery, forced labour and human trafficking with respect to both its employees and its supply chain.

9.3. Chief Internal Audit Officer

Pursuant to recommendations of the 2020 Corporate Governance Code, on the proposal of the Audit, Risk & Sustainability Committee and the Executive Director in charge of the Internal Control and Risk Management System, Alessandra Ramorino was confirmed in the position of Chief Internal Audit Officer by the Board of Directors on 17 December 2012. In addition, in December 2020 the Board of Directors approved the related organisational structure for 2021, which it deemed adequate to the performance of the tasks set out in Brembo's Corporate Governance Code.

The Chief Internal Audit Officer reports hierarchically to the Board of Directors, and in operational terms to the Executive Chairman³⁶. She also interacts with the Audit, Risk & Sustainability Committee, the Director in charge of the Internal Control and Risk Management System (ICRMSD), the Chief Executive Officer and the Board of Statutory Auditors, in such a way as to ensure constant efficacy and the requisite of independence in the performance of the duties associated with the position, in a manner consistent with the company's governance system, while drawing inspiration from international best practices.

Upon proposal of the ICRMSD, and after obtaining a favourable opinion from the Audit, Risk & Sustainability Committee and the Remuneration & Appointments Committee, as well as consulting with the Board of Statutory Auditors, the Board of Directors determines the Chief Internal Audit Officer's (fixed and variable) remuneration in accordance with company policies and current laws. It also ensures that the Chief Internal Audit Officer has access to resources suited to the fulfilment of her responsibilities.

Each year, after having obtained a favourable opinion from the Audit, Risk & Sustainability Committee and consulted with the Board of Statutory Auditors, the Board of Directors assesses and approves the Audit Plan and the Internal Audit function's budget.

The mission of Brembo's Internal Audit function is to ensure the performance of independent, objective assurance and

advice activities aimed at improving the organisation's efficacy and efficiency. Internal Audit is tasked with assisting the Brembo Group in achieving its objectives through a systematic professional approach oriented towards providing value-added services in all areas within its purview, to achieve ongoing improvement.

Internal Audit is also charged with verifying and assessing the operability and suitability of the Group's risk control and management system, in a manner consistent with the Guidelines and Policies for implementing the Internal Control and Risk Management System approved by Brembo's Board of Directors. In particular, this takes place through:

- an understanding of the risks and the assessment of the adequacy of the means used to manage them;
- an assessment of the adequacy and efficacy of the Internal Control and Risk Management System, while promoting effective control, at reasonable costs, with special regard to:
 - the reliability and integrity of accounting, financial, management and non-financial information;
 - the efficiency and efficacy of company processes and the resources allocated to them;
 - the compliance of processes and transactions with laws, supervisory regulations, rules, policies, plans and internal procedures;
 - safeguarding the value of the company's business and assets.

As part of its work, Internal Audit maintains constant relations with all the institutional control bodies and periodic relations with function Directors and Managers.

The activities carried out by the Internal Audit function continued to be oriented towards risk prevention, the determination of direct actions to be taken to eliminate anomalies and irregularities and the provision of support to the Group in the pursuit of pre-set operating targets.

During 2021, Internal Audit operated based on the approved Three-year Audit Plan, which is updated on a yearly basis in

³⁶ Until 17 December 2021, the Chief Internal Audit Officer reported hierarchically to the Board of Directors through the Chairman, and in operational terms to the Executive Chairman. In the absence of the role of the Executive Deputy Chairman following the shareholders' meeting resolutions of 17 December 2021, the Chief Internal Audit Officer reports in operational terms to the Executive Chairman.



light of the changed risk scenarios, and which provides for: audits of compliance with Law No. 262/05 (carried out chiefly through the new Control Owner testing) and Legislative Decree No. 231/2001, IT audits, audits on relevant compliance activities, ethics audits based on specific reports received and operational audits, as well as organisational audits for the newly acquired companies.

The Chief Internal Audit Officer checked the reliability of the Company's IT systems, with specific emphasis on the accounting systems, as contemplated under the Audit Plan, coordinating her activity with the Independent Auditors.

With regard to Legislative Decree No. 231/2001, the ongoing support provided by the Internal Audit function to the Supervisory Committee included the drawing up of a specific Audit Plan that was subsequently approved by the said Committee.

Throughout 2021, the Internal Audit function continued its monitoring of management of the top risks, including through follow-ups of the improvement plans defined by the management. It also provided continuous monitoring through data analytics tools on several operating risks, as well as

information and training regarding the Internal Control and Risk Management System to Brembo's management.

The Chief Internal Audit Officer is not responsible for any operational areas; she has had direct access to all the information required to perform her duties, reported on her work at each meeting of the Audit, Risk & Sustainability Committee and Supervisory Committee and attended the meetings of the Board of Statutory Auditors.

At its meeting on 23 February 2022, the Audit, Risk & Sustainability Committee was provided with appropriate information on the results of Chief Internal Audit Officer's activities for 2021 through the annual Report on the adequacy of the Internal Control and Risk Management System.

The Manager in charge of the Company's financial reports was also given due notice of activities carried out by the Chief Internal Audit Officer relating to Law No. 262/05 for 2021, during periodic meetings and through the Annual Report on the adequacy of the control model implemented for the purposes of Law No. 262/05 and the results of the tests in this area conducted by the Internal Audit function.

9.4. Organisational Model pursuant to Legislative Decree No. 231/2001

Brembo adopted an Organisation, Management and Control Model to fulfil all the legal requirements and comply with all principles that inspired the Legislative Decree No. 231/2001, with the aim to rely on an effective instrument of corporate management, able to create and protect the value of the company. Through the adoption of this Model, Brembo formalised a structured and organic system of control procedures and activities — already existing within the company — in order to prevent and monitor the risk that 231/2001 Offences might be committed.

In the course of the periodic verification of the efficacy and adequacy of the compliance system implemented, in 2021, the Company constantly monitored any impacts on processes relevant to Legislative Decree No. 231/2001 and the related protocols.

The update connected to the 231 Model was focused on the following activities in 2021:

- reporting any new prevention protocols implemented but not previously indicated;
- verification of the state of progress/closure of the improvement actions that emerged from the audit activities that impact the control protocols contained in the various reference documents;
- assessment of any impacts on the relevant processes, taking account of the update to the Confindustria Guidelines issued in July 2021. Each speaker then presented a comparative analysis of the content of the Guidelines and the protocols in place and assessed whether the protocols/measures indicated in the documents in question were adequate/had been deviated from. No significant deviations were identified in such verifications;
- comparative analysis of the General Section of the Brembo S.p.A. Model with the Confindustria Guidelines issued in July 2021.

No significant deviations were identified in this comparative analysis, and it was proposed that:

- some references/paragraphs be supplemented, mainly formally, to bring them into line with the content/principles of the New Guidelines (principle of precise determination of criminal offences, clarification of the notion of interest and benefit, transparency of information in the NFD);
- the 27001 IT certification obtained by the Brembo Group be expressly referenced.

It should also be noted that a comparison was made to the “Assonime Notes and Studies 10/2021” (The Supervisory Body in company practices twenty years from Legislative Decree 231/2021) with regard to composition and functioning of Brembo’s Supervisory Committee. On the basis of this comparison, the Supervisory Committee of Brembo S.p.A. was found to be in line with the best practices identified in the survey.

The 231 Model (Fifth Edition, updated on December 2021) is made up of:

General Section	A General Section illustrating the company’s profile, the regulations of reference, underlying principles and the elements making up the Model (Corporate Governance System, Internal Control System, Principles governing the system of delegated powers, Code of Ethics), the function of the Model, the ways in which the Model is constructed and structured, the recipients of the Model, relations with Group companies, as well as the disciplinary system and the measures to be implemented in terms of training, circulation, amendment and updating.
Special Sections	The Special Sections and relevant Sensitive Activity Analysis Sheets (the latter of which are intended for the Company’s exclusive internal use) focusing on specific types of 231 Offences which — in light of Brembo’s profile and business operations — could, in the abstract, be committed within the company.
Code of Ethics	It forms an integral part of the Model, laying down the general principles and values that must inspire and inform the professional conduct of any and all the persons serving or acting on behalf of Brembo in any capacity whatsoever, also for the benefit of all Stakeholders even with reference to intentional crimes and negligent manslaughter or personal injury committed in violation of accident-prevention and occupational health and safety regulations. In 2021, the Code of Ethics was also extended to the Danish company SBS Friction A/S acquired in the same year, and its content was translated into the local language and disseminated to employees. Moreover, an e-learning course on the principles and values defined in the Code was organised.
Brembo Compliance Guidelines	These summarise the main rules of conduct and main control principles indicated in the Special Sections of the 231 Model which the Subsidiaries are required to adopt to prevent crimes within the meaning of Legislative Decree No. No. 231/2001 from being committed. They prevent from criminal liability being transferred to Brembo S.p.A. and its subsidiaries and corporate liability being transferred from the Subsidiaries to the Parent Company. They are approved by the Board of Directors.
Antibribery Code of Conduct	Code of Conduct that, in line with the principles entrenched in the Code of Ethics and international best practices, is aimed at: <ul style="list-style-type: none"> • ensuring transparency; clearly delineating the bounds of permitted behaviour and ensuring compliance with anti-bribery regulations in force in all the jurisdictions in which Brembo operates, by any and all persons serving Brembo in any capacity whatsoever; • ensuring the highest levels of integrity by defining, <i>inter alia</i>, Brembo’s policy regarding the acceptance and offer of gifts, hospitality and entertainment (i.e., the free provision of goods and/or services for promotional or public relations purposes). <p>The Code defines each party’s responsibilities in order to ensure the observance of the highest standards of integrity and avoid any suspicion of inappropriate motivations underlining the offer or acceptance of a gift or act of hospitality, or an undue influence exercised on or by the recipient who accepts such an offer. The second edition of the Code, approved by the Board of Directors on 27 July 2017, raises the maximum limit on Brembo merchandising gifts (intended to promote the brand), while also requiring that subsidiaries adopt a merchandising catalogue similar to that of the Parent.</p> <p>In 2021, the Antibribery Code of Conduct was also extended to the Danish company SBS Friction A/S acquired in the same year and its content was disseminated to employees. Moreover, the Legal and Corporate Affairs Department organised training sessions reserved to employees.</p>



<p>Regulation governing the proceedings of the Supervisory Committee</p>	<p>Regulation revised and approved by the Supervisory Committee itself on 11 May 2017, to reflect its renewed composition, which no longer calls for the involvement of members of the Board of Statutory Auditors.</p>
<p>Group compliance system</p>	<p>This system entails the adoption of the 231 Model, as well as the setting up of a Supervisory Committee tasked with constantly monitoring the functioning, appropriateness and effectiveness of the Model in question:</p> <ul style="list-style-type: none"> • the adoption by each subsidiary of a compliance programme designed in light of the local regulatory framework governing corporate administrative/criminal liability; • the implementation by all subsidiaries of the general rules of conduct imparted by the Parent (Brembo Corporate and Compliance Tools) with a view to ensuring compliance with high ethical standards throughout the Group. In fact, if local regulations are less stringent than those of the Parent, then the latter's compliance principles will prevail (principle of prevalence). As well as the Antibribery Code of Conduct and Brembo Compliance Guidelines, the following instruments are also to be taken into account: <ul style="list-style-type: none"> – the Brembo's Code of Basic Working Conditions that codifies the principles underlying Brembo's relationships with its employees, intended exclusively for Internal use within the Company; – the Supplier Code of Conduct, – the Brembo Policy on Non-discrimination and Diversity; – Brembo's Operating Procedures, Instructions and related Internal Authorisation Matrixes, available for consultation on the Company's Web portal, and duly referenced in the Sensitive Activity Sheets, in that they serve the preventive purposes contemplated in Legislative Decree No. 231/2001; other management systems and/or procedures applicable in specified corporate areas, in compliance with specific regulatory requirements, but also serving the preventive goals contemplated in Legislative Decree No. 231/2001.

OTHER TOOLS OF BREMBO'S COMPLIANCE SYSTEM

<p>Brembo Antitrust Code of Conduct</p>	<p>In 2017, in order to raise awareness among company departments of compliance with competition rules, in accordance with the principles enshrined in its Code of Ethics, Brembo prepared and adopted an Antitrust Code of Conduct, in addition to the other compliance documents already issued. It represents a practical guide, tailored to Brembo's business, that provides a simple, accessible explanation of:</p> <ul style="list-style-type: none"> • the restrictions imposed by antitrust rules; • the cases in which such restrictions may most frequently be breached; • the most common areas/situations of risk of violations of antitrust rules; • the proper behaviour to be adopted to ensure full compliance with antitrust legislation in the various countries in which Brembo operates. <p>Brembo Antitrust Code of Conduct applies to employees of Brembo S.p.A. and its subsidiaries in the EU and forms a model of reference for the compliance programmes.</p> <p>The Code is a point of reference for the Company's compliance programmes and applies to employees of both the Parent and the European subsidiaries. In 2019, the local boards of directors of the European subsidiaries implemented the Brembo's Antitrust Code of Conduct with an Addendum (translated into the local language) with the aim, <i>inter alia</i>, of indicating and modifying (where necessary) employees' behaviour in accordance with local legislation.</p>
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37 Available from the website www.brembo.com, in the section Company, Corporate Governance, Codes & Policies, on the basis of which Brembo acts in accordance with the principles established by national and international legislation safeguarding free competition in view of the promotion of fair competition.

Privacy Policy and other Operating Procedures	<p>The Privacy Policy was approved by the Board of Directors of Brembo S.p.A. on 8 May 2018 to set out the most important principles for the protection of personal data and how such principles are to be implemented, including in the light of the new European General Data Protection Regulation (Regulation No. 679/2016/EU – GDPR), applicable in all Member States of the European Union with effect from 25 May 2018.</p> <p>The Privacy Policy applies to Brembo S.p.A. and the Group’s various subsidiaries based in the European Union. The DPO submits on an annual basis to the Board of Directors the DPO’s Annual Report (in 2021, this occurred on 9 November). Said Report was drawn up taking account of: (i) internal and external (supplier) control activities performed; (ii) statistics regarding any Personal Data breaches that have occurred; (iii) number of requests received from data subjects; (iv) training activity carried out and planned; (v) number of requests for information received from local supervisory/judicial Authorities; (vi) Personal Data processing impact assessments conducted during the period. Based on the findings of this year’s Report, the DPO deemed appropriate the level of adequacy to the GDPR.</p> <p>In addition, operating procedures such as the following have been issued in execution of the Policy:</p> <ul style="list-style-type: none"> • Data Breach Management Procedure; • Procedure for the Exercise of the Rights of Data Subjects; • Procedure Privacy by Design – Privacy By Default; • Procedure for the Exercise of the Right to Data Portability.
Modern Slavery Statement	<p>In accordance with the contents of the British Modern Slavery Act 2015, Brembo S.p.A. publishes its Modern Slavery Act on an annual basis. Said Statement:</p> <ul style="list-style-type: none"> • was adopted for Brembo S.p.A. and for some of the Group Companies concerned by the requirements specified in the legislation (Brembo Poland Sp.z o.o. and Brembo Czech s.r.o.). It should be noted that the Company AP Racing, wholly controlled by Brembo S.p.A., prepares and approves its own Statement and publishes it on its own website. • describes the organisation, sensitive areas and actions/measures adopted by the Company to ensure the absence of any form of “Modern slavery, forced labour and human trafficking” both in respect of its own employees and those of the supply chain (identified by the same legislation as areas exposed to risk).
Global Tax Strategy and Brembo S.p.A.’s Tax Strategy	<p>In 2019, Brembo started the implementation of the Tax Control Framework of Brembo S.p.A. (set of rules, procedures, organisational structures and safeguards to allow the risk arising from the tax variable to be reported, measured, managed and controlled) in order to ensure that tax management (for both the Group and Brembo S.p.A.) ensures the pursuit of the following objectives over time:</p> <ul style="list-style-type: none"> • long-term growth of company assets and protection of the Brembo Group’s reputation and the interests of its shareholders; • proper, timely calculation and payment of taxes due by law and fulfilment of the related obligations; • containment of tax risk, understood as the risk of violating national and international tax laws or the abuse of the principles and purposes of the tax system. <p>In particular, during the meeting held on 7 November 2019 the BoD approved the Global Tax Strategy and Brembo S.p.A.’s Tax Strategy.</p> <p>The Company also implemented:</p> <ul style="list-style-type: none"> • an Interpretative Tax Risk Management Policy, drafted in the form of a procedure applicable solely to the Parent Company, designed to ensure the consistency, objectivity and traceability of the interpretative decisions made by the Tax Function of Brembo S.p.A., including by establishing appropriate rules for the processing of reaching such decisions; • the Brembo Group’s Tax Compliance Model, which contains the organisational and governance guidelines that the company functions of Brembo entities within the TCF scope follow to ensure proper management of tax risk. <p>There are multiple benefits resulting from implementing the Tax Control Framework (such as mitigation of the responsibilities of company bodies, reduction of situations of conflict with revenue authorities due to preventive risk management, prevention of violations of tax laws and a potential reduction of the penalties applied to the Group, etc.) and they all contribute to informed, scrupulous and effective management of the tax variable.</p>



9.4.1 Supervisory Committee

The Supervisory Committee, made up of 3 members, was appointed by the Board of Directors in the session that followed the General Shareholders' Meeting of 23 April 2020 and will

continue to serve until the end of the term of office of the Board of Directors. The Committee's term of office will hence end on the date of approval of 2022 Financial Statements.

Office held	Members	Attendance rate at 2021 meetings	Position within the Audit, Risk & Sustainability Committee
External Director	Giovanni Canavotto	100%	Chairman
Independent Director	Elisabetta Magistretti	100%	Member
Brembo's Chief Internal Audit Officer	Alessandra Ramorino	100%	Member

In accordance with Brembo's Legislative Decree 231 Model concerning the requirements for members of the Supervisory Body (autonomy, independence, integrity and professionalism), best practices and case law on this subject, the function of Supervisory Committee was entrusted to a collegial body, made up of three members identified amongst persons complying with the professional and independence requirements, as well as with specific inspective and advisory skills and whose Chairman is external to the company's organisation.

As regards the specific activities within its remit, the Supervisory Committee met on 25 February 2021, 4 May 2021, 23 July 2021, 29 October 2021, 9 December 2021, and 13 December 2021. The Supervisory Committee also met for preparatory and coordination purposes in view of the different meetings with the other Company second-level functions.

The Committee also attended the meetings of the Audit, Risk & Sustainability Committee and Board of Statutory Auditors for the matters within its responsibility and interest and in order to exchange information on a periodic basis.

In addition, two meetings were held in 2022:

- on 4 February 2022, in which it was reported by the Head of Risk Management on Risk Report 2021 (ERM and ESG);
- on 23 February 2022, referring to final periodic reports of 2021.

In addition to the foregoing, in 2021 the Supervisory Committee specifically:

- consulted independently with the Internal Audit Department to examine certain risk-assessment analyses made by the 231 Team, as well as to analyse the investigations carried out as a result of some reports;
- met with the Country General Managers of Group companies in the main countries in which Brembo operates to verify the state of progress of the related local compliance programmes

and to keep the attention of CGMs closely focused on compliance issues and verifying how aligned and active CGMs are in this area;

- met with the Supervisory Committees of Group companies, where formed, to exchange information on the activities carried out during the reporting period;
- dedicated a meeting to formulating the plan of activities for 2022 and engaging in dialogue with the Chief Internal Audit Officer and Corporate Compliance Officer.

In acknowledging the ongoing updating of the 231 Model and its protocols and in keeping with the assessments previously expressed, the Supervisory Committee confirmed that the general structure of the 231 Model remains intact, and that the Internal Audit's assurance and monitoring activities, the 231 Risk Assessment and the various reports submitted revealed no facts, acts, events or omissions that were critical in respect of compliance with the requirements of the 231 Model.

In order to check that the 231 Model was implemented effectively, audit activities were carried out with the support of the Internal Audit function, based on the Supervisory Committee's action plan. Oversight of the 231 Model was performed through the following activities:

- an analysis of the reports received by the Supervisory Committee;
- an analysis of the flow of information contained in the half-yearly report submitted to the Supervisory Committee by the internal functions of Brembo S.p.A. and relevant personnel of Group companies;
- meetings with the managers of sensitive areas and/or functions within the meaning of Legislative Decree No. 231/2001.

During the year, no violations of laws subject to the penalties provided for in Legislative Decree No. 231/2001 were reported.

9.4.2 Whistleblowing Channel

With regard to the Internal Control and Risk Management System, the Company has implemented an internal system for employees to report any irregularities or violations of applicable legislation and internal procedures.

In accordance with industry-wide compliance-oriented best practices, Brembo has adopted a specific “Whistleblowing Procedure” aimed at setting up and managing reporting channels with a view to ensuring adequate information flows towards and within the Company (through the Supervisory Committee) focusing on irregularities and/or breaches of the 231 Model, the Code of Ethics or other provisions set forth in Brembo’s internal rules and regulations. The reporting channel set up by Brembo is inspired by certain principles of reference that guide the management of reporting:

- *assurance of anonymity and confidentiality*: all of Brembo S.p.A.’s functions/executives in charge of receiving and processing reports must ensure the utmost anonymity of the person or persons making the report, whose identity may be revealed only to the Supervisory Committee;
- *bad faith reports*: the Supervisory Committee shall ensure adequate protection against bad faith reports, taking action against any such conduct and/or informing the parties/companies targeted by reports found to have been made in bad faith;
- *anonymous reports*: anonymous reports are taken into consideration only if appropriately detailed and supported by facts;
- *security and data integrity requirements*: through its actions,

the Supervisory Body ensures that reporting management channels and methods ensure compliance with data confidentiality, integrity and availability requirements based on the security measures in place for company IT tools.

Reports may be made by any person or party whatsoever, including company employees, member of Corporate Bodies (Board of Directors and Board of Statutory Auditors), as well as the Independent Auditors, customers, suppliers, consultants, outside collaborators, shareholders and partners of Brembo S.p.A. and its subsidiaries, and third parties. Reports shall be submitted to the Supervisory Committee as follows:

- oral reports to the Supervisory Committee;
- ordinary post (Supervisory Committee of Brembo S.p.A. - Viale Europa, 2 - 24040 Stezzano (BG, Italy));
- e-mail (organismo_vigilanza@brembo.it);
- voice mail (+39 035-6055295);
- Internet (Corporate Governance section of the website www.brembo.com);
- facsimile transmission (+39 035-6055203).

In addition to the above reporting channels, local information channels have also been set up at the various Group companies in order to better reach all persons covered by the procedure who for reasons of language or access to IT instrument might experience difficulties. Their functioning is governed by ad hoc procedures inspired by those of Corporate and they provide for coordination rules to ensure an adequate, timely flow of information to the Parent’s Supervisory Committee.

9.5. Independent Auditors

On 23 April 2013, the contract to provide legal auditing of the accounts was awarded by the General Shareholders’ Meeting to EY S.p.A. for financial years 2013-2021, according to the terms and conditions proposed by the Board of Statutory Auditors.

Subsequently, the Shareholders’ Meeting convened on 22 April 2021 awarded Deloitte & Touche S.p.A. the mandate for the statutory auditing of the accounts for nine financial years, precisely for the years ended 31 December 2022-2030, pursuant to Legislative Decree No. 39 of 27 January 2010 and Regulation (EU) No 537/2014 of the European Parliament and of the Council

of 16 April 2014, on the basis of the recommendation expressed by the Board of Statutory Auditors currently in office.

It should be noted that the award of assignments to the Independent Auditors is subject to two procedures, drafted in accordance with the changes introduced by Legislative Decree No. 135/2016 and the auditing of the Disclosure of Non-Financial Information pursuant to Legislative Decree No. 254/2016, examined and approved by the Board of Statutory Auditors during its meeting of 18 July 2017, which govern:

- the process for selecting and awarding the statutory auditing



assignment to Independent Auditors, as required by law, with the aim of safeguarding the independence of the external auditors — a fundamental guarantee of the reliability of accounting information;

- the process of granting assignments other than independent auditing, with the aim of:
 - i) avoiding the granting of assignments for services included in the catalogue of those banned by law;
 - ii) regularly monitoring that the fees paid for independent auditing are proportional to the fees for Other Services, in accordance with laws and regulations in force.
 - iii) the assignment of duties during the cooling period³⁸.

In conducting their activity, the engaged Independent Auditors have free access to the information, print and electronic documents, archives and assets of the Parent and its subsidiaries. The financial statements of subsidiaries deemed significant as defined in the Rules for Issuers, Article 151, paragraph 1, are subject to legal auditing of their accounts by the firm that audits Brembo's financial statements.

The Board of Statutory Auditors, with which the Internal Control & Audit Committee is identified, pursuant to Legislative Decree No. 39/2010, as amended by Legislative Decree No. 135/2016, and the Independent Auditors periodically exchange information

and data about their respective areas of supervision and control. The Board of Statutory Auditors periodically verifies assignments other than auditing, in order to assess whether they are compatible with the statutory auditing assignment for the purposes of continuing satisfaction of the independence requirement, and monitors the ratio of auditing fees to fees for other services, to ensure that an appropriate balance is always maintained, in accordance with applicable laws and regulations.

Moreover, the Independent Auditors meet regularly with the Board of Statutory Auditors and, during some sessions, also jointly with the Audit, Risk & Sustainability Committee, for updates on ongoing audit activities and to discuss the significant matters raised in the Independent Auditors' Report pursuant to Articles 14 and 16 of Legislative Decree No. 39/2010, as amended by Legislative Decree No. 135/2016.

The Independent Auditors in office were also assigned responsibility for verifying the preparation of the Disclosure of Non-Financial Information drafted in accordance with Legislative Decree No. 254/2016, and were granted an assignment to conduct limited assurance on the Disclosure of Non-Financial Information according to an assessment of the appropriateness and efficiency of its approach and activity.

9.6. Manager in charge of the Company's financial reports

Pursuant to Article 27-*bis* of the By-laws, on the basis of a non-binding opinion from the Board of Statutory Auditors, on 23 April 2020³⁹ the Board of Directors appointed the Chief Administration & Finance Officer, Andrea Pazzi, as the Manager in charge of the Company's financial reports, inasmuch as his function at Brembo involves managing the entire accounting information cycle, from the administrative and accounting procedures for the production of the data included in the financial statements to the preparation of the draft financial statements, and also because the Group's entire finance structure, i.e. all subsidiaries of Brembo S.p.A., report to him.

Upon reappointment, also with the favourable opinion of the Board of Statutory Auditors, the Board verified once again the satisfaction of the established professionalism requirements and granted him the pertinent powers for the performance of the function. The Manager in charge of the Company's financial reports is responsible for defining and assessing the adequacy and efficacy of the specific administrative and accounting procedures, as well as of the related control system, safeguarding against the risks inherent in the process of preparing financial information. The assignment is set to expire on the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2022.

³⁸ It is understood that until the new independent auditors are appointed by the Shareholders' Meeting, the principles and restrictions set out for the new incoming independent auditors will apply to the two companies identified in the final selection phase and indicated in the Reasoned Recommendation issued by the Board of Statutory Auditors.

³⁹ Andrea Pazzi was appointed for the first time Manager in charge of the Company's financial reports by the Board of Directors on 5 March 2018.

The Manager in charge of the Company’s financial reports is invited to all meetings of the Audit, Risk & Sustainability Committee and Board of Statutory Auditors in order to provide the information for which he is responsible and report with half-

yearly frequency on monitoring obligations and activities for the purposes of the certifications envisaged in Article 154-*bis* of TUF.

9.7. Coordination between parties involved in the Internal Control and Risk Management System

By drafting and approving the “Guidelines for the Internal Control and Risk Management System”, the Board of Directors not only indicates the objectives of the System, but also describes its participants and Bodies — both inside and outside the Company — and illustrates their responsibilities and defines methods of interaction and coordination of the various parties involved.

With a view to practical implementation of these guidelines, the Executive Director in charge of the Internal Control and Risk Management System defined the “Policies for the Management of the Internal Control and Risk Management System” with the aim of tracing its overall integrated structure, so as to permit the main company risks to be identified and managed and to design the System in light of the current organisational structure, the legislative and regulatory framework and best practices. All this with the aim to ensure ongoing information flows among the various parties, in a view of greater efficiency and maximum mutual integration.

From a strictly operative point of view, coordination is also ensured through:

- a constant information flow between the different parties involved in the ICRMS;
- participation of the various parties concerned in joint meetings for discussion of ICRMS-related issues;
- dissemination of the Internal Audit reports to the various ICRMS parties;

- circulation of the minutes, the work files and reports of the Chairman of the Audit, Risk & Sustainability Committee to the Chairman of the Board of Statutory Auditors and of the Supervisory Committee.

For example, in order to maximise the efficiency of the ICRMS and reduce activity overlappings, specific coordination procedures are provided for among the different parties involved in it. It must be pointed out that:

- the ICRMSD, Chief Executive Officer, Chief Internal Audit Officer, Manager in charge of the Company’s financial reports and Head of Risk Management participate constantly in the work of the Audit, Risk & Sustainability Committee;
- the Audit, Risk & Sustainability Committee and the Supervisory Committee report to the BoD at least every six months — and in any event when the draft financial statements and six-monthly report are approved — on the activity performed and the adequacy of the internal control and risk management system;
- the Audit, Risk & Sustainability Committee, Board of Statutory Auditors and Supervisory Committee organise joint meetings during the year on issues of common interest to share reflections and/or opinions; the Chairman of the Board of Statutory Auditors is periodically invited to participate in such meetings of the Supervisory Committee.



10. DIRECTORS' INTERESTS AND RELATED PARTY TRANSACTIONS

Brembo has examined and assessed the impact of Legislative Decree No. 49/2019 which transposed into Italian law the Directive EU 2017/828 (the so called "Shareholders' Rights II") on related parties and acknowledged the ensuing amendments

introduced by Consob to the Rules for Issuers and the Regulations on Related Party Transactions on 10 December 2020, which became effective on 1 July 2021.

10.1. Conflict of interests

The Company's Board of Directors did not deem it necessary to adopt special operating solutions suitable to facilitate the identification and adequate handling of situations in which a Director is the bearer of an interest on his or her own behalf or on behalf of third parties, adopting from time to time any and all measures it deems fit in such regard, in compliance with applicable regulations (including, without limitation, the disqualification from voting on matters pertaining thereto, or requesting to leave the meeting while the relevant resolution is being taken).

The Board found adequate the current rules and procedures implemented:

- pursuant to Article 2391 of the Civil Code ("Directors' Interests") are amply adequate insofar as they require each Director to "notify all the other Directors and the Board of Statutory Auditors of any and all interests that he or she may

bear, on his or her own behalf or on behalf of third parties, in any transaction effected by the Company, specifying the nature, terms, origins and extent of any and all such interests";

- in the Related Parties Regulation recently modified by Consob⁴⁰, in order to implement Article 2391-*bis* of the Italian Civil Code, which provides that the "directors involved in the transaction", i.e. the directors who have an interest in the transaction, on their own account or on account of third parties, in conflict with that of the Company, must refrain from voting on transactions with related parties, both moderately significant (where decided by the Board of Directors) and highly significant transactions (which are always decided by a full meeting of the Board of Directors). Said principle was explicitly stated also in the Related Party Transactions Procedure as updated by the BoD on 10 May 2021.

10.2. Related Party Transactions Procedure⁴¹

The purpose of the Procedure, as also specified in the Code of Ethics, is to ensure the transparency and the substantive and procedural propriety of any Related Party Transactions, with a view to safeguarding the company's higher interests. As a general rule, the said transactions may be concluded only when strictly necessary in the company's interest, without prejudice to the foregoing provisions.

The Procedure indicates the rules for evaluating the moderately and highly significant transactions undertaken directly by Brembo or through subsidiaries and establishes the organisational

safeguards and information flows deemed fit to ensuring that the competent bodies enjoy complete, timely access to all information useful in evaluating such transactions.

The Brembo S.p.A. Related Party Transactions Procedure, approved by the BoD on 10 May 2021 with the favourable opinion of the Audit, Risk & Sustainability Committee of 4 May 2021, incorporated the amendments to the RPT Regulation introduced by Consob by Resolution No. 21624 of 10 December 2020 (in implementation of Legislative Decree No. 49/2019 transposing the SHRD – Directive EU No. 2017/828).

⁴⁰ Changes introduced by Consob to the Rules for Issuers and the Regulations on Related Party Transactions on 10 December 2020.

⁴¹ Adopted for the first time on 12 November 2010, in accordance with Consob Regulations (Resolution No. 17221 of 12 March 2010 and Resolution No. 17389 of 23 June 2010), in light of the unanimous and favourable opinion of the Audit & Risk Committee (appointed for that purpose, being composed of three Independent Directors).

In short, the main changes were:

- update of the definitions of “related party” per the new IASs/ IFRSs;
- introduction of the definition of “Directors Involved in a Transaction”;
- introduction of differentiated criteria for identifying low value transactions (on the basis of the nature of the counterparty);
- prior reporting to the Audit, Risk & Sustainability Committee (which at Brembo also acts as the RPT Committee) for ordinary highly significant transactions (by the same Consob reporting deadline);
- ex-post reporting (on a quarterly basis) the Audit, Risk & Sustainability Committee for the following types of Transactions:
 - low value transactions;
 - ordinary transactions (whether highly or moderately significant);

It should be noted that such reporting was already in place at Brembo and the practice in question was therefore formalised in accordance with the new Consob Resolution.

In addition, following the inquiries conducted, the Company deemed it appropriate to establish the “Framework Resolutions” mechanism already provided for in the original RPT Regulation, the provisions of which were not changed by Consob Resolution No. 21624 of 10 December 2020 (in implementation of Legislative Decree No. 49/2019 transposing the SHRD - Directive EU No. 2017/828).

The updated edition of the Procedure, which became effective as of 1 July 2021, is available on Brembo’s website (www.brembo.com, section Company, Corporate Governance, Governance Documents) and is summarised in the following table.

Main aspects of the Related Party Transactions Procedure

Related Party Transactions Committee	This function is performed by the Audit, Risk & Sustainability Committee, as it consists of three non-executive and independent Directors.
Scope of Application	Parties set forth in Attachment 1 to the Consob Regulations (which refers to IAS 24 version in force from time to time): <ul style="list-style-type: none"> • Brembo S.p.A.’s Directors, both executive or non-executive; • Acting Auditors; • Key Management Personnel (in the case of Brembo: Executive Chairman and CEO of Brembo S.p.A.); • close members of the family of Directors and Acting Auditors, who could influence, or be influenced by, that individual in their dealings with Brembo; • Entities in which one of the individuals or entities mentioned above exercises sole or joint control or significant influence, or in which the said individual or entity directly or indirectly holds a significant stake bearing no less than 20% of the voting rights.
Low Value Transaction Threshold	<ul style="list-style-type: none"> • €250,000.00 (euro two hundred fifty thousand/00), in the case of transactions carried out with legal persons, entities and professional associations; • €100,000.00 (euro one hundred thousand/00) in the case of transactions carried out with natural persons.
Moderately Significant Transaction Thresholds	Transactions whose value ranges from the Low Value Transaction threshold and the Highly Significant Transaction threshold.
Highly Significant Transaction Thresholds/Indices	Identified on the basis of the last Financial Statements, subject to annual review in accordance with the financial statements results approved by the General Shareholders’ Meeting. The last update was made by the Board of Directors on 10 May 2021 based on 2020 Financial Statements data.



<p>Exclusions / Exemptions</p>	<p>Resolutions regarding transactions authorised by Brembo S.p.A. and addressed to all shareholders on equal conditions, including:</p> <ul style="list-style-type: none"> • capital increases with option rights, including those in service of convertible bonds, and free capital increases pursuant to Article 2442 of the Italian Civil Code; • total or partial de-mergers, narrowly defined, with the proportional share assignment criterion; • reductions of share capital by redemption of shareholders pursuant to Article 2445 of the Italian Civil Code and purchases of treasury shares pursuant to Article 132 of the TUF. <p>Resolutions concerning transactions relating to:</p> <ul style="list-style-type: none"> • share-based remuneration plans approved by the General Shareholders' Meeting within the meaning of Article 114-<i>bis</i> of TUF, and related implementing transactions; • Board resolutions pertaining to the remuneration of directors and Board members entrusted with specific tasks — other than resolutions passed pursuant to Article 2389 (Directors' Emoluments), paragraph 3, of the Italian Civil Code — as well as other Key Management Personnel, provided that: <ul style="list-style-type: none"> – Brembo has adopted a remuneration policy approved by the Shareholders' Meeting; – the remuneration policy was informed by input and contributions from the Remuneration & Appointments Committee made up exclusively of Non-executive Directors, the majority of whom are also Independent Directors; – the remuneration assigned is identified in accordance with this policy and quantified on the basis of criteria that do not entail discretionary assessments. <ul style="list-style-type: none"> • Low Value Transactions. • Ordinary Transactions (as per Consob's definition); • Intercompany Transactions, including exclusively intra-Group transactions or transactions with or among subsidiaries and associates which carry out activities — as per their respective company's objects — similar to those of Brembo S.p.A.
<p>Periodic reporting to the Related Party Transactions Committee (Audit, Risk & Sustainability Committee)</p>	<p>Each quarter the Chief Administration & Finance Officer informs the Audit, Risk & Sustainability Committee (in joint session with the Board of Statutory Auditors), including to allow the Committee to perform the appropriate verifications, regarding the following Transactions with Related Parties excluded from application of the RPT Procedure:</p> <ul style="list-style-type: none"> • Low Value Transactions; • Ordinary Transactions, regardless of whether they qualify as Moderately or Highly Significant Transactions; • updates regarding Moderately or Highly Significant Transactions for which the Committee has expressed a non-binding prior opinion.

It should be noted that, regardless of the provisions of applicable laws and regulations, the Group companies implemented a local procedure that sets out the operating processes to identify their Related Parties and Related Party Transactions, as well as their approval procedures, consistently with the Guidelines set forth by the procedure adopted by Brembo S.p.A.

In addition, the Company periodically requires local senior personnel/high-level executives (other than Directors and

Statutory Auditors) and/or those with the power to bind the Company in relations with third parties and/or who by virtue of their function/role are required to engage in relation with public offices, to report entities or persons related to them who might, even in the abstract, give rise to conflicts of interests between the Company's activities and personal and family economic activities, in order to prevent situations in which a conflict of interest may arise or that may interfere with the ability to make decisions impartially in the Company's best interest.

10.3. Activities of the Related Party Transactions Committee carried out in 2021

During the meetings held in 2021 (25 February 2021, 4 May 2021, 23 July 2021, 29 October 2021, and 9 and 10 December 2021, duly recorded in the minutes) the Audit, Risk & Sustainability Committee in its capacity as *Related Parties Transactions* Committee:

- was regularly updated regarding Brembo's List of Related Parties;
- received ongoing information on Related Party Transactions excluded from application of the RPT Procedure:
 - Low Value Transactions;
 - Ordinary Transactions, regardless of whether they qualify as Moderately or Highly Significant Transactions;
 - updates regarding Moderately or Highly Significant Transactions for which the Committee has expressed a non-binding prior opinion;
- analysed, by expressing a favourable opinion, the proposals of the Remuneration & Appointments Committee with regard to the alignment of the targets of the Three-year (2019-2021) Incentive Plan for Executive Directors and Top Managers;
- received information regarding the amendments to the RPT Regulation introduced by Consob Resolution No. 21624 of 10 December 2020 (in implementation of Legislative Decree No. 49/2019 transposing the SHRD – Directive EU No 2017/828) and, in accordance with the legislation cited, the amendments by the Company to its own RPT Procedure, as described above;
- at the meeting on 4 May 2021, examined and expressed a favourable opinion of the adaptation of Brembo's RPT Procedure to comply with the amendments to the RPT Regulation introduced by Consob Resolution No. 21624 of 10 December 2020;
- at the meeting on 4 May 2021, examined and expressed a favourable opinion of the update of the Significance Indices for identifying Highly Significant Transactions on the basis of the 2020 financial statement data and confirmed differentiated thresholds for identifying Low Value Transactions, in view of the nature of the counterparty, in accordance with the provisions of Consob Resolution No. 21624 of 10 December 2020;
- examined and expressed, on 9 December 2021, a favourable opinion of the draft framework resolutions for uniform transactions to be concluded with the same Related Party for 2022, pursuant to Article 4.9 of the RPT Procedure;
- expressed, on 10 December 2021, an opinion of the remuneration to be paid to Alberto Bombassei as the Company's Chairman Emeritus.



11. APPOINTMENT OF STATUTORY AUDITORS

11.1. Appointment and replacement of Statutory Auditors

In accordance with the provisions of Article 22 of the By-laws:

Composition (Article 22 of the By-laws)	<ul style="list-style-type: none">• the Board of Statutory Auditors of Brembo S.p.A. is made up of three Acting Auditors and two Alternate Auditors, all appointed by the General Shareholders' Meeting based on list voting procedures;• the persons who do not comply with the requirements of eligibility, integrity, professionalism and independence, imposed under applicable regulations for such posts and by the Code of Conduct of Borsa Italiana, endorsed by the Company, cannot be appointed as Statutory Auditors (and if already appointed, are removed from office);• the Acting Auditors shall be chosen from persons who qualify as independent under the provisions of the Corporate Governance Code;• Auditors are appointed for a term of three years and are eligible for re-appointment; their remuneration is determined by the General Shareholders' Meeting.
List voting (Article 22 of the By-laws)	<p>The lists for the appointment of Statutory Auditors:</p> <ul style="list-style-type: none">• must include at least one candidate for the office of Acting Auditor and, in any case, a number of candidates not exceeding the Statutory Auditors to be elected, progressively numbered; each person may be a candidate in one list only, under penalty of ineligibility;• the lists containing a number of candidates equal to or greater than three, considering both sections, must include a number of candidates in the acting Statutory Auditors' section such as to ensure that the composition of the Board of Statutory Auditors, in respect of its acting members, complies with the laws and regulations on gender balance (men and women) from time to time in force, it being understood that where the application of the distribution criterion between genders results in a non-integer number, this must be rounded up to the next higher unit in compliance with the laws — including regulatory — applicable from time to time and as specified in the notice of calling of the General Shareholders' Meeting called to resolve on the appointment of the members of the Board of Statutory Auditors. Moreover, all lists must be drawn up taking into account the diversity criteria specified in Brembo S.p.A.'s Corporate Governance Code. <p>Lists may be submitted by any number of Shareholders who, on their own or together with other Shareholders, represent at least the minimum percentage of shares bearing voting rights at the ordinary General Shareholders' Meeting pursuant to applicable laws and Consob regulations, and at present equivalent to 1% of the share capital. In particular, each Shareholder holding voting rights may submit, directly or through third-party intermediaries or trust companies, a single list of candidates, under penalty of inadmissibility of the list. A single list of candidates may also be submitted by:</p> <ol style="list-style-type: none">i. Shareholders belonging to a single group, where the latter term is understood to mean a party, which need not necessarily be a corporation, exercising control within the meaning of Article 2359 of the Civil Code, and all subsidiaries controlled by, or under the common control of, that same party;ii. Shareholders who have entered into the same shareholders' agreement within the meaning of Article 122 of TUF;iii. Shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and regulatory framework. <p>The lists of candidates, duly signed by the Shareholders submitting the same, or the Shareholder delegated to make the submission, together with all the other related documents as required under the By-laws, must be filed with the Company's registered offices at least 25 calendar days prior to the scheduled date of the General Shareholders' Meeting at first calling and public disclosure must be made both on the Company's website and at its registered offices, in the manner and form specified under statutory and regulatory provisions, at least 21 calendar days prior to the scheduled date of the General Shareholders' Meeting.</p> <p>Pursuant to Article 126 of TUF:</p> <ul style="list-style-type: none">• the lists submitted are also valid for any callings of ordinary sessions of the General Shareholders' Meeting after the first, even if a new notice of calling is published;• in such cases, Shareholders may submit new lists, and the terms provided for in Article 147-ter of TUF (25 days for submission and 21 days for public disclosure) are reduced to 15 and 10 days, respectively.
Election (Article 22 of the By-laws)	<p>For the purposes of election of the Board of Statutory Auditors, the majority list elects two Acting Auditors and one (1) Alternate Auditor; consequently, the first two candidates for Acting Auditor and the first candidate for Alternate Auditor presented on that list are elected. The following are elected from the list with the second-highest number of votes, considering the sequential order in which the candidates are indicated on the list: (a) the first candidate for Acting Auditor, who will also be elected Chairman of the Board of Statutory Auditors, and (b) the first candidate for Alternate Auditor, where available, failing which, the first candidate for Alternate Auditor on the next list by number of votes will be elected to that position.</p>

11.2. Composition and functioning of the Board of Statutory Auditors

The General Shareholders' Meeting held on 23 April 2020 appointed the new Board of Statutory Auditors for the three-year period 2020-2022 that will remain in office through to the date of the General Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2022. The Board of Statutory Auditors is composed as shown in the table below, and was appointed based on the two lists presented respectively by the Majority Shareholder Nuova FourB S.r.l. and

a group of Asset Management Companies and other institutional investors (holding 2.27836% of the share capital, overall).

Pursuant to Article 22 of the By-laws, the following Statutory Auditors were elected from the minority list:

- the first candidate for Acting Auditor, Raffaella Pagani, who was also appointed Chairwoman of the Board of Statutory Auditors pursuant to law and the company's By-laws;
- the first candidate for Alternate Auditor.

Board of Statutory Auditors - Composition at 31 December 2021

BOARD OF STATUTORY AUDITORS 2021

Office held	Name and surname	Year of birth	Date of first appointment ¹	In office from	In office until	List ²	Indep. as per Code	Weight of other offices held ³	Attendance to Board of Statutory Auditors' meetings in 2021 ⁴	Attendance to Board of Directors' meetings in 2021 ⁴	Attendance to the Shareholders' Meetings ⁴
Acting Auditors											
Chairwoman	Raffaella Pagani	1971	29.04.2014	23.04.2020	Approval of the Financial Statements at 31.12.2022	Mi	x	4.39	100%	100%	100%
Acting Auditor	Mario Tagliaferri	1961	20.04.2017	23.04.2020	Approval of the Financial Statements at 31.12.2022	Ma	x	5.95	100%	100%	100%
Acting Auditor	Paola Tagliavini	1968	23.04.2020	23.04.2020	Approval of the Financial Statements at 31.12.2022	Ma	x	5.45	100%	100%	100%
Alternate Auditors											
Alternate Auditor	Stefania Serina	1984	23.04.2020	23.04.2020	Approval of the Financial Statements at 31.12.2022	Ma	x	-	-	-	-
Alternate Auditor	Myriam Amato	1974	29.04.2014	23.04.2020	Approval of the Financial Statements at 31.12.2022	Mi	x	-	-	-	-
									Board of Statutory Auditors: 10	Board of Directors: 8	Shareholders' Meeting: 2

NOTES

¹ The date of first appointment of each Auditor refers to the date on which the said Auditor was appointed for the first time (ever) as member of Brembo S.p.A.'s Board of Statutory Auditors.

² This column shows the list from which each Auditor was elected ("Ma": majority list; "Mi": minority list, submitted by a group of shareholders representing 2.27836% of share capital).

³ This column shows the number of other Directorships or Auditorships held by the Auditor within the meaning of Article 148-bis of TUF and relevant implementing

provisions set forth in Consob Rules for Issuers, in addition to the weight calculated on the basis of Article 144-duodecies of these Rules. The full list of Directorships and Auditorships held is published on the Consob website pursuant to Article 144-quinquiesdecies of the Consob Rules for Issuers.

⁴ This column shows the percentage of the Board of Statutory Auditors' and Board of Directors' meetings, as well as Shareholders' Meetings attended by Statutory Auditors in 2021 (No. of meetings attended/No. of meetings held during the Auditor's actual term of office); preparatory meetings and induction sessions are not included.



Professional Profile of the Statutory Auditors

The following is a profile of the Chairwoman of the Board of Statutory Auditors and the Acting Auditors.

RAFFAELLA PAGANI

Chairwoman

Chairwoman of Brembo S.p.A.'s Board of Statutory Auditors. With a Bachelor's Degree in Economics and Business from the University Luigi Bocconi in Milan, followed by qualification as a Certified Public Accountant, she was admitted to the Certified Public Accountants Register of Milan in 1996 and the Milan Auditors Register in 1999. She is also enrolled with the Rolls of Technical Consultants of District Court of Milan, the Rolls of Official Receivers of the District Court of Milan, and the Rolls of Auditors of Local Bodies.

She practices as a Certified Public Accountant in Milan (Studio Associato Pagani). She currently chairs also the Board of Statutory Auditors of Amplifon S.p.A., Sanofi S.r.l., and Ferrovienord S.p.A. In addition, she is a member of the Board of Statutory Auditors of Enel Italia S.p.A., Servizio Elettrico Nazionale S.p.A., Dufry Shop Finance Ltd., and other companies. In addition to being member of the Board of Directors of Azimut Holding S.p.A., she also serves as auditor of Local Bodies and is a member of several Supervisory Committees.

She serves as sole auditor of Alpa S.p.A.

MARIO TAGLIAFERRI

Acting Auditor

Born in Milan on 9 October 1961, he graduated in Economics and Business from the State University of Bergamo in 1987. He is registered with the Cremona Accountants Association, the Register of Technical Advisors to the Judges of the Civil and Criminal Court of Cremona and the Register of Auditors. He was President of the Crema Accountants Association for eleven years and has been coordinator of the accountants associations in Lombardy. He is a published author on taxation and corporate affairs.

He is a founding partner of the firm LEXIS – Dottori Commercialisti Associati and practices from its Crema and Milan offices, primarily providing tax and corporate consultancy to SMEs and large enterprises, with a particular focus on corporate and business reorganisation through mergers and acquisitions.

He currently holds the position of Chairman of the Board of Statutory Auditors of Banca Cremasca e Mantovana Credito

Cooperativo S.C.R.L., Cysero S.p.A., Consorzio.it S.p.A., Kilometro Rosso S.p.A., Nerviano Medical Sciences S.r.l., Nerpharma S.r.l., S.C.R.P. S.P.A., Crema Diesel S.p.A, as well as acting auditor of Brembo S.p.A., Interpump Group S.p.A., Brembo SGL CarbonCeramic Brakes S.p.A., Fine Foods Pharmaceutical N.T.M. S.p.A., Euro Cosmetic S.p.A., Marsilli S.p.A., Fondazione Nazionale Commercialisti, Accelera S.r.l., and Simis S.r.l.

PAOLA TAGLIAVINI

Acting Auditor

Born in Milan on 23 October 1968.

She has served as statutory auditor since 1999 (admitted to the related Register with No. 102608).

1993: She graduated with honours in Economics and Business Administration at the Bocconi University of Milan, with specialisation in Finance.

1994-1995: "Specialisation Course in Securities Exchanges and Other Regulated Markets", Istituto Lorenzetti – Università Commerciale "L. Bocconi".

Adjunct professor at the Accounting Department of Università Bocconi lecturing in "Company Auditing (advanced course)" in the Specialist Undergraduate Courses, "Internal Audit, Risk and Company Compliance" and "Enterprise Risk Management" in the master's degree programme in Accounting, Auditing and Control (since 2012).

SDA Professor of Risk Management in the Administration, Control, Company Finance and Real Estate area of SDA Bocconi. Faculty member for Audit, Risk and Compliance issues in the master's degree programme in Corporate Finance and the executive master's degree programme in Finance. Co-director of Lab-ERM and lecturer in SDA executive courses on risk management issues (since 2012).

From 1993 to 2003, she was a lecturer and researcher at Università Bocconi in Company Protection issues, as well as in the university's SPACE centre. She was Visiting Researcher in the Department of Insurance & Risk Management of the Wharton School – University of Pennsylvania (1997).

She has over 20 years' experience in risk management consultancy and has managed specialist teams at: Marsh, where she managed the Business Risk Advisory Unit of Marsh Italia S.p.A. and was a member of the Advisory Board of Marsh Risk Consulting at the European level (1999-2007); Oliver

Wyman, Senior Manager for Corporate Risk and Insurance EMEA (2007-2009); AON Spa, Director of AON Global Risk Consulting for Italy and Turkey (2009-2011); currently co-partner at DGPA & Co responsible for the Risk Management division (since 2011).

She serves as a member of Boards of Directors and Boards of Statutory Auditors. Currently she is an Independent Director in listed companies Saipem, Interpump Group and Rai Way

(in all these companies she also serves as Chairwoman of the Audit & Risk Committee), as well as in Eurizon Capital SGR, Eurizon Capital SA, Fideuram Investimenti SGR. Moreover, she is Acting Auditor of OVS. She is a member or the Chairwoman of Supervisory Committees pursuant to Legislative Decree No. 231/2001

She is the author of publications and speaker at conventions on risks, compliance and internal controls.

In accordance with the provisions of the 2020 Corporate Governance Code, the Board of Statutory Auditors assesses the independence of its members at the first appropriate meeting following their appointment, as well as on an annual basis during preparation of this Report. With reference to the notion of independence requirements of Statutory Auditors, the Board has adopted the same criteria as those defined in the 2020 Corporate Governance Code for Directors. The results of the checks are submitted to the Board of Directors which discloses the same, following the appointment of the members of the Board of Statutory Auditors, through a press release disseminated to the market and thereafter within this Report.

Satisfaction of these requirements was verified most recently upon appointment and subsequently during the meeting held

on 20 January 2022, when the respective statements issued by the Statutory Auditors were analysed and assessed, and it was confirmed that all members of the Board of Statutory Auditors satisfy the integrity, professionalism and independence requirements laid down by the law and Brembo's Corporate Governance Code, which has endorsed the independence requirements set forth in the 2020 Corporate Governance Code.

With regard to the maximum number of positions held at other companies, the Company assessed the Statutory Auditors' compliance both upon their appointment and, subsequently, on the basis of the statements of each member of the Board of Statutory Auditors issued pursuant to Attachment 5-*bis* to the Rules for Issuers. The outcome of the checks for the year 2021 is given in the table on page 77.

11.3. Board of Statutory Auditors' Diversity Policies and Criteria and ensuing application

When company boards were renewed for the period 2020-2022, the outgoing Board of Directors expressed its position to the Shareholders on the managerial and professional figures deemed as key or relevant, to be valued together, and therefore in the lists of candidates for the Supervisory Body in order to ensure adequate diversity of the members of the Governing Body.

It should be noted that, in addition to the applicable statutory and regulatory requirements, by updating Brembo's CGC on 7

November 2018, the Board of Directors also approved diversity-based criteria, including related to gender issues, in addition to those established by applicable laws and regulations. These criteria aim at ensuring the composition of a governing body that is adequate to the Group's size, positioning, complexity and the specific nature of its business sector and strategies. These criteria were also confirmed in the Brembo's CGC approved on 17 December 2021.



ADDITIONAL DIVERSITY POLICIES AND CRITERIA FOR THE COMPOSITION OF THE BOARD OF STATUTORY AUDITORS
(Article 2 of Brembo S.p.A. Corporate Governance Code)

Legal and regulatory requirements	<ul style="list-style-type: none"> • Non-existence of causes of ineligibility or disqualification pursuant to Article 2399 of the Italian Civil Code and Article 148, paragraph 3, of TUF. • Satisfaction of the integrity and professionalism requirements set forth by the provisions of laws and/or regulations in force, and in particular by the provisions of Article 148, paragraph 4, of TUF and Ministerial Decree No. 162 of 30 March 2000. • Satisfaction of the independence requirements pursuant to the Corporate Governance Code – 2020 edition – and Brembo S.p.A.’s Corporate Governance Code.
GENDER	Minimum quota reserved to the less represented gender determined in accordance with applicable laws and regulations ⁴² .
PROFESSIONALISM	<ul style="list-style-type: none"> • Record of honouring shared ethical principles⁴³. • Overall experience of at least three years in professional or academic endeavours closely related to the Company’s business. • Governance or control activities or executive or managerial duties in listed or medium-large enterprises in closely related sectors and of the size of Brembo for a suitable period. • Knowledge of business mechanisms, strategies, risk assessment and management techniques. • Understanding of the dynamics of the global financial system.
PERSONAL APTITUDES	<ul style="list-style-type: none"> • Sufficient time available in view of the complexity of the assignment. • Full understanding of the powers and obligations inherent in the position and the functions to be performed. • Collaboration, involvement and ability to influence (knowing how to instil and contribute to professionalism and the development of opinions and taking a part in resolving conflicts).

It is understood that, with regard to conflict of interest issues, the principle indicated in paragraph 10.1 (related parties) also applies to Statutory Auditors.

In the self-assessment process of the Board of Statutory Auditors, as reported to the Board of Directors during the meeting held on 3 March 2022, it was found that:

- all statutory auditors meet the qualitative and quantitative Additional Criteria set out in Article 2 of the Brembo’s CGC;
- at least one third of its members consists of the less-represented gender;
- from a qualitative perspective, the control body is composed of individuals deemed to possess adequate professional characteristics, with varied, diversified skills, strong experience in the Company’s sector of operation, awareness

of their powers and obligations, capable of devoting time and resources adequate to the complexity of their positions and who orient their actions to the pursuit of the company’s overall interest;

- as far as professional refresher training are concerned, members of the control body attend conventions and training courses, some organised by the relevant professional associations, including in accordance with provisions on ongoing professional training;
- the adequacy of appointment processes and selection criteria are governed by the By-laws and the Regulations for Shareholders’ Meetings adopted by the Company, clearly and transparently, avoiding references to or citations of agreements, organisations or entities external to the Company.

⁴² For the three-year term 2020-2022, the 2020 Budget Law applies, with the following exception: it being understood that where the application of the distribution criterion between genders results in a non integer number, this must be rounded down to the next lower unit. Therefore, the rounding-down criterion and the 1/3 quota applies for the Board of Statutory Auditors.

⁴³ See Brembo’s Code of Ethics on the Company’s website (www.brembo.com, section Company, Corporate Governance, Codes & Policies).

11.4. Board of Statutory Auditors' Duties and Activities

The Board of Statutory Auditors discharges the supervisory duties entrusted to it under applicable laws and regulations and supervises compliance with the law and By-laws, observance of the principles of sound management and, in particular, the adequacy and the material operation of the organisational, administrative and accounting structures adopted by the Company, as well as the concrete approach to implementing the corporate governance rules set forth in applicable laws. The Board of Statutory Auditors also monitors the independence of the Independent Auditors⁴⁴.

The Board of Statutory Auditors has been identified with the "Internal Control and Audit Committee" pursuant to Legislative Decree No. 39/2010 (as amended by Legislative Decree No.

135/2016), which assigns functions of supervision of the financial reporting process, the efficacy of internal control systems, internal auditing and risk management, the statutory auditing of the annual and consolidated accounts and the independence of the statutory auditors.

As part of its activities, the Board of Statutory Auditors may call upon the Internal Audit function to audit specific operating areas or company transactions.

Lastly, the Board of Statutory Auditors reports in relation to its supervisory activities through a specific Report to the General Shareholders' Meeting, drawn up pursuant to Article 153 of TUF, disclosed in conjunction with the Annual Report.

11.5. Activities carried out in 2021

In 2021, the Board of Statutory Auditors:

- performed 10 assessment meetings and attended all the General Shareholders' Meetings and the meetings of the Board of Directors (8 Board of Directors' meetings and 2 General Shareholders' Meetings); in addition, in the person of its Chairwoman, it attended the meetings of the Audit, Risk & Sustainability Committee (7 meetings) and Remuneration & Appointments Committee (4 meetings). The meetings of the Board of Statutory Auditors lasted about 3/4 hours on average;
- participated in thorough inquiries organised by the Company during meetings by way of induction targeted to Directors and Statutory Auditors (further details are provided in paragraph 4.6);
- in most cases, held its meetings on the same day as the Audit, Risk & Sustainability Committee and the Supervisory Committee, with a section dedicated to joint discussion of areas of common interest in order to facilitate the exchange of information between parties with significant powers in the field of internal controls;
- constantly received from Directors exhaustive and detailed information on business performance and outlook, operations

carried out and the most significant economic, financial and equity transactions performed by the Parent or its subsidiaries, as well as the status of activities and strategic projects underway;

- received regular information from the Secretary of the BoD and supervised the procedure for Withdrawal and Option Right Offer and Pre-emption Right Offer launched following the amendment of Article 4 of the By-laws (Purpose), in addition to providing a conformity opinion on the process adopted by the Company to determine the value of the shares for the right of withdrawal of shareholders pursuant to Article 2437-ter of the Italian Civil Code;
- attended all the meetings of the Audit, Risk & Sustainability Committee and, through its Chairman, the meetings of the Remuneration & Appointments Committee;
- was informed of the main points of attention identified by the Independent Auditors during their activity in the field (that do not represent significant deficiencies in the internal control system), in addition to the activities carried out in accordance with Law 262/05 and its extension to Group companies;
- supervised the process of awarding contracts for services other than independent auditing on the basis of periodic

⁴⁴ As required pursuant to Article 2409-bis of the Civil Code, auditing of Company's accounts was entrusted to Independent Auditors, subject to auditing activities regulations set forth for companies with listed shares, as well as to Consob's supervisory activity.



statements in order to monitor the ratio of auditing fees to fees for other services for the purpose of continuing satisfaction of the independence requirement and so as to maintain an appropriate balance, in accordance with applicable laws and regulations in force;

- received the necessary operational support from the Chief Internal Audit Officer for the execution of its checks, obtained all the Audit Reports and examined the Annual Audit Plan;
- was informed of and was able to observe the analysis performed to adapt the 2020 Corporate Governance Code and adopt the Shareholder Engagement Policy;
- verified the adequacy of the operating instructions given to the newly acquired companies in 2021;
- was informed of the particularly significant transactions carried out by the Company and its Subsidiaries in 2021;
- received periodic updates on the material litigation situation and the related provision for risks from the Chief Legal and Corporate Affairs Officer;
- was constantly updated by the Chief Administration and Finance Officer and the Group's Tax Manager on tax issues, as well as on the status of implementation of the "Tax Control Framework" at Group level;
- analysed the calculation criteria used for the purposes of the impairment test;
- met with the DPO in order to be informed of the process of monitoring the system implemented by Brembo S.p.A. and the Group's European companies in accordance with Regulation (EU) No. 2016/279 on the protection of personal data (GDPR) and received a copy of the DPO's Annual Report to the Board;
- periodically met with the Chairmen of the Board of Statutory Auditors of the other Group Companies.

With the aim of identifying specific risks and monitoring the improvement plans launched by the management, conducted

specific inquiries into specific issues, meeting directly with top managers of the Company, including:

- the Company's new IT strategy (closely tied to its vision and mission), digital transformation projects and cyber security activities;
- the new "Products Regulations" function, risks relating to quality with a focus on recalls and the related action plans and update of 231 protocols relating to product development and industrialisation processes, implemented in the light of mechatronic projects, for which specific additional activities relating to the development of such systems were introduced;
- Supply Chain Risk Management and update on the results of internal audits and improvement actions;
- ongoing projects for supply chain sustainability (with a focus on the environmental aspect);
- results of the environmental audits received, emerging issues and environmental due diligence activities;
- carbon neutrality projects;
- workplace safety issues, with a focus on areas of residual risk and any ongoing projects developed by the Company.

With reference to the Disclosure of Non-Financial Information pursuant to Legislative Decree No. 254/2016, the Board was regularly informed by the Chief CSR Officer of the materiality analysis process carried out by the Company to define areas of non-financial information of a social and environmental nature deemed important to the Group for the purposes of preparing, collecting and validating data at a global level in order to prepare the Disclosure of Non-Financial Information pursuant to Legislative Decree No. 254/2016, also meeting with the Independent Auditors tasked with assurance activities on the said document;

For further information on the activities performed by the Board of Statutory Auditors, reference should be made to the Statutory Auditors' Report included in the 2021 Annual Report.

11.6. Self-assessment process of the Board of Statutory Auditors carried out in 2021

As of 2018, the Board of Statutory Auditors performs a self-assessment on its own composition and functioning also in accordance with the “Principles of conduct for the Boards of Statutory Auditors of listed companies” drawn up by Italy’s National Council of Chartered Accountants and Accounting Experts, provision Q.1.1. of April 2018.

In 2021, as well the Board of Statutory Auditors made the said self-assessment. The activity was carried out through a questionnaire⁴⁵ submitted to each of the acting auditors to collect the information necessary and appropriate for the purpose of the self-assessment.

For the preparation of the questionnaire and the overall self-assessment performed, the Board of Statutory Auditors decided not to avail itself of external consultants; in the case of the questionnaire only, it agreed on its finalisation with the Company’s legal function and corporate secretariat. The analysis and assessment of the results and the related discussions were conducted within the framework of a specific meeting of the Board of Statutory Auditors held on 20 January 2022 and duly recorded in the minutes, and were submitted in the form of a

written Report to the Board of Directors, which acknowledged it during the meeting held on 3 March 2022.

The Board of Statutory Auditors of Brembo S.p.A. concluded that it had not identified deficiencies relating to the fitness of its members or to its adequate composition and functioning. In particular, in light of the recently appointed Board, it deems that constant attention is devoted to progressively improving its activities in accordance with the company’s increasing size and complexity, including with regard to the health emergency situation which has weakened the general competitive and economic context.

With regard to the remuneration established for the Board of Statutory Auditors, it should be noted that in 2021 there were no changes compared to what had been approved by the Shareholders’ Meeting of 23 April 2020, which had deemed it essentially adequate, considering the activity performed by the body over the three-year period, the method of conduct of the proceedings, the support provided by the various company functions and participation in Board Committee meetings.

⁴⁵ For the preparation of the questionnaire and the overall self-assessment performed, the Board of Statutory Auditors decided not to avail itself of external consultants; in the case of the questionnaire only, the Board of Statutory Auditors agreed on its finalisation with the Company’s legal function and corporate secretariat.



12. RELATIONS WITH SHAREHOLDERS - Brembo Shareholder Engagement Policy

Brembo takes special care in monitoring relations with shareholders, institutional and private investors, financial analysts, and the financial community, scrupulously respecting mutual roles.

In accordance with the recommendations of the 2020 CGC, to which Brembo adheres (including in the light of the resolution set out in the foregoing point), the Brembo Shareholder Engagement Policy was prepared and approved by the Board of Directors on 17 December 2021, following a process of circulation to the Independent Directors, members of the Audit, Risk & Sustainability Committee and Board of Statutory Auditors.

This Policy governs the relations, responsibilities and procedures for engaging in dialogue between the Company and its current and/or potential Shareholders and/or Investors, or with their representatives and advisors for voting matters. Dialogue may be initiated at the request of the current and/or potential Shareholders and/or Investors, or at the initiative of the Company, and is implemented, in the interest and on the behalf of the Company, solely by the parties identified in this Policy.

It also identifies the themes and methods of implementing dialogue between the Company and the generality of Shareholders, drawing inspiration from the principles of propriety, transparency and symmetry of information, in accordance with European and Italian legislation on market abuse. The full version of the Policy is available on the Company's website ⁴⁶.

Brembo provides the Shareholders and/or Investors with information regarding its activities, strategies and performance, in the manner set out in this Policy. Particular attention is devoted to information regarding environmental, social and governance (ESG) issues, since they are deemed relevant to constructing a company identity of sustainability integrated into the business and designed to create present and future value.

Dialogue thus revolves around the matters within the purview of the Board of Directors and its committees, including, in particular: corporate governance (e.g., appointments and composition of the Board of Directors, information regarding the size, competencies, professionalism, independence and diversity of the members of the Board of Directors and Board Committees, etc.), sustainability, company strategies, prospects and financial performance, management remuneration policies, dividend policies, internal control and risk management system and all other topics that may enable better understanding of the activities performed by Brembo, useful in supporting investment decisions.

On 17 December 2021, the Board of Directors granted general delegated powers to the Executive Chairman for operational management of all processes of engagement and dialogue with the current and/or potential Shareholders and/or Investors, ensuring that such processes are always performed in the Company's interest and in accordance with the laws, regulations, policies and internal rules. Within the framework of this delegated authority, the Executive Chairman is supported by the Head of Investor Relations and coordinates, where necessary or appropriate, with the CEO, Secretary of the BoD and the Chief Communication Officer, according to their respective attributes.

Activities carried out in 2021

In 2021, given the continuing health emergency, all interactions with current and/or potential investors and shareholders took place in virtual mode only, through video-meetings or conference calls.

Virtual meetings were held with international and domestic institutional investors, in one-to-one sessions or small groups. The issues considered within the framework of such sessions included, but were not limited to: the Company's business model and long-term strategy, the performance of the main markets of reference, ESG themes, analysis of the main competitors, investigation of new products and market trends, examination of published financial performance results and comments on effects of the microchip shortage and increased commodity prices for the sector and the Company.

⁴⁶ www.brembo.com, section Company, Corporate Governance, Governance Documents.

In 2021, the Company presented the Group's financial results to the financial analysts that follow the Company in the course of 4 conference calls: Annual Financial Report 2020 on 4 March 2021, 2021 First Quarter Report on 10 May 2021, 2021 Six-Monthly Report on 29 July 2021 and 2021 Third Quarter Report on 9 November 2021). Conference calls, which were attended by the Executive Chairman (Executive Deputy Chairman until 17 December 2021), the Chief Executive Officer and the Head of Investor Relations, were held in English and their transcription was made available on the Company's website (www.brembo.com, section Investors).

All Investors' requests may be sent to Brembo via the following channels: e-mail ir@brembo.it and phone 035-6052145.

Company-specific information that could be relevant to Shareholders is published on Brembo's website (www.brembo.com, section Investors) so as to provide them with the data required to make informed voting decisions.

For the disclosure and filing of regulated information, Brembo S.p.A. has availed of the Consob-authorized system 1INFO (www.1info.it), managed by Computershare S.p.A.



13. GENERAL SHAREHOLDERS' MEETINGS

The By-laws govern the calling and conduct of the General Shareholders' Meetings as illustrated here below.

Calling of General Shareholders' Meetings	<p>Under Article 10, the By-laws establish that the General Shareholders' Meeting shall be called by the Board of Directors by notice of calling containing an indication of the date, time and venue of the scheduled meeting, the items placed on the agenda, as well as further information required by applicable laws and regulations. The notice of calling shall be published on the Company's website and in compliance with and within the terms set forth by laws and regulations in force at that time.</p> <p>The Ordinary General Shareholders' Meeting must be called by the Governing Body at least once a year within 120 days following the end of the Company's financial year, or within 180 days from such date in the case where the Company is required to draw up consolidated financial statements, or where warranted by specific reasons pertaining to the Company's corporate purpose and structure, such reasons being indicated in the Directors' Report on Operations as per Article 2428 of the Civil Code.</p>
Addition of items to the Agenda and submission of New Motions	<p>Article 10-<i>bis</i> establishes that Shareholders individually or collectively representing at least one fortieth of share capital may submit a written application, according to the terms and conditions set forth in applicable laws and regulations, to add items to the Agenda for the General Shareholders' Meeting, indicating the proposed additional items in the application, or to submit motions on items already on the agenda.</p>
Increased voting rights	<p>The Company's share capital of €34,727,914.00 is represented by 333,922,250 ordinary shares with no nominal value. As of this notice of calling's date, the Company holds 10,035,000 own shares representing 3,005% of the share capital. The voting rights associated with these shares have been suspended pursuant to Article 2357-<i>ter</i>, paragraph 2, of the Italian Civil Code; accordingly, the total number of votes that may be exercised at the General Shareholders' Meeting amounts to 323,887,250 ordinary shares. However, own shares are counted when calculating the majorities and quotas required for quorum and the passing of resolutions of the Shareholders' Meeting.</p> <p>Each ordinary share entitles the owner to one vote in Ordinary and Extraordinary Shareholders' Meetings (excluding own shares, for which voting rights are suspended by law). Pursuant to Article 127-<i>quinquies</i> of TUF and Article 6 of the By-laws (following an amendment approved by the Shareholders' Meeting of 18 April 2019) however, two votes are attributed for each share belonging to the same shareholder for a continuous period of at least twenty-four months from the date of registration in the special list for this purpose specifically established, kept and updated by the Company, as required by the By-laws (the so-called "increased voting right"). The number of shares which entitles to an increased voting right is available on the Company's website at www.brembo.com (section Investors, For Shareholders, Increased Voting Right).</p>
Right to pose questions prior to the General Shareholders' Meeting	<p>Pursuant to Article 10-<i>ter</i> of the By-laws, those entitled to vote during General Shareholders' Meetings may pose questions regarding the items on the Agenda even before the General Shareholders' Meeting, in accordance with the procedures and terms set in the Notice of Calling.</p>
Participation in and representation at the General Shareholders' Meeting	<p>Pursuant to Article 11 of the By-laws, also partially amended by the Extraordinary Shareholders' Meeting on 21 April 2016, the vote holders may participate in the meeting and cast their votes provided that the Company has received an appropriate notice certifying their standing, issued by the intermediary participating in the centralised financial instrument management system, by the third trading day prior to the date for which the General Shareholders' Meeting is scheduled (or within other term as provided for under applicable law). Any party entitled to participate in a Shareholders' Meeting may be represented by another person, not required to be a shareholder, through proxy granted pursuant to the procedures prescribed by applicable laws and regulations and indicated in the Notice of Calling. Proxies may be also granted electronically and notified to the Company by e-mail sent to the certified e-mail address specified in the notice of calling. Proxies may be issued only for a specific General Shareholders' Meeting and shall be valid even for subsequent callings of such General Shareholders' Meeting, pursuant to applicable statutory provisions. The Chairman of the General Shareholders' Meeting shall declare the validity of proxies, and in general, the right to participate in the Meeting.</p>

Quora and resolutions of the General Shareholders' Meeting	<p>Pursuant to Article 13 of the By-laws, also amended by the Extraordinary Shareholders' Meeting on 21 April 2016, Ordinary and Extraordinary Shareholders' Meetings are normally held following a single calling. The quorum requirements for constituting a session and passing resolutions set out in applicable current provisions of law shall apply to this end. However, should the Board of Directors deem it appropriate, it may decide that the Ordinary or Extraordinary Shareholders' Meeting be held following multiple callings, expressly specifying this information in the notice of calling. The Ordinary and Extraordinary Shareholders' Meeting at first, second or third calling shall be validly constituted and pass resolutions with majorities established under law applicable case by case.</p>
Documentation of General Shareholders' Meetings	<p>All documentation related to General Shareholders' Meeting, including reports focusing on the items placed on the Agenda and motions raised in respect of the said items, is made available for public consultation at the Company's registered office and on the corporate website, as well as through the authorised data storage system (www.1info.it), within the terms established by current applicable regulations. During the Meeting, Shareholders are provided with the documents regarding items on the Agenda (the relevant Board of Directors' recommendations, as disclosed to the public in accordance with laws and regulations in force) and the Annual Financial Statements. As a general rule, attending Shareholders are provided with the Group's economic and financial highlights and market performance, as well as analyses about trends in the markets in which the Group operates, the state of completion of main investment projects and the business outlook.</p> <p>The General Shareholders' Meeting Regulation designed to regulate the proper and efficient functioning of the General Shareholders' Meetings (most recently updated on 29 April 2011) is available on the website: www.brembo.com, section Investors, For Shareholders, Shareholders' Meeting.</p>

In light of the extension of the state of health emergency relating to the Covid-19 epidemic and given the legislation enacted to contain the spread of the infection, in order to minimise the risks associated with the continuation of the epidemiological emergency, the Company, for both the Shareholders' Meeting of 22 April 2021 and 17 December 2021, has decided to exercise the option afforded by Article 106, paragraph 4, of Decree-Law No. 18 of 17 March 2020 (converted into Law No. 27 of 24 April 2020 and lastly amended by Article 6 of Decree-Law No. 105 of 23 July 2021, converted into Law No. 126 of 16 September 2021) regarding the procedure for holding general meetings of listed companies and to require that shareholders' attendance and exercise of the voting rights at General Shareholders' Meetings take place solely through the designated representative pursuant to Article 135-*undecies* of the TUF, i.e., Computershare S.p.A. (the "Designated Representative") – according to the methods set out hereunder, with shareholders or their proxy representatives other than the aforementioned Designated Representative prohibited from accessing the location of the general meeting.

All those entitled to attend the Shareholders' Meeting were able to grant proxies, with any voting instructions, to the Designated Representative, by completing and signing a specific form, made available on the website www.brembo.com in the section Investors, For Shareholders, Shareholders' Meeting, and from the Company's office. In addition, the Designated Representative could also be granted proxy or sub-proxy pursuant to Article 135-*novies* of TUF, by way of derogation from Article 135-*undecies*, paragraph 4, of that same decree.

The notice of calling for the next General Shareholders' Meeting, convened on 21 April 2022, is available on the Company's website www.brembo.com, section Investors, For Shareholders, Shareholders' Meeting, 2022, from the authorised storage mechanism (www.1info.it), and has been published in summary version in the daily newspaper // *Sole24Ore*.



14. FURTHER CORPORATE GOVERNANCE INITIATIVES (pursuant to Article 123-bis, paragraph 2, letter a) of TUF)

14.1. Introduction of the role of Chairman Emeritus and setting up of the Strategic Steering Committee

In implementation of the new corporate governance structure adopted by Brembo, on 17 December 2021 the General Shareholders' Meeting resolved to introduce the role of Chairman Emeritus, by drafting a specific clause of the By-laws (Article 17-bis). Having acknowledged the resignation tendered by Alberto Bombassei as Chairman and member of the Company's Board of Directors, the aforementioned Shareholders' Meeting also appointed Alberto Bombassei as Brembo's Chairman Emeritus.

Pursuant to the new Article 17-bis of the By-laws, the Chairman Emeritus Alberto Bombassei has been given advisory and propositional functions in respect of the Board of Directors, determined by the Board itself and relating to the most relevant, crucial aspects to Brembo and the Group, such as the definition of strategies and the determination of actions aimed at the growth of the Company and the Group, the implementation of extraordinary transactions, the development of new products and/or the identification of new markets.

The BoD also tasked him with representing the Company at events relating to cultural, scientific and charitable activities

and at institutional meetings with public and private entities and resolved, with a favourable opinion from the Audit, Risk & Sustainability Committee, in its capacity as Related Party Transactions Committee, on remuneration of €500,000.00, which also takes account of his role as Coordinator of the Strategic Steering Committee.

The Chairman Emeritus is not a member of the Board of Directors; however, it is provided that he or she is authorised to participate in meetings of the Board of Directors and sessions of the Ordinary and/or Extraordinary Shareholders' Meeting. At meetings of the Board of Directors, the Chairman Emeritus is entitled to express non-binding opinions and considerations, without voting rights.

Moreover, pursuant to the provisions of the Article 17-bis, the Board of Directors appointed a Strategic Steering Committee tasked with advising the Board of Directors in the matters indicated above, through the definition of non-binding recommendations and opinions. The Chairman Emeritus is a member of this Committee and serves as Coordinator.

15. CHANGES AFTER 31 DECEMBER 2021

According to the press release issued on 3 March 2022, Brembo S.p.A. announced that Independent Director (and Chairwoman of the Audit, Risk & Sustainability Committee and member of the Remuneration & Appointments Committee) Laura Cioli resigned from her position as member of Brembo's Board of Directors due to the number of positions held following a new professional assignment, with effects starting from 25 February 2022.

The Board of Directors, on the basis of the guidelines provided by

the Remuneration and Appointments Committee, has therefore co-opted Manuela Soffientini as new Independent Director and member of the Audit, Risk & Sustainability Committee and of the Remuneration & Appointments Committee (the new Director's resume is available at Governing Boards and Committees | Brembo - Official Website).

In addition, Independent Director Elisabetta Magistretti was appointed Chairwoman of the Audit, Risk & Sustainability Committee.

16. REMARKS ON THE LETTER FROM CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE (3 December 2021)

The notice sent by the Chairman of the Corporate Governance Committee to all issuing companies and the Annual Report – Ninth Edition – on the state of application of the Borsa Italiana Corporate Governance Code were first circulated to the Executive Directors, Chairwoman of the Board of Statutory Auditors and subsequently examined by the Lead Independent Director together with the Independent Directors during their meeting on 19 January 2022 and then by the Board of Directors during its plenary meeting held on 20 January 2022.

In general, a sound level of implementation of the Code by Brembo is reported, thanks to compliance with the provisions of the 2020 CGC and the adoption of appropriate practices. All the recommendations have been identified by the Corporate Governance Committee in its letter of 3 December 2021, as described in greater detail in the table below.

Implementation at Brembo of the Recommendations identified by the Corporate Governance Committee in its Letter of 3 December 2021

		Paragraph
Sustainable Success	<ul style="list-style-type: none"> • Activity performed described in paragraph 1.2. • In accordance with the recommendations provided in the 2020 Corporate Governance Code and in compliance with the adoption of the new Brembo Corporate Governance Code, on 17 December 2021 the Company adopted the Brembo's Shareholder Engagement Policy. The document was then approved in its final version by the Board of Directors on 17 December 2021 and made available to the public on the Company's website (www.brembo.com, section Company, Corporate Governance, Governance Documents). 	<p>1.2 4.1 12</p>
Proportionality	<ul style="list-style-type: none"> • On the basis of the definitions provided by the 2020 Corporate Governance Code and ownership structure, Brembo qualifies as: <ul style="list-style-type: none"> – a large Company, whose capitalisation was greater than €1 billion on the last exchange business day of each of the previous three calendar years before the adoption of the 2020 Corporate Governance Code and approval of Brembo's Corporate Governance Code; – a Company with concentrated ownership since its majority shareholder directly holds the majority of the votes that may be exercised in the ordinary shareholders' meeting. • As mandated by the 2022 recommendation, the Company provides disclosure of the above in its Corporate Governance and Ownership Structure Report. 	<p>1.2 3</p>



<p>Independence Assessment</p>	<ul style="list-style-type: none"> The Board of Directors adopted the independence criteria of the 2020 Corporate Governance Code for assessing the Directors' independence, while also defining qualitative and quantitative criteria to be used for assessing the significance of the relationships being examined for the purposes of evaluating the independence of the Directors. Satisfaction of the aforesaid requirements is verified by the Board of Directors, upon appointment and, subsequently, on an annual basis by examining and discussing the individual situation during a Board meeting, after the preliminary review of the individual positions by the Remuneration & Appointments Committee. With regard to the recommendation relating to the figure of the Independent Chair, the same does not apply to Brembo since it has appointed an Executive Chairman. 	<p>4.4 4.10</p>
<p>Pre-Meeting Information</p>	<p>In order to ensure that pre-meeting information is timely, complete, adequate and accessible, the supporting documentation is made available to the Directors and Statutory Auditors at least five days before each meeting, except in particularly urgent cases, when it is made available at least two days in advance, through the app "Portale CdA by Brembo" that allows materials to be made available for consultation solely to current Directors and Statutory Auditors, before and during sessions of the Board, through access with a username and password.</p>	<p>4.8</p>
<p>Appointment and Succession of Directors</p>	<ul style="list-style-type: none"> The 2022 recommendation refers to companies without concentrated ownership and therefore does not apply to Brembo, since pursuant to the definition set out in the new 2020 Corporate Governance Code it qualifies as a (large) company with concentrated ownership, with a majority shareholder that directly holds the majority of the votes that can be exercised in the ordinary shareholders' meeting (Nuova FourB S.r.l.). However, by virtue of Brembo's By-laws and the new Corporate Governance Code, the Company provides that the Board of Directors, supported by the Remuneration & Appointments Committee: <ul style="list-style-type: none"> expresses, in view of each renewal of the Board of Directors, an orientation on what it deems its optimal quantitative and qualitative composition, taking account of the results of the self-assessment; requests that those presenting a list containing a number of candidates exceeding half the members to be elected provide adequate disclosure, in the documentation submitted for the filing of the list, as to whether the list adheres to the orientation expressed by the governing body, including with regard to the diversity criteria laid down in Principle VII and Application Rule 8, and indicate their candidacy for the office of Chairman of the Board of Directors, who is nominated in the manner indicated in the By-laws. 	<p>4.2 7.2</p>
<p>Gender Equality</p>	<ul style="list-style-type: none"> In compliance with Law No. 160 of 27 December 2019 on gender equality within the company bodies of listed companies, the Company amended its By-laws and internal governance documents, implementing these changes with the appointment of the governing bodies at the General Shareholders' Meeting of 23 April 2020. It should be recalled that Brembo also provided for further diversity criteria in the Regulations of the Board of Directors, based on as objective a foundation as possible, relating to the professionals to propose as candidates in order to ensure that the composition of the Board of Directors is adequate to the Group's size, position, complexity and the specific nature of its business sector and strategies. In accordance with the diversity recommendations set out in the 2020 Corporate Governance Code, the Board of Directors of Brembo S.p.A., deeming them already consistent with Borsa Italiana's instructions, also incorporated them into the new Brembo Corporate Governance Code. 	<p>4.4 11.3</p>
<p>Remuneration Policies</p>	<p>As per the 2022 recommendation, in its Remuneration Report the Company provides information on the parameters identified for variable remuneration for the achievement of strategic business objectives and the pursuit of Sustainable Success, in addition to any other non-financial parameters.</p>	<p>8</p>

