



FRENI BREMBO S.p.A.

Registered offices: Curno (Bergamo), 25 Via Brembo - Italy

Paid up share capital: € 34,727,914.00

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Bergamo Register of Companies – Tax Code No. 00222620163

DIRECTORS' REPORT

RELATING TO THE "PROPOSED AMENDMENTS TO THE BY-LAWS, WITH REFERENCE TO ARTICLES 4 (PURPOSE), 5 (SHARE CAPITAL), 10 (CALLING), 10-BIS (ADDITION OF ITEMS TO THE AGENDA), 11 (PARTICIPATION IN AND REPRESENTATION AT GENERAL SHAREHOLDERS' MEETINGS), 13 (QUORA AND RESOLUTIONS OF THE GENERAL SHAREHOLDERS' MEETING), 15 (COMPOSITION OF THE BOARD OF DIRECTORS), 15-BIS (APPOINTMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS), 18 (BOARD MEETINGS), 22 (COMPOSITION AND APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS) AND ADDITION OF THE NEW ARTICLE 10-TER (RIGHT TO POSE QUESTIONS PRIOR TO THE GENERAL SHAREHOLDERS' MEETING). RELEVANT AND ENSUING RESOLUTIONS."

This report ("**the Report**"), drafted in accordance with Article 125-ter of Legislative Decree No. 58 of 24 February 1998, as further amended and extended (the Consolidated Law on Finance, "**TUF**"), Article 72, and Annex 3A, outline No. 3, of the regulation adopted by Consob by Resolution No. 11971 of 14 May 1999, as further amended and extended ("**Rules for Issuers**"), is submitted to Consob at least 30 days prior to the scheduled date of the Extraordinary Shareholders' Meeting of Brembo S.p.A. (hereinafter referred to as "**the Company**"), called to deliberate on, *inter alia*, proposed amendments to the By-Laws. This Report is also made available to the public at the Company's registered office, on its corporate website (www.brembo.com, in the section "Investors – For Shareholders – 2016 Shareholders Meeting"), and through the authorised data storage system (www.info.it) at least 21 days prior to the above Shareholders' Meeting, with simultaneous announcement to the public.

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Shareholders,

This Report has been drafted to submit for your approval several amendments to the By-Laws intended to achieve the following: modifying the provisions of the By-Laws, on the one hand, to better reflect the amendments to the law introduced by Legislative Decree No. 91 of 18 June 2012 (the so-called "Shareholders' Rights Corrective Decree"); on the other, to ensure increasingly close alignment between the corporate governance of the Company and the group that it controls ("**the Group**") and the corporate governance system outlined in the Corporate Governance Code for Listed Companies of Borsa Italiana; and, lastly, to bring the provisions of the By-Laws in line with the development of the Group's business and the international standing it has attained for some time.

The following is an illustration of the contents of the proposed amendments and the reasons for each, organised by Article. The text of the current By-Laws is also provided, alongside the proposed version, with the amendments and additions clearly indicated.

1. REASONS FOR THE PROPOSED AMENDMENTS

Article 4 (Purpose)

With respect to the company purpose, the Board of Directors proposes several minor changes to the letter of the Article in question aimed at more appropriately and adequately reflecting the Group's business, in light of the technological evolution and natural development of the business itself.

In detail:

- with regard to the elimination of the expression “on wheels”, it should be noted that this expression suggests that the Group is essentially focused on braking systems for cars, industrial vehicles and motorbikes, and therefore the expression appears misleading in light of the Brembo Group’s actual business. In fact, the Company also operates (directly and through its subsidiaries) in the aerospace sector, in which wheels are not used for the purposes of transport, but rather to permit aircraft to take off and land. Accordingly, the words “transport on wheels” are not fully appropriate;

- with regard to the proposed addition, it should be remarked that technological evolution, which is in part the result of the extraordinary results of the Group’s research and development activity, has gradually transformed braking systems and mechanisms for vehicles from strictly mechanical devices to complex, sophisticated electric, electronic and mechatronic systems that have reached extremely high quality performance standards and are constantly being improved. Consequently, the exclusive reference to mechanical work processes in the Company’s By-Laws does not fully reflect the actual nature of the business involved in manufacturing braking systems, clutches and wheels, which, as is common knowledge, has always been the Group’s core business, thus rendering the proposed addition appropriate, since it aims, as mentioned above, to bring the letter of the By-Laws into line with the technological progress in the sector.

Article 5 (Share capital)

It is proposed that the nominal value of the Company’s ordinary shares be eliminated and that the references in Article 5 of the current By-Laws to the current nominal value of 0.52 euro per share therefore be deleted.

In this respect, it should be recalled that Articles 2328 and 2346 of the Italian Civil Code expressly allow the share capital of joint-stock companies to be divided into shares without nominal value. In such cases, the By-Laws merely indicate the total amount of share capital and the number of shares issued, but do not contain any indication of the nominal value of the shares. Shares continue to have a book value, calculated as the total share capital divided by the number of shares issued (the so-called “*implied book value*”).

Eliminating the nominal value of shares would allow the Company to benefit from greater flexibility with regard to management of its capital structure, in that it would permit transactions affecting shares without the need to modify share capital and, *vice versa*, changes to share capital without the need for transactions affecting shares (e.i. free capital increases, reduction of share capital, splits or reverse splits of shares).

Moreover, eliminating the nominal value of shares would not decrease the level of protection of share capital integrity. Pursuant to Article 2346, paragraph 5, of the Italian Civil Code, shares cannot be issued in an overall amount that exceeds the value of the contributions undertaken in respect of the issue. In addition, all provisions concerning the nominal value of shares would continue to apply, although with respect to the number of shares in relation to the total amount of shares issued (Article 2346, paragraph 3, of the Italian Civil Code).

Following the elimination of nominal value — if the proposal were to be approved by the General Shareholders’ Meeting — the Company’s By-Laws will therefore indicate solely the nominal capital and number of shares into which share capital is divided. Each Shareholder’s interest will be represented and expressed solely by the number of shares held, although it will still be possible to determine the implied nominal value of the shares by dividing the total amount of nominal capital by the total number of shares issued.

Article 10 (Calling)

The proposed amendment to Article 10 is motivated by the need to simplify the provisions of the By-Laws.

In detail, it should be recalled that the methods of publication of the notice of calling of the shareholders’ meetings of listed companies have been the subject of a series of legislative measures, the most significant of which is Law No. 116/2014, enacting the “Competitiveness Decree” (Law Decree No. 91/2014). In August 2014, this law restored the obligation to publish an excerpt of the notice of calling of the shareholders’

meeting in a nationally distributed daily newspaper, an obligation that had been imposed by Article 125-*bis* of TUF and then eliminated by the aforementioned “Competitiveness Decree” in June of the same year.

In light of the aforementioned legislative changes, and in the expectation that further amendments may be enacted in this area, it is believed appropriate to include in the text of the By-Laws a more generic reference to the methods of publication imposed by applicable current laws. It should be emphasised that this approach has already been adopted by a number of companies with shares admitted for listing on the Mercato Telematico Azionario (screen-based stock exchange) and, as remarked, would avoid the need to bear the administrative burden and costs of a new extraordinary shareholders’ meeting to amend the By-Laws in the event of further legislative changes in this area.

Article 10-bis (Addition of items to the agenda)

As is common knowledge, the so-called “Growth Decree” (No. 179 of 18 October 2012) amended Article 126-*bis* of TUF to allow shareholders individually or collectively holding at least 2.5% (one-fortieth) of share capital to submit new proposals on subjects already included in the agenda. This power is accompanied by the right, provided by the aforementioned Article 126-*bis* since 2005, to request the addition of items to the agenda. Consequently, it is proposed that the provision of TUF be thoroughly reflected in the By-Laws through an amendment to the Article in question.

Introduction of new Article 10-ter (Right to pose questions prior to the General Shareholders' Meeting)

It is proposed that a new Article 10-*ter* be added with the aim of reflecting the provision of Article 127-*ter* of TUF. The provision, introduced by Legislative Decree No. 27 of 27 January 2010 (implementing the so-called “Shareholders’ Directive”) and subsequently amended by the aforementioned “Growth Decree”, establishes a right for each shareholder, regardless of the percent of share capital with voting rights represented by his or her interest, to submit questions on items on the agenda also before the session of the General Shareholders’ Meeting, without prejudice, in any event, to the right of shareholders to submit questions during sessions of the General Shareholders’ Meeting.

The addition of this provision to the By-Laws, while not strictly necessary in view of the mandatory nature of the provision of law, fulfils the function of providing shareholders with a source of information that is as thorough and complete as possible regarding the rights, powers and responsibilities attributed to them by law.

Article 11 (Participation in and representation at General Shareholders' Meetings)

The proposal calls for an amendment of the text of the Article in question to bring it into line with the current provision of Article 135-*novies* of TUF, the formulation of which no longer contains a reference to ministerial regulations.

A simplification of the formulation is also proposed: in this regard, the Board believes that the simple reference to the provisions of law and a clear, precise indication that the methods of granting proxy are laid down in the notice of calling of each General Shareholders’ Meeting, more than adequately fulfil the function of informing shareholders.

Furthermore, as required by paragraph 6 of the aforementioned Article 135-*novies* of TUF, the proposed text contains a special reference to the electronic notice of proxy.

Article 13 (Quora and resolutions of the General Shareholders' Meeting)

The proposed amendment is motivated by the need to bring the By-Laws into line with Article 2369, paragraph 1, of the Italian Civil Code, as amended by the “Shareholders’ Rights Corrective Decree”, i.e. Legislative Decree No. 91/2012. That statute provides that, unless the By-laws of companies that have recourse to the risk capital market provide to the contrary, ordinary and extraordinary sessions of the General Shareholders’ Meeting are to be held following a single calling.

In this respect, it is proposed that the Board of Directors be granted the power to establish, with regard to individual sessions of the General Shareholders’ Meeting and following a case-by-case assessment of appropriateness, whether such sessions are to be held in single or multiple callings.

The proposed changes would allow the Board to benefit from the flexibility required to face the circumstances and context of each session of the General Shareholders' Meeting as efficiently and appropriately as possible.

Article 15 (Composition of the Board of Directors)

In line with the best practices of listed companies, and in keeping with the recommendations of the Corporate Governance Code for Listed Companies published by Borsa Italiana, it is proposed that the reference to the requirements of independence for members of the Board of Directors be modified, introducing a reference not only to the applicable provisions of TUF, but also to the codes of conduct adopted by the Company.

Article 15-bis (Appointment of the members of the Board of Directors)

It is proposed that the provisions of the By-Laws concerning the submission of lists for the appointment of the Board of Directors be amended to include the provisions of Article 126 of TUF, as amended by the aforementioned "Growth Decree", according to which:

(i) 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;

(ii) 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.

In addition, in accordance with the amendment to Article 15 illustrated above, it is proposed that the reference to the requirements of independence for members of the Boards of Directors be amended to include those set out in the Corporate Governance Code of Borsa Italiana.

Article 18 (Board meetings)

The Board of Directors proposes that you introduce the possibility for sessions of the Board of Directors to be held outside Italy, and, specifically, in countries in which one or more subsidiaries or investee companies operate. In this regard, it should be remarked that the gradual internationalisation of the Group suggests that it is appropriate to promote and foster more direct knowledge — also by non-executive members of the Company's Board of Directors — of the various organisations into which the Group's business is structured and the characteristics of each Group entity. To this end, it is believed that the possibility to organise trips abroad, with the resulting opportunities for meeting and discussion with local management, may contribute to the growth and development of the Group, fostering the consistency of management and strategic decisions with the particular characteristics of each country and each company that operates therein.

Article 22 (Composition and appointment of the Board of Statutory Auditors)

The proposal calls for the inclusion in the provisions concerning the submission of lists for the appointment of the Board of Statutory Auditors of the provisions of Article 126 of TUF, illustrated above with regard to the Board of Directors (see the comment on Article 15-bis).

2. COMPARATIVE ILLUSTRATION OF ITEMS FOR WHICH AMENDMENTS ARE PROPOSED

CURRENT TEXT OF THE BY-LAWS	NEW TEXT OF THE BY-LAWS
Article 4) PURPOSE The Company has for its corporate purpose engagement in the activities indicated below, directly and/or indirectly, and even through the acquisition of participating interests in	Article 4) PURPOSE The Company has for its corporate purpose engagement in the activities indicated below, directly and/or indirectly, and even through the acquisition of participating interests in

<p>businesses and corporations:</p> <p>a) the analysis, design, development, application, production, assembly, sale and/or distribution of braking systems, wheels, clutches, their parts, and components for cars, industrial vehicles, motorbikes and means of transport on wheels in general, including vehicles to be used for racing;</p> <p>b) the foundry of light alloys and metals in general;</p> <p>c) mechanical constructions and work processes in general;</p> <p>d) the repair and application, even through installation on the Company's own and third party vehicles, of braking systems, wheels and other components for testing on roads;</p> <p>e) the sale, distribution and marketing of products (including software programmes) designed, manufactured or distributed by the Company or its subsidiaries;</p> <p>f) the manufacture, marketing and sale of sports clothing and other accessories primarily for the racing sector;</p> <p>g) the supply of services and/or consultancy services in the areas connected with company activities to subsidiaries or other companies, as well as to public and private entities or to third parties in general;</p> <p>h) the organisation, on behalf of subsidiaries or other companies, as well as public and private entities or third parties in general, of courses, seminars and conventions; the publication and distribution of books, notes and technical bulletins for training and information in the areas of activity in which the Company operates;</p> <p>i) the management and coordination of subsidiaries, undertaking support activities as well as organisation, technical, managerial and financial coordination, as may be deemed useful or necessary.</p> <p>The Company may undertake any and all the commercial, industrial and financial transactions, involving both personal property and real estate, that the Board of Directors may deem necessary or useful in the pursuit of the Company's corporate purpose clause. The Company may also stand surety and issue performance bonds and other guarantees, including guarantees <i>in rem</i> and in the interest of third parties.</p>	<p>businesses and corporations:</p> <p>a) the analysis, design, development, application, production, assembly, sale and/or distribution of braking systems, wheels, clutches, their parts, and components for cars, industrial vehicles, motorbikes and means of transport on wheels in general, including vehicles to be used for racing;</p> <p>b) the foundry of light alloys and metals in general;</p> <p>c) mechanical constructions and work processes, as well as analysis, design, development, manufacturing and sale of mechanical, electric, electromechanic, electronic and mechatronic systems in general;</p> <p>d) the repair and application, even through installation on the Company's own and third party vehicles, of braking systems, wheels and other components for testing on roads;</p> <p>e) the sale, distribution and marketing of products (including software programmes) designed, manufactured or distributed by the Company or its subsidiaries;</p> <p>f) the manufacture, marketing and sale of sports clothing and other accessories primarily for the racing sector;</p> <p>g) the provision to subsidiaries or other companies, as well as to public and private entities or to third parties in general, services and/or consultancy in the areas connected with company activities;</p> <p>h) the organisation, on behalf of subsidiaries or other companies, as well as public and private entities or third parties in general, of courses, seminars and conventions; the publication and distribution of books, notes and technical bulletins for training and information in the areas of activity in which the Company operates;</p> <p>i) the management and coordination of subsidiaries, undertaking support activities as well as organisation, technical, managerial and financial coordination, as may be deemed useful or necessary.</p> <p>The Company may undertake any and all the commercial, industrial and financial transactions, involving both personal property and real estate, that the Board of Directors may deem necessary or useful in the pursuit of the Company's corporate purpose clause. The Company may also stand surety and issue performance bonds and other guarantees, including guarantees <i>in rem</i> and in the interest of third parties.</p>
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<p>The Company may, furthermore, acquire participating interests and shareholdings in other companies or corporations of any nature or kind whatsoever, provided that such acquisitions are not effected as the Company's core business or for further placement with third parties. The Company may also finance any and/or all the direct and/or indirect subsidiary and associated companies of the Brembo group, and may also receive financing from any and/or all the direct and/or indirect subsidiary and associated companies of the Brembo group.</p> <p>Pursuant to Treasury Ministry Decree of 2 March 1995 published in the Official Gazette of 12/04/1995, as further amended and extended, the Company may also solicit investments for its own employees, provided that the amount of such investments is contained within the limits of the Company's overall paid-up share capital and reserves as per the last approved financial statements.</p>	<p>The Company may, furthermore, acquire participating interests and shareholdings in other companies or corporations of any nature or kind whatsoever, provided that such acquisitions are not effected as the Company's core business or for further placement with third parties. The Company may also finance any and/or all the direct and/or indirect subsidiary and associated companies of the Brembo group, and may also receive financing from any and/or all the direct and/or indirect subsidiary and associated companies of the Brembo group.</p> <p>Pursuant to Treasury Ministry Decree of 2 March 1995 published in the Official Gazette of 12/04/1995, as further amended and extended, the Company may also solicit investments for its own employees, provided that the amount of such investments is contained within the limits of the Company's overall paid-up share capital and reserves as per the last approved financial statements.</p>
<p>Article 5) SHARE CAPITAL</p> <p>The Company's share capital shall amount to €34,727,914 (thirty four million, seven hundred and twenty seven thousand and nine hundred and fourteen) divided into 66,784,450 (sixty-six million, seven hundred and eighty four thousand, four hundred and fifty) ordinary shares of a nominal value of € 0.52 (nought point five two) each.</p> <p>Pursuant to Article 2443 of the Civil Code, the Extraordinary Shareholders' Meeting held on 29 April 2014 resolved to grant to the Board of Directors the power of attorney to increase the share capital for a maximum nominal amount of Euro 3,472,791.40, through payment, one or more times, even in a separate way pursuant to Article 2439, paragraph 2 of the Civil Code, and no later than 29 April 2019, excluding any option rights pursuant to Article 2441, paragraph 4, second sentence, of the Civil Code. Such increase will be realized through the issuance, in one or more tranches, of maximum 6,678,445 shares with a nominal value of Euro 0.52 each one, or - if lower – of a different number of shares that, at each date of the execution of the power of attorney (and considering any possible issuance of shares already made in the execution of the power of attorney stated herein, will form 10% (ten percent) of the total number of shares of the Company on the same date.</p> <p>For the purposes of the execution of such power of attorney, the Board of Directors has been also</p>	<p>Article 5) SHARE CAPITAL</p> <p>The Company's share capital shall amount to €34,727,914 (thirty four million, seven hundred and twenty seven thousand and nine hundred and fourteen) divided into 66,784,450 (sixty-six million, seven hundred and eighty four thousand, four hundred and fifty) ordinary shares with no nominal value of a face value of € 0.52 (nought point five two) each.</p> <p>Pursuant to Article 2443 of the Civil Code, the Extraordinary Shareholders' Meeting held on 29 April 2014 resolved to grant to the Board of Directors the power of attorney to increase the share capital for a maximum nominal amount of Euro 3,472,791.40, through payment, one or more times, even in a separate way pursuant to Article 2439, paragraph 2 of the Civil Code, and no later than 29 April 2019, excluding any option rights pursuant to Article 2441, paragraph 4, second sentence, of the Civil Code. Such increase will be realized through the issuance, in one or more tranches, of maximum 6,678,445 shares with no nominal value – a nominal value of Euro 0.52 each one, or - if lower – of a different number of shares that, at each date of the execution of the power of attorney (and considering any possible issuance of shares already made in the execution of the power of attorney stated herein, will form 10% (ten percent) of the total number of shares of the Company on the same date.</p> <p>For the purposes of the execution of such power of attorney, the Board of Directors has been also</p>

<p>assigned with the power to (a) determine, for each single tranche, the number, the issue unit price and the enjoyment of the ordinary shares rights , within the sole limits provided by Article 2441, paragraph 4, sentence 2 and/or Article 2438 and/or paragraph 5 of Article 2346 of the Italian Civil Code; (b) determine the period for the subscription of the ordinary shares of the Company; and (c) give execution to the power of attorney mentioned above, including, but not limiting to, those power of attorneys to amend the by-laws from time to time, if necessary.</p> <p>The General Shareholders' Meeting may reduce the share capital even through the cancellation of the Company's own shares.</p>	<p>assigned with the power to (a) determine, for each single tranche, the number, the issue unit price and the enjoyment of the ordinary shares rights , within the sole limits provided by Article 2441, paragraph 4, sentence 2 and/or Article 2438 and/or paragraph 5 of Article 2346 of the Italian Civil Code; (b) determine the period for the subscription of the ordinary shares of the Company; and (c) give execution to the power of attorney mentioned above, including, but not limiting to, those power of attorneys to amend the by-laws from time to time, if necessary.</p> <p>The General Shareholders' Meeting may reduce the share capital even through the cancellation of the Company's own shares.</p>
<p>Article 10) CALLING</p> <p>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.</p> <p>The notice of calling may provide an indication of the schedule dates of the meeting at callings subsequent to the first, if any.</p> <p>The notice of calling is published on the Company's website and in accordance with the other procedures as described, as well as in compliance the requirements of current laws and regulations. If and to the extent the notice of calling is to be published in one or more daily newspapers pursuant to applicable rules and regulations, such publication shall be made in one of the following daily newspapers:</p> <ul style="list-style-type: none"> - Il Sole 24 Ore; - Corriere della Sera; - Milano Finanza; - Italia Oggi. <p>The Ordinary General Shareholders' Meeting must be called by the administrative organ at least once a year within one hundred and twenty days following the end of the Company's financial year, or within one hundred and eighty 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</p>	<p>Article 10) CALLING</p> <p>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.</p> <p>The notice of calling may provide an indication of the schedule dates of the meeting at callings subsequent to the first, if any.</p> <p>The notice of calling is published on the Company's website and in accordance with the other procedures as described, as well as in compliance the requirements of current laws and regulations. If and to the extent the notice of calling is to be published in one or more daily newspapers pursuant to applicable rules and regulations, such publication shall be made in one of the following daily newspapers:</p> <p>— Il Sole 24 Ore;</p> <p>— Corriere della Sera;</p> <p>— Milano Finanza;</p> <p>— Italia Oggi.</p> <p>The notice of calling of the General Shareholders' Meeting shall be published, within the terms established by law, on the Company's website and in compliance with any other methods required by laws and regulations from time to time into force.</p> <p>The Ordinary General Shareholders' Meeting must be called by the administrative organ at least once a year within one hundred and twenty days following the end of the Company's financial year, or within one hundred and eighty 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</p>

corporate purpose and structure, such reasons being indicated in the Directors' Report mentioned in Article 2428 of the Italian Civil Code.	corporate purpose and structure, such reasons being indicated in the Directors' Report mentioned in Article 2428 of the Italian Civil Code.
<p>Article 10-BIS) ADDITION OF ITEMS TO THE AGENDA</p> <p>Shareholders who, individually or collectively, represent 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 of business in the application.</p> <p>The notice of calling, setting forth the items placed on the agenda, shall be published in accordance with the procedures specified in Article 10 above, by the deadlines imposed under applicable statutory and regulatory provisions.</p> <p>Shareholders intending to request the inclusion of additional items on the agenda of the General Shareholders' Meeting shall draw up a report on the said additional items.</p> <p>The report in question shall be submitted to the Board of Directors by the final deadline imposed for the submission of requests for the inclusion of additional items on the agenda. The Board of Directors shall disclose the said report to the public, together with any Board's own assessments, and at the same time, publish the notice of the inclusion of additional items on the agenda, on the Company's website and in accordance with the other procedures set forth in applicable statutory and regulatory provisions.</p> <p>The agenda may not be extended through the inclusion therein of items pertaining to matters on which the General Shareholders' Meeting may only pass resolutions, pursuant to law, at the motion of the directors or on the basis of a draft resolution or otherwise a report drawn up by the directors, other than the report on the items included on the agenda.</p>	<p>Article 10-BIS) ADDITION OF ITEMS TO THE AGENDA AND SUBMISSION OF NEW MOTIONS.</p> <p>Shareholders who, individually or collectively, represent 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 of business in the application, or to submit new motions on the items already on the agenda.</p> <p>The notice of calling, setting forth the items placed on the agenda, shall be published in accordance with the procedures specified in Article 10 above, by the deadlines imposed under applicable statutory and regulatory provisions.</p> <p>Shareholders intending to request the inclusion of additional items on the agenda of the General Shareholders' Meeting, or submitting new motions on the items already on the agenda, shall draw up a report on the said additional items, or on the additional motions submitted on the items already on the agenda.</p> <p>The report in question shall be submitted to the Board of Directors by the final deadline imposed for the submission of requests for the inclusion of additional items on the agenda. The Board of Directors shall disclose the said report to the public, together with any Board's own assessments, and at the same time, publish the notice of the inclusion of additional items on the agenda, on the Company's website and in accordance with the other procedures set forth in applicable statutory and regulatory provisions.</p> <p>The agenda may not be extended through the inclusion therein of items pertaining to matters on which the General Shareholders' Meeting may only pass resolutions, pursuant to law, at the motion of the directors or on the basis of a draft resolution or otherwise a report drawn up by the directors, other than the report on the items included on the agenda.</p>
	<p>10-TER RIGHT TO POSE QUESTIONS PRIOR TO THE GENERAL SHAREHOLDERS' MEETING</p> <p>Shareholders who are entitled to vote at the General Shareholders' Meeting may pose questions even prior to the said Meeting,</p>

	according to the terms and procedures prescribed in the notice of calling.
<p>11) PARTICIPATION IN AND REPRESENTATION AT GENERAL SHAREHOLDERS' MEETINGS</p> <p>Shareholders are entitled to vote and may participate in the meeting and cast votes if 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 Shareholders' Meeting is scheduled (or within other term as provided for under applicable law).</p> <p>Any party entitled to participate in a Shareholders' Meeting may be represented by written proxy granted to another person, not required to be a shareholder, in accordance with the provisions of laws and regulations in force at the time.</p> <p>Proxies may also be granted electronically, according to the conditions set out in the Ministry of Justice regulation. In accordance with the notice of the meeting, proxies may be notified electronically using the specific section of the Company's website or, where allowed in the notice of the meeting, by sending the document to the Company's certified e-mail address.</p> <p>Proxies may be issued only for a specific General Shareholders' Meeting and shall be valid even for subsequent callings of such General 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>	<p>11) PARTICIPATION IN AND REPRESENTATION AT GENERAL SHAREHOLDERS' MEETINGS</p> <p>Shareholders are entitled to vote and may participate in the meeting and cast votes if 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 Shareholders' Meeting is scheduled (or within other term as provided for under applicable law).</p> <p>Any party entitled to participate in a Shareholders' Meeting may be represented by written proxy granted to another person, not required to be a shareholder, through proxy granted pursuant to the procedures prescribed by applicable laws 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, in accordance with the provisions of laws and regulations in force at the time.</p> <p>Proxies may also be granted electronically, according to the conditions set out in the Ministry of Justice regulation. In accordance with the notice of the meeting, proxies may be notified electronically using the specific section of the Company's website or, where allowed in the notice of the meeting, by sending the document to the Company's certified e-mail address.</p> <p>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>
Article 13) QUORA AND RESOLUTIONS OF THE GENERAL SHAREHOLDERS' MEETING	<p>Article 13) QUORA AND RESOLUTIONS OF THE GENERAL SHAREHOLDERS' MEETING</p> <p>Ordinary and Extraordinary General 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 to be appropriate, it may decide that the Ordinary or Extraordinary General</p>

<p>The Ordinary General Shareholders' Meeting shall be deemed to be validly constituted at first calling if it is attended by a number of shareholders representing, in person or by proxy, at least one half of the Company's share capital, without taking into account shares that do not bear voting rights at the General Shareholders' Meeting. The General Shareholders' Meeting shall pass resolutions with the favourable vote of the absolute majority of the Company's share capital represented at the General Shareholders' Meeting. In the case of parity of vote, the proposed resolution shall be deemed to have been rejected.</p> <p>At callings subsequent to the first, the General Shareholders' Meeting shall pass valid resolutions on the items placed on the agenda, regardless of the share capital represented at the General Shareholders' Meeting, in person or by proxy, with the favourable vote of the majority of the share capital represented. The Extraordinary General Shareholders' Meeting shall be validly constituted and pass resolutions with majorities established under law.</p>	<p>Shareholders' Meeting be held following multiple callings, expressly specifying this information in the notice of calling. The Ordinary and Extraordinary General 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> <p>The Ordinary General Shareholders' Meeting shall be deemed to be validly constituted at first calling if it is attended by a number of shareholders representing, in person or by proxy, at least one half of the Company's share capital, without taking into account shares that do not bear voting rights at the General Shareholders' Meeting. The General Shareholders' Meeting shall pass resolutions with the favourable vote of the absolute majority of the Company's share capital represented at the General Shareholders' Meeting. In the case of parity of vote, the proposed resolution shall be deemed to have been rejected.</p> <p>At callings subsequent to the first, the General Shareholders' Meeting shall pass valid resolutions on the items placed on the agenda, regardless of the share capital represented at the General Shareholders' Meeting, in person or by proxy, with the favourable vote of the majority of the share capital represented. The Extraordinary General Shareholders' Meeting shall be validly constituted and pass resolutions with majorities established under law.</p>
<p>Article 15) COMPOSITION OF THE BOARD OF DIRECTORS</p> <p>The Company shall be administered by a Board of Directors made up of a minimum of 5 (five) and a maximum of 11 (eleven) members, who need not necessarily be shareholders, as established from time to time by the General Shareholders' Meeting at the time of the appointment of the Board.</p> <p>The Board of Directors shall be made up of executive and non-executive directors.</p> <p>In any event, (i) at least 1 (one) Board member or 2 (two) if the Board is made up of more than 7 (seven) members, must meet the requirements of independence set forth in Article 148, paragraph 3, of TUF and (ii) the composition of the Board of Directors must reflect gender balance, in accordance with the laws and regulations from time to time in force. Board members shall be eligible for re-appointment and save where otherwise</p>	<p>Article 15) COMPOSITION OF THE BOARD OF DIRECTORS</p> <p>The Company shall be administered by a Board of Directors made up of a minimum of 5 (five) and a maximum of 11 (eleven) members, who need not necessarily be shareholders, as established from time to time by the General Shareholders' Meeting at the time of the appointment of the Board.</p> <p>The Board of Directors shall be made up of executive and non-executive directors.</p> <p>In any event, ((i) at least 1 (one) Board member or 2 (two) if the Board is made up of more than 7 (seven) members, must meet the requirements of independence pursuant to laws and the Corporate Governance Code of Borsa Italiana, adopted by the Company, set forth in Article 148, paragraph 3, of TUF and (ii) the composition of the Board of Directors must reflect gender balance, in accordance with the laws and regulations from time to time in force.</p>

<p>established by General Shareholders' Meeting resolution, shall be appointed for a term determined by the General Shareholders' Meeting resolution appointing them, up to a maximum of three financial years. The term of office of the Board members shall be deemed to expire on the date of the General Shareholders' Meeting called for the approval of the financial statements pertaining to the last financial year of their term, save in the case of the reasons for termination or disqualification contemplated under law or in these By-laws.</p>	<p>Board members shall be eligible for re-appointment and save where otherwise established by General Shareholders' Meeting resolution, shall be appointed for a term determined by the General Shareholders' Meeting resolution appointing them, up to a maximum of three financial years. The term of office of the Board members shall be deemed to expire on the date of the General Shareholders' Meeting called for the approval of the financial statements pertaining to the last financial year of their term, save in the case of the reasons for termination or disqualification contemplated under law or in these By-laws.</p>
<p>Article 15) bis APPOINTMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS</p> <p>After determining the number of members making up the Company's Board, the Ordinary Shareholders' Meeting shall proceed to appoint the same, on the basis of voting lists submitted by shareholders pursuant to the following paragraphs.</p> <p>Voting lists may be submitted only by those shareholders who, as at the date on which the lists are lodged with the Company, either on their own or together with others, represent at least the minimum percentage of the shares bearing voting rights at the Ordinary Shareholders' Meeting, established under applicable statutory and regulatory provisions.</p> <p>Each shareholder (as well as (i) shareholders belonging to the same group, the latter term being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of Article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of Article 122 of TUF, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) may submit, either on their own or jointly with other shareholders, directly or through third party intermediaries, or trust companies, a single list of candidates, under pain of disqualification of the list.</p> <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 these By-laws, must be filed with</p>	<p>Article 15) bis APPOINTMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS</p> <p>After determining the number of members making up the Company's Board, the Ordinary Shareholders' Meeting shall proceed to appoint the same, on the basis of voting lists submitted by shareholders pursuant to the following paragraphs.</p> <p>Voting lists may be submitted only by those shareholders who, as at the date on which the lists are lodged with the Company, either on their own or together with others, represent at least the minimum percentage of the shares bearing voting rights at the Ordinary Shareholders' Meeting, established under applicable statutory and regulatory provisions.</p> <p>Each shareholder (as well as (i) shareholders belonging to the same group, the latter term being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of Article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of Article 122 of TUF, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) may submit, either on their own or jointly with other shareholders, directly or through third party intermediaries, or trust companies, a single list of candidates, under pain of disqualification of the list.</p> <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 these By-laws, must be filed with</p>

<p>the Company's registered offices at least 25 (twenty-five) 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 applicable statutory and regulatory provisions, at least 21 (twenty-one) calendar days prior to the scheduled date of the General Shareholders' Meeting. The filing of voting lists pursuant to the provisions of this Article 15-<i>bis</i> shall also be valid for General Shareholders' Meetings held at subsequent callings, if any.</p> <p>In order to establish their ownership of the number of shares required for the submission of lists, each shareholder making such a submission must file with the Company's registered offices, together with the voting list in question, by the end of the day on which the said list is lodged with the registered offices or thereafter but not later than the deadline imposed for the public disclosure of lists pursuant to the preceding paragraph, a copy of the notice issued by authorised intermediaries and mentioned in Article 11 of these By-laws, establishing his or her ownership of the minimum shareholding required for the submission of lists, taking due account of the shares registered in the name of the shareholder in question as at the date on which the lists are lodged with the Company's registered offices.</p> <p>Each candidate may appear on only one list, upon penalty of ineligibility.</p> <p>The number of candidates on each list may be no less than 2 (two) and no more than the maximum number of Board members mentioned in Article 15 of these By-laws. The candidates must be listed in serial order.</p> <p>Furthermore, each list must include at least 1 (one) candidate or at least 2 (two) candidates, if the Board is to be made up of more than 7 (seven) members who meet the requirements of independence set forth in Article 148, paragraph 3, of TUF.</p> <p>The lists containing a number of candidates equal to or greater than 3 (three) cannot include only candidates of the same gender (men and women); such lists must include a number of candidates of the under-represented gender</p>	<p>the Company's registered offices at least 25 (twenty-five) 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 applicable statutory and regulatory provisions, at least 21 (twenty-one) calendar days prior to the scheduled date of the General Shareholders' Meeting. The filing of voting lists pursuant to the provisions of this Article 15-<i>bis</i> 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 filing of lists are reduced to fifteen and ten days, respectively.</p> <p>In order to establish their ownership of the number of shares required for the submission of lists, each shareholder making such a submission must file with the Company's registered offices, together with the voting list in question, by the end of the day on which the said list is lodged with the registered offices or thereafter but not later than the deadline imposed for the public disclosure of lists pursuant to the preceding paragraph, a copy of the notice issued by authorised intermediaries and mentioned in Article 11 of these By-laws, establishing his or her ownership of the minimum shareholding required for the submission of lists, taking due account of the shares registered in the name of the shareholder in question as at the date on which the lists are lodged with the Company's registered offices.</p> <p>Each candidate may appear on only one list, upon penalty of ineligibility.</p> <p>The number of candidates on each list may be no less than 2 (two) and no more than the maximum number of Board members mentioned in Article 15 of these By-laws. The candidates must be listed in serial order.</p> <p>Furthermore, each list must include at least 1 (one) candidate or at least 2 (two) candidates, if the Board is to be made up of more than 7 (seven) members who meet the requirements of independence pursuant to laws and the Corporate Governance Code of Borsa Italiana, endorsed by the Company.</p> <p>The lists containing a number of candidates equal to or greater than 3 (three) cannot include only candidates of the same gender (men and women); such lists must include a number of candidates of the under-represented gender</p>
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<p>such as to ensure that the composition of the Board of Directors 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.</p> <p>Together with each list, the following documents must be filed with the Company's registered office, no later than the deadline imposed for the filing of lists, and that is to say, the 25th (twenty-fifth) calendar day immediately preceding the scheduled date of the General Shareholders' Meeting:</p> <ol style="list-style-type: none"> 1. the curriculum vitae of each candidate providing exhaustive information on his personal and professional features, with an indication of whether or not the candidate meets the requirements of independence set forth in Article 147-ter, paragraph 4, of TUF, as amended, as well as an indication of any other executive positions and directorships held in companies belonging to the significant categories listed in the "Brembo S.p.A. Corporate Governance Manual", as mentioned in the text of the notice of calling of the General Shareholders' Meeting called to pass resolutions on the appointment of Board members; 2. a declaration through which each candidate accepts his candidature and, certifies, under his own responsibility that: <ul style="list-style-type: none"> A. he does not labour under any of the causes of ineligibility or disqualification within the meaning of section 2382 of the Italian Civil Code; B. he meets the requirements of personal integrity and professionalism imposed under applicable statutory and/or regulatory provisions; C. where applicable, an indication that the candidate meets the requirements of independence set forth in Article 148, paragraph 3, of TUF; 3. a list of the shareholders submitting the voting list, with an indication of their names, company names, registered offices, registration number with the Office of the Registrar of Companies or an equivalent body, and the overall percentage of share capital held by the shareholders submitting the voting list. 	<p>such as to ensure that the composition of the Board of Directors 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.</p> <p>Together with each list, the following documents must be filed with the Company's registered office, no later than the deadline imposed for the filing of lists, and that is to say, the 25th (twenty-fifth) calendar day immediately preceding the scheduled date of the General Shareholders' Meeting:</p> <ol style="list-style-type: none"> 1. the curriculum vitae of each candidate providing exhaustive information on his personal and professional features, with an indication of whether or not the candidate meets the requirements of independence set forth in Article 147-ter, paragraph 4, of TUF, as amended, pursuant to laws and the Corporate Governance Code of Borsa Italiana, endorsed by the Company, as well as an indication of any other executive positions and directorships held in companies belonging to the significant categories listed in the "Brembo S.p.A. Corporate Governance Manual", as mentioned in the text of the notice of calling of the General Shareholders' Meeting called to pass resolutions on the appointment of Board members; 2. a declaration through which each candidate accepts his candidature and, certifies, under his own responsibility that: <ul style="list-style-type: none"> A. he does not labour under any of the causes of ineligibility or disqualification within the meaning of section 2382 of the Italian Civil Code; B. he meets the requirements of personal integrity and professionalism imposed under applicable statutory and/or regulatory provisions; C. where applicable, an indication that the candidate meets the requirements of independence pursuant to laws and the Corporate Governance Code of Borsa Italiana, endorsed by the Company; set forth in Article 148, paragraph 3, of TUF; 3. a list of the shareholders submitting the voting list, with an indication of their names, company names, registered offices, registration number with the Office of the Registrar of Companies or an equivalent body, and the overall percentage of share capital held by the shareholders submitting the voting list.
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<p>Voting lists submitted other than in compliance with the provisions of the preceding paragraphs, shall be deemed as never having been submitted. The lists submitted are subject to disclosure obligations as per applicable regulations.</p>	<p>Voting lists submitted other than in compliance with the provisions of the preceding paragraphs, shall be deemed as never having been submitted. The lists submitted are subject to disclosure obligations as per applicable regulations.</p>
<p>Article 18) BOARD MEETINGS</p> <p>Board meetings shall be called by the Chairman, or in the case of his absence or disability, the Deputy Chairman (if elected), whensoever the said Chairman or Deputy Chairman deems fit, or at the request of at least two Board members. Board meetings may be held at the Company's registered offices or elsewhere in Italy.</p> <p>Board meetings may also be held by telephone and/or video conference call, provided that:</p> <ul style="list-style-type: none"> (i) the Chairman and Secretary of the Board meeting are physically present at the same venue; (ii) the Chairman of the Board meeting is able to determine the identity and the right to attend the meeting of participants, regulate the proceedings of the meeting, as well as to observe and declare the results of voting; (iii) the person drawing up the minutes of the Board meeting is able to adequately follow the proceedings subject to record in the minutes; (iv) all attendees are able to exchange documents and, in any event, take part in real time in the debate and simultaneous voting on the items placed on the agenda. <p>The Chairman or in the case of the latter's disability or absence, the Deputy Chairman, shall establish the agenda, coordinate the works and ensure that adequate information on the items placed on the agenda are provided to all the Board members.</p> <p>Board meetings shall be called by registered letter, telegram, facsimile transmission or e-mail with confirmation of receipt, to be sent to all Board members and all the members of the Board of Statutory Auditors, at least five days, or in the cases of particular urgency, at least two days prior to the scheduled date of the Board meeting.</p> <p>Board meetings and the Board resolutions passed thereat shall be deemed to be valid even without formal calling, provided that all the Board members and acting members of the Board of Statutory Auditors are present at the</p>	<p>Article 18) BOARD MEETINGS</p> <p>Board meetings shall be called by the Chairman, or in the case of his absence or disability, the Deputy Chairman (if elected), whensoever the said Chairman or Deputy Chairman deems fit, or at the request of at least two Board members. Board meetings may be held at the Company's registered offices or elsewhere in Italy in Italy or in another Country where the Company — directly or indirectly through its subsidiaries or investee companies — operates.</p> <p>Board meetings may also be held by telephone and/or video conference call, provided that:</p> <ul style="list-style-type: none"> (i) the Chairman and Secretary of the Board meeting are physically present at the same venue; (ii) the Chairman of the Board meeting is able to determine the identity and the right to attend the meeting of participants, regulate the proceedings of the meeting, as well as to observe and declare the results of voting; (iii) the person drawing up the minutes of the Board meeting is able to adequately follow the proceedings subject to record in the minutes; (iv) all attendees are able to exchange documents and, in any event, take part in real time in the debate and simultaneous voting on the items placed on the agenda. <p>The Chairman or in the case of the latter's disability or absence, the Deputy Chairman, shall establish the agenda, coordinate the works and ensure that adequate information on the items placed on the agenda are provided to all the Board members.</p> <p>Board meetings shall be called by registered letter, telegram, facsimile transmission or e-mail with confirmation of receipt, to be sent to all Board members and all the members of the Board of Statutory Auditors, at least five days, or in the cases of particular urgency, at least two days prior to the scheduled date of the Board meeting.</p> <p>Board meetings and the Board resolutions passed thereat shall be deemed to be valid even without formal calling, provided that all the Board members and acting members of the Board of Statutory Auditors are present at the</p>

Board meeting.	Board meeting.
<p>Article 22) COMPOSITION AND APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS</p> <p>The Board of Statutory Auditors shall be made up of 3 (three) acting auditors and 2 (two) alternates, appointed by the General Shareholders' Meeting on the basis of voting lists submitted by shareholders, subject to the following procedures.</p> <p>The voting lists submitted for the aforesaid purpose, must be divided into two sections: one for candidates for the post of acting auditor and the other for candidates for the post of alternate.</p> <p>All the voting lists submitted: (i) must include at least one candidate for the post of acting auditor and, in any event, a number of candidates not exceeding the total number of members to be appointed to the Board of Statutory Auditors, it being further understood that all candidates must be listed in serial order. Each candidate may appear on only one list, upon penalty of ineligibility;</p> <p>(ii) the lists containing a number of candidates equal to or greater than 3 (three), considering both sections, must include a number of candidates in the Acting 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.</p> <p>Voting lists may be submitted only by those shareholders who, at the date the lists were submitted, represent, either on their own or together with others, at least the minimum shareholding required for the submission of lists of candidates seeking appointment to the Board of Directors, pursuant to Article 15-ter of these By-laws, or such other percentage of the share capital, as may be established under applicable statutory and regulatory provisions.</p> <p>Each party entitled to vote (as well as (i) shareholders belonging to the same group, the latter term being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of Article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who</p>	<p>Article 22) COMPOSITION AND APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS</p> <p>The Board of Statutory Auditors shall be made up of 3 (three) Acting Auditors and 2 (two) alternates, appointed by the General Shareholders' Meeting on the basis of voting lists submitted by shareholders, subject to the following procedures.</p> <p>The voting lists submitted for the aforesaid purpose, must be divided into two sections: one for candidates for the post of acting auditor and the other for candidates for the post of alternate.</p> <p>All the voting lists submitted:</p> <p>(i) must include at least one candidate for the post of acting auditor and, in any event, a number of candidates not exceeding the total number of members to be appointed to the Board of Statutory Auditors, it being further understood that all candidates must be listed in serial order. Each candidate may appear on only one list, upon penalty of ineligibility;</p> <p>(ii) the lists containing a number of candidates equal to or greater than 3 (three), considering both sections, must include a number of candidates in the Acting 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.</p> <p>Voting lists may be submitted only by those shareholders who, at the date the lists were submitted, represent, either on their own or together with others, at least the minimum shareholding required for the submission of lists of candidates seeking appointment to the Board of Directors, pursuant to Article 15-ter of these By-laws, or such other percentage of the share capital, as may be established under applicable statutory and regulatory provisions.</p> <p>Each party entitled to vote (as well as (i) shareholders belonging to the same group, the latter term being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of Article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who</p>

<p>have entered into the same shareholders' agreement within the meaning of Article 122 of TUF, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) may submit, either on their own or jointly with other shareholders, directly or through third party intermediaries, or trust companies, a single list of candidates, under pain of disqualification of the list.</p> <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 these By-laws, must be filed with the Company's registered offices at least 25 (twenty-five) calendar days prior to the scheduled date of the General Shareholders' Meeting at first calling and public disclosure must be made both at Company's registered offices and on its website and in the manner and form specified under applicable statutory and regulatory provisions, at least 21 (twenty-one) calendar days prior to the scheduled date of the General Shareholders' Meeting.</p> <p>In order to establish their ownership of the number of shares required for the submission of lists, each shareholder making such a submission must file with the Company's registered offices, together with the voting list in question, by the end of the day on which the said list is lodged with the registered offices or thereafter but not later than the deadline imposed for the public disclosure of lists pursuant to the preceding paragraph, a copy of the notice issued by authorised intermediaries and mentioned in Article 11 of these By-laws, establishing his or her ownership of the minimum shareholding required for the submission of lists, taking due account of the shares registered in the name of the shareholder in question as at the date on which the lists are lodged with the Company's registered offices.</p>	<p>have entered into the same shareholders' agreement within the meaning of Article 122 of TUF, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) may submit, either on their own or jointly with other shareholders, directly or through third party intermediaries, or trust companies, a single list of candidates, under pain of disqualification of the list.</p> <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 these By-laws, must be filed with the Company's registered offices at least 25 (twenty-five) calendar days prior to the scheduled date of the General Shareholders' Meeting at first calling and public disclosure must be made both at Company's registered offices and on its website and in the manner and form specified under applicable statutory and regulatory provisions, at least 21 (twenty-one) calendar days prior to the scheduled date of the General Shareholders' Meeting. The filing of voting lists for the appointment of Statutory Auditors taken from a minority list, pursuant to the provisions of this Article 22 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 filing of lists are reduced to fifteen and ten days, respectively.</p> <p>In order to establish their ownership of the number of shares required for the submission of lists, each shareholder making such a submission must file with the Company's registered offices, together with the voting list in question, by the end of the day on which the said list is lodged with the registered offices or thereafter but not later than the deadline imposed for the public disclosure of lists pursuant to the preceding paragraph, a copy of the notice issued by authorised intermediaries and mentioned in Article 11 of these By-laws, establishing his or her ownership of the minimum shareholding required for the submission of lists, taking due account of the shares registered in the name of the shareholder in question as at the date on which the lists are lodged with the Company's registered offices.</p> <p>No later than the deadline imposed for the filing</p>
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<p>No later than the deadline imposed for the filing of lists, and that is to say, the 25th (twenty-fifth) calendar day immediately preceding the scheduled date of the General Shareholders' Meeting, the following documents must also be filed with the registered office together with each list: (i) declarations issued by each candidate attesting their acceptance of their candidature and further attesting, under their own responsibility, that they do not labour under any of the reasons or causes of disqualification and ineligibility and that they meet the requirements of personal integrity and professionalism imposed under applicable regulations for such posts, (ii) exhaustive information on each candidate's personal and professional features (curriculum vitae) (iii) a list of directorships or auditorships held in other companies or bodies by candidates seeking appointment to the Board of Statutory Auditors, if the same are significant in light of restrictions on the cumulative number of positions members of the Board of Statutory Auditors may hold, imposed pursuant to these By-laws or under applicable statutory and/or regulatory provisions; (iv) a list of the shareholders submitting the voting list, with an indication of their names, company names, registered offices, registration number with the Office of the Registrar of Companies or an equivalent body, and the overall percentage of share capital held by the shareholders submitting the voting list. Voting lists submitted other than in compliance with the provisions of this Article, shall be deemed as never having been submitted. The candidates must meet the requirements of eligibility, personal integrity and professionalism imposed under law and must not hold offices in excess of the threshold established in Article 23 below.</p> <p>Each party entitled to vote (as well as (i) shareholders belonging to the same group, the latter being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of Article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of Article 122 of TUF, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory</p>	<p>of lists, and that is to say, the 25th (twenty-fifth) calendar day immediately preceding the scheduled date of the General Shareholders' Meeting, the following documents must also be filed with the registered office together with each list: (i) declarations issued by each candidate attesting their acceptance of their candidature and further attesting, under their own responsibility, that they do not labour under any of the reasons or causes of disqualification and ineligibility and that they meet the requirements of personal integrity and professionalism imposed under applicable regulations for such posts, (ii) exhaustive information on each candidate's personal and professional features (curriculum vitae) (iii) a list of directorships or auditorships held in other companies or bodies by candidates seeking appointment to the Board of Statutory Auditors, if the same are significant in light of restrictions on the cumulative number of positions members of the Board of Statutory Auditors may hold, imposed pursuant to these By-laws or under applicable statutory and/or regulatory provisions; (iv) a list of the shareholders submitting the voting list, with an indication of their names, company names, registered offices, registration number with the Office of the Registrar of Companies or an equivalent body, and the overall percentage of share capital held by the shareholders submitting the voting list. Voting lists submitted other than in compliance with the provisions of this Article, shall be deemed as never having been submitted. The candidates must meet the requirements of eligibility, personal integrity and professionalism imposed under law and must not hold offices in excess of the threshold established in Article 23 below.</p> <p>Each party entitled to vote (as well as (i) shareholders belonging to the same group, the latter being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of Article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of Article 122 of TUF, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) shall be entitled to vote for only one list.</p>
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<p>framework) shall be entitled to vote for only one list.</p> <p>The Chairman shall determine the voting procedures to be followed from time to time, pursuant to applicable statutory and regulatory provisions.</p> <p>Should no voting list be submitted, the General Shareholders' Meeting shall appoint the Board of Statutory Auditors and the Chairman thereof, through resolutions approved by the majority of votes cast, in accordance with laws and regulations from time to time in force, also on gender balance (men and women) (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).</p> <p>If only one voting list is submitted, the entire Board of Statutory Auditors shall be drawn therefrom and the first candidate on the list shall be appointed Chairman of the Board of Statutory Auditors in accordance with laws and regulations on gender balance (men and women) from time to time in force (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).</p> <p>Should, on the other hand, two or more lists be submitted, the Board of Statutory Auditors shall be appointed as follows:</p> <ul style="list-style-type: none"> - without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force (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) (a) the first two candidates for the post of statutory auditor and (b) the first candidate for the post of alternate auditor, appearing in serial order on the list that obtained the highest number of votes, shall be appointed to the Board of Statutory Auditors; - (a) the first candidate for the post of statutory auditor, who shall also be appointed Chairman of the Board of Statutory Auditors, and (b) the first candidate for the post of alternate auditor, if indicated, appearing in serial order on the list receiving the second highest number of votes and that is not directly or indirectly linked with the shareholders who submitted or voted the list that obtained the highest number of votes; in the case where no candidate for the post of alternate auditor is included in the said list, the 	<p>The Chairman shall determine the voting procedures to be followed from time to time, pursuant to applicable statutory and regulatory provisions.</p> <p>Should no voting list be submitted, the General Shareholders' Meeting shall appoint the Board of Statutory Auditors and the Chairman thereof, through resolutions approved by the majority of votes cast, in accordance with laws and regulations from time to time in force, also on gender balance (men and women) (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).</p> <p>If only one voting list is submitted, the entire Board of Statutory Auditors shall be drawn therefrom and the first candidate on the list shall be appointed Chairman of the Board of Statutory Auditors in accordance with laws and regulations on gender balance (men and women) from time to time in force (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).</p> <p>Should, on the other hand, two or more lists be submitted, the Board of Statutory Auditors shall be appointed as follows:</p> <ul style="list-style-type: none"> - without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force (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) (a) the first two candidates for the post of statutory auditor and (b) the first candidate for the post of alternate auditor, appearing in serial order on the list that obtained the highest number of votes, shall be appointed to the Board of Statutory Auditors; - (a) the first candidate for the post of statutory auditor, who shall also be appointed Chairman of the Board of Statutory Auditors, and (b) the first candidate for the post of alternate auditor, if indicated, appearing in serial order on the list receiving the second highest number of votes and that is not directly or indirectly linked with the shareholders who submitted or voted the list that obtained the highest number of votes; in the case where no candidate for the post of alternate auditor is included in the said list, the first candidate for the post of alternate on the list obtaining the next highest number of votes, and that is not directly or indirectly linked with
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<p>first candidate for the post of alternate on the list obtaining the next highest number of votes, and that is not directly or indirectly linked with the shareholders who submitted or voted the list the obtained the highest number of votes, shall be deemed appointed to the said position. Should the voting process not comply with law and regulations on the gender balance (men and women) from time to time in force (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), the last-elected candidate for the post of statutory auditor of the most represented gender taken, in serial order, from the list that obtained the highest number of votes, will be excluded and replaced by the first unelected candidate of the opposite gender taken from the same list.</p> <p>Should, during any financial year, one or more members of the Board of Statutory Auditors be drawn from the list that obtained the highest number of votes (Majority Auditors), cease to serve in office for any reason or cause whatsoever, the same shall be replaced — where possible — by the other alternate auditor drawn from the same list as the outgoing auditor, or in default thereof, by the other alternate, without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force. Should it not be possible to proceed as indicated above, a General Shareholders' Meeting must be called pursuant to Section 2401, paragraph 3, of the Italian Civil Code, for making the required appointments to the Board of Statutory Auditors, in accordance with ordinary procedures and majorities, without recourse to the voting list system mentioned in this Article 22, without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force.</p> <p>Should, during any financial year, the member of the Board of Statutory Auditors drawn from the list that obtained the second highest number of votes (the "Minority Auditor"), cease to serve in office for any reason or cause whatsoever, the same shall be replaced — where possible — by the alternate drawn from the same list as the outgoing auditor, and shall also assume the chair of the Board of Statutory Auditors, remaining in office for a term coterminous with that of the other members of Board of Statutory Auditors already in office at</p>	<p>the shareholders who submitted or voted the list the obtained the highest number of votes, shall be deemed appointed to the said position. Should the voting process not comply with law and regulations on the gender balance (men and women) from time to time in force (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), the last-elected candidate for the post of statutory auditor of the most represented gender taken, in serial order, from the list that obtained the highest number of votes, will be excluded and replaced by the first unelected candidate of the opposite gender taken from the same list.</p> <p>Should, during any financial year, one or more members of the Board of Statutory Auditors be drawn from the list that obtained the highest number of votes (Majority Auditors), cease to serve in office for any reason or cause whatsoever, the same shall be replaced — where possible — by the other alternate auditor drawn from the same list as the outgoing auditor, or in default thereof, by the other alternate, without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force. Should it not be possible to proceed as indicated above, a General Shareholders' Meeting must be called pursuant to Section 2401, paragraph 3, of the Italian Civil Code, for making the required appointments to the Board of Statutory Auditors, in accordance with ordinary procedures and majorities, without recourse to the voting list system mentioned in this Article 22, without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force.</p> <p>Should, during any financial year, the member of the Board of Statutory Auditors drawn from the list that obtained the second highest number of votes (the "Minority Auditor"), cease to serve in office for any reason or cause whatsoever, the same shall be replaced — where possible — by the alternate drawn from the same list as the outgoing auditor, and shall also assume the chair of the Board of Statutory Auditors, remaining in office for a term coterminous with that of the other members of Board of Statutory Auditors already in office at the time of his appointment as serving auditor without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in</p>
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<p>the time of his appointment as serving auditor without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force. Should it not be possible to proceed as indicated above, the entire Board of Statutory Auditors shall be deemed to have immediately ceased serving in office, and accordingly, a General Shareholders' Meeting must be called for the appointment of a new Board of Statutory Auditors, pursuant to the voting list system mentioned in this Article 22 without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force.</p> <p>Should the General Shareholders' Meeting be called upon to appoint the Alternate Auditors required to ensure that all posts on the Board of Statutory Auditors are filled, pursuant to Section 2401, paragraph 1, of the Italian Civil Code, the related resolutions shall be approved in accordance with ordinary procedures and majorities, without recourse to the voting list system mentioned in this Article 22 without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force.</p>	<p>force. Should it not be possible to proceed as indicated above, the entire Board of Statutory Auditors shall be deemed to have immediately ceased serving in office, and accordingly, a General Shareholders' Meeting must be called for the appointment of a new Board of Statutory Auditors, pursuant to the voting list system mentioned in this Article 22 without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force.</p> <p>Should the General Shareholders' Meeting be called upon to appoint the Alternate Auditors required to ensure that all posts on the Board of Statutory Auditors are filled, pursuant to Section 2401, paragraph 1, of the Italian Civil Code, the related resolutions shall be approved in accordance with ordinary procedures and majorities, without recourse to the voting list system mentioned in this Article 22 without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force.</p>
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3. BOARD OF DIRECTORS' CONSIDERATIONS REGARDING THE RIGHT OF WITHDRAWAL

After careful consideration, the Board of Directors deems that the amendments to the By-Laws illustrated above do not give rise to the right of withdrawal pursuant to and for the purposes of Article 2437 of the Italian Civil Code. In detail, with regard to the amendments concerning the company purpose, it should be recalled that pursuant to that same Article 2437, paragraph 1, letter a), of the Italian Civil Code, such amendments trigger the right of withdrawal when "*they permit a significant change*" of the Company's business.

Now, as illustrated above, the foregoing changes have no impact whatsoever on the Company's business, but are aimed at reflecting the natural technological evolution of the Group's historical sector of operation, and the development and growth of such business over the years, thanks to the management's constant commitment.

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In consideration of the foregoing, the draft resolution containing the aforementioned proposed amendments to the By-Laws is set out below.

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Motion

"The General Shareholders' Meeting of Brembo S.p.A.:

- having examined and discussed the Board of Directors' illustrative report, prepared and published in compliance with the terms and procedures required by law;
- having acknowledged the proposed amendments and additions to the By-Laws;

resolves

1. to amend Articles 4, 5, 10, 10-bis, 11, 13, 15, 15-bis, 18 and 22, and to add the new Article 10-ter to the By-Laws, as proposed and indicated in the relevant illustrative report, made available to the public by the Board of Directors in accordance with Article 72 of the Rules for Issuers;
2. to grant the Chairman of the Board of Directors and the Executive Deputy Chairman, each separately and with the power to delegate part or all of their powers to special attorneys-in-fact, all powers required to do all that is necessary to execute the above resolution and fulfil the resulting legislative and regulatory formalities, including, in particular, all formalities required for filing the resolution within the companies register pursuant to Article 2436 of the Italian Civil Code, and the power to make all modifications of a non-substantive nature to the resolution and the above report as required by the competent authorities or notary public, or otherwise deemed useful and appropriate by those same attorneys-in-fact.”

Stezzano, 3 March 2016

On behalf of the Board of Directors
The Chairman
(signed by Alberto Bombassei)