

ILLUSTRATIVE REPORT OF THE BOARD OF DIRECTORS CONCERNING THE FIRST ITEM ON THE AGENDA OF THE EXTRAORDINARY SHAREHOLDERS' MEETING OF BREMBO S.P.A., CALLED ON 23 APRIL 2020 (SINGLE CALL).

1. Amendments to the By-laws: 1.1 update of the By-laws in accordance with the Budget Law No. 160/2019 on gender quotas within the governing and control bodies of listed companies. Amendments to Articles 15-bis, 22 and 30; 1.2 update in accordance with new Consob's guidelines on increased voting rights. Amendments to Article 6. Relevant and ensuing resolutions.

Shareholders,

With reference to the first item on the Agenda of the Extraordinary Shareholders' Meeting, this report — prepared in accordance with Article 72 of Consob Regulation adopted through Resolution 11971 of 14 May 1999 as subsequently amended (“Rules for Issuers” and the Attachment 3A, Table 3, thereof — illustrates and invites you to approve the proposal submitted by the Board of Directors of Brembo S.p.A. (hereinafter “Brembo” or “Company”) with regard to:

- (i) update of the By-laws in accordance with Law No. 160 of 27 December 2019 (“2020 Budget Law”) concerning provisions on gender quotas within the governing and control bodies of listed companies;
- (ii) the clarification of the conditions for the award of increased voting rights according to the position recently taken by Consob (Communication No. 0214548 of 18 April 2019).

1. Amendment to the By-laws with regard to gender quota

Foreword

Law No. 120 of 12 July 2011 (the “Golfo-Mosca Law”) establishes the principle that listed companies (and state-owned enterprises) must follow a criterion that ensures the balance of the genders in the composition of their boards. Articles 147-ter, paragraph 1-ter, and 148, paragraph 1-bis, of the consolidated financial law (TUF) introduced by the Golfo-Mosca Law required companies with listed shares to abide by a gender composition criterion on the basis of which the less represented gender was to occupy at least one-third of the seats on boards of directors and boards of statutory auditors. This allocation criterion was applied for three consecutive terms.

On 1 January 2020, the provisions of 2020 Budget Law, amending Articles 147-ter, paragraph 1-ter, and 148 paragraph 1-bis, of TUF on gender balance in the bodies of listed companies became effective.

1.1 Scope of the amendment

The 2020 Budget Law provides for a different quota of seats reserved for the less represented gender of “at least two-fifths” and establishes that this allocation criterion is to apply for “six consecutive terms” with effect from “the first renewal of the boards of directors and boards of statutory auditors of companies listed on regulated markets following the entry into force of this law” on 1 January 2020, and therefore already in the 2020 shareholders' meeting season.

Therefore, the new legislation will be applicable with effect after renewal of Brembo's corporate bodies provided for at the Shareholders Meeting to be held on 23 April 2020.

Where boards are composed of three members, and in particular where a board of statutory auditors has three standing members, it has been determined that the new allocation criterion of at least two-fifths of the less represented gender is mathematically impossible to apply since if a board has three members both genders cannot represent at least two-fifths of boards so composed.

Accordingly, pending the amendment of the regulations, in the light of the urgency caused by the entry into force of the rules with effect from the first renewals of company boards in the 2020 shareholders' meeting season, Consob has announced (Communication No. 1/20 of 30 January 2020) that it will consider the rounding-up criterion provided for in paragraph 3 of Article 144-undecies. 1 ("Gender balance"), inapplicable to company bodies composed of three members due to arithmetic impossibility. Accordingly, with regard to the latter, Consob will consider rounding-down to be in line with the new rules, without prejudice to the rounding-up criterion provided for in paragraph 3 of the cited Article 144-undecies.1 of the Rules for Issuers in the case of company bodies composed of more than three members (and thus — with reference to Brembo — exclusively with regards to the Board of Directors).

In the interim, Consob has begun a new market consultation in view of the amendments to the Rules for Issuers (and in particular Article 144-undecies.1) that will be required due to the new gender quota rules. The consultation will conclude on 16 March 2020, by which time Brembo will already have published the convocation notice and related illustrative reports on the appointments.

1.2 Amendments to Articles 15-bis, 22 and 30 of the By-laws

In light of the foregoing, it is therefore deemed appropriate to make several amendments to the By-laws in order to bring it into line with the new legislation. The proposed amendments to Article 15-bis, 22 and 30 of the By-laws are illustrated below.

CURRENT TEXT	PROPOSED TEXT
<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. 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. 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</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. 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. 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</p>

companies, a single list of candidates, under pain of disqualification of the list.

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 twenty-five (25) calendar days prior to the scheduled date of the General 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 twenty-one (21) calendar days prior to the scheduled date of the General Meeting. The filing of voting lists pursuant to the provisions of this article 15-*bis* shall also be valid for General 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.

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.

Each candidate may appear on only one list, upon penalty of ineligibility.

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.

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

companies, a single list of candidates, under pain of disqualification of the list.

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 twenty-five (25) calendar days prior to the scheduled date of the General 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 twenty-one (21) calendar days prior to the scheduled date of the General Meeting. The filing of voting lists pursuant to the provisions of this article 15-*bis* shall also be valid for General 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.

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.

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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.

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.

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 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.~~

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:

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, 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 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:
 - 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

Governance Code of Borsa Italiana, endorsed by the Company.

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 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 **in compliance with the legislation — 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 the Corporate Governance Code of Brembo S.p.A.

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:

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, 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 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:
 - 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, the candidate's compliance with the requirements of independence pursuant

<p>independence pursuant to laws and the Corporate Governance Code of Borsa Italiana, endorsed by the Company;</p> <p>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> <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>to laws and the Corporate Governance Code of Borsa Italiana, endorsed by the Company;</p> <p>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> <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 22) COMPOSITION AND APPOINTMENT OF THE BOARD OF AUDITORS</p> <p>The Board of Auditors shall be made up of 3 (three) acting auditors and 2 (two) alternates, appointed by the General 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 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 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.</p>	<p>Article 22) COMPOSITION AND APPOINTMENT OF THE BOARD OF AUDITORS</p> <p>The Board of Auditors shall be made up of 3 (three) acting auditors and 2 (two) alternates, appointed by the General 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 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 Statutory Auditors' section such as to ensure that the composition of the Board of Statutory Auditors, in re-spect of its acting members, complies with the laws and regulations on gen-der 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 legislation — 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</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 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. 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 twenty-five (25) calendar days prior to the scheduled date of the General 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 twenty-one (21) calendar days prior to the scheduled date of the General Meeting.</p> <p>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.</p> <p>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>diversity criteria specified in the Corporate Governance Code of Brembo S.p.A.</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 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 twenty-five (25) calendar days prior to the scheduled date of the General 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 twenty-one (21) calendar days prior to the scheduled date of the General Meeting.</p> <p>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.</p> <p>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>
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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.

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 Auditors, if the same are significant in light of restrictions on the cumulative number of positions members of the Board of 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.

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.

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, professionalism **and independence** imposed under applicable regulations for such posts **and by the Code of Conduct of Borsa Italiana, endorsed by the Company**, (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 Auditors, if the same are significant in light of restrictions on the cumulative number of positions members of the Board of 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; **(v) with regard to any lists submitted by shareholders other than those who, separately or collectively, hold a controlling (or relative majority) interest in the Company, a declaration attesting to the absence of connections, as defined in current applicable legislation, with such shareholders.**

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.

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.

The Chairman shall determine the voting procedures to be followed from time to time, pursuant to applicable statutory and regulatory provisions.

Should no voting list be submitted, the General Meeting shall appoint the Board of 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).~~

If only one voting list is submitted, the entire Board of Auditors shall be drawn therefrom and the first candidate on the list shall be appointed Chairman of the Board of 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).~~

Should, on the other hand, two or more lists be submitted, the Board of Auditors shall be appointed as follows:

- 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 2 (two) candidates for the post of statutory

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.

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.

The Chairman shall determine the voting procedures to be followed from time to time, pursuant to applicable statutory and regulatory provisions.

Should no voting list be submitted, the General Meeting shall appoint the Board of 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).

If only one voting list is submitted, the entire Board of Auditors shall be drawn therefrom and the first candidate on the list shall be appointed Chairman of the Board of Auditors in accordance with laws and regulations on gender balance (men and women) from time to time in force.

Should, on the other hand, two or more lists be submitted, the Board of Auditors shall be appointed as follows:

- without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force

(a) the first 2 (two) candidates for the post of statutory auditor and (b) the first candidate for the

<p>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 Auditors; the first candidate for the post of statutory auditor, who shall also be appointed Chairman of the Board of 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 the shareholders who submitted or voted the list the obtained the highest number of votes, shall be deemed appointed to the said position.</p> <p>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 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 Meeting must be called pursuant to Article 2401, paragraph 3, of the Italian Civil Code, for making the required appointments to the Board of 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>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 Auditors; the first candidate for the post of statutory auditor, who shall also be appointed Chairman of the Board of 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 the shareholders who submitted or voted the list the obtained the highest number of votes, shall be deemed appointed to the said position.</p> <p>Should the voting process not comply with law and regulations on the gender balance (men and women) from time to time in force, 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 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 Meeting must be called pursuant to Article 2401, paragraph 3, of the Italian Civil Code, for making the required appointments to the Board of 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>
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<p>Should, during any financial year, the member of the Board of 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 Auditors, remaining in office for a term coterminous with that of the other members of Board of 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 force. Should it not be possible to proceed as indicated above, the entire Board of Auditors shall be deemed to have immediately ceased serving in office, and accordingly, a General Meeting must be called for the appointment of a new Board of 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 Meeting be called upon to appoint the alternate auditors required to ensure that all posts on the Board of 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>Should, during any financial year, the member of the Board of 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 Auditors, remaining in office for a term coterminous with that of the other members of Board of 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 force. Should it not be possible to proceed as indicated above, the entire Board of Auditors shall be deemed to have immediately ceased serving in office, and accordingly, a General Meeting must be called for the appointment of a new Board of 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 Meeting be called upon to appoint the alternate auditors required to ensure that all posts on the Board of 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>Art. 30) TRANSITIONAL CLAUSE</p> <p>The provisions set forth in articles 15, 15-<i>bis</i>, 15-<i>ter</i> and 22 of these By-laws, aimed at ensuring compliance with current legislation on gender balance (men and women), are to be applied in the first 3 (three) full renewals of the Board of Directors and Board of Statutory Auditors subsequent to 12 August 2012.</p> <p>Therefore, for subsequent renewals, the said provisions are to be regarded as of no effect.</p> <p>In accordance with Law No. 120 of 12 July 2011:</p> <p>(i) for the first full renewal of the Board of Directors and Board of Statutory Auditors subsequent to 12 August 2012, the quota reserved for the underrepresented gender shall be equal to 1/5 (one fifth) (rounded up to the next higher unit) of the members of the corporate body in question;</p> <p>(ii) for the 2 (two) renewals subsequent to that under (i) above, the quota re-served for the under-represented gender shall be equal to 1/3 (one third)</p>	<p>CANCELLED</p>

(rounded up to the next higher unit) of the members of the corporate body in question.	
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1.3 Board of directors' considerations regarding the right of withdrawal

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.

Now therefore, in light of the foregoing, we submit for your approval the following draft resolution.

Motion

Shareholders,

In light of the foregoing, the Board of Directors invites you to approve the following draft resolution:

“The Ordinary and Extraordinary Shareholders’ Meeting of Brembo S.p.A.:

- (i) Having examined the “illustrative Report of Brembo S.p.A.’s Board of Directors” on the first item on the Agenda of the Extraordinary Meeting and the ensuing motions;
- (ii) Having illustrated the reasons underlying the aforementioned motions; and
- (iii) Having acknowledged the amendments introduced by the 2020 Budget Law to Articles 147-ter, paragraph 1-ter, and 148 paragraph 1-bis, of TUF on gender balance

RESOLVES

- 1) to amend Articles 15-bis, 22 and 30 of the By-laws as illustrated above;
- 2) to award the Board of Directors, and on its behalf the Chairman and Deputy Vice Chairman in office, separately between them and through special attorneys-in-fact appointed to this end, the fullest powers, without any exclusions, as necessary or appropriate to execute the foregoing resolutions and exercise the faculties governed by the said resolutions, and to apply all amendments, additions or eliminations of a non-substantial nature that should prove necessary to the resolutions of the shareholders’ meeting, upon the request of all competent authorities or upon registration with the Companies Register, in representation of the Company.”

2. Amendment to the By-laws regarding increased voting rights

2.1 Scope of the amendment

The proposed amendment is intended to align the By-laws with the provisions of Consob Communication No. 0214548 of 18 April 2019, which establishes the automatic award of increased voting rights upon satisfaction of the legal requirements (the circumstances that the company’s shares (a) have been registered in a specific list and (b) have been held by the same party for a continuous period (of no less than 24 months) from the date of registration in the list) 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.

2.2 Amendment to Article 6 of the By-laws

In light of the foregoing, it is therefore deemed appropriate to make some amendments to the By-laws in order to bring it into line with the new Consob’s guidelines. The proposed amendment to Article 6 of the By-laws is illustrated below.

CURRENT TEXT	PROPOSED TEXT
<p>Art. 6) NATURE OF THE SHARES AND RULES FOR ISSUE</p> <p>All the shares in the Company are registered shares. Each share is indivisible and bears the right to one vote, without prejudice to the provisions of the subsequent paragraphs.</p> <p>By way of exception to the provision of the foregoing paragraph, each share will entitle its holder to a double vote (and thus to two votes per share) where both the following conditions are met: (a) the share has been held by the same party, by virtue of lawful title giving rise to the right to vote (full ownership with the right to vote, bare ownership with the right to vote or usufruct with the right to vote) for a period of at least twenty-four consecutive months; (b) the requirement set out under (a) is witnessed by continuous registration for a period of at least twenty-four months, in the specifically instituted special list governed by this Article (the "Special List"), and by a specific notice that attests to share possession as at the start date of the continuous period and is issued by the intermediary with which the shares are held in accordance with applicable legislation.</p> <p>Increased Voting Rights are effectively granted upon the earlier of: (i) the fifth exchange business day of the calendar month after that in which the conditions imposed by the By-laws for Increased Voting Rights are met; and (y) the record date of the General Shareholders' Meeting, determined in accordance with applicable legislation, after the date on which the conditions imposed by the By-laws for Increased Voting Rights are met.</p> <p>The Company institutes and keeps at its registered office — in the form and with the content provided for in applicable legislation — the Special List in which the parties who intend to benefit from the Increased Voting Rights must be registered.</p> <p>In order to be registered in the Special List, the party meeting the requirements set out in this Article must submit a specific application, appending a notice attesting to share possession — which may apply even only to part of the shares held by the shareholder — issued by the intermediary with which the shares are held in accordance with applicable legislation. Increased Voting Rights may be requested even for only a part of the shares held by the shareholder. If the applicant is not a natural person, in the application it must be specified whether the applicant is subject to direct or indirect control by third parties</p>	<p>Art. 6) NATURE OF THE SHARES AND RULES FOR ISSUE</p> <p>All the shares in the Company are registered shares. Each share is indivisible and bears the right to one vote, without prejudice to the provisions of the subsequent paragraphs.</p> <p>By way of exception to the provision of the foregoing paragraph, each share will entitle its holder to a double vote (and thus to two votes per share) where both the following conditions are met: (a) the share has been held by the same party, by virtue of lawful title giving rise to the right to vote (full ownership with the right to vote, bare ownership with the right to vote or usufruct with the right to vote) for a period of at least twenty-four consecutive months; (b) the requirement set out under (a) is witnessed by continuous registration for a period of at least twenty-four months, in the specifically instituted special list governed by this Article (the "Special List").</p> <p>Increased Voting Rights are effectively granted upon the earlier of: (i) the fifth exchange business day of the calendar month after that in which the conditions imposed by the By-laws for Increased Voting Rights are met; and (y) the record date of the General Shareholders' Meeting, determined in accordance with applicable legislation, after the date on which the conditions imposed by the By-laws for Increased Voting Rights are met.</p> <p>The Company institutes and keeps at its registered office — in the form and with the content provided for in applicable legislation — the Special List in which the parties who intend to benefit from the Increased Voting Rights must be registered.</p> <p>In order to be registered in the Special List, the party meeting the requirements set out in this Article must submit a specific application, appending a notice attesting to share possession — which may apply even only to part of the shares held by the shareholder — issued by the intermediary with which the shares are held in accordance with applicable legislation. Increased Voting Rights may be requested even for only a part of the shares held by the shareholder. If the applicant is not a natural person, in the application it must be specified whether the applicant is subject to direct or indirect control by third parties</p>

and the identification details of any controlling entity must be disclosed.

The provisions regarding the shareholder register and all other applicable provisions, including with regard to the publication of information and share-holders' right of inspection, apply to the Special List set out in this Article, to the extent applicable.

The Special List is updated by the Company by the fifth exchange business day after the end of each calendar month and, in any event, by the record date in accordance with applicable legislation in respect for the right to participate and vote in the shareholders' meeting.

Removal from the Special List will occur in the following cases:

- a) waiver by the interested party;
- b) notice from the interested party or intermediaries attesting to loss of the requirements for the Increased Voting Rights or the loss of lawful title to the shares and/or the of relevant voting rights;
- c) automatically, where the Company becomes aware of circumstances entailing the loss of the requirements for the Increased Voting Rights or the loss of lawful title to shares and/or the relevant voting rights.

Increased Voting Rights will be forfeit:

- a) when a share is transferred, with or without valuable consideration, it being understood that 'transfer' also includes the grant of a pledge, right of usufruct or other security interest in the share, where this entails the loss of the voting right by the shareholder;
- b) when a controlling interest in a company or other entity that holds Increased Voting Rights in excess of the threshold set out in Article 120, paragraph 2, of Legislative Decree No. 58 of 24 February 1998 is transferred directly or indirectly.

Increased Voting Rights:

- a) are retained in the event of the grant by the party registered in the Special List of a pledge or right of usufruct on the shares (for such time as the voting right is held by the party granting the pledge or right of usufruct);
- b) are retained in the event of hereditary succession by the heir and/or legatee;
- c) are retained in the event of a merger or de-merger of the shareholder by the surviving company in the merger or the beneficiary of the de-merger;
- d) are proportionally extended to newly issued shares in the event of a capital increase pursuant to Article 2442 of the Italian Civil Code and a

and the identification details of any controlling entity must be disclosed.

The provisions regarding the shareholder register and all other applicable provisions, including with regard to the publication of information and share-holders' right of inspection, apply to the Special List set out in this Article, to the extent applicable.

The Special List is updated by the Company by the fifth exchange business day after the end of each calendar month and, in any event, by the record date in accordance with applicable legislation in respect for the right to participate and vote in the shareholders' meeting.

Removal from the Special List will occur in the following cases:

- a) waiver by the interested party;
- b) notice from the interested party or intermediaries attesting to loss of the requirements for the Increased Voting Rights or the loss of lawful title to the shares and/or the of relevant voting rights;
- c) automatically, where the Company becomes aware of circumstances entailing the loss of the requirements for the Increased Voting Rights or the loss of lawful title to shares and/or the relevant voting rights.

Increased Voting Rights will be forfeit:

- a) when a share is transferred, with or without valuable consideration, it being understood that 'transfer' also includes the grant of a pledge, right of usufruct or other security interest in the share, where this entails the loss of the voting right by the shareholder;
- b) when a controlling interest in a company or other entity that holds Increased Voting Rights in excess of the threshold set out in Article 120, paragraph 2, of Legislative Decree No. 58 of 24 February 1998 is transferred directly or indirectly.

Increased Voting Rights:

- a) are retained in the event of the grant by the party registered in the Special List of a pledge or right of usufruct on the shares (for such time as the voting right is held by the party granting the pledge or right of usufruct);
- b) are retained in the event of hereditary succession by the heir and/or legatee;
- c) are retained in the event of a merger or de-merger of the shareholder by the surviving company in the merger or the beneficiary of the de-merger;
- d) are proportionally extended to newly issued shares in the event of a capital increase pursuant to Article 2442 of the Italian Civil Code and a

capital in-crease by new contribution through exercise of options;

e) may also be attached to shares assigned in exchange for those with which Increased Voting Rights are already associated, in the event of the merger or de-merger of the Company, where the terms and conditions of the merger or de-merger so provide;

f) are retained in the event of the transfer of UCIs managed by the same party from one portfolio to another;

g) are retained in the event of transfer without valuable consideration to an entity including, without limitation, a trust, marital fund or foundation, of which the transferor or the transferor's heirs are beneficiaries;

h) where the equity investment is held by a trust, are retained in the event of a change of trustee.

In the situations set out under points (d) and (e) of the foregoing paragraph, the new shares acquire Increased Voting Rights (i) for the newly issued shares to which the holder is entitled in exchange for shares in respect of which Increased Voting Rights have already accrued, with effect from registration in the Special List, without the need to complete an additional un-interrupted holding period, and (ii) for the newly issued shares to which the holder is entitled in exchange for shares in respect of which Increased Voting Rights have not yet accrued (but are in the process of accruing), with effect from the completion of the holding period, calculated from the date of original registration in the Special List.

All holders of Increased Voting Rights may always irrevocably waive such In-creased Voting Rights (in whole or in part) at any time by written notice to be sent to the Company, without prejudice that the fact that the loyalty voting rights may be reacquired in respect of the shares for which they are waived through new registration in the Special List and the full completion of an uninterrupted holding period of no less than 24 months.

Increased Voting Rights are also considered when calculating quora for the constitution of meetings and for passing resolutions that are based on percentages of share capital, but have no effect on rights other than voting rights, that are conferred by virtue of holding certain percentages of share capital.

For the purposes of this Article, the notion of 'control' is as defined in the regulations for listed issuers.

The representation of shares held under co-ownership shall be regulated pursuant to law.

capital in-crease by new contribution through exercise of options;

e) may also be attached to shares assigned in exchange for those with which Increased Voting Rights are already associated, in the event of the merger or de-merger of the Company, where the terms and conditions of the merger or de-merger so provide;

f) are retained in the event of the transfer of UCIs managed by the same party from one portfolio to another;

g) are retained in the event of transfer without valuable consideration to an entity including, without limitation, a trust, marital fund or foundation, of which the transferor or the transferor's heirs are beneficiaries;

h) where the equity investment is held by a trust, are retained in the event of a change of trustee.

In the situations set out under points (d) and (e) of the foregoing paragraph, the new shares acquire Increased Voting Rights (i) for the newly issued shares to which the holder is entitled in exchange for shares in respect of which Increased Voting Rights have already accrued, with effect from registration in the Special List, without the need to complete an additional un-interrupted holding period, and (ii) for the newly issued shares to which the holder is entitled in exchange for shares in respect of which Increased Voting Rights have not yet accrued (but are in the process of accruing), with effect from the completion of the holding period, calculated from the date of original registration in the Special List.

All holders of Increased Voting Rights may always irrevocably waive such In-creased Voting Rights (in whole or in part) at any time by written notice to be sent to the Company, without prejudice that the fact that the loyalty voting rights may be reacquired in respect of the shares for which they are waived through new registration in the Special List and the full completion of an uninterrupted holding period of no less than 24 months.

Increased Voting Rights are also considered when calculating quora for the constitution of meetings and for passing resolutions that are based on percentages of share capital, but have no effect on rights other than voting rights, that are conferred by virtue of holding certain percentages of share capital.

For the purposes of this Article, the notion of 'control' is as defined in the regulations for listed issuers.

The representation of shares held under co-ownership shall be regulated pursuant to law.

<p>The shares are de-materialised and are stored in the centralized management system mentioned in Legislative Decree No. 58 of 24 February 1998, as amended and extended (“TUF”) under the de-materialisation regime on the basis of agreements entered into by the Company’s administrative organ with the management company pursuant to TUF, Legislative Decree No. 213 of 24 June 1998 and the Implementing Regulations approved by CONSOB resolution No. 11768 of 23 December 1998, as further amended and extended.</p>	<p>The shares are de-materialised and are stored in the centralized management system mentioned in Legislative Decree No. 58 of 24 February 1998, as amended and extended (“TUF”) under the de-materialisation regime on the basis of agreements entered into by the Company’s administrative organ with the management company pursuant to TUF, Legislative Decree No. 213 of 24 June 1998 and the Implementing Regulations approved by CONSOB resolution No. 11768 of 23 December 1998, as further amended and extended.</p>
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2.3 Board of directors’ considerations regarding the right of withdrawal

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.

Now therefore, in light of the foregoing, we submit for your approval the following draft resolution.

Motion

Shareholders,

In light of the foregoing, the Board of Directors invites you to approve the following draft resolution:

“The Ordinary and Extraordinary Shareholders’ Meeting of Brembo S.p.A.:

- (i) Having examined the “illustrative Report of Brembo S.p.A.’s Board of Directors” on the first item on the Agenda of the Extraordinary Meeting and the ensuing motions;
- (ii) Having illustrated the reasons underlying the aforementioned motions;

RESOLVES

- 1) to amend Article 6 of the By-laws of Brembo S.p.A. as illustrated above;
- 2) to award the Board of Directors, and on its behalf the Chairman and Deputy Vice Chairman in office, separately between them and through special attorneys-in-fact appointed to this end, the fullest powers, without any exclusions, as necessary or appropriate to execute the foregoing resolutions and exercise the faculties governed by the said resolutions, and to apply all amendments, additions or eliminations of a non-substantial nature that should prove necessary to the resolutions of the shareholders’ meeting, upon the request of all competent authorities or upon registration with the Companies Register, in representation of the Company.”

Stezzano, 9 March 2020

On behalf of the Board of Directors
The Chairman
Signed by Alberto Bombassei