



ILLUSTRATIVE REPORT OF THE BOARD OF DIRECTORS OF BREMBO S.P.A CONCERNING THE THIRD ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING OF BREMBO S.P.A., CALLED ON 17TH DECEMBER 2021 IN SINGLE CALL.

(prepared pursuant to Article 125-ter of Legislative Decree No. 58 of 24 February 1998, as subsequently amended and extended, and Article 84-ter of Consob Regulation No. 11971 of 14 May 1999, as subsequently amended and extended)

3. Chairman Emeritus:

3.1 Appointment. Relevant and ensuing resolutions.

3.2 Determination of the term of the office. Relevant and ensuing resolutions.

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Shareholders,

This Report — prepared pursuant to Article 125-ter, paragraph 1, of Legislative Decree No. 58 of 24 February 1998, as subsequently amended and extended (“**TUF**”), and Article 84-ter of Consob Regulation No. 11971 of 14 May 1999, as subsequently amended and extended — was approved by the Board of Directors of Brembo S.p.A. (“**Brembo**” or the “**Company**”) in the meeting held on November 16th, 2021 and is made available to the public in accordance with the terms provided for by applicable laws and regulations in force at the Company’s registered office, on the corporate website at www.brembo.com, in section “Investors”, “For Shareholders”, “Shareholders’ Meeting”, as well as on the authorised storage system “1info-storage” (www.1info.it).

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With regard to item third on the Agenda of the Ordinary Shareholders’ Meeting, it bears recalling that the amendment to the By-laws through addition of Article 17-*bis* to introduce the possibility for the Ordinary Shareholders’ Meeting to appoint a Chairman Emeritus is submitted for approval to the Extraordinary Shareholders’ Meeting held on December 17th, 2021, under first item of the Agenda.

A Director or person external to the Board of Directors may be appointed Chairman Emeritus, provided that he is chosen from among those who have contributed to the Company's prestige and development notably and for a significant period of time.

Pursuant to the provision of the By-laws submitted for the approval of the Extraordinary Shareholders' Meeting of December 17th, 2021, the Ordinary Shareholders' Meeting is granted the power to set the Chairman Emeritus' term of office upon appointment. The term of office may also be indefinite. The Chairman Emeritus may, in any event, be re-elected.

With regard to the functions that the Chairman Emeritus may be called on to perform, Article 17-*bis* of the By-laws that it is proposed be adopted provides that the Chairman Emeritus may be assigned advisory functions relating to the definition of strategies and the determination of actions intended for the growth of the Company and the Group, the execution of extraordinary transactions, the preparation of guidelines for the development of new products and/or the identification of new markets, as concretely established by the Board of Directors. If the Board of Directors has appointed a Strategic Steering Committee — a body with advisory functions in respect the Board with regard to the above matters through the formulation of non-binding recommendations and opinions — the Chairman Emeritus shall be a member thereof. The Board of Directors may also task the Chairman Emeritus with representing Brembo at events relating to cultural, scientific and charitable activities and at institutional meetings with public and private entities.



It bears also recalling that the Chairman Emeritus, even where he does not hold the role of Director, may participate in the meetings of the Board of Directors, expressing non-binding opinions and considerations (without voting rights), as well as in sessions of the Ordinary and/or Extraordinary Shareholders' Meetings.

Any remuneration due to the Chairman Emeritus is determined by the Board of Directors.

On November 16th, 2021, Alberto Bombassei notified his decision to resign from the role of Company Chairman and member of the Board of Directors of the Company, effective as of the date of the Shareholders' Meeting tasked with, *inter alia*, making decisions regarding the integration of the Board of Directors.

As Brembo's founder and in light of his essential contribution to the value creation linked to the Group's development, Alberto Bombassei has undoubtedly "*contributed to the Company's prestige and development notably and for a significant period of time*", pursuant to the new Article 17-bis of the By-laws. Brembo was in fact founded thanks to Alberto Bombassei's intuition, skills and strategic vision, and has gradually evolved from a local Company into a multinational Group — world's leader in the industries in which it operates.

Therefore, the Board of Directors proposes with the favourable opinion of the Remuneration & Appointments Committee, to appoint Alberto Bombassei as Chairman Emeritus of the Company for an indefinite term.

It bears emphasising that this role would allow Alberto Bombassei to contribute, by exercising advisory and propositional functions, to the Group's strategic decisions, thus fostering Brembo's ongoing growth in continuity and coherence with its past and identity. The Company would be able to benefit from his knowledge of the business and markets in which Brembo operates, as well as internal and external dynamics, and continuing to draw on his decades of experience.

It is understood that appointment to Chairman Emeritus will be effective as of the date of registration in the relevant Register of Companies of the resolution of the Extraordinary Shareholders' Meeting approving the amendments to the By-laws set out in item 1 on the Agenda.

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Having regard to Article 125-bis of TUF (concerning the need to make draft resolutions available to the Shareholders) and Article 135-undecies of TUF (concerning the need for Shareholders to give voting instructions to the designated representative by the Company, pursuant to the above-mentioned Article), the draft resolution concerning the third item on the Agenda of the Ordinary Shareholders' Meeting is set out below, it being understood that, since the resolution in question concern the appointment of the Chairman Emeritus it is necessarily incomplete as at the date of this report, since additional/alternative proposals beyond that indicated below may be submitted to the Shareholders' Meeting.

Now therefore, in light of the foregoing, we submit for your approval the following:

Draft resolutions

Proposal about item 3.1 to the Agenda of the Ordinary Shareholders' Meeting

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

- *Having acknowledged the introduction of Article 17-bis of the By-laws concerning the position of Chairman Emeritus;*



- *Having acknowledged the possibility to appoint a Chairman Emeritus;*
- *Having assessed the candidates for the position of Chairman Emeritus;*

resolves

- (1) *to appoint Alberto Bombassei as Brembo S.p.A.'s Chairman Emeritus, effective the date of registration of the relevant resolution with the relevant Register of Companies;*
- (2) *to authorise [●] and [●], separately, to take all actions necessary to the full execution of the aforementioned resolutions, with any and all necessary and appropriate powers to that end, without exclusion, and with the power to delegate third parties."*

Proposal about item 3.1 to the Agenda of the Ordinary Shareholders' Meeting

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

- *Having acknowledged the introduction of Article 17-bis of the By-laws concerning the position of Chairman Emeritus;*
- *Having acknowledged the possibility to appoint a Chairman Emeritus and to establish that the term of office of the Chairman Emeritus;*

resolves

- (1) *to establish that the term of office of the Chairman Emeritus of Brembo S.p.A., Alberto Bombassei, is indefinite, until revocation or resignation;*
- (2) *to authorise [●] and [●], separately, to take all actions necessary to the full execution of the aforementioned resolutions, with any and all necessary and appropriate powers to that end, without exclusion, and with the power to delegate third parties."*

Stezzano, November 16th, 2021

On behalf of the Board of Directors
The Chairman
Alberto Bombassei