
2 ▪ AUDIT, RISK & SUSTAINABILITY COMMITTEE RULES

1. INTRODUCTION

1.1 These Audit, Risk & Sustainability Committee Rules have been adopted by the Board of Directors on 24 April 2024, pursuant to article 19.4 of the Articles of Association and article 8.1 of the Board Rules.

1.2 In these Audit, Risk & Sustainability Committee Rules, unless where explicitly provided otherwise, capitalised words and expressions have the meaning as set forth in the list of definitions attached hereto as **Schedule 1**.

2. MISSION AND VISION OF THE AUDIT, RISK & SUSTAINABILITY COMMITTEE

The Audit, Risk & Sustainability Committee will review the Company's financial reporting process, the systems of internal control and risk management, the external audit process, sustainability issues related to the Company's activities and the interactions with its stakeholders, and the Company's process for monitoring compliance with laws and regulations and its code of ethics, as well as such other matters, which may be specifically attributed to the Audit, Risk & Sustainability Committee by the Board of Directors from time to time.

In performing its duties, the Audit, Risk & Sustainability Committee shall also consider the social, economic, legal and any other consequences of the operations of the Group regarding (i) the subsidiaries of the Company and the suppliers and employees of the Group, (ii) the interests of the customers of the Group, (iii) the communities and the society in which the Group and suppliers operate their businesses, (iv) the local and global environment, and (v) the short-term and long-term interests of the Group.

3. COMPOSITION OF THE AUDIT, RISK & SUSTAINABILITY COMMITTEE

The members of the Audit, Risk & Sustainability Committee and its chair shall be appointed, and may be replaced from their position at any time, by the Board of Directors.

The Audit, Risk & Sustainability Committee shall consist of at least three (3) members. The Audit, Risk & Sustainability Committee shall comprise exclusively of Non-Executive Directors.



More than half of the members of the Audit, Risk & Sustainability Committee, including the chair of the Audit, Risk & Sustainability Committee, shall be independent within the meaning of best practice provision 2.1.8 of the Dutch Code.

Being composed only by Non-Executive Directors, based on the Company's Related Party Transaction Procedure, the Audit, Risk & Sustainability Committee shall also perform the role of the RPT Committee as defined in such procedure.

If a member of the Audit, Risk & Sustainability Committee is or becomes aware of any circumstances which may reasonably impair or affect his independence or the perception of his independence, that member will inform the Audit, Risk & Sustainability Committee promptly. The Audit, Risk & Sustainability Committee will then consult with the Board of Directors to determine whether there is sufficient cause for that member to resign from, or terminate his membership of, the Audit, Risk & Sustainability Committee.

Nominees for the Audit, Risk & Sustainability Committee must also have:

- a) sufficient time available to serve;
- b) the professional skills in relation to the Audit, Risk & Sustainability Committee's tasks; and
- c) the ability to make proposals concerning audit operations and to identify critical risks.

The Audit, Risk & Sustainability Committee shall not be chaired by the chair of the Board of Directors or by a former Executive Director.

The chair of the Audit, Risk & Sustainability Committee shall act as the spokesperson of the Audit, Risk & Sustainability Committee and shall be the main contact for the Board of Directors.

At least one (1) member of the Audit, Risk & Sustainability Committee must have competence in financial reporting or auditing of financial statements, to be evaluated by the Board of Directors upon his appointment. The Audit, Risk & Sustainability Committee as a whole must have competence (which may also be acquired through induction and training activities) relevant to the sector in which the Company operates.

A person designated by the chair of the Audit, Risk & Sustainability Committee shall act as secretary of the Audit, Risk & Sustainability Committee.

4. DUTIES AND POWERS

4.1 General duties and powers

The Audit, Risk & Sustainability Committee prepares the Non-Executive Directors' decision-making on the supervision of the integrity and quality of the Company's financial and sustainability reporting and the effectiveness of the Company's internal risk management and control systems. It focuses among other things on:

- a) the supervision of the Board of Directors with regard to:
 - (i) relations with, and compliance with, recommendations and follow-up of comments by the internal audit function, the External Auditor and any other external party involved in auditing the sustainability reporting;
 - (ii) the funding of the Company;
 - (iii) the Company's tax policy; and

- (iv) the application of information and communication technology by the Company, including risk relating to cybersecurity;
- b) supporting the Board of Directors in its assessments and decisions relating to:
 - (i) the sustainability issues related to the Company's activities and to the interactions with its stakeholders;
 - (ii) the approval of the Annual Accounts and semi-annual accounts, taking into account the Dutch Decree on Non-Financial Information (Besluit bekendmaking niet-financiële informatie) and its effects on the Company;
 - (iii) the preparation and implementation of the requirements, including the right information and reporting systems, under the implementation into Dutch law of Directive (EU) 2022/2464 (Corporate Sustainability Reporting Directive); and
 - (iv) the legal developments on relevant sustainability legislation and its possible impact on and measures required for the Company, including possible future legislation such as the Corporate Sustainability Due Diligence Directive;
- c) examining and evaluating (i) the Group's sustainability policies and procedures ensuring these are aimed at sustainable medium and long-term value creation for its shareholders and its stakeholders and (ii) sustainability targets, goals and consequent processes together with the sustainability reporting by the Group;
- d) monitoring international initiatives in the field of sustainability and the applicability thereof on the Group, in order to safeguard the international sustainability reputation of the Group;
- e) informing the Board of Directors of the outcome of the statutory audit, including an explanation of the manner in which the statutory audit has contributed to the integrity of the financial reporting and the role of the Audit, Risk & Sustainability Committee in that process;
- f) monitoring the financial reporting process and making proposals to ensure the integrity of the process;
- g) monitoring the effectiveness of the internal management system, the internal audit system and the risk management system in relation to the financial reporting of the Company;
- h) monitoring the statutory audit of the Annual Accounts, in particular the process of such audit taking into account the review of the AFM in accordance with article 26, paragraph 6 of Regulation (EU) No 537/2014;
- i) reviewing and monitoring the independence of the External Auditor, as referred to in article 1 paragraph 1 (f) of the Supervision audit firms Act (Wet toezicht accountant-organisaties), or the audit firm as referred to in article 1 paragraph 1 (a) and (c) of the Supervision audit firms Act (Wet toezicht accountantsorganisaties), and in particular the provision of other services to the Company; and
- j) determining the procedure for the selection of the External Auditor and the nomination of the performed statutory audits pursuant to article 16 of Regulation (EU) No 537/2014. The current role for the Audit, Risk & Sustainability Committee for the selection of the External Auditor is set out in article 5.2.

When performing their duties, the members of the Audit, Risk & Sustainability Committee may seek assistance or information from one or more advisers or experts appointed by it and at a price agreed upon with the Board of Directors, which will be paid by the Company.

The Audit, Risk & Sustainability Committee is only entitled to exercise such powers as are explicitly attributed to it by the Board of Directors and it is never entitled to exercise powers beyond those exercisable by the Board of Directors as a whole.

The Audit, Risk & Sustainability Committee can be requested to complete tasks that are not described in these Audit, Risk & Sustainability Committee Rules, when explicitly attributed to the Audit, Risk & Sustainability Committee by the Board of Directors from time to time.

4.2 Internal audit function

Regarding the internal audit function, the Audit, Risk & Sustainability Committee shall:

- a) issue recommendations to the Board of Directors on the appointment and dismissal of the Chief Internal Audit Officer;
- b) annually formulate an opinion to the Board of Directors regarding the way in which the internal audit function fulfils its responsibilities;
- c) be involved in the internal audit function's process of drawing up the Company's audit plan, in which plan attention shall be paid to interaction with the External Auditor;
- d) record how the Audit, Risk & Sustainability Committee is informed by the internal audit function; and
- e) review the internal audit function's report of the audit results.

4.3 Risk management accountability

The Audit, Risk & Sustainability Committee periodically discusses the effectiveness of the design and operation of the internal risk management and control systems of the Company with the Board of Directors. The Audit, Risk & Sustainability Committee will receive support of the internal audit function for the examination of the received reports hereto.

The internal control and risk management system has to identify, analyse and manage, in any case, the strategic, operational, compliance and reporting risks associated with the strategy and activities of the Company and its affiliated enterprise, including any major failings in the internal risk management and control systems which may have been observed in a financial year, any significant changes made to these systems and any major improvements planned.

5. EXTERNAL AUDITOR

5.1 Duties regarding the External Auditor

Regarding the external audit function, the Audit, Risk & Sustainability Committee shall:

- a) report annually to the Board on the functioning of, and the developments in, the relationship with the External Auditor;
- b) advise the Non-Executive Directors regarding the nomination of the External Auditor for appointment, reappointment or dismissal and prepare the selection of the External Auditor;
- c) give due consideration to the Board's and the Non-Executive Directors' observations when reporting and advising on the issues listed under a. and b. above;
- d) submit a proposal to the Non-Executive Directors for the External Auditor's engagement to audit the Annual Accounts. In formulating the terms of engagement, attention shall be paid to the scope of the audit, the materiality to be applied and remuneration for the audit;
- e) discuss with the External Auditor the audit plan and the findings of the External Auditor based on the work the External Auditor has undertaken;
- f) annually discuss with the External Auditor: (i) the scope and materiality of the audit plan and the principal risks of the annual reporting identified by the External Auditor in the audit plan; and (ii) based also on the documents from which the audit plan was developed, the findings and outcomes of the audit work on the annual accounts and the management letter;
- g) determine whether and, if so, how the External Auditor shall be involved in the content

and publication of financial reports of the Company other than the annual accounts; and
h) meet with the External Auditor as often as it considers necessary, but at least once per year without the presence of the Executive Directors.

The Audit, Risk & Sustainability Committee shall contact the External Auditor about the information included in its report. This report shall contain the matters which the External Auditor wishes to bring to the attention of the Board of Directors.

The Audit, Risk & Sustainability Committee is the first point of contact for the External Auditor, if the External Auditor identifies any irregularities in the Company's financial and sustainability reporting.

The Audit, Risk & Sustainability Committee must be contacted by both the External Auditor and the Executive Directors if there is a difference of opinion or any disagreement regarding the audit.

5.2 Selection procedure regarding the External Auditor

The Audit, Risk & Sustainability Committee shall submit a recommendation to the Non-Executive Directors for the appointment of the External Auditor. Unless it concerns the renewal of an audit engagement, the recommendation shall be justified and contain at least two choices for the audit engagement and the Audit, Risk & Sustainability Committee shall express a duly justified preference for one of them using the results of a mandatory selection procedure organised by the Company under the Audit, Risk & Sustainability Committee's responsibility.

The External Auditor shall be appointed by the General Meeting. The Non-Executive Directors nominate a candidate for this appointment to the General Meeting and are entitled to recommend replacement of the External Auditor. The proposal for the appointment of the External Auditor shall include the recommendation and preference made by the Audit, Risk & Sustainability Committee. If the proposal departs from the preference of the Audit, Risk & Sustainability Committee, the proposal shall justify the reasons for not following the recommendation of the Audit, Risk & Sustainability Committee. However, the External Auditor recommended by the Non-Executive Directors must have participated in the selection procedure set out in this article 5.2.

Unless it concerns the renewal of an audit engagement, the recommendation of the Audit, Risk & Sustainability Committee shall be prepared following a selection procedure organised by the Company respecting the following criteria:

- a) the Company shall be free to invite any statutory auditors or audit firms to submit proposals for the provision of the statutory audit service on the condition that the cooling off period as referred to in article 17(3) of Regulation (EU) No 537/2014 is respected and that the organisation of the tender process does not in any way preclude the participation in the selection procedure of firms which received less than 15% of the total audit fees from public-interest entities in the Netherlands in the previous calendar year;
- b) the Company shall prepare tender documents for the attention of the invited statutory auditors or audit firms. Those tender documents shall allow them to understand the business of the audited entity and the type of statutory audit that is to be carried out. The tender documents shall contain transparent and non-discriminatory selection criteria that shall be used by the audited entity to evaluate the proposals made by statutory auditors or audit firms;
- c) the Company shall be free to determine the selection procedure and is entitled to conduct direct negotiations with interested tenderers in the course of the procedure;
- d) if the AFM requires audit firms to comply with certain quality standards, those standards shall be included in the tender documents;
- e) the Company shall evaluate the proposals made by the statutory auditors or the audit

firms in accordance with the selection criteria predefined in the tender documents. The Company shall prepare a report on the conclusions of the selection procedure, which shall be validated by the Audit, Risk & Sustainability Committee. The Company and the Audit, Risk & Sustainability Committee shall take into consideration any findings or conclusions of any inspection report on the applicant statutory auditor or audit firm referred to in article 26(8) of Regulation (EU) No 537/2014 and published by the AFM pursuant to point (d) of article 28 of Regulation (EU) No 537/2014; and

- f) the Company shall be able to demonstrate, upon request, to the AFM that the selection procedure was conducted in a fair manner.

6. AUDIT, RISK & SUSTAINABILITY COMMITTEE MEETINGS AND DECISION-MAKING

6.1 General provisions

The Audit, Risk & Sustainability Committee shall meet as often as deemed necessary for the proper functioning of the Audit, Risk & Sustainability Committee and at least four (4) times a year.

The Audit, Risk & Sustainability Committee shall meet with the External Auditor as often as it considers necessary, but at least once per year without the presence of the Executive Directors (in accordance with article 5.1 h).

Meetings of the Audit, Risk & Sustainability Committee are called in writing by or on behalf of the chair of the Audit, Risk & Sustainability Committee, possibly with the assistance of a secretary appointed by the Audit, Risk & Sustainability Committee. Save in urgent cases, to be determined by the chair of the Audit, Risk & Sustainability Committee, the agenda for the meeting shall be sent to the members of the Audit, Risk & Sustainability Committee at least three (3) calendar days before the meeting. Whenever possible, an explanation in writing and/or other related documentation shall be attached for each item on the agenda.

Each member of the Audit, Risk & Sustainability Committee has the right to request that an item be placed on the agenda for an Audit, Risk & Sustainability Committee meeting.

Meetings of the Audit, Risk & Sustainability Committee are generally held at the offices of the Company but can also take place elsewhere. Meetings of the Audit, Risk & Sustainability Committee can be held by electronic means of communication, provided that all participants are able to see and/or hear each other simultaneously.

Meetings of the Audit, Risk & Sustainability Committee are chaired by the chair of the Audit, Risk & Sustainability Committee. If the chair is not present at a meeting, the member present who served on the Audit, Risk & Sustainability Committee for the longest period of time will act as chair.

The Chief Administration & Financial Officer, the Chief Internal Audit Officer and the External Auditor shall attend the Audit, Risk & Sustainability Committee meetings, unless the Audit, Risk & Sustainability Committee determines otherwise. The Audit, Risk & Sustainability Committee decides whether and, if so, when the Executive Chairman or the CEO could be invited to attend to the Audit, Risk & Sustainability Committee meetings.

The Audit, Risk & Sustainability Committee and the chair of the Audit, Risk & Sustainability Committee may request officers, independent experts or external advisors of the Company and its subsidiaries or other parties to be present at a meeting of the Audit, Risk & Sustainability Committee.

The admittance to the Audit, Risk & Sustainability Committee meetings of persons other than the members of the Audit, Risk & Sustainability Committee, a secretary appointed by the Audit, Risk & Sustainability Committee and the invited persons shall be decided by the chair of the Audit, Risk & Sustainability Committee.

Each member of the Audit, Risk & Sustainability Committee may cast one (1) vote in a meeting in which at least two (2) members of the Audit, Risk & Sustainability Committee are present.

The members of the Audit, Risk & Sustainability Committee shall endeavour to achieve that resolutions are as much as possible adopted unanimously. If unanimity cannot be reached, all resolutions of the Audit, Risk & Sustainability Committee are adopted by an absolute majority of the votes cast. If the vote is tied, the chair of the Audit, Risk & Sustainability Committee shall have a casting vote.

If no resolution can be adopted by the Audit, Risk & Sustainability Committee as a consequence of a conflict of interest (as described in the Board Rules) of all members of the Audit, Risk & Sustainability Committee, the relevant resolution will be referred to the Board of Directors.

If a member of the Audit, Risk & Sustainability Committee is frequently absent during meetings of the Audit, Risk & Sustainability Committee, the chair of the Audit, Risk & Sustainability Committee will discuss this with that member. If the chair of the Audit, Risk & Sustainability Committee is frequently absent during meetings, the other members will discuss this with the chair of the Audit, Risk & Sustainability Committee. The Non-Executive Directors report states the absenteeism rate from the Audit, Risk & Sustainability Committee meetings of each member.

After the meeting, the secretary sends the draft minutes of the meeting to all attendees for comments and observations, which will be collected by the secretary. The final text of the minutes shall be adopted by the Audit, Risk & Sustainability Committee at a subsequent meeting and as evidence thereof signed by the chair of the Audit, Risk & Sustainability Committee and the secretary of the meeting.

6.2 Reporting to the Board of Directors

The Audit, Risk & Sustainability Committee shall report to the Board of Directors on its deliberations and findings at least every six (6) months. This report must, at least, include the following information:

- a) the methods used to assess the effectiveness of the design and operation of the internal risk management and control systems of the Company;
- b) the methods used to assess the effectiveness of the internal and external audit processes of the Company;
- c) material considerations concerning the Company's financial and sustainability reporting; and
- d) the way in which the material risks and uncertainties referred to in the report of the Board of Directors have been analysed and discussed, along with a description of the most important findings of the Audit, Risk & Sustainability Committee.

The Audit, Risk & Sustainability Committee shall prepare a report of its deliberations and findings for the Non-Executive Directors which comments on how the duties of the Audit, Risk & Sustainability Committee were carried out in the financial year. This report shall mention the composition of the Audit, Risk & Sustainability Committee, the number of committee meetings and the main items discussed at the meetings.

The Audit, Risk & Sustainability Committee shall inform the Board of Directors of the outcome of the statutory audit of the Annual Accounts, including an explanation of the manner

in which the statutory audit has contributed to the integrity of the financial reporting and the role of the Audit, Risk & Sustainability Committee in that process.

7. MISCELLANEOUS

These Audit, Risk & Sustainability Committee Rules may be amended by the Board of Directors at any time, it being understood that any amendments of a non-substantive nature that may be required to comply with laws or regulations may be approved by the Executive Chairman and the Lead Non-Executive Director, who will report on these amendments to the other Directors at the following Board of Directors meeting.

The Audit, Risk & Sustainability Committee may occasionally decide not to comply with and adhere to these Audit, Risk & Sustainability Committee Rules, with due observance of applicable laws and regulations.

These Audit, Risk & Sustainability Committee Rules are complementary to the provisions governing the Audit, Risk & Sustainability Committee as contained in Dutch law, other applicable Dutch or EU regulations, the Articles of Association and the Board Rules. Where these Audit, Risk & Sustainability Committee Rules are inconsistent with Dutch law, the Articles of Association or the Board Rules, the latter shall prevail. Where these Audit, Risk & Sustainability Committee Rules are consistent with the Articles of Association or the Board Rules but inconsistent with Dutch law, the provisions of Dutch law shall prevail.

If one or more provisions of these Audit, Risk & Sustainability Committee Rules are or become invalid, this shall not affect the validity of the other provisions. The Board of Directors may replace the invalid provisions by provisions which are valid and the effect of which, given the contents and purpose of these Audit, Risk & Sustainability Committee Rules is, to the greatest extent possible, similar to that of the invalid provisions.

These Audit, Risk & Sustainability Committee Rules are governed by the laws of the Netherlands. The courts of Amsterdam, the Netherlands have exclusive jurisdiction to settle any dispute arising from or in connection with these Audit, Risk & Sustainability Committee Rules (including any dispute regarding the existence, validity or termination of these Audit, Risk & Sustainability Committee Rules).

SCHEDULE 1- LIST OF DEFINITIONS

In these Audit, Risk & Sustainability Committee Rules, the following terms have the following meanings:

AFM	the Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten)
Annual Accounts	the annual accounts of the Company as referred to in article 2:101 DCC
Articles of Association	the articles of association (statuten) of the Company, as amended from time to time
Audit, Risk & Sustainability Committee	the audit, risk & sustainability committee of the Board of Directors which functions as the audit committee as referred to in the Dutch Code
Audit, Risk & Sustainability Committee Rules	these rules of the Audit, Risk & Sustainability Committee, including the schedule belonging thereto, as amended from time to time
Board of Directors	the board (bestuur) of the Company

Board Rules	the rules of the Board of Directors, including the schedules belonging thereto, as amended from time to time
CEO	the Executive Director designated as chief executive officer by the Board of Directors in accordance with the Articles of Association
Chief Administration & Financial Officer	the senior manager appointed as chief administration and financial officer by the Board of Directors
Chief Internal Audit Officer	the senior manager appointed as senior internal auditor by the Board of Directors in accordance with the Dutch Code
Company	Brembo N.V.
DCC	the Dutch Civil Code (Burgerlijk Wetboek)
Directive (EU) 2022/2464	Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting (Corporate Sustainability Reporting Directive)
Dutch Code	the Dutch corporate governance code dated 20 December 2022, as amended from time to time
Executive Chairman	the Executive Director designated as executive chair by the Board of Directors in accordance with the Articles of Association
Executive Director	a member of the Board of Directors appointed as executive director in accordance with the Articles of Association
External Auditor	a qualified accountant (registeraccountant) or other expert as referred to in article 2:393 paragraph 1 DCC or an organisation in which such experts work together
General Meeting	the general meeting (algemene vergadering) of the Company, meaning the corporate body of the Company that consists of the shareholders and all other persons with voting rights or the meeting in which the shareholders and all other persons entitled to attend such meeting assemble
Group	the Company and its subsidiaries
Lead Non-Executive Director	the Non-Executive Director designated as lead non-executive director by the Board of Directors in accordance with the Articles of Association
Non-Executive Director	a member of the Board of Directors appointed as non-executive director in accordance with the Articles of Association
Regulation (EU) No 537/2014	Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2009/509/EC
Related Party Transaction Procedure	the Company's related party transaction procedure
written and in writing	a message transmitted by letter, by e-mail or by any other means of electronic communication provided the relevant message or document is legible and reproducible, unless Dutch law or the Articles of Association provide otherwise