



# **BREMBO SHAREHOLDER ENGAGEMENT POLICY**

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**Meeting of the Board of  
Directors of 17 December 2021**

**REVISIONS INDEX**

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## FOREWORD

Brembo S.p.A. (hereinafter “Brembo” or the “Company”), listed on the electronic share market (MTA) organised and managed by Borsa Italiana S.p.A., believes it to be in its specific interest — and that it has a duty to the market — to establish and maintain a constant, open relationship with its current and/or potential Shareholders and/or Investors in order to increase their level of understanding of the activities performed by the Company and the Group of which it is the parent and to share the strategic actions and visions underlying company management. At the same time, this dialogue is a precious source of information that Brembo believes it ought to take into account, *inter alia* and particularly, in formulating the mission that inspires the Company's actions, with the aim of fostering value growth in the medium-to-long term, as well as in identifying activities designed to ensure high standards of governance.

In accordance with the recommendations enshrined in the New Corporate Governance Code, which entered into effect on 1 January 2021 (hereinafter the “CG Code”), to which Brembo adhered with Board resolution dated 17 December 2021, the Company's Board of Directors — on proposal of the Executive Chairman (hereinafter “EC”), in concert the Chief Executive Officer (hereinafter “CEO”), with prior opinion from the Lead Independent Director and the Independent Board Members on 19 November 2021 and from the Audit, Risk & Sustainability Committee and the Board of Statutory Auditors on 9 December 2021— adopted this Brembo Shareholder Engagement Policy (hereinafter the “Policy”), which, taking account of the best practices adopted by institutional investors reflected in their stewardship codes, lays down the themes and methods of implementing dialogue between the Company and the generality of Shareholders, drawing inspiration from the principles of propriety, transparency and symmetry of information, in accordance with European and Italian legislation on market abuse.

## 1. SCOPE

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

Brembo provides the Shareholders and/or Investors with information regarding its activities, strategies and performance, in the manner set out in this Policy. Particular attention is devoted to

information regarding environmental, social and governance (ESG) issues, since they are deemed relevant to constructing a company identity of sustainability integrated into the business and designed to create present and future value. Dialogue with Shareholders also includes non-financial aspects (e.g., corporate governance procedures and risk-related topics in the broader sense).

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

The following subjects are excluded from the scope of this Policy:

- information given to, and conversations with, the Shareholders during the General Shareholders' Meetings, as governed by specific laws and regulations in effect from time to time, the By-laws and the Shareholders' Meeting regulations;
- clarification or technical information that does not involve and is not within the purview of the members of Brembo's Board of Directors.

## **2. PARTIES IN CHARGE OF MANAGING DIALOGUE BETWEEN THE COMPANY AND ITS SHAREHOLDERS/INVESTORS**

The implementation of dialogue with the Shareholders and/or Investors is entrusted to the parties identified below.

### **2.1 Board of Directors**

The Company's Board of Directors provides steering, monitoring and verification of dialogue, and in particular:

- it approves the Policy and amendments and changes thereto;
- it monitors and periodically assesses the application of the Policy and the course of the dialogue on the basis of the reports received pursuant to Paragraph 2.2 below to ensure that the activity is performed:
  - (i) in the Company's interest, having regard, in particular, to sustainable development and the creation of value in the medium/long term;
  - (ii) in accordance with the Policy and applicable legislation, including with regard to Market Abuse and the principles of transparency, truthfulness, equal treatment and symmetry of information;

- it monitors regulatory and best practice changes in order to make amendments to the Policy, where necessary<sup>1</sup>;
- it may, at any time, take upon itself the power to assess and pass resolutions on matters emerging from dialogue with the current and/or potential Shareholders/Investors and that are deemed particularly important and/or problematic;
- it delegates the Executive Chairman to carry out the activities set out in Paragraph 2.2 below and may delegate other directors to participate in specific events, meetings, discussions or other opportunities for dialogue with the current and/or potential Shareholders and/or Investors, considering their respective roles and competencies, while granting them adequate powers from time to time;
- it reports, on an annual basis, through the Corporate Governance and Ownership Structure Report, on the adequacy of the Policy, its implementation procedures and the most significant topics discussed.

## **2.2 Executive Chairman**

By virtue of the foregoing, the Board of Directors generally delegates the Executive Chairman (hereinafter the “EC”) to handle operational management of all processes of engagement and dialogue with the current and/or potential Shareholders and/or Investors (hereinafter the “Requesting Parties”), ensuring that such processes are always performed in the Company's interest and in accordance with the laws, regulations, this Policy and internal rules.

Within the framework of this delegated authority, the EC, with support from the Head of Investor Relations, and where necessary or appropriate in coordination with the CEO, the Secretary of the Board of Directors and the Chief Communication Officer, based on their respective responsibilities:

- examines requests for dialogue from the Requesting Parties and assesses whether to grant such requests in accordance with the criteria laid down in Paragraph 3.2 below;
- performs preliminary activities, involving, where appropriate, the various competent company functions in charge from time to time, depending on the topics of the dialogue, and coordinating the collection of the relevant information;
- decides which initiatives to take to enable and foster dialogue with the Requesting Parties and identifies the methods of conducting the dialogue, in terms, for example, of choice between the use of means of communication (such as the publication of press releases and/or documents, the company website and social channels) and meetings (one-to-one meetings – between EC/CEO/IR

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<sup>1</sup> This Policy is subject to review whenever necessary or appropriate and, in any event, at least every three years so as to ensure that it is up to date with evolving legislation on corporations and/or related best practices.

- and Requesting Parties -, group meetings, presentations, virtual meetings, conference calls, etc.), and, in this latter case, the number of meetings to be held and identification of the participants;
- assesses whether to involve other directors, managers or employees of the Company in view of their respective specific competencies (also considering the participation to Board Committees, where applicable), the subject-matter and purpose of the discussion and the characteristics of the interlocutor, in order to: (i) satisfy any requests for clarification from current and/or potential Shareholders and/or Investors, and (ii) enable open, constructive and transparent dialogue;
  - ensures that current and/or potential Shareholders and/or Investors enjoy access to information, in accordance with applicable regulations, as well as the Policy, the disclosure obligations to the market, the general confidentiality obligations and the Procedure for Handling Inside and Relevant Information;
  - periodically reports (supported by the Secretary of the Board of Directors) to the Board of Directors and the Board of Statutory Auditors on dialogue and discussion with current and/or potential Shareholders and/or Investors of the Company at the next meeting where significant elements emerge and, in any event, within the framework of Board of Directors' meetings dedicated to examining periodic financial reports, in order to allow the Board of Directors to perform its function of monitoring engagement activity and formulate directives or guidelines, where needed.

It remains understood that, if the EC considers it necessary, he/she may at any time involve the Board of Directors in the performance of the above-mentioned activities.

It should be noted that where non-delegated directors receive a request for a meeting or information from current and/or potential Shareholders and/or Investors of the Company, they are required to immediately inform the Secretary of the Board of Directors, and this latter will inform the EC, who will assess the request and take any initiatives, as further specified above.

### **2.3 Head of Investor Relations and other company functions**

The main point of contact between Brembo and its Shareholders/Investors is the Head of Investor Relations, who acts in coordination with, and under the responsibility of, the EC with regard to implementation of this Policy (with any support from the Secretary of the Board of Directors and the Chief Communication Officer), whom the current and/or potential Shareholders and/or Investors may contact to request information and submit their opinions.

At the operational level, the Head of Investor Relations is the first channel for discussion with the Company for current and/or potential Shareholders and/or Investors; up-to-date references and contacts are available on the corporate website [www.Brembo.com](http://www.Brembo.com), Investors section. Requests

received by persons/functions other than the Investor Relations function (e.g., specific bodies, committees or Company officers) are relayed to the said function for the necessary preliminary review.

In particular, the Head of Investor Relations:

- receives requests from the Requesting Parties aimed at establishing a dialogue with the Company and shares them with the EC for the appropriate assessments;
- communicates and interacts with the Requesting Parties to ensure that information is provided in a transparent, constant and constructive manner;
- interacts on an ongoing basis with institutional investors, as well as financial analysts and rating agencies;
- organises special meetings with the Requesting Parties, where necessary;
- proposes to the EC any and all initiatives aimed at fostering dialogue with the Requesting Parties;
- coordinates with the EC to involve other functions or other heads of structures at Company and Group level with regard to issues falling within their respective remit;
- prepares reports or other documents instrumental to the information flows to be forwarded to the Board of Directors, including based on the material, if any, collected from the other functions or other heads of the relevant structures;
- ensures that the Policy is made available to the public on Brembo's website.

The Head of Investor Relations regularly conveys to the EC the information received and content arising from dialogue with current or potential Shareholders and/or Investors.

### **3. DIALOGUE BETWEEN BREMBO AND ITS CURRENT AND/OR POTENTIAL SHAREHOLDERS AND/OR INVESTORS**

#### **3.1 GENERAL PRINCIPLES**

The Company's main goal is to ensure that its Shareholders and Investors have an open, constructive and fair channel for dialogue, to facilitate an understanding of the activities carried out by the Company and the Group of which it is the parent, to share the strategic actions and visions underlying company management and define the mission that inspires the Company's operations and activities aimed at ensuring high standards of governance, while also guaranteeing respect for the law, corporate best practices and rules for processing relevant and inside information.

In carrying out this activity, it is therefore fundamental that the principles of transparency and completeness of information be assured, but it is equally important that parity of treatment between



the Shareholders and Investors be ensured. Brembo ensures that the information provided during dialogue is correct and consistent with the information already disclosed by the Company.

It is understood that where a Shareholder or an Investor becomes aware of relevant or inside information during meetings or discussions with the Company, Brembo will perform all necessary and appropriate activity — provided for in its company procedure or the legislation in effect from time to time — to ensure compliance with the provisions governing the public disclosure and management of such information, and Market Abuse regulations. In order to act in full accordance with laws, regulations and internal rules, and to ensure fairness and symmetry of information for its current and/or potential Shareholders and/or Investors, the Company may undertake all necessary activity, including:

- publishing press releases;
- requesting that the Shareholder and/or Investor in question sign confidentiality agreements;
- undertaking, where necessary, judicial actions to protect its interests.

For further details on procedures for handling relevant and inside information by the Company, please refer to the “Procedure for Handling Relevant and Inside Information” available on the website [www.brembo.com](http://www.brembo.com), section Company, Corporate Governance, Governance Documents.

### **3.2 ASSESSMENT CRITERIA**

With the support of the Head of Investor Relations, the EC performs preliminary activities, assessing, from time to time, whether the individual requests by the Requesting Parties meet the requirements for establishing dialogue, considering various factors, such as:

- the relevance of the subject-matter for the other Shareholders/Investors as well, in view of creating value in the medium-long term, sustainable success or implementation of high standards of governance;
- any prior requests regarding the same subjects;
- the characteristics and size of the investment by the Requesting Parties who ask to establish a dialogue;
- the reasons cited by the Requesting Parties and the presence of potential conflicts of interest;
- the recommendations of the proxy advisors, voting policies or engagement policies of the asset managers and/or the outcome of previous shareholders' meeting voting.

### 3.3. METHODS OF CONDUCT OF DIALOGUE

According to the topics of the dialogue between Brembo and the current and/or potential Shareholders and/or Investors, the interaction between them and the EC — assisted by the Head of Investor Relations, the Secretary of the Board of Directors, the Chief Communication Officer and, where necessary or appropriate, by other directors and/or company functions — may occur:

- at the request of the current and/or potential Shareholders and/or Investors, to be addressed to the Head of Investor Relations at the addresses indicated on the Company's website ([www.brembo.com](http://www.brembo.com), Investors section), indicating:
  - the subjects the discussion of which is proposed, including those indicated in this Policy;
  - the reasons why a dialogue is requested;
  - the proposed method of conducting the dialogue (e.g., one-way, two-way, one-to-one - between EC/CEO/IR and Requesting Parties- or group meeting, conference call, etc.);
  - the details of the Requesting Parties and their contacts;
  - other information that may be useful to the dialogue; or
- at the initiative of the Company, by the EC, in concert with the CEO, or at the request of the Board of Directors.

In particular, dialogue may be held on scheduled, recurring occasions, the methods and timing of which are differentiated according to the topics discussed (e.g., conference call with institutional investors and financial analysts during which the Company presents the periodic financial results previously reported to the market) or through ad-hoc interventions (e.g., the publication of press releases), using the information channels set out in Paragraph 3.5 below, in any event with any support from directors, managers or heads of department of the Company or Group in virtue of their various specific competencies (also considering any participation in Board Committees), the subject-matter and the purpose of the discussion and the interlocutor's characteristics.

### 3.4 DEADLINES

Engagement and dialogue between Brembo and its current and/or potential Shareholders and/or Investors may occur throughout the year, except during black-out periods, i.e., the 30 days before meetings of Brembo's Board of Directors for the approval of the annual, half-yearly or quarterly accounting results that the Company is required (or has decided) to publish, including the date on which the meeting is held and until the press release on results is disclosed to the public.

However, the foregoing is without prejudice to the ability to interact with current and/or potential Shareholders and/or Investors, including during the black-out period, whenever dialogue initiatives are deemed urgent, necessary and/or appropriate by the Company, and in all cases of observance of symmetry of information and market abuse rules.

### 3.5 INSTITUTIONAL INFORMATION CHANNELS

The Company uses the following channels/opportunities to engage in discussion with its current and/or potential Shareholders and/or Investors, so as to allow them to act in informed, clear and transparent manner:

- **Company website:** Brembo's website ([www.brembo.com](http://www.brembo.com)) is divided into various sections that contain the most interesting and useful information regarding the Company, in both Italian and English, ensuring uniform, symmetrical information content.  
Said sections include information such as: Interim Reports (Section: Investors / Reports), Consolidated Disclosure of Non-Financial Information (section: Sustainability / Report), stock performance information (section: Investors / Stock Information), press releases (section: Investors / Press releases), presentation of interim results (section: Investors / Presentations), composition of the governing boards and committees (section: Company / Corporate Governance), information and documents concerning the Shareholders' Meetings (section: Investors / For Shareholders), regulations, procedures and governance documents (section: Company / Corporate Governance);
- **Press releases to the market:** in order to keep a constant contact with its own Shareholders and Investors, Brembo publishes press releases informing them on the most significant events involving the Company. If the content of a press release is price-sensitive, it is published on the SDIR (System for the Disclosure of Regulated Information) used by the Company (currently [www.1info.com](http://www.1info.com)), in accordance with the CONSOB regulations governing the publication and disclosure of regulated information to the public;
- **Conference calls:** conference calls with financial analysts and institutional investors are periodically organised over the year, during which the top managers illustrate the operating and financial results previously disclosed to the market<sup>2</sup>;
- **Participation in meetings, events and roadshows:** meetings with the financial community, conferences or other events that may make it possible to give information to current and/or potential Shareholders and/or Investors and to the public at large regarding the activities of the Company and the Group of which it is the parent or to comment on the most recent financial results published;
- **Social media:** in order to allow current and/or potential Shareholders and/or Investors to be constantly up to date on the latest news about the Company and to further develop dialogue, Brembo is present on several social channels, including Twitter, Instagram, Facebook, LinkedIn, Pinterest, YouTube;

<sup>2</sup>The Executive Chairman and the Chief Executive Officer, with the Head of Investor Relations, periodically hold a conference call with the financial analysts who cover the Company stock following the Board of Directors' approval of accounting results for the period. The conference call is held in English; afterwards, a transcript is made available on the Company's website (section: Investors / Presentations).

- **Other channels:** this refers to all channels of interaction used from time to time and not specifically identified above, which may be employed according to various needs and/or specific meetings.

In addition to the above channels and opportunities for dialogue, the **Shareholders' Meeting** is a further institutional framework for dialogue between the Company and its Shareholders and/or Investors. On this occasion, where there are questions or requests for clarification, the answers are provided by the EC, the CEO or, where necessary, the various Managers, according to the subject-matter of competence, and pursuant to applicable legislation in force from time to time.

### 3.6 CONTACT PERSONS

All requests from Company's current and/or potential Shareholders and/or Investors may be sent to Brembo via the channels specified on the Company's website <https://www.brembo.com/en/investors>. It should be recalled that only the requests for dialogue meeting the requirements provided for in this Policy will be taken into account. For further information, please refer to the Company's website (<https://www.brembo.com>).

## 4. DIALOGUE REPORTING WITHIN THE CORPORATE GOVERNANCE REPORT

The Board of Directors reports, on an annual basis, through the Corporate Governance and Ownership Structure Report, on the adequacy of this Policy, its implementation procedures and the most significant topics discussed.