TURNING ENERGY INTO INSPIRATION

2025-2027 REMUNERATION POLICY
OF BREMBO N.V.

brembo

Brembo N.V.

Registered offices: Amsterdam (NL)
Business and Corporate Address: Via Stezzano 87 – 24126 Bergamo – Italy
Share capital: €7,007,202.04
Bergamo Register of Companies
Tax Code and VAT Code no. 00222620163

2025-2027 REMUNERATION POLICY OF BREMBO N.V.

brembo

CONTENTS

1. INTRODUCTION

This remuneration policy (the "Remuneration Policy") of Brembo N.V. ("Brembo" or the "Company", and together with its subsidiaries, the "Group") with regard to the executive directors (the "Executive Directors") and non-executive directors (the "Non-Executive Directors") of the Company (collectively, the "Board of Directors") is proposed to be adopted by the general meeting on 29 April 2025 for the next three-year period (2025-2027).

In formulating the Remuneration Policy, the Board of Directors and the Remuneration and Appointment Committee, focusing on attracting, retaining, and rewarding talented individuals, who are the heart and soul of the organization, have considered the following topics:

1. The vision and mission of the Company.
2. The provisions of statutory requirements, with a specific attention given to the Shareholder Rights Directive (Directive (EU) 2017/828) and the implementation thereof into Dutch law.
3. International competitive remuneration market trends, which indicate that attracting and retaining individuals is becoming increasingly difficult in today's competitive labour market. For the Executive Directors, fixed remuneration, short-term and long-term incentive plans are determined based on their position and responsibilities. This calculation takes into account average remuneration levels in the market for positions with similar levels of responsibility and managerial complexity in large international companies to maintain competitiveness and engagement, internal pay ratio and scenario analysis carried out by the Remuneration and Appointment Committee supporting the activity of the Non-Executive Directors.
4. Best practices in corporate governance and executive compensation, creating a Remuneration Policy that aligns with the Dutch Corporate Governance Code (DCGC) and serves the interests of Brembo's shareholders.
5. The societal context and social support surrounding the Company focused specifically on sustainability trends fostering an environmental, social and governance culture among Brembo employees.

The Remuneration Policy is developed through ongoing dialogue with stakeholders. Brembo acknowledges the importance of engaging both with key beneficiaries of the Remuneration Policy as well as investors to incorporate best market practices and gathering valuable feedback from various stakeholders. This proactive approach enables Brembo to continuously enhance its Remuneration Policy, ensuring competitive remuneration for employees and Directors and fulfilling its stakeholders' expectations.

The Remuneration Policy will be effective for the next three-year period (2025-2027) and may be amended by the general meeting in accordance with Dutch law and based on recommendations formulated by the Remuneration and Appointment Committee to the Board of Directors regarding any proposed adjustment.

2. REMUNERATION PRINCIPLES

The Remuneration Policy has been developed in alignment with the Company's long-term business strategy and sustainability goals.

In summary, Brembo's philosophy emphasizes a sound integration of sustainable growth, respect for stakeholders, and a commitment to excellence, which are crucial to achieving long-term success.

At Brembo, our corporate philosophy is centred around several key principles that guide our actions and decisions:

LINKS AMONG STRATEGY, SUSTAINABILITY AND REMUNERATION POLICY

ENSURE SUSTAINABLE GROWTH OF OUR GROUP	The 2025-2027 Remuneration Policy was developed in continuity with previous years, defining compensation elements aimed at supporting the Group's strategic directions through an appropriate balance of short and long-term performance parameters.
CREATE VALUE FOR OUR STAKEHOLDERS	The EVA (Economic Value Added) metric within the 2025-2027 LTIP particularly ensures alignment between the interests of our stakeholders and the actions of the Group's Management.
ALIGN DECISIONS WITH THE ASSESSMENT OF SOCIAL AND ENVIRONMENTAL IMPACTS	The use of ESG metrics in both short and long-term incentive plans, including a KPI linked to the Group sustainability index (Group's carbon footprint), reflects Brembo's medium to long-term sustainability strategy.
ENHANCE GUIDING PRINCIPLES THAT DEFINE THE GROUP	Integrity, responsibility, and transparency are the guiding principles in the Group's remuneration logic, reflected in elements such as attention to employees and Directors, sustainability in the supply chain, and respect for local communities.
MAKE THE COMPANY ATTRACTIVE IN THE MARKET AND INVEST IN BREMBO'S PEOPLE	The elements distinguishing the Remuneration Policy are designed to attract and retain highly skilled managerial talents, enhancing their responsibility, expertise, and experience.

In addition, among the various elements considered in establishing the Remuneration Policy, the Board of Directors also assessed the engagement and strategic alignment of Group employees. It is specifically noted that many remuneration elements applicable to the Executive Directors also apply to other segments of Brembo employees (e.g.: individual remuneration treatments, incentive plans, benefits) depending on the roles held and responsibilities assigned.

2025-2027 REMUNERATION POLICY

ENGAGEMENT AND STRATEGIC ALIGNMENT OF GROUP EMPLOYEES	CONTRIBUTION TO CORPORATE STRATEGY	BEST MARKET PRACTICES	SHAREHOLDERS' ENGAGEMENT	SUSTAINABILITY
The Remuneration Policy enhances the organizational model adopted by the Group, to address future challenges arising from the international landscape and market.	The Remuneration Policy has been defined in line with the Group's long-term strategy and objectives, ensuring its connection to corporate performance to pursue the Group's long-term interests.	The Remuneration Policy reflects remuneration practices of Italian and European peer companies operating in sectors comparable to that of Brembo in terms of value creation.	The Remuneration Policy is established by considering the votes at the general meeting and feedback received from all shareholders during the engagement activities over the year.	The Remuneration Policy reflects the Group's culture and sustainability values and has been designed in harmony with the initiatives and projects outlined in the Sustainability Plan for both the short and long term.

The Remuneration Policy for the various groups of individuals has been formulated in accordance with previous practices, reflecting corporate values and aligning with regulatory requirements and the expectations of the Company stakeholders.

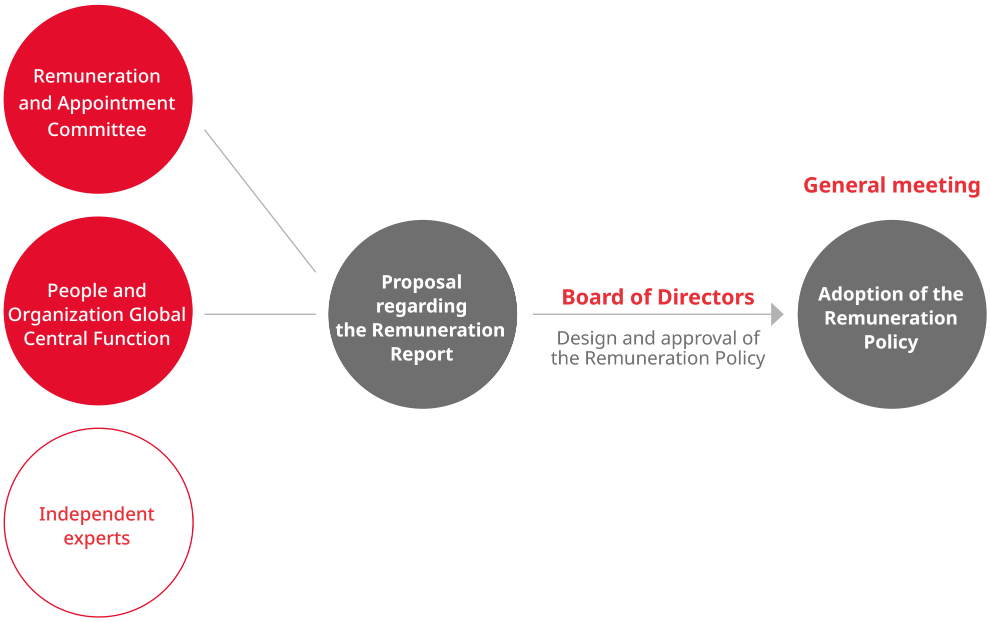
3. GOVERNANCE

The main objective of the Remuneration Policy for the years 2025-2027 is to ensure the active engagement of Executive Directors by aligning their individual interests with those of stakeholders from a long-term perspective. The goal is to support growth and create value over time through a constant assessment of individual and Company performance, with the aim of maintaining high levels of profitability and productivity across the entire Group. In addition, Brembo consistently ensures that its Policies are designed to reflect corporate values and business strategies while also ensuring competitiveness in the reference market and fairness for all employees.

The Remuneration Policy is defined through a formalised process involving the Remuneration and Appointment Committee (also supporting the activities of Non-Executive Directors), the Board of Directors, the People and Organization Global Central Function and the general meeting.

3.1 PROCESS FOR THE REMUNERATION POLICY DEFINITION AND APPROVAL

The Remuneration and Appointment Committee submits a proposal of the Remuneration Policy to the Board of Directors for approval. The People and Organization Global Central Function supports the Remuneration and Appointment Committee in drafting the Remuneration Policy in order to collect market information about practices, policies and benchmarks to support its preparation. If needed, relevant independent experts are also involved in the process. The Board of Directors further designs and approves the Remuneration Policy. The Executive Directors may not participate in the discussion and decision-making process of the Board of Directors on this. Once the Board of Directors has approved the Remuneration Policy, the Remuneration Policy is submitted to the general meeting for adoption. This can be set out as follows:



3.2 STAKEHOLDER ENGAGEMENT

The Remuneration and Appointment Committee regularly reviews the Remuneration Policy against the best corporate governance practices adopted by institutional shareholders and the recommendations of major proxy advisors, while considering also the perspective of stakeholders regarding the Remuneration Policy.

4. REMUNERATION OF NON-EXECUTIVE DIRECTORS

The general meeting determines the remuneration of the Non-Executive Directors. The remuneration of the Non-Executive Directors intends to reward Non-Executive Directors for utilizing their skills and competences to the maximum extent possible to execute the tasks delegated to them including but not limited to tasks and responsibilities imposed by the Dutch Civil Code, the DCGC and the Company's articles of association. The remuneration of the Non-Executive Directors reflects the size of the Group, as well as the responsibilities of the role and the time spent. Given the nature of the responsibilities of the Non-Executive Directors as independent body, the remuneration of the Non-Executive Directors is not tied to the financial performance of the Group and therefore includes fixed compensation only. Non-Executive Directors are not eligible for variable compensation and do not participate in any incentive plans.

The Non-Executive Directors will each receive an annual fixed fee of €60,000. In addition, they receive an additional fee for being the chair or a member of a committee of the Board of Directors, for being the Lead Non-Executive Director and for being a member of the Supervisory Committee as follows:

NON-EXECUTIVE DIRECTORS' COMPENSATION	€
Annual cash fee	€ 60,000
Additional fee for Audit, Risk and Sustainability Committee member	€ 25,000
Additional fee for Audit, Risk and Sustainability Committee Chair	€ 50,000
Additional fee for Remuneration and Appointment Committee member	€ 15,000
Additional fee for Remuneration and Appointment Committee Chair	€ 20,000
Additional fee for the Lead Non-Executive Directors	€ 30,000
Additional fee for Supervisory Committee member	€ 10,000

All Non-Executive Directors are beneficiaries of a directors and officers (D&O) liability insurance policy to cover the risk of third-party claims arising from their actions in performance of their duties. This policy also extends to any legal expenses.

The Group does not grant personal loans, guarantees or the like to Non-Executive Directors. No remission of loans shall be granted. Non-Executive Directors will not be entitled to any severance pay and are not eligible to participate in a pension scheme or other pension related benefits.

Brembo N.V. also sets guidelines regarding the reimbursement of reasonable business expenses incurred by Non-Executive Directors when performing their duties, requiring appropriate payment evidence and VAT receipts.

5. REMUNERATION OF EXECUTIVE DIRECTORS

The main goal of the Remuneration Policy for Executive Directors is to develop a system which consistently supports the business strategy and long-term value creation for all stakeholders. It establishes a compensation structure that allows Brembo to attract and retain the most highly qualified Executive Directors. It also motivates such Executive Directors to achieve business and financial goals, creating long-term value in a manner consistent with its core business and leadership values and taking into account the social context around the Company.

The Remuneration Policy for Executive Directors has been defined taking into account an appropriate balance between the fixed component and the variable component, both short-term and long-term. Indeed, the Remuneration Policy for the Executive Directors provides for a larger weighting of variable remuneration, compared to fixed remuneration, and in particular the long-term component. In addition, both variable systems provide for predetermined and measurable performance targets, consistent with medium-to long-term strategies, as better represented in the Company's Remuneration Report.

The remuneration of Executive Directors is based on the following components:
5.1 fixed remuneration (annual fee and benefits);
5.2 short-term incentive plan ("STIP");
5.3 long-term incentive plan ("LTIP");
5.4 pension;
5.5 severance indemnity.

5.1 FIXED REMUNERATION

The scope of fixed remuneration is to develop the responsibility, expertise and contribution required by the role. Fixed remuneration is set on the basis of the powers granted and role assigned, considering applicable cases on the market for comparable roles and the impact on Company results.

To support this fixed remuneration, regular benchmarking is conducted against compensation packages of executives with comparable experience in similar companies, ensuring that the Company's offering remains competitive and aligned with industry standards. The benchmark consists of a group of companies operating in the same industry that are comparable in terms of size, business activity and governance. In addition, Brembo monitors trends and best practices in both the Italian and global markets.

Fixed remuneration consists of two elements:
- Annual fee (which may comprise the gross annual remuneration, the remuneration as a Director of the Board of Directors and/or the remuneration linked to the special offices of the Executive Directors – Executive Chairman or Chief Executive Officer (CEO). The CEO receives an additional fixed fee linked to the allowance on the house. The Executive Director in charge of the Internal Control and Risk Management System is entitled to an additional fixed fee.
- Fringe benefits: all Executive Directors are beneficiaries of a directors and officers (D&O) insurance policy to cover the risk of third-party claims arising from their actions in performance of their duties. This policy also extends to any legal expenses. Executive Directors are also entitled to other benefits. These benefits are primarily social security and insurance benefits, in line with the standards established by the Italian Collective Agreement (for industrial executives). In addition, Executive Directors may be eligible for health insurance, disability and life insurance, a company car, mobility allowance or travel expenses, representation costs and to participate in any all-employee benefits plans may be offered at any given point. Additional benefits may be offered to the Executive Directors in case of a relocation or an international assignment in accordance with the applicable mobility policy and market practice.

The Group does not grant personal loans, guarantees or the like to Executive Directors except within the framework of its usual business operations, on conditions which apply to all employees and with the prior approval of the Board of Directors. No remission of loans shall be granted.

5.2 SHORT-TERM INCENTIVE PLAN ("STIP")

In 2025, the Remuneration and Appointment Committee established the parameters for the new short-term incentive plan (STIP) applicable from 2025. The STIP aims to align Executive Directors' organisational conduct and motivate them to achieve challenging targets, by recognising their individual contributions to the Group's results on an annual basis.

The STIP was approved by the Board of Directors on 18 March 2025, upon a proposal submitted by the Remuneration and Appointment Committee.

The STIP includes an entry gate based on Group EBITDA in absolute value. This performance condition operates with an on/off threshold functioning mechanism, allowing payment of the final pay-out to Executive Directors only if the Group's operating and financial performance meets established targets. If the entry gate is not reached, the plan will not be activated, resulting in non-payment of monetary incentives, regardless of whether objectives within each STIP form are achieved.

The purely quantitative objectives assigned to beneficiaries were identified and broken down for eligible employees to encourage the generation of both absolute and relative profitability and organic growth for the Group. In detail, the selected objectives include: EBITDA, EBIT, ROI, Total Sales and the Group sustainability index. For the purposes of verifying the performance targets to which the actual pay-out of the incentive scheme will be associated, the final value of the EBITDA, EBIT, ROI and Total Sales taken as a reference will be consistent with consolidated segment reporting (IFRS 8).

The Group has established a maximum limit of 160% for the bonus payable for each objective. Similarly, project performance bonuses are also capped at 160% for each objective. The overall final cap for each STIP form is set at 150%. The pay-out cap differs only for the Executive Chairman and the CEO since, for both, achieving the maximum performance levels results in a pay-out that cannot exceed 133.33% of the target.

At the end of each year, the Board of Directors acknowledges the level of achievement for each objective to establish the final bonus. The disbursement of any accrued bonus will occur following the adoption of the financial statements by the general meeting.

5.3 LONG-TERM INCENTIVE PLAN ("LTIP")

The LTIP is a pure monetary plan that allows participants to accrue a long-term incentive if the plan objectives are met. This plan is linked to pre-established long-term performance targets consistent with the Company strategy and typically vests over a three-year period. The LTIP is a closed, non-rolling plan. Under the LTIP, a single bonus can be assigned, payable in full at the end of the term following the adoption of the financial statements by the annual general meeting.

In accordance with the Company's long-term strategies, the LTIP aims to further align the interests of its beneficiaries with those of the Company by enabling them to benefit from Brembo's expected success over the specified three-year period. The number of beneficiaries remains substantially unchanged compared to the previous LTIP, reflecting the Group's goal of focusing in particular on people in key positions and ensuring their engagement. Accordingly, the Plan's beneficiaries include, in addition to Executive Directors, a group of approximately 65 individuals of the Group's management team, based on their roles and responsibilities. Annual new entries are foreseeable.

The incentive is calculated based on the strategic importance of the role, its impact on Company results and how challenging it is to find replacement candidates in the market.

The reward component of the pay-out curve is offset by the provision that, for values below the threshold (corresponding to performance which are equal to 95% of reference targets), no payment proportional to the referring performance objective will be paid.

If one, two or three of the four performance objectives are not met, beneficiaries remain eligible for a bonus payment proportionate to the objectives achieved.

The incentive provides an annualized value equivalent to 100% of the fixed remuneration for the Executive Chairman and the CEO and 50% of the fixed remuneration for the other Executive Directors, upon achieving the target objectives. The maximum incentive is capped at 150% of the incentive achievable upon reaching the target objectives, while achieving threshold performance levels results in an annual value of 70% of the value at target.

The LTIP costs per each target are included in the three-year business plan objectives making the LTIP being "self-financed" through the achievement of these objectives.

Achieving the incentive is tied to four Group key performance indicators:

- Group Economic Value Added ("EVA"), used to measure the growth in value during the three-year period;
- Group Free Operating Cash Flow as compared to the target for the three-year period target;
- the ratio between Group Net Financial Position and Group EBITDA (NFP/EBITDA), compared to the target set for the individual years of within the three-year period;
- Group sustainability index[1] (Group carbon footprint) at the end of the three-year period.

The target setting for the LTIP performance indicators has been meticulously defined to reflect Brembo's level of challenge and ambition in relation to the new Business Plan and to ensure the company's long-term success and sustainability while taking into account the complex and demanding context.

For the purposes of verifying the performance targets to which the actual pay-out of the incentive scheme will be associated, the final value of the Group EVA, Group FOCF and the ratio NFP/EBITDA taken as a reference will be consistent with consolidated segment reporting (IFRS 8).

The Non-Executive Directors are responsible to assess whether the targets have been met by the Executive Directors, as well as for all related decisions. The Plan also serves retention purposes: the LTIP includes clauses aimed at promoting the retention of individuals. Beneficiaries' entitlement to receive the incentive bonus shall be conditional upon their ongoing employment or management role at the date of payment, it being however understood that the relationship is not deemed underway in the event of process of termination with notice, resignation without just cause or notification of a disciplinary proceeding.

This is without prejudice to the case in which the professional or directorship relationship is terminated in the period between the date of the award letter and date of payment of the bonus due to death or certified physical or mental disability as a result of disease or accident, which entails an inability to continue the professional or directorship relationship for more than six months. In such cases, the bonus will be due on a pro-rated basis according to the period between the date of the award letter and the date of termination of the professional or directorship relationship.

5.4 PENSION

The CEO has an individual supplementary pension scheme. All other Executive Directors, who are employees, are covered by the provisions of the Italian Collective Agreement.

5.5 TERMS OF ENGAGEMENT FOR EXECUTIVE DIRECTORS AND SEVERANCE INDEMNITY

The contract between the Company and the current CEO, Daniele Schillaci, envisages a specific procedure of termination by mutual agreement. Specifically, in accordance with this provision, the CEO is entitled to the payment of a lump-sum one-off indemnity equal to 18 months of an amount corresponding to the sum of the fixed remuneration for the office, the consideration for the non-competition agreement, and the maximum amount payable by way of STIP, in the event of:

- removal or non-renewal at the end of the office and/or mandate without just cause (interpreted as per the law);
- resignation from the office and waiver of mandate by

1 Formula of the Group sustainability index (CDP: Group carbon footprint):

$$\frac{\text{Total amount of } CO_2 \text{ emissions saved in the three years thanks to improvement actions (tonnes } CO_2e\text{)}}{\text{Base year's Scope 1 and 2 } CO_2 \text{ emissions (tonnes } CO_2e\text{)}} \times 100$$

Base year: for the three-year period it corresponds to 2024.

the CEO, necessitated by such a serious reason as to make his continuation impossible; or
- resignation from the office and waiver of mandate by the CEO following a change of control pursuant to Article 2359 of the Italian Civil Code that has resulted in a substantial change in his position and/or his powers, occurring within the thirty days thereafter.

The total amount of the one-off indemnity allocated in the event that one of the aforementioned circumstances occurs may not in any case be less than €3,600,000 gross. This one-off indemnity will be paid on the condition that the CEO signs a settlement agreement in which he waives any further claims or demands in respect of the Group, the termination, within the prescribed timescales, of any positions held at or on behalf of the Group, the confirmation of the undertakings set out in the non-competition and non-poaching agreement of the contract and the additional customary clauses on privacy, confidentiality and no disrepute.

The employment relationships of the remaining Executive Directors are governed by the relevant Italian Collective Agreement. The maximum notice period applicable to them is 12 months. The Group does not have agreements to determine entitlements in the event of leaving office or the termination of the employment except those set down by the applicable legal and/or contractual requirements as per the Italian Collective Agreement.

The Group may enter into non-competition agreements with its Executive Directors. Such agreements can stipulate the payment of a fixed amount or a proportion of gross annual base salary in relation to the duration and scope of the limitation set forth in the agreement. Such limitations vary according to business sectors (and in any case those sectors in which the Group operates at the time of entering into the agreement) and geographical coverage. Additional variations can also relate to the role held at the time of finalising the agreement and can be extended to cover all those countries in which the Group operates.

6. OTHER LEGAL ARRANGEMENTS

The Company may provide, in exceptional circumstances, an option to pay Executive Directors entry, retention bonuses or one-off bonuses to encourage the acquisition and retention of individuals with specific expertise and top-level professional skills deemed necessary to achieve the Group objectives.

7. CLAWBACK/MALUS

With effect from 2016, the STIP and LTIP include a clawback clause. Following the cross-border conversion, the clawback provisions set forth by article 2:135, paragraph 8, of the Dutch Civil Code will be applicable to the STIP and the LTIP. In particular, the clause allows the Company to request, within the statute of limitation period set forth by the law, the refund of part or all of the variable components of remuneration (or to withhold deferred components), the award of which was determined on the basis of data or information concerning the achievement of objectives or the circumstances upon which the variable remuneration was based that subsequently proves manifestly incorrect or determined in the presence of fraudulent behaviour or gross negligence on the part of the beneficiaries (including in case of dismissal for just cause).

8. DEVIATION

In compliance with the DCGC, Brembo has implemented a process for temporary exemption from the Remuneration Policy in the event of exceptional circumstances. Such exemption is aimed at pursuing the Group's long-term interests and sustainability as a whole, or ensuring its ability to remain competitive in the market.

To this end, the cases identified by the Remuneration Policy as exceptional circumstances include, but are not limited to:

- the need to replace, due to unforeseen events, a person in a strategically relevant role for the Group and to negotiate a remuneration package in short order, where the constraints imposed by the Remuneration Policy could limit the ability to attract individuals with the professional skills best suited to achieving the Group's objectives;
- the occurrence of significant changes in the scope of business activity while the Remuneration Policy is in effect, such as the acquisition of a significant business not included within the Remuneration Policy, the impact of which was not foreseeable on an *ex-ante* basis;
- an option to pay entry or retention bonuses to foster the acquisition and retention of individuals possessing specific expertise and top-level professional skills deemed necessary to achieve the Group's strategic objectives.

The Remuneration and Appointment Committee, supported by the People and Organization Global Central Function, is responsible for verifying whether such exceptional situations exist and making proposals for temporary exemptions from the Remuneration Policy to the Non-Executive Directors.

Any exemptions, which may apply to one or more elements of the Remuneration Policy, will be disclosed in the Company's remuneration report, along with the reasons that led the Company to utilize such an exemption.

The elements of the Remuneration Policy that may be subject to exemption under exceptional circumstances are:

- fixed remuneration (annual fee and benefits);
- STIP;
- LTIP;
- severance indemnity.