



**REPORT
ON CORPORATE GOVERNANCE AND
OWNERSHIP SET-UPS**
Pursuant to Article 123-bis of the FCA

GEOX S.p.A.
www.geox.biz

2017 FINANCIAL YEAR

Approved on: 23 February 2018



TABLE OF CONTENTS

Table of Contents

1. ISSUER PROFILE	4
2. INFORMATION ON THE OWNERSHIP STRUCTURES AS OF 31 DECEMBER 2016	7
3. COMPLIANCE	14
4. BOARD OF DIRECTORS.....	16
5. PROCESSING OF CORPORATE INFORMATION	58
6. COMMITTEES WITHIN THE BOARD	59
7. APPOINTMENT COMMITTEE	59
8. APPOINTMENT AND REMUNERATION COMMITTEE.....	61
8. DIRECTORS' REMUNERATION	64
9. AUDIT AND RISKS COMMITTEE	65
10. RISK MANAGEMENT AND INTERNAL AUDIT SYSTEM	70
11. INTERESTS OF DIRECTORS AND TRANSACTIONS WITH RELATED PARTIES	82
12. APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS	86
13. COMPOSITION AND OPERATION OF THE BOARD OF STATUTORY AUDITORS	90
14. DEALINGS WITH THE SHAREHOLDERS	92
15. GENERAL MEETINGS	93
16. OTHER PRACTICES PERTAINING TO CORPORATE GOVERNANCE	95
17. CHANGES SINCE THE END OF THE ACCOUNTING PERIOD IN QUESTION	96
18. CONSIDERATIONS ON THE LETTER DATED 13 DECEMBER 2017 BY THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE.....	96

GEOX

GLOSSARY

Code/Corporate Governance Code	The Corporate Governance Code of listed companies, approved in March 2006 (as subsequently amended, most recently in July 2015) by the Corporate Governance Committee.
Civil Code/c.c.	The Italian civil code.
Board	The Issuer's Board of Directors.
Issuer/Company/Geox	GEOX S.p.A.
Accounting period	The fiscal year which refers to the period ended on 31 December 2017.
Consob Issuers' Regulations	The Regulations issued by Consob under resolution no. 11971/1999 (as subsequently amended) regarding issuers.
Consob Market Regulations	The Regulations issued by Consob under resolution no. 16191/2007 (as subsequently amended) regarding markets.
Consob RPT Regulations	The Regulations issued by Consob under resolution no. 17221 of 12 March 2010 (as subsequently amended) regarding related party transactions.
Report	This report on corporate governance and ownership set-ups that companies are required to draw up pursuant to Article 123-bis of the FCA.
FCA/Finance Consolidation Act	Italian legislative decree no. 58 of 24 February 1998, as subsequently amended.
MAR	The Market Abuse Regulation or Regulation (EU) No. 596/2014 of The European Parliament and of the Council of 16 April 2014 on market abuse.



I. ISSUER PROFILE

MISSION AND VALUES

The footwear and clothing market is extremely competitive.

Geox distinguishes itself from its competitors by allowing its products to “breathe.” The name of the brand Geox derives from the combination of the words “geo” (earth in Greek) on which we all walk and “x” a letter/element that symbolizes technology.

The origin of the Geox name underlines the vocation and DNA of a company that started from a revolutionary idea and made comfort, wellbeing and health corporate must-haves. The company looks forward by “breathing” internally as well, through the practical application of very strong values of the typically Venetian “do it” culture, but always with respect for interpersonal relationships and corporate ethics.

Geox's mission: Geox was born from an innovative idea with the objective of ensuring quality and well-being. We believe that applying ethical principles and principles of solidarity and environmental sustainability are necessary for the sustainable development of our company and the world we live in. We guarantee the quality of our products, as well as ensure that they are the result of fair labour and of innovative and sustainable production processes that respect the ecosystems

The principles of our mission

Geox's mission derives from the application of values that are fundamental to the company:

Technology

Constant focus on the product through application of patented innovative and technological solutions invented by Geox.

Focus on the consumer

Cross positioning of our products for men, women and children in the broader medium and medium/high segment of the market (family brand) and promotion of the direct relation with consumers through a widespread retail network.

Brand recognition

The Geox brand enjoys a high level of recognition, thanks to an effective communication strategy and its identification by consumers with the “breathable” concept.

Internationalisation

GEOX

A growing presence in international markets thanks to the replicability of the business model established in Italy.

Sustainability

Implementing day-to-day operating policies and behaviours that take into account the interests of all stakeholders and the impact that the company's operations may have on the economy, society, and the environment.

Implementing ethical, solidarity and environmental sustainability principles necessary for the long-lasting development of the company and the world we live in.

Paying attention to the quality of our products as the result of fair labour standards as well as innovative and sustainable manufacturing processes that respect the ecosystems.

For further details please refer to the Consolidated Declaration of the Non-Financial Information for the 2017 financial year, drawn up in accordance with Legislative Decree No. 254/2016.

The values of people

Each day, Geox staff absorb its fundamental values:

- Working with enthusiasm and dynamically
- Believing in their own ideas and in innovative projects
- Common sense
- Honesty and integrity
- Temperance in conduct (and costs)
- Responsibility towards employees, customers, partners and shareholders
- Recognition of the importance of training
- Observance of the code of conduct
- Sensitivity with regard to environmental pollution
- Trust in the management.

It has been proven that compliance with these principles reinforces the value of Geox's corporate culture and our trust in the company's future.



SUMMARY DESCRIPTION OF GEOX S.P.A.'S CORPORATE GOVERNANCE SYSTEM

During 2017, the Company fully abided by the recommendations included in the Corporate Governance Code.

The Company intends to provide below complete information on the procedures to implement its corporate governance system and on compliance with the Code, according to the guidelines contained in the format developed by Borsa Italiana as updated in January 2018, as well as according to Article 123-bis of the FCA.

This report refers to the Company's Articles of Association, amended on 22 December 2014 (the "**Articles of Association**").

On 12 January 2017, the Company's Board of Directors, at the time of the triennial review, approved an update of its internal regulations, which identify the principles which Geox abides by in order to ensure the transparency and essential and procedural correctness of transactions with related parties, in application and compliance with Consob's RPT Regulations (the "**Regulation governing Related-Party Transactions**") approved initially on 28 October 2010.

Geox S.p.A.'s corporate bodies are: the Shareholders' Meeting, the Board of Directors, the Executive Committee, the Audit, Risk and Sustainability Committee, the Appointment and Remuneration Committee, the Board of Statutory Auditors and the Supervisory Board under Legislative Decree 231/2001. The Committees represent the internal structure of the Board of Directors and have been established with the aim of improving the functioning and strategic policy capability of the Board.

In addition, there is an Ethics and Sustainable Development Committee currently consisting of Mario Moretti Polegato, Umberto Paolucci and lawyer Renato Alberini, to direct and promote the Company's sustainable development and ethical conduct.

The aim of the corporate governance system is to ensure the correct functioning of the Company and the Group, in general, as well as the development on a global scale of the reliability of its products and, as a consequence, its name.

2. INFORMATION ON THE OWNERSHIP STRUCTURES AS OF 31 DECEMBER 2017

Pursuant to art. 123-bis, par. 1, FCA

a) Share capital structure

The share capital, fully subscribed and paid-in, amounts to Euro 25,920,733.10 and is divided into 259,207,331 ordinary shares, each with a par value of Euro 0.10 (nought point ten).

The Issuer's share capital structure is shown in the table below.

SHARE CAPITAL STRUCTURE				
	No. of shares	% of share capital	Listed (indicate markets) / not listed	Rights and obligations
Ordinary shares	259.207.331	100%	MTA	Each share is entitled to one vote. The rights and obligations of the shareholders are those laid down by articles 2346 and subsequent articles of the Italian civil code
Shares with multiple voting rights	-	-	-	-
Shares with limited voting rights	-	-	-	-
Shares without voting rights	-	-	-	-
Other	-	-	-	-

The extraordinary shareholders' meeting held on 18 December 2008 resolved a share capital increase, with progressive efficacy and against payment, for a maximum amount of Euro 1,200,000 (one million two hundred thousand\00), by means of the issue of a maximum number of ordinary shares equating to 12,000,000 ordinary shares, with a par value of Euro 0.10 (nought point ten) each,

GEOX

regular dividend rights, with the exclusion of the purchase option, and with the latest deadline for subscription established as of 31 December 2020. The shares relating to the increase are reserved for the beneficiaries of the share incentive plans (stock option plans), either already approved or future and possible ones. The resolution confers on the Board of Directors (or on one of its members to whom the Board intends to entrust the engagement) the task of establishing the final issue price of the shares which will be equal to the average of the official prices recorded by Geox shares on the MTA (screen-based stock exchange), in the month prior to the date(s) of assignment (where "month prior" means the period from the date(s) of assignment of the subscription rights to the same day in the previous month, and without prejudice to the fact that in this period, for the purposes of determining the average, account will be taken solely of the open-market days on which Geox ordinary shares were effectively traded), in compliance with the minimum price per share which is 1.20 Euro.

As of the date of this report the 2016-2018 Stock Option Plan approved by the Shareholders' Meeting on 19 April 2016 (the "2016-2018 Stock Option Plan") is in effect.

The 2016-2018 Stock Option Plan establishes vesting period for the Options starting from the date of assignment of the Options themselves and the date of approval of the Group's consolidated financial statements for the year ended 31 December 2018 ("vesting period"), as well as a deadline, i.e. 31 December 2020, for exercising the options before they expire ("expiration date"). Therefore, the Options which have not vested, or in any case which have not been exercised, by the Expiration Date will be understood as extinguished to all effects and purposes with reciprocal release of the Company and the beneficiary concerned from any obligation and responsibility.

The exercise of the stock options is subject to the achievement of certain performance conditions concerning the Group's accumulated net profit at the end of the vesting period based on the Geox Group's 2016-2018 consolidated business plan.

The 2016-2018 Stock Option Plan, approved by the Shareholders' Meeting on 19 April 2016, regards a maximum number of options totalling 4,000,000 and envisages an option assignment cycle which was completed in March 2016 and March 2017. In March 2016, 3,383,375 options were assigned, the exercise price

GEOX

of which was determined by using the average of the official prices of Geox shares in the month preceding 7 March 2016, equal to Euro 2.86. In March 2017, 572,905 options were assigned, the exercise price of which was determined by using the average of the official prices of Geox shares in the month preceding 2 March 2017, equal to Euro 1.995. In November 2017, 126,261 options were assigned, the exercise price of which was determined by using the average of the official prices of Geox securities in the month preceding 8 November 2017, equal to Euro 3.61.

Further details on the 2016-2018 Stock Option Plan are contained in the Regulation available to the public in the Governance section on the website www.geox.biz.

Without prejudice to the matters indicated above in relation to the stock option plans, the Company has issued no financial instruments that grant the right to subscribe newly issued shares.

b) Restrictions on transfer of securities

The Company's ordinary shares are freely transferable and contain no restrictions with regard to their transfer. Moreover, there is no limit on ownership of securities and the Company or other securities' holders confer no approval requirements in relation to the transfer of said shares.

The purchase options that were assigned by the Issuer as part of the stock option plans described in paragraph a) above are non-negotiable and cannot be transferred.

c) Significant equity investments in the share capital

As of the date of approval of the Report, the parties who invest directly or indirectly, to an extent greater than 3% of the share capital, in accordance with the information emerging from the communication made in accordance with Article 120 of the FCA, are:

SIGNIFICANT EQUITY INVESTMENTS IN SHARE CAPITAL
--

GEOX

Direct shareholder	Direct shareholder	% of ordinary share capital	% of voting share capital
Mario Moretti Polegato	LIR S.r.l.	71,1004%	71,1004%

d) Securities with special rights

The Issuer has issued no securities that grant special control rights.

e) Shareholding participation of employees: exercise of voting rights mechanism

There is no mechanism providing for the exercise of employee voting rights.

f) Restrictions on the right to vote

There is no restriction on the right of shareholders to vote.

g) Shareholders' agreements

To the best of the Company's knowledge, there exist no agreements between the Company's shareholders pursuant to article 122 of the FCA.

h) Change of control clauses and provisions of the articles of association concerning PPOs

The Group has not concluded significant agreements that will enter into effect, become amended or be extinguished in the event of a change of control within the contracting company.

The Articles of Association of Geox do not contain any provisions departing from the provisions on the passivity rule laid down by art. 104, paragraphs 1 and 2, of the FCA nor do they envisage the application of the neutralisation rules laid down in art. 104-bis, paragraphs 2 and 3 of the FCA.

i) Proxies to increase the share capital and authorisations to purchase treasury shares

Powers to increase the share capital

GEOX

As of the date of approval of the Report, the Extraordinary Shareholders' Meeting did not grant the Board of Directors authority to increase the share capital pursuant to Articles 2420-ter and 2443 of the Italian Civil Code.

Authorisation to purchase treasury shares

On the date of approval of this Report, there is the Company's shareholders' meeting approval of 20 April 2017 to purchase own shares in compliance with art. 2357 and 2357-ter of the Italian civil code.

Specifically, on 20 April 2017, the Shareholders' Meeting authorised in compliance with art. 2357 and 2357-ter of the Italian Civil Code and art. 132 of the FCA, the purchase, in one or more transactions, of a maximum, on a rotation basis (meaning the maximum number of own shares held each time in portfolio), of 25,920,733 ordinary Geox shares having a nominal value of Euro 0.10 each and, in any event, within the limits of 10% of the Company's share capital, taking into account in that respect also any shares that may be held by subsidiaries. The shares may be purchased until the expiry of the eighteenth month from the date of resolution. The purchase may be made in the manner provided by the joint application of art. 132 of the FCA and art. 144- bis, Paragraph 1, points b) and c) of the Issuers' Regulation. The price per share for the purchase of shares may be set at a maximum and minimum price per share equal to the market close price of Geox shares recorded on the business day prior to the purchase date, plus or minus 10% for the maximum and minimum prices respectively. In any event, the price may not exceed any limits provided by applicable legislation or, if recognised, by accepted market practices. Finally, the maximum purchase volumes may not exceed 25% of the average daily volumes of the 20 stock market sessions preceding the purchase transaction date. Under Article 5 of Regulation (EC) No. 2273/2003, this limit may be exceeded in cases of extreme low liquidity on the market in the conditions set out in the cited provision; in any case, the maximum number of own shares that can be purchased each day under the programme may not exceed 50% of the average daily volume as calculated above. In any event, the volumes may not exceed any limits provided by applicable legislation or, if recognised, by accepted market practices.

As at 31 December 2017, the Issuer held no treasury shares.

j) Management and co-ordination activities

GEOX

The Company manages and coordinates the companies belonging to the Geox Group, including in matters of governance.

Despite it being controlled by another company, Geox does not consider itself to be subject to the management and co-ordination activities of third parties, since the decision-making bodies and the management headquarters of the entire Group are concentrated within Geox's structure.

The company LIR S.r.l. controls the Geox Group, as it owns 71.1% of the share capital and, therefore, includes the Company in its consolidated financial statements. However, as at 31 December 2017, Geox was not subject to management and co-ordination (as defined in Article 2497 and seq. of the Italian Civil Code) by any entity, including LIR S.r.l.

This is because the assumption referred to in Article 2497-sexies of the Italian Civil Code – i.e. that, in the absence of any indication to the contrary, the management and co-ordination activities are carried out by the entity that prepares the consolidated financial statements – does not apply to this specific case for the following reasons:

- (i) the Company continues to independently define its own general strategic and operating guidelines as well as do business with customers and suppliers;
- (ii) Geox has an independent risk management system and its own financial structure;
- (iii) most members of the Company's Board of Directors are not related to LIR S.r.l. In addition, Geox has enough independent directors to ensure that their opinions carry significant weight in the Board's decisions;
- (iv) the Executive Committee, which has the powers for the ordinary and extraordinary administration of the Company, operates under the supervision of the Board of Statutory Auditors.

With reference to the information relating to the agreements between the company and the Directors which provide for indemnities in the event of resignations or dismissal without just cause or if their employment relationship should cease following a public purchase offer, please refer to the contents of the remuneration report published in compliance with art. 123-ter of the FCA (see Section 9 of this Report).

GEOX

The information relating to the rules applicable to the appointment and replacement of the Directors and amendments to the Articles of Association, if other than the additional legislative and regulatory rules applicable on a supplementary basis, are set forth in Section 4.1 of the Report.

3. COMPLIANCE

Pursuant to art. 123-bis, par. 2, letter a), FCA

The Company has formally adopted the Corporate Governance Code for listed companies drawn up by Borsa Italiana S.p.A.'s Corporate Governance Committee, as approved in March 2006 by means of the Board of Directors meeting held on 22 January 2007.

The Corporate Governance Code was amended in March 2010 in its section related to the remuneration of directors and executives (“dirigenti”) having strategic responsibility, and again in December 2011 with the aim, on the one hand, of increasingly adjusting the Code’s recommendations to the size of listed companies, and on the other hand, of strengthening the central role of the Board of Directors and rationalizing the auditing system. The Corporate Governance Code, furthermore, was updated in July 2014, mainly in order to strengthen the “comply or explain” principle relating to the procedure for self-assessment and forewarning the Board as well as the remuneration of directors and transparency on the severance packages of managers.

The Corporate Governance Code was most recently updated in July 2015. The amendments concerned, among other things, the principles that apply to the Board of Directors and the Board Committees (attendance of management personnel at Board meetings and reporting to the Board of Directors on the meetings of the Board Committees), the independent directors (meeting procedures), the Board of Statutory Auditors (assessment of independence and remuneration), risk management (duty of the Board of Directors to assess risks considering the company's sustainability in the medium-long term, description of co-ordination procedures, duty of the Audit and Risk Committee to provide support, and risks associated with the assessments and resolutions of the Board of Directors concerning risk management), as well as the introduction of a number of references to corporate sustainability and the whistleblowing systems for the issuers listed on the FTSE-MIB index.

In reference to the changes made to the Corporate Governance Code in December 2011, the Board of Directors of 20 December 2012 resolved to make some organisational changes in order to transpose these changes, including in particular some changes to the Risk Management and Internal Audit System and to the departments that are involved in this. Moreover, during the above-

GEOX

mentioned meeting held on 20 December 2012, the Board of Directors also resolved to create an Appointment Committee, in compliance with Articles 4 and 5 of the Code. In reference to the changes made to the Corporate Governance Code in July 2014, the Board of Directors of 5 March 2015 transposed the related supplementary disclosure into this report with reference to the self-assessment process of the Board of Directors, the training programmes for directors and auditors, the Board's internal committees and remuneration.

The text of the Corporate Governance Code is available to the public on the website of Borsa Italiana (<http://www.borsaitaliana.it/comitato-corporate-governance/codice/codice.htm>).

Neither the Issuer nor its strategically significant subsidiaries are subject to the provisions of non-Italian laws that influence the Issuer's corporate governance structure.

4. BOARD OF DIRECTORS

4.1 APPOINTMENT AND REPLACEMENT OF DIRECTORS

The provisions applicable for the appointment and replacement of Directors, illustrated below, are indicated under Article 17 of the Articles of Association:

“The Directors are appointed for the first time in the memorandum of association and subsequently by the ordinary shareholders’ meeting. Undertaking of the office of Director is dependent on possession of the requisites established by the law, the Articles of Association and other applicable provisions.

Those who cover more than ten appointments as director or statutory auditor in other companies listed on organized markets (also abroad), in financial, banking and insurance companies or companies of a significant size, cannot be appointed to the office of Director of the Company and, if appointed, fall from office.

When the Board of Directors is appointed by the Shareholders’ Meeting, the Directors are appointed by the ordinary meeting on the basis of lists presented by the Shareholders, in which the candidates will be listed by means of progressive numbers.

The lists must be lodged at the registered office of the company at least twenty-five days before the date established for the Shareholders’ Meeting and must be put at the disposal of the public at the registered office, on the Internet site and with the other procedures laid down by laws and regulations at least twenty-one days before such a meeting.

Each Shareholder may present or contribute towards presenting just one list and each candidate can stand for just one list, on penalty of ineligibility. Each Shareholder, as well as the Shareholders belonging to the same group (this being understood to be the party, not necessarily a company, which controls the same in accordance with Article 93 of Italian Legislative Decree No. 58/1998 as well as the subsidiary and associated companies of the same party), or who comply with a shareholders’ agreement pursuant to Article 122 of Italian Legislative Decree No. 58/98, cannot present or contribute towards presenting or vote for – directly, via third parties or trust companies – more than one list.

Only the Shareholders who alone or together with other Shareholders represent at least one fortieth of the share capital (or a lower threshold determined in accordance with legislation in force as of the date of the shareholders’ meeting) have the right to present lists.

GEOX

Ownership of the aforesaid minimum shareholding necessary to present the lists is calculated taking into account the shares registered in the shareholders' name as at the date when the lists are lodged at the Company's registered office.

In order to prove ownership of the number of shares necessary for presentation of the lists, Shareholders who present or contribute to the submission of the lists, must present and/or send to the registered office a copy of the relevant certificate issued by a broker authorised by law, at least twenty-one days before the Shareholders' Meeting called to deliberate on the appointment of the members of the Board of Directors. The declarations by means of which the individual candidates accept their candidature and declare, at their own liability, the inexistence of the causes of ineligibility and incompatibility envisaged by the law and the Articles of Association, as well as the existence of the requisites which may be laid down by law and the regulations for the respective offices, must be lodged together with each list. Together with the declarations, a curriculum vitae will be lodged for each candidate, including the personal and professional characteristics and, if required, the indication of the suitability for qualifying as independent in accordance with current legislation and in observance of the limit on the accumulation of offices described above.

The lists in relation to which these provisions have not been observed will not be considered as presented.

At least one of the members of the Board, if the Board of Directors is made up of a number of members ranging up to seven, or two members of the Board if the Board of Directors is made up of more than seven members, must possess the independence requisites described above. Directors with the requirements of independence who, subsequent to appointment, lose the afore-mentioned independence requisites, must inform the Board of Directors immediately and, in any event, fall from office.

Periodically, the Board will assess the independency and honourable nature of the Directors. In the event that the independence and uprightness requisites do not exist or cease to exist and in the event that the minimum number of independent Directors established in these Articles of Association ceases to exist, the Board declares the fall from office of the Directors lacking said requisite and sees to the replacement of the same.

Each holder of voting rights can vote for just one list. Every list shall contain a number of candidates equal to the maximum number of members of the Board of Directors as stated in Article 16 and at least two of them shall meet the independence requisites specified above, and unless such lists present a number of candidates lower than three, both genders shall be represented, so that the candidates of the less represented gender

GEOX

are, for the first term of office following one year of the coming into force of Law no. 120/2011, at least 1/5 of the total number and, in the two subsequent terms of office, at least one third of the total number, with rounding off to the higher unit in the case of a fraction.

The election of the Directors will take place as follows:

- a) from the list that has obtained the majority of the votes of the Shareholders the eight tenths of the Directors to be appointed with a rounding down in case of fractions less than one unit shall be taken in the progressive order with which they are listed on said list;
- b) the remaining Directors shall be drawn from the other lists, it being clear that at least one director must be taken from a list that is no way connected, even indirectly, with the members that have presented or voted the list referred to in point a) and that came first in terms of number of votes; for this purpose, the votes obtained from the said lists will be divided subsequently by one, two, three and so on according to the progressive number of the Directors to be appointed. The quotients obtained in this way will be progressively assigned to the candidates in each of these lists, following the relevant order. The quotients attributed in this way to the candidates on the various lists will constitute a single ranking list in a decreasing order. Those who have obtained the highest quotients will be elected. If more than one candidate has obtained the same quotient, the candidate of the list that that has not yet elected any director or that has elected the lower number of Directors shall be elected. In cases where none of these lists have elected a director yet or all have elected the same number of Directors, the candidate of the list that has obtained the greatest number of votes shall be elected. If the votes on the list are tied and with tie in the quotients, a new vote will be cast by the entire Shareholders' Meeting and the candidate obtaining the simple majority of the votes will be elected.

If with the candidates elected with the above-mentioned proceedings the appointment of a Director with the independence requirements referred to above is not guaranteed, the last non-independent candidate elected, following the progressive order on the list with the greatest number of votes referred to in previous point a), shall be replaced by the independent not elected candidate on the same list in accordance with the progressive order.

Should the resulting composition of the body fail to respect the gender balance, taking into account the order in which candidates are listed, the last candidates elected in the Majority List of the most represented gender shall fall from office in a number necessary

GEOX

to ensure the fulfilment of the gender balance requirement, and they shall be replaced by the first non-elected candidates of the less represented gender contained in the same list. If the candidates of the less represented gender in the Majority List are not in sufficient number to proceed with replacement, the Shareholders' Meeting shall appoint other members with the legal majorities, thus ensuring that the gender balance requirement is met.

For the purposes of the division concerning the Directors to be elected, account must not be taken of the lists that have not obtained a percentage of votes equivalent to at least half of those required by the Articles of Association for their submission.

If a single list is presented or if no list at all is presented, the Shareholders' Meeting shall pass resolutions with the majority required by the law, without complying with the above described procedure, without prejudice to the requirement of the minimum number of directors with the requirements of independence specified in these Articles of Association and, in any case, in compliance with the division criterion envisaged by Article 147-ter, par 1-ter, Legislative Decree no. 58/1998.

The term of office of the Directors shall be determined by the Shareholders' Meeting at the time of appointment and cannot exceed three financial years. The Directors shall fall from office on the date of the Shareholders' Meeting convened for the approval of the financial statements related to the last accounting year in which they are in office.

Without prejudice to the provisions of the next paragraph, if one or more Directors should cease to be present for any reason during the three-year period, the Board of Directors shall proceed with the relevant replacement pursuant to Article 2386 of the Italian Civil Code. If one or more Directors who have ceased to fill their office have been drawn from a list that also contains the names of candidates who have not been elected, the Board of Directors will make the replacement by appointing, in accordance with the progressive order, people drawn from the same list to which the Director who is no longer filling his or her office belongs, who are still eligible and agree to accept the office, by respecting the division criterion envisaged by Article 147-ter, par 1-ter, of Legislative Decree no. 58/98. Where an independent Director ceases to fill his or her office, the substitution will occur wherever possible by appointing the first of the independent not elected Directors on the list from which the Director no longer filling his or her office has been taken; pursuant to Article 2386 of the Italian Civil Code the election of the Directors is carried out by the Shareholders' Meeting with the majority required under the law by appointing the replacements on the basis of the same criteria mentioned in the previous paragraph and by respecting the division criterion envisaged by Article 147-ter, par 1-ter, of Legislative

GEOX

Decree no. 58/1998; and the terms of office of the Directors appointed in this way will expire together with those of the Directors in office when they were appointed. Should it happen that there are no longer (in the above-mentioned list) candidates not elected previously, or should it happen that the replacement methods indicated previously do not respect the minimum number of directors with the requirements of independence or the equal balance of genders, or that one list only has been submitted, or that no lists at all have been submitted, the Board of Directors shall replace the ceased Directors pursuant to Article 2386 of the Italian Civil Code without observing the criteria indicated above, as resolved by the Shareholders' Meeting still with the legal majorities, without prejudice – both for co-optation and for meeting resolution – to the minimum number of directors with the requirements of independence and to the division criterion provided for by Article 147-ter, par 1-ter of D. Legislative Decree no. 58/1998; and the directors so appointed shall fall from office along with those in office at the time of their appointment. If during the mandate, the majority of Directors appointed by the Shareholders' Meeting should for any reason cease their offices, the entire Board of Directors will be considered to have ceased the office, and the Shareholders' Meeting must be called urgently by the remaining Directors for the appointment of the new Board of Directors.

If during the financial year, one or more Directors cease to fill their office, providing that the majority is still made up of Directors appointed by the Shareholders' Meeting, the Shareholders' Meeting is anyway entitled to reduce the number of the members of the Board of Directors to that of the Directors in office for the remainder term of office, providing that the minimum number of Directors with the requirements of independence mentioned above is respected and provided that there is at least one of the Directors elected from the minority lists (if previously elected) and provided that the division criterion provided for by Article 147-ter, par. 1-ter, of Legislative Decree no. 58/1998 too is respected.

If the number of Directors is lower than the maximum provided for in Article 16 above, the Shareholders' Meeting, even during the term of office of the Board of Directors, will be able to increase this number up to the maximum limit specified in said article. For the appointment of further members of the Board of Directors the procedure is as follows: the additional Directors shall be taken from the list that has obtained the highest number of votes cast by the Shareholders on the occasion of the appointment of the members in office at the time, from among the candidates who can still be elected, and the Shareholders' Meeting shall resolve with the legal majorities, by respecting this principle and the division criterion provided for by Article 147-ter, par 1-ter, of Legislative Decree

no. 58/98; conversely, should it happen that there are no longer (in the above-mentioned list) candidates not elected previously, or that one list only has been submitted, or that no lists at all have been submitted, the Shareholders' Meeting shall proceed with appointment without observing the criteria indicated above, with the legal majorities and still in accordance with the division criterion provided for by Article 147-ter, par 1-ter, Legislative Decree no. 58/1998. The Directors elected in this way shall cease their office together with those in office at the time of their appointment.

The Shareholders' Meeting shall determine the overall remuneration due to the Directors, including those with special offices. After consulting the Board of Statutory Auditors, the Board of Directors shall split the overall remuneration determined by the Shareholders' Meeting among its members. The Directors are entitled to be reimbursed for expenses incurred while carrying out their functions”.

By means of Resolution no. 20273 published on 24 January 2018, Consob established the shareholding required for presentation of the lists of candidates for election to the administration and control bodies that closed the accounting period ended on 31 December 2017, unless a lower shareholding is envisaged by the Articles of Association. In particular, the shareholding set for GEOX S.p.A. is the following:

CRITERIA FOR THE DETERMINATION OF THE SHAREHOLDING			SHARE-HOLDING
CATEGORY OF CAPITALISATION	FREE FLOAT	MAJORITY STAKE %	
> 375 million euros and <= 1 billion euros	Not material	Not material	2.5%

Succession plans

In regard to the appointment of Directors, it is pointed out that, following an assessment, the Board of Directors of the Company has not adopted any plan for the replacement of executive Directors. The Board of Directors, actually, reckons that it is primarily important to assess, on a case-by-case basis, the need to replace at least some of the directors or otherwise regulate the relationship between the Company and the Directors on an individual basis and taking into account the peculiarities that regard each of them.

4.2 COMPOSITION

Art. 16 of the Articles of Association envisages that the Company is administered by a Board of Directors (hereafter also the “Board” or “BoD”) consisting of a minimum of five to a maximum of eleven directors, who can be re-elected, in compliance with the gender balance requirement pursuant to article 147-ter, par. 1-ter, of the FCA, introduced by Law no. 120 of 12 July 2011.

The Shareholders’ meeting of 19 April 2016 set the number of members of the Board of Directors at 10 and this Board will serve until the Shareholders’ meeting to approve the financial statements at 31 December 2018. The ten members of the Board of Directors were appointed by the Shareholders’ meeting of 19 April 2016 on the basis of 2 lists.

- (i) one list submitted by majority shareholder Lir S.r.l., owner of 71.1004% of the subscribed and paid in capital, consisting of the following candidates: Mario Polegato Moretti, Enrico Polegato Moretti, Giorgio Presca, Claudia Baggio, Lara Livolsi, Alessandro Giusti, Duncan Niederauer, Francesca Meneghel, Roland Berger, Francesca Salvi, Francesco Rossetti; and
- (ii) one list submitted by a group of asset management companies and institutional investors, whose overall equity stake amounts to 1.13% of the subscribed and paid in capital, consisting of the following candidates: Manuela Soffientini, Ernesto Albanese, Daniele Umberto Santosuosso, Angelo Busani, Mariella Tagliabue, Massimo Desiderio, Mario Signani, Alessandro Cortesi, Guido Pianaroli, Licia Soncini, Ilaria Bennati.

The list under point (i) was approved by the majority of the Shareholders’ Meeting, with a number of favourable votes equal to 88.37% of the voting capital.

It emerges that the structure of the Board of Directors in office as at 31 December 2017, and of the Committee, is as illustrated in Table 2 attached:

On 12 January 2017, the Board of Directors of Geox S.p.A. notified that the Company and Giorgio Presca, Chief Executive Officer of the Issuer, had reached an agreement for mutual termination of the employment and management relationship effective from the same date.

On the same date, the Board of Directors, after acknowledging the resignation of Director Giorgio Presca and that the candidates on the majority list submitted to the Shareholders’ Meeting of 19 April 2016 who were not elected in that meeting had already, a while back, notified the Company that they were no longer capable

GEOX

of accepting an appointment as GEOX S.p.A.'s Director, co-opted Gregorio Borgo within the Board and subsequently appointed him as Chief Executive Officer effective from 12 January 2017. Subsequently, pursuant to art. 2386 of the Italian Civil Code, the Shareholders' Meeting confirmed the appointment of Mr Gregorio Borgo as director until the end of term of the entire Board in office, i.e., until the date of approval of the financial statements as at 31 December 2018.

On the same date, the Board of Directors of Geox S.p.A. resolved, among other items on the agenda, to confirm the appointment of Mr Gregorio Borgo as Chief Executive Officer, and verified the requirements of integrity and professionalism, as required by legislation.

The following table indicates the number of meetings held during the financial year ended on 31 December 2017 by the Board of Directors, the Executive Committee, the Audit and Risk Committee and the Appointment and Remuneration Committee:

	Number of Meetings
Board of Directors	7
Executive Committee	14
Audit and Risk Committee	7
Appointment and Remuneration Committee	6

On 18 January 2018, the Board of Directors of Geox S.p.A. acknowledged the resignation tendered by Gregorio Borgo as Chief Executive Officer with immediate effect, and the termination of the employment relationship effective from 31 January 2018. On the same date, Geox S.p.A.'s Board of Directors co-opted Matteo Mascazzini within the Board with the favourable opinion of the Board of Statutory Auditors. In the following meeting on 1 February 2018, the Board of Directors acknowledged the acceptance by Matteo Mascazzini for the office of Director of the Company and subsequently appointed him Chief Executive Officer and member of the Executive Committee.

The personal and professional qualities of the individual Directors are included in their *curricula vitae* published on the Company website www.geox.biz in the *Governance - corporate bodies* section.

Diversity Policy

On 8 November 2017 the Board of Directors established a Diversity Policy for the composition of governing, management and control bodies aimed at ensuring that the corporate bodies function properly by regulating their composition and requiring that their members satisfy the personal and professional requirements ensuring a high degree of heterogeneity and expertise. The Policy promotes corporate social responsibility to the extent that inclusion, integration and non-discrimination, aimed at enhancing diversity, can help remove the economic and social obstacles that limit the freedom of the individual by applying the principle of substantial equality and with respect for individual dignity.

Diversity is seen as a strength in that it allows forming a governing body and a control body with different values, points of view, skills and ideas to promote and enrich the discussion and mitigate the risk of an undifferentiated collective thought. The diversity aspects that are taken into consideration by Geox for the purposes of the composition of the governing body and the control body concern, in addition to personal requirements:

- gender diversity, meaning a balanced representation of genders;
- professional diversity, meaning diversified contributions of different expertise, which ensures contributing financial skills, concerning sectors that are relevant for the Company, international experience, leadership, risk management, planning and implementation of business strategies
- geographic diversity, meaning different origins of the members of the administrative and control body, which allows better knowledge of the specific aspects of the different markets in which it operates.

Geox ensures compliance with the Policy through the Appointment and Remuneration Committee. Specifically, the Committee has the task of:

- assessing, on a yearly basis, the activities carried out by the governing body to identify the needs for balancing skills and protection and enhancement of diversity;
- reporting any critical issues that emerged as a result of the assessments referred to in the point above;

- expressing an opinion on candidates for the director post, specifying whether the lists comply with the recommendations under the point above.

The candidates are selected taking into consideration the personal requirements, gender diversity, professional diversity and country of origin.

Maximum limit on offices held in other companies

The list of offices covered by the Company's Directors in other companies listed on regulated markets (in Italy and/or abroad), in financial, banking and insurance companies or large-scale companies is presented in an attachment to this Report. By means of the resolution dated 22 January 2007, the BoD established to set at 10 the maximum number of appointments as director or statutory auditor that can be covered by each Geox's director in other companies listed on regulated markets (in Italy and/or abroad), in financial, banking or insurance companies or companies of significant size. This provision has also been included in Article 17 of the Articles of Association.

The current composition of the Board of Directors respects this general approach.

Induction programme

In accordance with Article 2. C.2. of the Code, the Chairman encourages the participation of the Directors in Board of Directors meetings and Shareholders' Meetings and other initiatives aimed at increasing their awareness of the corporate situation and dynamics, as well as the applicable legal and self-regulatory framework and proper risk management principles, via, for example, direct dialogue with certain key executives, visits to the Group companies, etc.

In this regard, on 8 November 2017 the Company organised a training event in collaboration with KPMG S.p.A. for all its directors and statutory auditors, aimed at analysing Legislative Decree no. 254/2016 on reporting of non-financial information. Legislative Decree no. 254 of 30 December 2016, implementing the EU Directive on Non-financial and diversity information which provides that large public-interest entities (e.g., listed companies, banks, insurance companies, etc.) should disclose specific information of a non-financial nature starting from financial statements relating to financial years starting from 1 January 2017.

4.3 ROLE OF THE BOARD OF DIRECTORS

During 2017, seven meetings of the Board of Directors were held with an average length of two hours and a half each, called in accordance with the formalities envisaged by the Articles of Association. For the current accounting period a similar number of meetings is expected. As of the date of this report, in the 2018 accounting period two Board of Directors meetings have already been held.

The management of the Company is the exclusive responsibility of the BoD, which carries out all the activities necessary for the implementation and achievement of the corporate purposes, with the sole exclusion of the acts assigned peremptorily to the Shareholders' Meeting by law and by the Articles of Association.

In conformity with art. 2365, paragraph 2, of the Italian Civil Code, the Board is also responsible for: (a) the merger resolution pursuant to Articles 2505 and 2505 bis of the Italian Civil Code; (b) the establishment and closing down of secondary offices; (c) the reduction of the share capital in the event of withdrawal of shareholders; (d) the adaptation of the Articles of Association to legislative provisions; (e) the transfer of the registered office to another Municipality in Italy (Art. 16 of the Articles of Association).

The issue of bonds is also the responsibility of the BoD, with the exception of the issue of bonds convertible into shares of the Company or in any event backed by *warrants* for the underwriting of Company shares, which is resolved by the extraordinary Shareholders' Meeting of the Company (Article 8 of the Articles of Association).

The Articles of Association reserve the following for the BoD: decisions concerning disposal, for any purpose and of any nature, of trademarks, patents and other intellectual property rights, which are the exclusive competence of the BoD (Article 18 of the Articles of Association). Furthermore, the following are the exclusive responsibility of BoD and cannot be delegated: decisions to be adopted, upon the proposal of the Chairman of the BoD, regarding the definition of the growth and policy strategies for corporate management, also on a long-term basis, as well as regarding the annual business and economic-financial plan (budget) and the long-term forecast plans with the related investment plans (Article 16 of the Articles of Association).

Without prejudice to the powers that, as illustrated above, cannot be delegated by law or in any Articles of Association provisions, the BoD has identified

additional matters reserved for its exclusive competence, taking into account the particular significance of the related transactions.

In detail, as of today's date the following decisions are reserved for the responsibility of the BoD, concerning:

- (a) the examination and approval of the Company's strategic, business and financial plans and its group structure;
- (b) granting and revoking proxies to Chief Executive Officers and the Executive Committee, and determining the limits, the exercise and the regularity with which delegated bodies must report to the Board regarding the activities carried out in the exercise of the proxies granted to them;
- (c) establishing (according to the procedures established by law) the remuneration of Chief Executive Officers and those holding specific offices, and, unless the Board has already established it, the allocation of the overall compensation to the members of the Board of Directors and the Executive Committee;
- (d) overseeing the general management trend, with particular attention to conflict of interest situations, taking into account, in particular, the information received from the Executive Committee, the Chief Executive Officers and the Audit and Risk Committee, as well as the periodic comparison of the results achieved with those planned;
- (e) transactions for the purchase or sale, also by means of subscription and conferral, of equity investments and/or companies and/or business segments, if the total value of the individual transaction is higher than Euro 10 (ten) million;
- (f) the granting of loans, if the value per individual transaction is higher than Euro 5 (five) million to third parties, higher than Euro 20 million to the Group companies;
- (g) the issue of unsecured and/or secured guarantees, if the value per individual transaction is higher than Euro 5 (five) million;
- (h) the issue of bonds or financial instruments, if the overall value of the individual transaction is higher than Euro 10 (ten) million;
- (i) the raising of loans and/or other financial debt transactions, if the overall value of the individual transaction is higher than Euro 40 (forty) million;

GEOX

- (j) the granting of donations and other gifts and assigning contributions and funding in favour of NGOs if the maximum value for the accounting period exceeds Euro 1,000,000 (one million);
- (k) all the transactions with related parties outside the Group which are not typical or usual transactions to be concluded under standard conditions (typical or usual transactions mean transactions which, due to their subject matter or nature, do not fall outside the usual course of business of the Company and do not have particular critical elements due to their characteristics or risks that are inherent to the nature of the counterparty, or the time of their performance);
- (l) checking the adequacy of the general organizational and administrative set-up of the Company and the Group arranged by the Chief Executive Officers.
- (m) reporting to the Shareholders' Meeting.

Over the course of 2017, on the basis of the provisions of the Articles of Association specified above and without prejudice to the decisions made by the Chief Executive Officer and the Executive Committee, on the basis of the delegated powers and in line with Article 1, par. 1 of the Code, the Board of Directors of Geox discussed the strategic, industrial and financial plans of Geox and the Group and periodically monitored the implementation thereof, defined the type and level of risk that is compatible with the strategic objectives, considering all risks for the sustainability of the Issuer's business in the medium-long term that may potentially become significant, whilst also assessing the adequacy of the corporate governance system, the organizational, administrative and general accounting model of Geox S.p.A. and of the subsidiaries having strategic relevance, especially with reference to the Internal Auditing and Risk Management System and to the management of the conflicts of interest, as well as of the general management performance, taking into account the information received from the delegated bodies and by making on a regular basis a comparison of the results achieved with the planned results, and the structure of the Group. Furthermore, the BoD examined and approved the transactions of significant strategic importance of the Parent Company and its subsidiaries, and approved minor transactions between related parties assessed in advance by the Committee for Less Significant Related Party Transactions.

GEOX

In accordance with the provisions of Article 36 of the Consob Market Regulations and after having identified the scope of application of the regulations within the Group, the Company acknowledged that the administrative, accounting and reporting systems of the Group allow for disclosure to the public of the accounting schedules prepared for the purposes of drafting the consolidated financial statements and appropriately provide the Parent Company's management and auditors with the information necessary for the purposes of drafting the consolidated financial statements themselves. Similarly, the information flow towards the central auditor, coming from various levels along the chain of corporate control and active throughout the entire accounting period and used for the auditing of the Parent Company annual and interim financial statements, was considered to be effective. Finally, the Company maintains itself updated in regard to the subsidiaries' corporate bodies through lists of the offices held and provides for the centralized collection of official documents relating to the Articles of Association and the assignment of powers thereto, which it updates regularly.

In addition to the Related-Party Transactions Regulation, which regulates possible transactions with related parties which can include situations in which a director has a personal interest or an interest exercised on behalf of others, the Board of Directors, on today's date, assessed and adopted the latest revision to the Code of Ethics, first approved on 13 May 2015 and subsequently amended in 2012, which provides for operating solutions designed to make it easier to identify and manage adequately situations in which a director has a personal interest or an interest exercised on behalf of others. Any personal interests of the Directors or interests exercised on behalf of others in corporate transactions have always been highlighted to the Board of Directors or to the Executive Committee.

Geox S.p.A., a company with shares admitted to listing on a regulated market managed by Borsa Italiana, having adhered to the Corporate Governance Code of listed companies and in particular to Application Criterion I.C.1, g). of the Corporate Governance Code, is required to carry out the evaluation process of the Board of Directors taking into account size and composition, the professional characteristics, experience – also managerial and international – and gender of its members, as well as their length of service.

On 23 February 2018, given also the opinion of the Appointment and Remuneration Committee, in its function as the Appointment Committee, the

BoD carried out a positive assessment of the current dimension, composition and functioning of said Board and its committees, appreciating the variety of the spheres of competence of each director and the consequent diverse contribution which each one has been able to make during their period in office. These features, combined with the elevated professional level of each director, have permitted the Directors to act and resolve in full awareness of the facts and autonomously, pursuing the priority aim of the creation of value for the Company and the Shareholders.

Furthermore, it has been possible to focus on a varied composition of the internal committees, so as to avoid– as far as it is possible– the concentration of the offices in the hands of just a few individuals. In line with the matters recommended by Article I of the Code, the management body is assigned a central role in the Company's Corporate Governance system. The self-assessment has not been connected to the three-year term of the Board of Directors' mandate but with differing methods over the three years. For 2017, the Company also considered it appropriate to make use of external consultants, engaging Computershare S.p.A in collaboration with the law firm Fieldfisher, for support in the aforementioned self-assessment, and specifically the preparatory preliminary self-assessment process, consisting of reviewing and circulating a questionnaire to all Directors, collecting the filled-in format and processing the relevant summary. It is acknowledged that the questionnaire, which was completed by the majority of the directors, has been updated both structurally and as to its contents from the previous years. The results of the questionnaire were processed by Computershare S.p.A. and delivered to the Appointment and Remuneration Committee, which announced its results for the benefit of the Board of Directors and for informative purposes, the Lead Independent Director. Computershare S.p.A. cooperates with the issuer regarding corporate obligations and the law firm Fieldfisher has recently worked with the Company in determining the Diversity Policy for governing, management and control bodies.

The Board of Directors meets at regular intervals, organizing itself and operating so as to ensure an effective and efficient performance of its functions. With the BoD's meetings approaching, the Company shall provide Directors, through the Chairman of the BoD, reasonably in advance and in any case subject to adequate procedures and timeframes, also in consideration of the resolutions to be passed, with the documentation necessary to ensure adequate information in relation to

GEOX

the items on the agenda (as envisaged by Article 18 of the Articles of Association and Article 1 of the Corporate Governance Code). Generally, three days is considered to be adequate notice for the purposes of sending such documentation to the Directors. This notice has been complied with concerning the Board meetings held in 2017. On some occasions, in addition to providing pre-meeting information, the Chairman decided to have also comprehensive and in-depth discussions during the meetings as required by the comment to the Article 1 of the Corporate Governance Code.

The Chairman convenes Board meetings, also when a written request to do so has been received from at least two Directors, from the Board of Auditors or from a Statutory Auditor or from a CEO (art. 20 of the Articles of Association). The presence of the majority of the Directors in office is necessary for the validity of the resolutions; the Board resolutions are adopted by means of absolute majority of the Directors present. In the event equal votes are cast, the Chairman's vote prevails. With regard to decisions concerning disposal, for any purpose and of any nature, of trademarks, patents and other intellectual property rights, the Board of Directors resolves with the favourable vote of five sevenths of its members, with rounding up to the unit (Article 20 of the Articles of Association). The Chairman of the Board of Directors shall make sure that the items on the agenda are examined for the time necessary to enable a constructive debate, by encouraging interventions on the part of Directors during the meetings.

Finally, the Shareholders' Meeting has not authorized, on a general, preventive basis, any departures from the non-compete obligation provided for by Article 2390 of the Italian Civil Code.

It is also pointed out that, on 28 July 2016, Mr Livio Libralesso was appointed as General Manager for the Administration, Finance, Control. By virtue of the office granted and pursuant to Article 18 of the Articles of Association, Mr Libralesso attends the Board of Directors and Executive Committee meetings, with the right to express his non-binding opinion on the items discussed. In addition to the works of the Board, Mr Pierluigi Ferro, the Legal and Corporate Affairs Manager, participates as a Secretary.

Finally, it is pointed out that during 2017, upon the invitation of the Chairman and only in relation to the relevant items on the agenda, the Human Resources and

Organisation Manager and the Head of Internal Audit attended the Board of Directors meetings.

4.4 DECISION-MAKING BODIES

a) Chief Executive Officer

Within the limits of the law and the Articles of Association, in observance of the reservations of responsibility of the Shareholders' Meeting, the Board of Directors and the Executive Committee and the limits specifically indicated in relation to each power, the BoD granted the Chief Executive Officer the powers of ordinary and extraordinary business illustrated below.

In regard to the statutory limitations on the powers of delegation, it is noted that pursuant to Article 18 of the Articles of Association, the Board of Directors has exclusive competence with regard to the decisions concerning disposal, for any purpose and of any nature, of trademarks, patents and other intellectual property rights belonging to the Company.

With reference to the 2017 financial year, below are set out the powers granted to the Chief Executive Officer, Mr Gregorio Borgo on 12 January 2017, and subsequently reconfirmed on 20 April 2017 following the Shareholders' Meeting's confirmation of the appointment as Director pursuant to art. 2386 of the Italian Civil Code.

STRATEGIC GUIDELINES:

The Chief Executive Officer is the main person responsible for company management and in that capacity is also responsible for preparing, formalising and illustrating the proposals regarding the Company and group strategy and organisation intended for the approval of competent bodies, as well as indications on procedures relating to matters that are reserved by the law and the Articles of Association to the Chairman and the Board of Directors and those falling under express powers granted to the Executive Committee. To this end, he regularly reports to the Executive Committee on the Company management trend.

Therefore, Mr Gregorio Borgo, in his capacity as the Chief Executive Officer of the Company, is granted, within the limits of the law and the Articles of Association, in accordance with the powers reserved to the Shareholders' Meeting, the Board of Directors and the Executive Committee, within the budget

GEOX

and any forecasts approved and within the limits specifically set out in relation to each power granted, the following powers of ordinary and extraordinary administration:

GENERAL SERVICES AND PRODUCTION ACTIVITIES:

With the power to sub-delegate

1. act with full decision-making powers and under his own responsibility, oversee the production, technological, commercial and technical-plant sectors, coordinate any aspect of the manufacturing activities of the Company, within the limits of the pre-established production and budget plans; Authorise taking all safety measures required by the law on safety and accident prevention;
2. ensure, also by means of on-going maintenance, repairs and replacements, that the Company's plants are fully compliant with the provisions aimed at containing emissions or inflows of fumes, gas, powders, vapours, liquid and solid residues within the limits prescribed by Italian legislation, so that they do not contribute to polluting the atmosphere, the ground, the waterways and do not exceed the limit of normal tolerability for those nearby.

PURCHASES OF GOODS AND SERVICES:

With the power to sub-delegate

3. undertake commitments on subjects relating to corporate activities, in particular finalise contracts with suppliers of products, raw materials and services for external processing, finalising the related agreements and also granting payment extensions and discounts, agreeing prices and payment methods provided that, as far as contracts with suppliers are concerned, the total amount does not exceed Euro 500,000 (five hundred thousand) per individual contract; in relation to purchasing finished products, the abovementioned limit is extended to the seasonal budget established by the Executive Committee;
4. enter into contracts relating to the purchase of machinery, equipment, vehicles and other movable property, also those registered in Public Registers, finalising the related deeds, negotiating the related prices and payment methods, granting payment extensions and discounts, provided that the total amount does not exceed Euro 500,000 (five hundred thousand) per individual contract;

GEOX

5. purchase any services necessary to carry out corporate activities, with the express power to enter into the relevant contracts and/or finalise any service and/or consulting contracts, negotiate prices and payment terms, provided that the total amount does not exceed Euro 250,000 (two hundred fifty thousand) per individual contract, it being understood that consulting contracts having a term exceeding 24 (twenty-four) months and the overall evaluation of insurance coverage proposals are reserved to the Executive Committee; contracts with persons having public relevance are expressly excluded from this paragraph;
6. enter into lease agreements, bailment agreements, rental agreements and financial lease agreements regarding movable properties necessary for the performance of corporate activities, provided that the overall value does not exceed Euro 500,000 (five hundred thousand) per individual agreement, it being understood that agreements regarding the lease of business units are expressly excluded from this paragraph.

SALES, RETAIL AND WHOLESALE:

With the power to sub-delegate

7. sell and export products of the Company and the group it belongs to, ensuring the correct management of receivables claimed from all customers of the Company and the group;
8. sell and export the Company's stock;
9. make sales lists of products offered to customers, granting payment extensions, discounts and reductions to customers, accept returns of goods and settle objections and disputes with the said customers;
10. enter into contracts relating to the sale of machinery, equipment, vehicles and other movable property, also those registered in Public Registers, finalising the related deeds, negotiating the related prices, conditions and payment methods;
11. oversee Company and group activities relating to retail, also by entering into, amending and terminating agreements and contracts, including (without limitation) real estate lease and rental agreements, affiliation and/or commercial cooperation agreements, as well as contracts for work, purchase and sale, works or services contracts, consulting contracts and any other agreements that are useful and functional for the setting up,

GEOX

reorganisation, maintenance, functioning and implementation of the production capacity of the shops and the relevant warehouses, provided that the total amount does not exceed Euro 500,000 (five hundred thousand) per individual contract;

agreements regarding the lease of business units and assessments regarding the opening or closing of shops and the relevant investment falling under the powers of the Executive Committee are expressly excluded from this paragraph;

12. oversee Company and group activities relating to wholesale, also by entering into, amending and terminating agreements and contracts, including (without limitation) agency, representation, mediation and business procurement contracts, also exclusive, or otherwise relating to the sale of the Company's products, also through Corner, Shop-in-shop and Concession, provided that the value and/or overall expenditure (also in case of multi-year contracts) does not exceed a total of Euro 250,000 (two hundred fifty thousand) per individual contract, if it can be quantified due to the nature of the contract. Licence and distribution agreements must be submitted to the Executive Committee for approval.

HUMAN RESOURCES:

With the power to sub-delegate

13. enter into, amend and terminate individual employment contracts relating to managers, employees, supervisory staff, workers, by carrying out all actions regarding hiring, promotion, dismissal, disciplinary measures, determining duties and remuneration, transfers and secondments at other companies of the group, also by appointing attorneys-in-fact to represent the company in the relevant disputes and to give informal depositions pursuant to Article 420 of the Italian Code of Civil Procedure, with the right to mediate and settle disputes;
14. with regard to executives: carry out all actions relating to determining duties and remuneration, transfers and secondments at other companies of the group, with the exception of persons with whom there is a direct hierarchical relationship, and with the exception of the persons who report directly to the Board of Directors under the Corporate Governance Code;
15. perform any act and fulfil any task in the field of social welfare, tending to

GEOX

relations with all the social security welfare and insurance institutions, tending to the matters required by current provisions regarding labour matters, especially with regard to insurance, contributions, indemnities and taxes;

16. deal with any authority, body, agency regarding labour issues, with trade unions and employers' associations, as well as with employment bureaus and mediation and arbitration boards, with the power to settle disputes, carry out any other act and accomplish any other task concerning labour issues, considered appropriate in the Company's interests.

CREATIVE AND STYLE MANAGEMENT:

17. oversee and coordinate the style structures of the Company and the group it belongs to, as well as any other activities relating to the technical and style study, planning, design and development of the products of the Company and the group, also through, and with the power to sub-delegate, entering into, amending and terminating contracts and agreements, including (without limitation) contracts for work, tenders, consultancy, (including consultancy agreements with stylists and designers) merchandising, co-branding, contracts for the purchase and granting of rights to use and exploit images and artistic work, as long as the overall amount does not exceed Euro 250,000 (two hundred fifty thousand) for single contract, it being understood that consultancy agreements whose duration exceeds 24 (twenty-four) months are reserved to the Executive Committee.

PROMOTIONAL ACTIVITIES, MARKETING, EVENTS AND COMMUNICATION:

18. oversee the marketing, promotion, advertising activities, and communication in general, of the Company and the group it belongs to, also through, and with the power to sub-delegate, entering into contracts and agreements, including (without limitation) contracts for work, tenders, consultancy, sponsoring, purchase and sale, merchandising, co-branding, contracts for the purchase and granting of rights to use and exploit images and artistic and photographic work, lease, rental and other agreements for producing and creating events, as long as the overall amount does not exceed Euro 250,000 (two hundred fifty thousand) for single contract, it being understood that consultancy agreements whose duration exceeds 24

GEOX

(twenty-four) months are reserved to the Executive Committee;

19. oversee the communications and public relations of the company and the group, including media relations, including with the press and digital media, also through, and with the power to sub-delegate, entering into contracts for work, tenders, consultancy and including (without limitation) contracts for the purchase of advertising spaces and pages in newspapers and magazines, contracts for the purchase of services, web pages, social media and other on-line services, cooperation agreements with testimonials, VIPs and celebrities, as long as the overall amount does not exceed Euro 250,000 (two hundred fifty thousand) for single contract, it being understood that consultancy agreements whose duration exceeds 24 (twenty-four) months are reserved to the Executive Committee.

RELATIONS WITH BANKS:

With the power to sub-delegate

20. carry out all transactions necessary for the correct management of financial relations with the companies belonging to the Geox group, including any collection and payment of financial transactions, in any form, as well as grant loans to Geox's subsidiaries, with the sole signature of the Chief Executive Officer and within the limit of Euro 20,000,000.00 (twenty million) per transaction;
21. request opening and closing of bank accounts;
22. finalise bank account credit facilities, enter into and terminate bank advances agreements and bank agreements in general;
23. enter into, negotiate, amend and terminate short-term loan agreements having a term of less than 18 months within the limit of Euro 20,000,000.00 (twenty million);
24. demand and collect, for any reason, also by endorsements, amounts, receivables, payment orders and deposits, both from the Issuing Institution, the *Cassa Depositi e Prestiti*, Treasury Offices, Railway, Postal and Telegraph offices, and any public or private offices and any Italian or foreign persons, issuing receipts and discharges;
25. make payments into bank accounts, endorse bank cheques, promissory notes, certificates of credit, bills of exchange and postal money orders for discount and for collection, payable at credit agencies, post and telegraph offices, and in general with any individual or corporate entity, endorse

GEOX

payment orders, including warrants on State, Regional, Provincial and Municipal Authority Treasury Offices and on any public banks, endorse cheques, and in any event issue the corresponding receipts;

26. make bank deposit, overseeing the relevant payments;
27. make transfers between banks within the limits of Euro 20,000,000.00 (twenty million);
28. make withdrawals or payments in any form, also in foreign currency, in consideration of the commitments of the Company also by bank cheques and bankers' drafts drawn from cash equivalents and credit granted:
 - a. up to the amount of Euro 3,000,000.00 (three million) per individual transaction, with the sole signature of the Chief Executive Officer; it is specified that the abovementioned limit of Euro 3,000,000 (three million) does not apply to payment of taxes, duties and social security contributions payable by the Company under the legislation in force;
 - b. above this amount, and up to the amount of Euro 10,000,000.00 (ten million) per individual transaction, with the joint signature of the Chief Executive Officer and that of the Manager of the Legal and Corporate Affairs Department, or the Group Treasury Manager;
 - c. above this amount, and up to the maximum amount of Euro 20,000,000.00 (twenty million) per individual transaction with the joint signature of the Chief Executive Officer and that of the Manager for the Administration, Finance, Control;it is specified that with regard to withdrawals the above limit is lowered to Euro 100,000 (one hundred thousand), unless otherwise provided for by the law.
29. open and/or pay letters of credit:
 - a. up to the amount of Euro 3,000,000.00 (three million) per individual transaction, with the sole signature of the Chief Executive Officer;
 - b. above this amount, and up to the amount of Euro 10,000,000.00 (ten million) per individual transaction with the joint signature of the Chief Executive Officer and that of the Manager of the Legal and Corporate Affairs Department, or the Group Treasury Manager;
 - c. above this latter amount, and up to the maximum

GEOX

amount of Euro 20.000.000,00 (twenty million) per individual transaction with the joint signature of the Chief Executive Officer and that of the Manager of the Administration, Finance and Control Department;

30. exclusively for the purpose of, and within the limits of that which is necessary for, setting up hedging transactions relating to exchange and/or interest rate risks, purchase and sell and in general enter into any transaction concerning foreign currency, as well as enter into and terminate contracts on interest and exchange rates; all of which in compliance with the monetary provisions in force, as well as those which may be introduced in the future:
 - a. up to the maximum amount of Euro 20,000,000.00 (twenty million) per individual transaction with the joint signature of the Chief Executive Officer and that of the Group Treasury Manager;
 - b. above this amount, and up to the maximum amount of Euro 50,000,000.00 (fifty million) per individual transaction with the joint signature of the Chief Executive Officer and that of the Manager of the Administration, Finance and Control Department.

TAX AND CUSTOMS MATTERS:

With the power to sub-delegate

31. draft and sign applications, statements, certifications and notices pursuant to tax, contribution, welfare and labour legislation;
32. authorise and make payments of taxes, duties and contributions, as well as sign the relevant declarations, statements and certifications required by the law;
33. carry out all actions or formalities necessary or useful to obtain VAT and/or tax refunds in general by the Company (and/or subsidiaries), also indirectly, including requesting bank guarantees or other security in favour of the financial administration, within the limit of Euro 1,500,000 (one million five hundred thousand) per individual transaction;
34. draft and sign applications, statements, certifications and notices pursuant to customs legislation and intra-EU transactions, including those that are

GEOX

necessary to carry out import and export transactions of raw material, finished products and semi-finished products;

35. handle relationships with the Postal Administration and with the enterprises dealing with railway, sea, air and truck transport, with the power to draw up any document and raise any claim, receive registered and insured letters, parcels, and documents of any type, collect reimbursements and sums of any kind, by issuing the relevant receipts.

INSURANCE:

With the power to sub-delegate

36. enter into, amend and terminate insurance contracts, directly with insurance companies and/or through insurance brokers, within the limit of Euro 100,000 (hundred thousand) per individual transaction;
37. collect indemnities and compensation from insurance companies on behalf of the Company, issuing the relevant receipts.

CREDIT MANAGEMENT:

With the power to sub-delegate

38. oversee the correct credit management of the Company, including (without limitation) by sending notices to pay, settling pending and/or potential disputes through settlement agreements, mediation and conciliation procedures within the limit of Euro 1,000,000 (one million) per individual transaction;
39. protest bills and serve writs of execution, tend to preventive and enforcement measures, if necessary tend to the revocation of the same, intervene in bankruptcy proceedings, arrangements with creditors, receivership and advance the declaration thereof, make and accept offers to discharge debt (including through the delivery of goods);
40. lodge claims in insolvency proceedings and make claims, represent the Company in insolvency proceedings (including receivership and arrangements with creditors procedures).

GUARANTEE:

41. issue guarantees within an overall maximum amount not exceeding Euro 250,000 (two hundred fifty thousand).

MISCELLANEOUS:

42. deal with any and all public and government body, in Italy or abroad, including but not limited to Chambers of Commerce, Commercial

Registers and public registers, finalising any document, application, or receipt on behalf of the Company;

43. represent the Company, as claimant or as defendant, before any judicial authority at any instance or type of jurisdiction, for all types of litigation or proceedings of any kind, and also before the Tax Commissions at any instance, with the power to appoint lawyers, for litigation and more general powers, arbitrators and experts, removing and/or replacing them, in Italy and abroad, with the power to elect domicile, settle disputes and in any event manage them, and sign the necessary powers of attorney for such purposes;
44. sign correspondence and documents in general;
45. appoint the personal data processor in accordance with the provisions of art. 29 of Legislative Decree No. 196/2003, granting the relevant duties and with the necessary spending power within the maximum amount of Euro 250,000 (two hundred fifty thousand) for each financial year;
46. with the obligation to promptly report to the Executive Committee and with the power to sub-delegate, represent the company in meetings and, in general, at decision-making levels that involve resolving or decision-making bodies of subsidiaries or investee companies, both EU or non-EU, with the right to intervene, vote, provide opinions or consent, appeals or claims, and in particular, within the context of these decisions, to appoint, revoke appointments, replace and/or add members of these companies' management and/or control bodies, with the power to appoint himself as the sole director or a board member of these companies without this being understood as or implying a conflict of interest; provide or sign, in the name and on behalf of the Company, but in the interest of said subsidiaries or investee companies, declarations, applications, requests and documents which are generally addressed to Public Administrations, Public Registers, Rolls, Archives or private entities providing public services, including in order to obtain registrations, permits, authorisations, clearances and other similar measures; provide a specimen signature as the Chief Executive Officer of the company;
47. in relation to the matters listed in the previous points, and within the limits envisaged above for each one of them, represent the Company in dealings with any third party, public and/or private, in the name and on

GEOX

- behalf of the Company, signing any deed and/or document;
48. appoint, within the powers indicated above, attorneys for the conclusion of specific agreements or general attorneys-in-fact, providing them with the related powers, and revoke said appointments;
 49. oversee the implementation and correct operation of the corporate governance rules established by the Board of Directors.

It is specified that on 18 January 2018, the Board of Directors of Geox S.p.A. acknowledged the resignation tendered by Gregorio Borgo as Chief Executive Officer with immediate effect, and the termination of the employment relationship effective from 31 January 2018. On the same date, Geox S.p.A.'s Board of Directors co-opted Matteo Mascazzini within the Board with the favourable opinion of the Board of Statutory Auditors. In the following meeting on 1 February 2018, the Board of Directors acknowledged the acceptance by Matteo Mascazzini for the office of Director of the Company and subsequently appointed him Chief Executive Officer and member of the Executive Committee.

Below are specified the powers granted to the Chief Executive Officer, Mr Matteo Mascazzini on 1 February 2018:

STRATEGIC GUIDELINES:

The Chief Executive Officer is the main person responsible for the company management and in that capacity is also responsible for preparing, formalising and illustrating the proposals regarding the Company and group strategy and organisation intended for the approval of competent bodies, as well as indications on procedures relating to matters that are reserved by the law and the Articles of Association to the Chairman and the Board of Directors and those falling under express powers granted to the Executive Committee. To this end, he regularly reports to the Executive Committee on the Company management trend.

Therefore, Mr Mascazzini, in his capacity as the Chief Executive Officer of the Company, is granted, within the limits of the law and the Articles of Association, in accordance with the powers reserved to the Shareholders' Meeting, the Board of Directors and the Executive Committee, within the budget and any forecasts approved and within the limits specifically set out in relation to each power granted, the following powers of ordinary and extraordinary administration:

GENERAL SERVICES AND PRODUCTION ACTIVITIES:

With the power to sub-delegate

1. act with full decision-making powers and under his own responsibility, oversee the production, technological, commercial and technical-plant sectors, coordinate any aspect of the manufacturing activities of the Company, within the limits of the pre-established production and budget plans; Authorise taking all safety measures required by the law on safety and accident prevention;
2. ensure, also by means of on-going maintenance, repairs and replacements, that the Company's plants are fully compliant with the provisions aimed at containing emissions or inflows of fumes, gas, powders, vapours, liquid and solid residues within the limits prescribed by Italian legislation, so that they do not contribute to polluting the atmosphere, the ground, the waterways and do not exceed the limit of normal tolerability for those nearby.

PURCHASES OF GOODS AND SERVICES:

With the power to sub-delegate

3. undertake commitments on subjects relating to corporate activities, more specifically, finalise contracts with suppliers of products, raw materials and services for external processing, finalising the related agreements and also granting payment extensions and discounts, agreeing prices and payment methods provided that, as far as contracts with suppliers are concerned, the total amount does not exceed Euro 500,000 (five hundred thousand) per individual contract; in relation to purchasing finished products, the abovementioned limit is extended to the seasonal budget established by the Executive Committee;
4. enter into contracts relating to the purchase of machinery, equipment, vehicles and other movable property, also those registered in Public Registers, finalising the related deeds, negotiating the related prices and payment methods, granting payment extensions and discounts, provided that the total amount does not exceed Euro 500,000 (five hundred thousand) per individual contract;
5. purchase any services necessary to carry out corporate activities, with the express power to enter into the relevant contracts and/or finalise any service and/or consulting contracts, negotiate prices and payment terms, provided that the total amount does not exceed Euro 250,000 (two

GEOX

hundred fifty thousand) per individual contract, it being understood that consulting contracts having a term exceeding 24 (twenty-four) months and the overall evaluation of insurance coverage proposals are reserved to the Executive Committee; contracts with persons having public relevance are expressly excluded from this paragraph;

6. enter into lease agreements, bailment agreements, rental agreements and financial lease agreements regarding movable properties necessary for the performance of corporate activities, provided that the overall value does not exceed Euro 500,000 (five hundred thousand) per individual agreement, it being understood that agreements regarding the lease of business units are expressly excluded from this paragraph.

SALES, RETAIL AND WHOLESALE:

With the power to sub-delegate

7. sell and export products of the Company and the group it belongs to, ensuring the correct management of receivables claimed from all customers of the Company and the group;
8. sell and export the Company's stock;
9. make sales lists of products offered to customers, granting payment extensions, discounts and reductions to customers, accept returns of goods and settle objections and disputes with the said customers;
10. enter into contracts relating to the sale of machinery, equipment, vehicles and other movable property, also those registered in Public Registers, finalising the related deeds, negotiating the related prices, conditions and payment methods;
11. oversee Company and group activities relating to retail, also by entering into, amending and terminating agreements and contracts, including (without limitation) real estate lease and rental agreements, affiliation and/or commercial cooperation agreements, as well as contracts for work, purchase and sale, works or services contracts, consulting contracts and any other agreements that are useful and functional for the setting up, reorganisation, maintenance, functioning and implementation of the production capacity of the shops and the relevant warehouses, provided that the total amount does not exceed Euro 500,000 (five hundred thousand) per individual contract;
12. agreements regarding the lease of business units and assessments regarding

the opening or closing of shops and the relevant investment falling under the powers of the Executive Committee are expressly excluded from this paragraph;

13. oversee Company and group activities relating to wholesale, also by entering into, amending and terminating agreements and contracts, including (without limitation) agency, representation, mediation and business procurement contracts, also exclusive, or otherwise relating to the sale of the Company's products, also through Corner, Shop-in-shop and Concession, provided that the value and/or overall expenditure (also in case of multi-year contracts) does not exceed a total of Euro 250,000 (two hundred fifty thousand) per individual contract, if it can be quantified due to the nature of the contract. Licence and distribution agreements must be submitted to the Executive Committee for approval.

HUMAN RESOURCES:

With the power to sub-delegate

14. enter into, amend and terminate individual employment contracts relating to managers, employees, supervisory staff, workers, by carrying out all actions regarding hiring, promotion, dismissal, disciplinary measures, determining duties and economic treatment, transfers and secondments at other companies of the group, also by appointing special attorneys-in-fact to represent the company in the relevant disputes and to give informal deposition pursuant to Article 420 of the Italian Code of Civil Procedure, with the right to mediate and settle disputes;
15. with regard to executives: carry out all actions relating to determining duties and economic treatment, transfers and secondments at other companies of the group, with the exception of persons with whom there is a direct hierarchical relationship, and with the exception of the persons who report directly to the Board of Directors under the Corporate Governance Code;
16. perform any act and fulfil any task in the field of social welfare, tending to relations with all the social security welfare and insurance institutions, tending to the matters required by current provisions regarding labour matters, especially with regard to insurance, contributions, indemnities and taxes;
17. deal with any authority, body, agency regarding labour issues, with trade

GEOX

unions and employers' associations, as well as with employment bureaus and mediation and arbitration boards, with the power to settle disputes, carry out any other act and accomplish any other task concerning labour issues, considered appropriate in the Company's interests.

CREATIVE AND STYLE MANAGEMENT:

18. oversee and coordinate the style structures of the Company and the group it belongs to, as well as any other activities relating to the technical and style study, planning, design and development of the products of the Company and the group, also through, and with the power to sub-delegate, entering into, amending and terminating contracts and agreements, including (without limitation) contracts for work, tenders, consultancy, (including consultancy agreements with stylists and designers) merchandising, co-branding, contracts for the purchase and granting of rights to use and exploit images and artistic work, provided the overall amount does not exceed Euro 250,000 (two hundred fifty thousand) for each contract, it being understood that consultancy agreements whose term exceeds 24 (twenty-four) months are reserved to the Executive Committee.

PROMOTIONAL ACTIVITIES, MARKETING, EVENTS AND COMMUNICATION:

19. oversee the marketing, promotion, advertising activities, and communication in general, of the Company and the group it belongs to, also through, and with the power to sub-delegate, entering into contracts and agreements, including (without limitation) contracts for work, tenders, consultancy, sponsoring, purchase and sale, merchandising, co-branding, contracts for the purchase and granting of rights to use and exploit images and artistic and photographic work, lease, rental and other agreements for producing and creating events, provided the overall amount does not exceed Euro 250,000.00 (two hundred fifty thousand) for each contract, it being understood that consultancy agreements whose term exceeds 24 (twenty-four) months are reserved to the Executive Committee;
20. oversee the communications and public relations of the company and the group, including media relations, including with the press and digital media, also through, and with the power to sub-delegate, entering into contracts

GEOX

for work, tenders, consultancy and including (without limitation) contracts for the purchase of advertising spaces and pages in newspapers and magazines, contracts for the purchase of services, web pages, social media and other on-line services, cooperation agreements with testimonials, VIPs and celebrities, provided the overall amount does not exceed Euro 250,000 (two hundred fifty thousand) for each contract, it being understood that consultancy agreements whose term exceeds 24 (twenty-four) months are reserved to the Executive Committee.

RELATIONS WITH BANKS:

With the power to sub-delegate

21. carry out all transactions necessary for the correct management of financial relations with the companies belonging to the Geox group, including any collection and payment financial transactions, in any form, as well as grant loans to Geox's subsidiaries, with the sole signature of the Chief Executive Officer and within the limit of Euro 20,000,000.00 (twenty million) per transaction;
22. request opening and closing of bank accounts;
23. finalise bank account credit facilities, enter into and terminate bank advances agreements and bank agreements in general;
24. enter into, negotiate, amend and terminate short-term loan agreements having a duration of less than 18 months within the limit of Euro 20,000,000.00 (twenty million);
25. demand and collect, for any reason, also by endorsements, amounts, receivables, payment orders and deposits, both from the Issuing Institution, the *Cassa Depositi e Prestiti*, Treasury Offices, Railway, Postal and Telegraph offices, and any public or private offices and any Italian or foreign persons, issuing receipts and discharges;
26. make payments into bank accounts, endorse bank cheques, promissory notes, certificates of credit, bills of exchange and postal money orders for discount and for collection, payable at credit agencies, post and telegraph offices, and in general with any individual or corporate entity, endorse payment orders, including warrants on State, Regional, Provincial and Municipal Authority Treasury Offices and on any public banks, endorse bankers' drafts, and in any event issue the corresponding receipts;
27. make bank deposit, overseeing the relevant payments;

28. make transfers between banks within the limits of Euro 20,000,000.00 (twenty million);
29. make withdrawals or payments in any form, also in foreign currency, in consideration of the commitments of the Company also by bank cheques and bankers' drafts drawn from cash equivalents and credit granted:
 - a. up to the amount of Euro 3,000,000.00 (three million) per individual transaction, with the sole signature of the Chief Executive Officer; it is specified that the abovementioned limit of Euro 3,000,000 (three million) does not apply to payment of taxes, duties and social security contributions payable by the Company under the legislation in force;
 - b. above this amount, and up to the amount of Euro 10,000,000.00 (ten million) per individual transaction, with the joint signature of the Chief Executive Officer and that of the Manager of the Legal and Corporate Affairs Department, or the Group Treasury Manager;
 - c. above this amount, and up to the maximum amount of Euro 20,000,000.00 (twenty million) per individual transaction with the joint signature of the Chief Executive Officer and that of the Manager for the Administration, Finance, Control;it is specified that with regard to withdrawals the above limit is lowered to Euro 10,000 (ten thousand), unless otherwise provided for by the law.
30. open and/or pay letters of credit:
 - a. up to the amount of Euro 3,000,000.00 (three million) per individual transaction, with the sole signature of the Chief Executive Officer;
 - b. above this amount, and up to the amount of Euro 10.000.000,00 (ten million) per individual transaction with the joint signature of the Chief Executive Officer and that of the Manager of the Legal and Corporate Affairs Department, or the Group Treasury Manager;
 - c. above this latter amount, and up to the maximum amount of Euro 20.000.000,00 (twenty million) per individual transaction with the joint signature of the Chief Executive Officer and that of the Manager of the Administration, Finance and Control

GEOX

Department;

31. exclusively for the purpose of, and within the limits of that which is necessary for, setting up hedging transactions relating to exchange and/or interest rate risks, purchase and sell and in general enter into any transaction concerning foreign currency, as well as enter into and terminate contracts on interest and exchange rates; all of which in compliance with the monetary provisions in force, as well as those which may be introduced in the future:
 - a. up to the maximum amount of Euro 20,000,000.00 (twenty million) per individual transaction with the joint signature of the Chief Executive Officer and that of the Group Treasury Manager;
 - b. above this amount, and up to the maximum amount of Euro 50,000,000.00 (fifty million) per individual transaction with the joint signature of the Chief Executive Officer and that of the Manager of the Administration, Finance and Control Department.

TAX AND CUSTOMS MATTERS:

With the power to sub-delegate

32. draft and sign applications, statements, certifications and notices pursuant to tax, contribution, welfare and labour legislation;
33. authorise and make payments of taxes, duties and contributions, as well as sign the relevant declarations, statements and certifications required by the law;
34. carry out all actions or formalities necessary or useful to obtain VAT and/or tax refunds in general by the Company (and/or subsidiaries), also indirectly, including requesting bank guarantees or other security in favour of the financial administration, within the limit of Euro 1,500,000 (one million five hundred thousand) per individual transaction;
35. draft and sign applications, statements, certifications and notices pursuant to customs legislation and intra-EU transactions, including those that are necessary to carry out import and export transactions of raw material, finished products and semi-finished products;
36. handle relationships with Postal Administration and with the enterprises dealing with railway, sea, air and truck transport, with the power to draw

GEOX

up any document and raise any claim, receive registered and insured letters, parcels, and documents of any type, collect reimbursements and sums of any kind, by issuing the relevant receipts.

INSURANCE:

With the power to sub-delegate

37. enter into, amend and terminate insurance contracts, directly with insurance companies and/or through insurance brokers, within the limit of Euro 100,000 (hundred thousand) per individual transaction;
38. collect indemnities and compensation from insurance companies on behalf of the Company, issuing the relevant receipts.

CREDIT MANAGEMENT:

With the power to sub-delegate

39. oversee the correct credit management of the Company, including (without limitation) by sending notices to pay, settling pending and/or potential disputes through settlement agreements, mediation and conciliation procedures within the limit of Euro 1,000,000 (one million) per individual transaction;
40. protest bills and serve writs of execution, tend to preventive and enforcement measures, if necessary tend to the revocation of the same, intervene in bankruptcy proceedings, arrangements with creditors, receivership and further the declaration thereof, make and accept offers to discharge debt (including through the delivery of goods);
41. lodge claims in insolvency proceedings and make claims, represent the Company in insolvency proceedings (including receivership and arrangements with creditors procedures).

GUARANTEE:

42. issue guarantees within an overall maximum amount not exceeding Euro 250,000 (two hundred fifty thousand);
43. request the issue of bank guarantees in favour of third parties within the limits of lines of credit granted by banks as follows:
 - a. with sole signature for amounts up to Euro 500,000 per individual transaction;
 - b. with joint signature with Mr Libralesso for amounts exceeding Euro 500,000 and up to Euro 1,500,000 per individual transaction.

MISCELLANEOUS:

44. deal with any and all public and government body, in Italy or abroad, including but not limited to Chambers of Commerce, Commercial Registers and public registers, finalising any document, application, or receipt on behalf of the Company;
45. represent the Company, as claimant or as defendant, before any judicial authority at any instance or type of jurisdiction, for all types of litigation or proceedings of any kind, and also before the Tax Commissions at any instance, with the power to appoint lawyers, for litigation and more general powers, arbitrators and experts, removing and/or replacing them, in Italy and abroad, with the power to elect domicile, settle disputes and in any event manage them, and sign the necessary powers of attorney for such purposes;
46. sign correspondence and documents in general;
47. appoint the personal data processor in accordance with the provisions of art. 29 of Legislative Decree No. 196/2003, granting the relevant duties and with the necessary spending power within the maximum amount of Euro 250,000 (two hundred fifty thousand) for each financial year;
48. with the obligation to promptly report to the Executive Committee and with the power to sub-delegate, represent the company in meetings and, in general, at decision-making levels that involve resolving or decision-making bodies of subsidiaries or investee companies, both EU or non-EU, with the right to intervene, vote, provide opinions or consent, appeals or claims, and in particular, within the context of these decisions, to appoint, revoke appointments, replace and/or add members of these companies' management and/or control bodies, with the power to appoint himself as the sole director or a board member of these companies without this being understood as or implying a conflict of interest; provide or sign, in the name and on behalf of the Company, but in the interest of said subsidiaries or investee companies, declarations, applications, requests and documents which are generally addressed to Public Administrations, Public Registers, Rolls, Archives or private entities providing public services, including in order to obtain registrations, permits, authorisations, clearances and other similar measures; provide a specimen signature as the Chief Executive Officer of the company;

49. in relation to the matters listed in the previous points, and within the limits envisaged above for each one of them, represent the Company in dealings with any third party, public and/or private, in the name and on behalf of the Company, signing any deed and/or document;
50. appoint, within the powers indicated above, attorneys for the conclusion of specific agreements or general attorneys-in-fact, providing them with the related powers, and revoke said appointments;
51. oversee the implementation and correct operation of the corporate governance rules established by the Board of Directors.

Finally, the Chief Executive Officer qualifies as the person principally responsible for the Company's management; however, there are no situations of interlocking directorate pursuant to the application criterion 2. C.5. of the Code.

b) Chairman of the Board of Directors

The Chairman of the Board of Directors, Mr Mario Moretti Polegato has a specific role in the development of business strategies of the Group and is the Chairman of the Executive Committee and the Chairman of the Board of Directors, controlling shareholder of LIR S.r.l., Geox's parent company, and the Chairman of the Board of Directors of LIR S.r.l..

Furthermore, the Board of Directors, at the meeting held on 12 January 2017, on the basis of his proven expertise, granted Chairman Mr Mario Moretti Polegato certain powers and responsibilities relating to intellectual property as specified below:

1. file applications and carry out, with any public or private offices in Italy and abroad, any actions necessary, preparatory, functional or otherwise connected, to register, amend, keep and extinguish trademarks, designs and domain names; appoint for that purpose consultants, lawyers, professionals and agents, in Italy and abroad, granting them the relevant mandates;
2. file applications and carry out, with any public or private offices in Italy and abroad, any actions necessary, preparatory, functional or otherwise connected, to register, amend, keep and extinguish patents; appoint for that purpose consultants, lawyers, professionals and agents, in Italy and abroad, granting them the relevant mandates;

3. carry out any actions and make any declarations, in Italy and abroad, and grant and revoke consultancy appointments granted to consultants, lawyers, professionals and agents in relation to industrial and intellectual property, in Italy and abroad, granting them the relevant mandates, to file, register, renew, extinguish and protect all the industrial and intellectual property rights of the Company, including (without limitation) trademarks, patents, designs and domain names;
4. grant and revoke consultancy appointments, granting the relevant mandates to consultants, lawyers, professionals and agents in relation to industrial and intellectual property, in Italy and abroad to protect under administrative law, in court and out-of court, in Italy and abroad, all intellectual and industrial property rights of the Company; carry out with public administrations, public and private agencies and offices, (including customs offices and authorities), in Italy and abroad, all actions and transactions necessary to obtain concessions, licences and authorisations in general.

c) Executive Committee

The Executive Committee, as redefined by the Board of Directors on 20 April 2017, has the powers of ordinary and extraordinary administration of the Company, with the exception of the following indicated below:

- (a) the examination and approval of the Company's strategic, business and financial plans and its group structure;
- (b) granting and revoking proxies to Chief Executive Officers and the Executive Committee, and determining the limits, the exercise and the regularity with which delegated bodies must report to the Board regarding the activities carried out in the exercise of the proxies granted to them;
- (c) establishing (according to the procedures established by law) the remuneration of Chief Executive Officers and those holding specific offices, and, unless the Board has already established it, the allocation of the overall compensation to the members of the Board of Directors and the Executive Committee;
- (d) overseeing the general management trend, with particular attention to conflict of interest situations, taking into account, in particular, the information received from the Executive Committee, the Chief

GEOX

Executive Officers and the Audit and Risk Committee, as well as the periodic comparison of the results achieved with those planned;

- (e) transactions for the purchase or sale, also by means of subscription and conferral, of equity investments and/or companies and/or business segments, if the total value of the individual transaction is higher than Euro 10 (ten) million;
- (f) the granting of loans, if the value per individual transaction is higher than Euro 5 (five) million to third parties, higher than Euro 20 million to the Group companies;
- (g) the issue of unsecured and/or secured guarantees, if the value per individual transaction is higher than Euro 5 (five) million;
- (h) the issue of bonds or financial instruments, if the overall value of the individual transaction is higher than Euro 10 (ten) million;
- (i) the raising of loans and/or other financial debt transactions, if the overall value of the individual transaction is higher than Euro 40 (forty) million;
- (j) the granting of donations and other gifts and assigning contributions and funding in favour of NGOs if the maximum value for the accounting period exceeds Euro 1,000,000 (one million);
- (k) all the transactions with related parties outside the Group which are not typical or usual transactions to be concluded under standard conditions (typical or usual transactions mean transactions which, due to their subject matter or nature, do not fall outside the usual course of business of the Company and do not have particular critical elements due to their characteristics or risks that are inherent to the nature of the counterparty, or the time of their performance);
- (l) checking the adequacy of the general organizational and administrative set-up of the Company and the Group arranged by the Chief Executive Officers;
- (m) reporting to the Shareholders' Meeting.

Furthermore, it should be noted that decisions concerning the conclusion and termination of individual employment contracts for executives fall within the powers of the Executive Committee, it being understood that with regard to executives with a direct hierarchical relationship with the Chief Executive Officer, the relevant remuneration policies, MBO and assignment of objectives, upon proposal of the Chief Executive Officer in coordination with the Human

Resources Department, are subject to evaluation and approval by the Executive Committee, or the Remuneration Committee with regard to the Strategic Executives.

With reference to the functioning of the Executive Committee:

- the Executive Committee may be convened, in Italy or abroad, whenever the Chairman or another member of the Committee considers it appropriate and it may be convened by telephone or by e-mail, registered letter, fax or telegram with a notice of at least 24 hours;
- the Executive Committee meetings may also be attended by means of telecommunication (for example by teleconference and videoconference) in a manner enabling identifying all participants and enabling them to follow the discussion and participate in real time in the discussion of the items (if these requirements are fulfilled, the Executive Committee meetings are considered held in the place where the Chairman of the Executive Committee and the Secretary of the meeting are);
- the Chairman of the Board of Directors takes the office of the Chairman of the Executive Committee if elected from among the members of the Executive Committee, while otherwise, the office of the Chairman of the Executive Committee goes to the oldest Director elected in the Committee who has not been delegated powers;
- the meetings of the Executive Committee are chaired by the Chairman of the Executive Committee or, in the event of his absence, by another member of the Committee appointed by those in attendance;
- the Secretary of the Executive Committee meetings is chosen by the chairman of the Committee meeting and may also be chosen from among persons that are not part of the Executive Committee, and the person chairing the meeting cannot also take the position of Secretary;
- resolutions are taken with affirmative vote of the majority of the members in office, and in the event of a tie, the vote of the Chairman of the Executive Committee is decisive;
- resolutions must be recorded in the minutes signed by the chairman of the meeting and the Secretary;
- if one or more members of the Executive Committee leave office a Board of Directors meeting is called without delay to take appropriate measures;

- the members of the Board of Statutory Auditors of the Company attend the meetings of the Executive Committee pursuant to Article 149, Paragraph 2 of the FCA.

The Executive Committee, with reference to the 2017 accounting period, is composed by directors Mr Mario Moretti Polegato (Chairman), Mr Gregorio Borgo and Mr Enrico Moretti Polegato (attorney).

As at the date of this report, it is composed by directors Mr Mario Moretti Polegato (Chairman), Mr Matteo Mascazzini and Mr Enrico Moretti Polegato (attorney).

During 2017 the Executive Committee met 14 times with the regular participation of the Board of Statutory Auditors. The average duration of the meetings was about an hour. For the current accounting period, a precise number of meetings has not been established. As at the date of this report, in 2018 the Executive Committee has met 2 times.

d) Reporting to the Board

The Chief Executive Officer reports to the Board on the performance of his duties at the earliest opportunity.

4.5 OTHER EXECUTIVE DIRECTORS

The Chairman, Mr Mario Moretti Polegato, is considered to be an executive director, in consideration of his specific role when drawing up company strategies, proxies granted to him and his office of Chairman of the Executive Committee (Article 2.C.1 of the Code).

Mr Enrico Moretti Polegato is also considered to be an executive director, by virtue of his appointment as member of the Executive Committee.

4.6 DIRECTORS WITH THE REQUIREMENTS OF INDEPENDENCE

With the Shareholders' Meeting of 19 April 2016, which renewed the Board of Directors, the number of directors has increased to 10, out of which 5 are Independent Directors. The Board of Directors assessed the independence of the abovementioned 5 Directors following their appointment, on 19 April 2016, as per the press release of the same date. The assessment is repeated should relevant events occur in terms of independence and, in any case, is repeated on an annual basis. The assessment was last undertaken on 23 February 2018, also on

the basis of statements signed by the independent directors confirming the independence prerequisites.

The Board of Directors shall make the assessment both on the basis of the requirements of independence provided for by law, and also by applying all the criteria of the Corporate Governance Code. Moreover, the Board of Directors which met on 20 December 2012, in compliance with Article 3.C.4 of the Code, resolved to adopt additional criteria to assess the Independent Directors' independence and autonomy in expressing their opinions; in particular, the above-mentioned Board approved to consider the independence requirement unmet when, in the case of business relationships, the turnover generated between the Director and the Company is equal to, or exceeds, the remuneration for the office of Director. As a consequence, on the occasion of the next assessments, for the purposes of assessing the independence of its non-executive and non-independent Directors, the Company shall also take said parameter into account. The Board of Statutory Auditors also ascertained the correct application of the assessment criteria and procedures adopted by the Board for assessing the independence of its members.

During 2017 the Independent Directors met two times in the absence of the other Directors. In 2018, as at the date of this report one meeting has been held. It is specified that the meetings of the Independent Directors are to be considered as separate and distinct from the meetings of the board committees, which are covered in the relevant sections.

Moreover, the independent Directors committed themselves to remaining independent during their term of office and resigning in the case of loss of the requirements of independence.

4.7 LEAD INDEPENDENT DIRECTOR

The Board of Directors, which met on 19 April 2016, appointed the independent director Ms Francesca Meneghel as lead independent director.

Ms Meneghel has held office as lead independent director, acting as a point of reference and coordination in relation to the needs and contributions of the independent directors; he also cooperated with the Chairman of the Board of Directors in order to ensure that the directors were informed in an exhaustive and timely way with reference to every issue relevant for the Company.

5. PROCESSING OF CORPORATE INFORMATION

In line with the provisions of Article 1 C.1 lett. j) of the Corporate Governance Code, the Company, in 2006, adopted a “Regulation concerning privileged information and the institution of a Registry of persons having access”, which was most recently updated on 28 July 2016 to take into account the legislative changes introduced by the MAR (the “Regulation”) and set up the specific Registry of persons having access to privileged information (the “**Registry**”).

In particular, the Regulation provides, *inter alia*, for:

- the definition of “privileged information and “confidential information”
- rules of conduct (which essentially refer to confidentiality obligations, the treatment of privileged information with due care and the prohibition to disclose privileged information unless necessary within the environment of one's work, profession or duties carried out and to carry out transactions, directly or indirectly, for one's own account or that of third parties, in the name and/or on behalf of the Company, which involve financial instruments which the privileged information refers to and to recommend or lead others to carry out such transactions);
- the roles and responsibilities of the corporate bodies and/or corporate functions and/or managers in regard to the assessment on the relevance of the information and the speed with which price sensitive information concerning the Company and its subsidiaries is disclosed to the public;
- public disclosure of privileged information and specific rules to follow in the event of a delay in disclosure to the public pursuant to Article 17 MAR;
- rules for the management of relations with the press and rumours and for meetings with financial analysts or other market operators;
- a limit on carrying out financial instrument transactions of the Company;
- a specific flow of information from the subsidiaries to the Company.
- keeping the Registry

For further details, the Regulation can be viewed on the Company's website at www.geox.biz, in the Governance section.

The procedure for the management of privileged information and the institution of a Registry, was always observed during 2017.

6. COMMITTEES WITHIN THE BOARD

Pursuant to art. 123-bis, par. 2, letter d), FCA

The Board of Directors has arranged to set up, internally, committees consisting of directors in accordance with the indications of the Corporate Governance Code. In particular, the Board of Directors has established the Executive Committee, the Appointment and Remuneration Committee, and the Audit and Risk Committee, whose functions, activities and composition are set out in detail in the subsequent paragraphs.

Pursuant to Article 4. C.I. (point d) of the Corporate Governance Code, the chairmen of the committees have provided detailed information at the first possible Board of Directors meeting regarding the committee work.

The composition of the committees is set out below:

a) Appointment and Remuneration Committee

The Appointment and Remuneration Committee (3 non-Executives Directors, in the majority Independent), on the date of the Report and starting from 19 April 2016, is composed as follows:

- Lara Livolsi (Chairman);
- Ernesto Albanese;
- Alessandro Antonio Giusti.

b) Audit and Risks Committee

The Audit and Risk Committee, at the date of this Report and starting from 19 April 2016, is composed exclusively by non-executive Directors (Article 7. P.4.) in the majority Independent Directors:

- Francesca Meneghel (Chairman);
- Manuela Soffientini;
- Alessandro Antonio Giusti

As of 18 January 2018 the Audit and Risk Committee has been assigned the functions of the Sustainability Committee and accordingly the Committee has been renamed the Audit, Risk and Sustainability Committee.

GEOX

The Board of Directors has not envisaged a different distribution of the committee functions or the reservation of some or all of these functions solely to the *plenum* of the Board of Directors.

7. APPOINTMENT COMMITTEE

The appointment committee and the remuneration committee have been merged into a single committee; please see section 8 of this Report.

8. APPOINTMENT AND REMUNERATION COMMITTEE

The Board of Directors meeting held on 19 April 2016 established an Appointment and Remuneration Committee and assigned it the tasks pursuant to Article 5 of the Code.

In particular, the Appointment and Remuneration Committee shall have the following appointment duties:

- formulate opinions for the Board of Directors in relation to the size and composition thereof, and make recommendations in relation to the professionals whose presence in the Board is considered to be appropriate. The Appointment Committee shall make recommendations also in relation to the maximum number of offices as director or statutory auditor that may be held in other companies listed on regulated markets, holding companies, banks, insurance companies or companies of a considerable size, considered as compatible with an effective fulfilment of the appointment as issuer's director, as well as in relation to the assessment of the granting of departures from the non-compete obligation provided for by Article 2390 of the Italian Civil Code; and
- propose to the Board of Directors candidates to the office of director in the cases of co-optation, when it is necessary to replace independent directors.

Moreover, still in compliance with what is provided for by Article 5 of the Code, should the Company adopt a plan for the replacement of ceased executive directors, the activities preliminary to the elaboration of the plan would be performed by the Appointment Committee (or by any other Committee charged with this task inside the Board).

Furthermore, the Appointment and Remuneration Committee has been given the following functions regarding remuneration:

- periodically evaluate the adequacy, overall consistency and actual application of the policy for the remuneration of directors and key management personnel, also on the basis of the information provided by the Chief

Executive Officers; it shall formulate proposals to the Board of Directors in that regard;

- submit proposals or issue opinions to the Board of Directors for the remuneration of executive directors and other directors who cover particular offices as well as for the identification of performance objectives related to the variable component of that remuneration; it shall monitor the implementation of decisions adopted by the Board of Directors and verify, in particular, the actual achievement of performance objectives.

For further information on the functions of the Appointment and Remuneration Committee please refer to the remuneration report, drafted pursuant to Article 123-ter of the FCA available on the Company's website, in the governance section (the "Remuneration Report").

The Committee meets whenever its Chairman considers it appropriate, or should at least one of its members or the Chairman of the Board of Statutory Auditors so request, and in any case as frequently as it is required for the correct fulfilment of its tasks. The Committee meetings are convened through a notice sent by the Chairman of the Committee. The available (and in any case, the necessary) documentation and information is sent to all the Committee members sufficiently in advance to enable them to express opinions with respect to the meeting. For the Committee meetings to be valid, the majority of the members in office must be in attendance, and resolutions are passed with the absolute majority of the members in attendance. The Committee meetings, coordinated by the Chairman, are duly recorded in minutes and then entered in a specifically kept book. Starting from 2016, the Committee's Chairman shall report to the Board of Directors on the meetings of the Committee at the earliest opportunity. The Committee – which, in performing its tasks, may also avail itself of external consultants – shall have adequate financial resources for the performance of its tasks, and such resources are allocated on the basis of contingent needs. The Committee is entitled to access the Company's information and functions that are relevant for the performance of its tasks. The meetings of the Appointment and Remuneration Committee may also be attended by those who are not members of the committee, upon invitation of the Committee and in relation to single items on the agenda.

During 2017, the Appointment and Remuneration Committee met 6 times.

GEOX

As at the date of this report, in 2018 the Appointment and Remuneration Committee has met three times.

The information on the operation and the activities of the Committee are detailed also in the Remuneration Report.

The meetings of the Appointment and Remuneration Committee in 2017, of an average duration of one hour, were duly recorded in the minutes and attended by all members.

In all the meetings which were attended by persons that are not members of the Committee, an invitation to attend was given by the Committee and on single items of the agenda.

In carrying out its duties, the Committee had the possibility of accessing the company information and functions necessary for the carrying out of its tasks, as well as using outside consultants.

From 2018, the Appointment and Remuneration Committee largely differentiates the reports on activities carried out relating to appointments and relating to remuneration.

8. DIRECTORS' REMUNERATION

The Appointment and Remuneration Committee presented the Board of Directors meeting held on 23 February 2018 with a proposal referring to the general policy for the remuneration of directors, including therein the remuneration of executive directors, the General Manager for the Administration, Finance, Control, Corporate Legal & IT and executives with strategic responsibilities for the financial year 2018 (the "Remuneration Policy"), which is indicated in greater detail in the Remuneration Report.

Information on the Remuneration Policy and on the remuneration of directors, the General Manager for the Administration, Finance, Control, Corporate Legal & IT and strategic executives in the financial year 2017 is provided through reference to the Remuneration Report available to the public at the registered office of the Company and also on the Company website www.geox.biz).

The above-mentioned proposal of the Appointment and Remuneration Committee was positively assessed by the Board of Directors.

The Shareholders' Meeting of the Company, called to approve the financial statements for FY 2017, as per art. 2364, paragraph 2 of the Italian Civil Code, is convened to deliberate, with a purely advisory vote, for or against Section I of the Remuneration Report.

During the current financial year, the Appointment and Remuneration Committee will verify the correct implementation of the Remuneration Policy referring fully to the Board of Directors.

The regulations of the stock option plans of Geox which are valid and effective on the date of this Report are available on the Company website (www.geox.biz) in the Governance section.

The incentives mechanisms of the internal auditing manager and the executive appointed to draft the company's accounting documents, are in line with the duties assigned to them.

Compensation to directors in the case of resignation, dismissal or ending of the relationship following a takeover bid

No compensation has been envisaged for this situation.

With reference to other compensation agreements with the directors in office as at the date of this report, please see Section II of the Remuneration Report.

9. AUDIT AND RISKS COMMITTEE

The Board of Directors has established an Audit and Risks Committee.

The Committee is charged with the tasks under Article 7.C.1 and in particular with the task of providing a preventive opinion to the Board of Directors in relation to:

- establishing guidelines for an internal audit and risk management system, with a preventive opinion in the case of decisions related to the appointment, revocation, remuneration and allocation of resources of who is in charge of internal audit;
- assessing, at least on a yearly basis, the adequacy of the internal audit and risk management system in respect of the characteristics of the business and the risk profile assumed, as well as in relation to its effectiveness;
- approval, at least on a yearly basis, of the work plan prepared by the person in charge of Internal Audit;
- description in the corporate governance report of the main characteristics of the internal audit and risk management system and the coordination procedures between the persons involved therein, and assessment on its adequacy;
- assessment of the results presented by the independent auditor in the letter of suggestions, if any, and in the report on key issues which emerged during the legal audit.

The Committee is also charged with the tasks under Article 7.C.2 and in particular with the task of:

- assessing, together with the manager in charge of drafting the company accounting documents and after consulting the independent auditor and the Board of Statutory Auditors, the correct use of the accounting principles and their uniformity in drafting the consolidated financial statements;
- expressing opinions on specific aspects relating to identifying the key corporate risks;
- examining periodic reports relating to the assessment of the internal audit and risk management system, and those of particular significance prepared by the Internal Audit function;

GEOX

- overseeing the independence, adequacy, effectiveness and efficiency of the Internal Audit function;
- asking the Internal Audit function – where considered necessary - to carry out verifications on specific operating areas, informing the Chairman of the Board of Statutory Auditors at the same time;
- reporting to the board, at least every six months, when the yearly and half-yearly financial report is approved, on the activities carried out and on the adequacy of the internal audit and risk management system;
- supporting, with adequate preliminary activities, the assessments and the decisions of the Board of Directors relating to the management of risks arising from detrimental events that the Board of Directors has become aware of.

In addition, the Company's Audit and Risk Committee can undertake, provided that it has the prerequisites in terms of composition envisaged by the applicable legal and regulatory provisions, the functions attributed to the committees responsible for related party transactions (RPT) (Committee for Less Significant RPTs and Committee for More Significant RPTs) envisaged by the Regulation to govern related-party transactions approved by the Board of Directors with its resolution of 28 October 2010 (see section 10 below) in conformity with the Consob RPT Regulation and subsequently modified by the Board of Directors with its resolution of 19 December 2013 and with its resolution of 12 January 2017 during the three-yearly review.

The Chairman of the Board of Statutory Auditors or other auditor nominated by the Chairman of the Board itself take part in the works of the Committee.

One of the members, Mr Alessandro Antonio Giusti, is a qualified accountant and has acknowledged accounting and financial experience which was considered adequate by the Board of Directors on his appointment and since 17 April 2013 he has also held the position of the director responsible for the Risk Management and Internal Audit System. Despite holding the above-mentioned position, Mr Giusti is considered a non-executive and non-independent director, as he is not vested with operational powers.

When carrying out its functions, the Audit and Risk Committee is entitled to access the information and corporate functions necessary for the performance of its tasks, as well as avail itself of outside consultants.

When meeting any costs, the Committee may avail itself of financial resources which are set aside on the basis of contingent needs.

During 2017, the Audit and Risk Committee met seven times. For the current accounting period, a similar number of meetings is foreseen. In the 2018 accounting period until the date of this report the Committee has met three times.

The meetings, which lasted one hour and forty-five minutes on average, were coordinated by a chairman and were duly recorded in minutes. Some meetings were attended by individuals who are not members of the Committee and their participation took place upon the invitation of said Committee and with regard to specific items on the agenda.

Starting from 2016, the Committee's Chairman shall report to the Board of Directors at the earliest opportunity on the meetings of the Committee.

Over the course of the accounting year 2017, in observance of the provisions set forth in the Corporate Governance Code (Article 7.C.1), the Audit and Risk Committee expressed an opinion in relation to the following activities performed by the Board of Directors:

- definition of the guidelines of the Risk Management and Internal Audit System, in such a way that the main risks to which the Company and its subsidiaries are exposed are correctly identified, and adequately measured, handled, monitored, also by determining the degree of compatibility of such risks with a company management consistent with the strategic objectives identified;
- assessment of the adequacy and effectiveness of the Risk Management and Internal Audit System in view of the characteristics of the Company and of the risk profile;
- approval of the business plan prepared by who is in charge of *Internal Audit*;
- description, in the corporate governance report, of the main characteristics of the Risk Management and Internal Audit System as well as the coordination between the parties involved, providing its own assessment of the adequacy thereof; and;
- assessment, after having heard the Board of Statutory Auditors, of the results illustrated by the legal auditor in the letter of suggestions, if any, and in the report on the fundamental issues emerged during the legal audit of accounts.

The Audit and Risk Committee also monitored the activities for checking the control protocols envisaged by the Management and Organisation Model pursuant

to Italian Legislative Decree No. 231/2001, which was updated in 2015 and approved by the Board of Directors on 12 November 2015, in certain significant company processes, performed by Geox's Supervisory Body with the support of the Company's Internal Audit division.

In observance of the provisions set forth in Article 7. C. 2 of the Corporate Governance Code, the Audit and Risk Committee met and:

- assessed, along with the executive in charge of drafting the accounting documents and the legal auditor, the correct use of the accounting principles and their homogeneity for the purposes of drafting the consolidated financial statements;
- expressed opinions on specific aspects relating to identifying the key corporate risks in relation to periodic reports:
- examined the periodical reports drafted in relation to the assessments of the Risk Management and Internal Audit System, as well as those reports particularly relevant drafted by the Internal Audit function.
- monitored the independence, adequacy, effectiveness and efficiency of the internal audit function. The Committee evaluated the state of implementation of the internal procedures defined and disclosed so far.
- regularly reported to the Board of Directors, at least twice a year, on the activities performed and on the adequacy of the Risk Management and Internal Audit System.

The Directive on disclosure of non-financial and diversity information, approved by the European Parliament and the European Council at the end of 2014, has been implemented in Italy with Legislative Decree 254/2016, and therefore the Company, as well as other relevant persons, are required to provide reports on such information starting from the 2017 financial year by the latest.

Such information relates to environmental and social issues, aspects relating to employees, respect for human rights, anti-corruption, diversity of members of the governing body and other aspects related to sustainability.

In this regard the Corporate Governance Code of listed companies approved by Borsa Italiana S.p.A. and adopted by the Company, recommends that companies belonging to FTSE Mib, index should evaluate setting up a specific Committee with the specific task of overseeing sustainability matters:

GEOX

“In companies belonging to FTSE-Mib, index, the board of directors evaluates setting up a specific committee for overseeing sustainability matters relating to the carrying out of business activities and its interaction dynamics with all stakeholders; alternatively, the board assesses grouping or distributing these functions among the other committees.”

According to the recommendations of the Corporate Governance Code and in consideration of the value attributed to corporate social responsibility, the Board of Directors on 18 January 2018 resolved to appoint a Sustainability Committee, in order to supervise the processes, initiatives and activities aimed at protecting the Company's commitment to sustainable development, and to give these duties to the Audit and Risk Committee (comprising three independent majority members: Ms Francesca Meneghel, Chairman, Mr Alessandro Giusti and Ms Manuela Soffientini), renaming it the Audit, Risk and Sustainability Committee.

10. RISK MANAGEMENT AND INTERNAL AUDIT SYSTEM

The Board of Directors, within the definition of strategic, industrial, and financial plans, defined the nature and level of risk compatible with the Issuer's strategic objectives.

The Board of Directors shall define the guidelines of the Risk Management and Internal Audit System through the coordination of the dedicated internal bodies and the assessment of their periodical reports, so that the main risks regarding the Company and its subsidiaries are correctly identified, and adequately measured, handled and monitored, also by determining the degree of compatibility of such risks with a company management consistent with the strategic objectives identified.

The Board of Directors meeting of 23 February 2018, taking into consideration the indications provided by the Audit and Risk Committee and the director responsible for the risk management and internal audit system, as well as the work of the Head of Internal Audit, with reference to the year 2017, gave a positive assessment of the adequacy, effectiveness and actual functioning of the risk management and internal audit system.

In the 2017 accounting period, the Board approved the work plan prepared by the person responsible for Internal Audit, after consulting the Board of Statutory Auditors and the director in charge of the internal audit and risk management system.

Main features of the existing risk management and internal audit systems in relation to the financial disclosure process

Introduction

The Risk Management and Internal Audit System is a process implemented by the Board of Directors, by the management and by other Company's functions that consists of the set of organisational rules, procedures and structures allowing to identify, measure, manage and monitor major risks and make informed decisions; it helps conducting the company's business consistently with its objectives, from the point of view of medium and long-term sustainability of the Company's business, and contributes to ensuring the protection of the company's assets, the efficiency and effectiveness of corporate processes; it is used for formulating strategies throughout the organization and is devised to identify potential events

GEOX

that may impact on the Company's business, manage risk within the limits of the acceptable risk and provide reasonable certainty on the achievement of business objectives, including the reliability, accuracy, truthfulness and timeliness of the information provided to corporate bodies and the market, compliance with applicable laws and regulations as well as the company's articles of association and internal procedures.

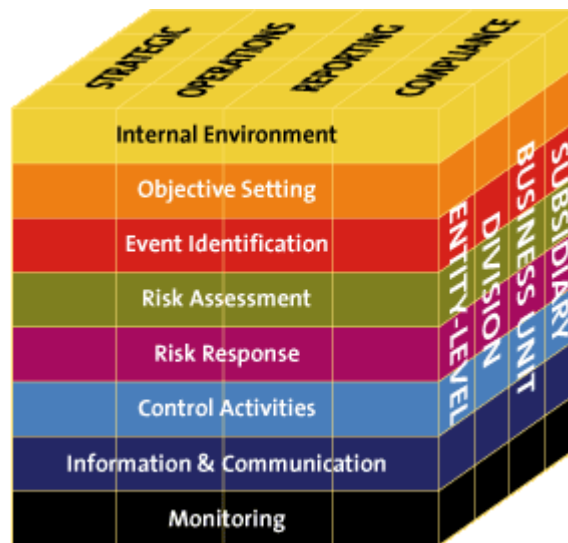
In addition, since the entry into force of Italian Law no. 262/2005, Geox has implemented procedures aimed at making the company's disclosures more transparent and the internal audit system more effective, especially as far as financial reporting is concerned.

In particular, Geox's Risk Management and Internal Audit System was created on the basis of an inspiring model such as the CoSO Report - Enterprise Risk Management Integrated Framework developed by the Committee of Sponsoring Organization of the Treadway Commission, whilst taking into due account the national guidelines issued by the organizations operating in the same sectors as Geox's.

Specifically, the CoSO Enterprise Risk Management Integrated Framework is represented by a cube consisting of:

- 8 components, the "rows" (Internal Environment; Objective Setting; Event Identification; Risk Assessment; Risk Response; Control Activities; Information & Communication; Monitoring);
- 4 categories of objectives, the "columns" (Strategic; Operations; Reporting; Compliance);
- 4 organisational levels, the "sections" (Entity-Level; Division; Business Unit; Subsidiary).

GEOX



In exercising its activity of managing and coordinating subsidiary companies, Geox establishes the general principles concerning the operations of the Risk Management and Internal Audit System for the whole group. It is understood that each subsidiary implements these principles in line with local regulations through organisational structures and operating procedures that are appropriate to the specific context.

Enterprise Risk Management

Implementing an ERM model shifts the focus to the concept of integrated risk and the assessment of the interdependencies between the various business risks in order to make the assessment and management of the latter more effective and efficient.

In addition, in its recommendations, the previously mentioned Corporate Governance Code specifies that:

- a) the modern view of controls revolves around the notion of business risks, their identification, evaluation and monitoring; and this is one of the reasons why the regulations and the Code refer to the internal control and risk management system as a global system based essentially on enterprise risk governance;
- b) a control system must be “integrated” in order to be efficient; this implies that its constituents are to be coordinated and interdependent among themselves and that the system as a whole is, at its own turn, integrated in the general organisational, administrative and accounting structure of the company

Therefore, Geox:

- conducted an overall assessment of all the existing risks “mapped” by the various internal functions;
- implemented an integrated system for managing said risks.

The resulting assessment found that Geox's ERM model appears adequate.

The company also subjects the ERM model adopted to continuous evaluation and updating, also in light of the risks in connection with sustainable business development.

Description of the main features of the existing risk management and internal audit system in relation to the financial disclosure process

- a) Phases of the Risk Management and Internal Audit System existing in relation to the financial information process

Identification of Risks

The Chief Executive Officer and the Executive in Charge, consistently with the principles of operation of the Risk Management and Internal Audit System related to the financial information process, shall prudently and accurately identify on an annual basis the main risks connected to that activity (so-called scoping activity). The risk identification process involves identification of the group companies and the operating flows liable to material errors or fraud, in relation to the economic values presented in the items of Geox's financial statements and/or the consolidated financial statements.

The result of the scoping activity is the definition of a set of Company Processes/Legal Entities, in consideration of the typical risks incurred in the preparation of financial information intended for the public.

The companies and processes considered to be significant with reference to the financial information process shall be identified through quantitative and qualitative analyses.

By referring to the national and international market best practices, the quantitative selection of companies shall be made on the basis of consolidated data, taking into account the contribution of the single companies to the formation of such data.

The companies not relevant from a quantitative viewpoint shall be subject to qualitative analysis to verify whether or not their characteristics are such as to make it necessary to include them in the analysis of the Risk Management and Internal Audit System.

Some of the factors, among others, considered in the analysis are indicated below.

- Presence of specific risks in connection with certain sections of the financial statements, likely to result in relevant mistakes in the Group's financial information. Possible indicators are:
- Extraordinary transactions (mergers / demergers / acquisitions) to such an extent as to be able to result in a relevant mistake in the financial statements;
- Non-recurrent transactions of a considerable amount with related parties;
- Presence of local factors that impact on the performance of activities (for example, country with a high level of corruption / risk of fraud);
- Company subject to special tax rules or residing in countries included in *black lists*;

For each relevant Company the main classes of transactions (or significant processes) that lead to the formation of the relevant financial statements shall be identified.

The identification of significant processes requires, first of all, the identification of significant accounts, i.e. of those accounts that exceeds, in relation to the amounts appearing in the last statement of assets and liability and profit and loss account, a threshold of materiality identified on an annual basis.

In the context of each process so identified, events that may compromise the objectives of the financial information process shall be pinpointed.

Assessment of the Risks on financial information

For each risk, the management shall define the limits of tolerance in the likelihood of occurrence and in the impact that such risks may produce.

Risks shall be identified by classifying them on the basis of the main sources of risk identified on a regular basis by the Director in Charge of the Risk Management and Internal Audit System.

The assessment consequent to the identification of the events of risk must be made in relation to the two aspects of risk analysis, namely, the likelihood of occurrence and the potential impact on objectives.

The importance of the risk shall be assessed both for the purpose of determining the relevant risk and for the assessment of the residual risk, in order to enable

the correct interpretation of the degree of exposure to risk and the redefinition, if any, of the risk management strategy.

As a matter of fact, the risk management strategy must be re-considered on the basis of the actual reduction of the likelihood of occurrence, of the impact or of both these elements on the part of the defined reactions.

This involves that the reaction to risk may be identified for the first time – or changed, if already defined – further to the assessment of the overall development and adequacy of the Risk Management and Internal Audit System.

Please note that in order to constantly update the existing risks associated with the financial reporting process, in 2017 the Company plans to conduct a comprehensive review of the risks currently being monitored.

Assessment of issues relating to non-financial information and diversity

For the purposes of drafting the non-financial consolidated statement, during the 2017 financial year, GEOX identified issues that are considered material for reporting purposes in the statement considering both the prospects of its business organisation (through workshops and internal interviews) and the results of the benchmark activities carried out, using as reference the main competitors of the GEOX Group operating in the fashion sector, plus studies relating to the world of sustainability. Therefore, each relevant matter has been associated with one or more indicators among those provided by the GRI-Standards Guidelines on non-financial reporting issued by the international organisation Global Reporting Initiative (GRI). The draft non-financial consolidated statement relating to the 2017 financial year has therefore been drafted in compliance with the legislation set forth in Legislative Decree 254/16 and based on the results and set out in the Materiality Analysis.

For the purposes of the non-financial consolidated statement drafted in accordance with the legislation set forth in Legislative Decree No. 254/16, on 8 November 2017, the Board of Directors engaged the auditing firm BDO Italia S.p.A. for the statutory auditing of the non-financial statement for financial years from 31 December 2017 to 31 December 2021.

Identification of Controls in view of identified Risks

Control activities include the policies and procedures that ensure to the management the correct implementation of risk management measures. Control activities shall be implemented throughout the company organization, at all functional and management levels.

Such activities are represented by a set of diversified transactions such as, by way of example, without limitation, approvals, authorizations, comparisons, reconciliations, protection measures, separation of tasks, etc.

Control activities may operate with ex-ante effects (so-called preventive activities) or ex-post effects (so-called detective activities); they may be performed manually by who is in charge of controls or be integrated in the Company's automated computer systems.

Assessment of controls in view of identified risks

Controls are generally assessable in relation to many characteristics, but within the financial information process, they must ensure the correct implementation of at least two characteristics:

1. Traceability: a control must leave traces of its execution;
2. Effectiveness: a control must effectively mitigate, alone or jointly with other controls, the associated risk by acting alternatively or jointly on the likelihood of occurrence and on risk impact.

Controls shall be assessed by analysing the correct aims of control activities and their actual and effective application over time.

In relation to the financial information process, control activities shall be assessed in two half-year sessions, possibly followed by equally regular follow-up phases should some problematic aspects emerge.

b) Roles and functions involved

Without prejudice to the responsibility of every company Manager as described in point a), the main players in the Risk Management and Internal Audit System in the financial disclosure process are:

- The Chief Executive Officer and the Executive in Charge pursuant to Article 154-bis of the FCA, who are in charge of defining and evaluating specific control procedures for protection against risks when drawing up the accounting records;

- The Internal Auditing function, which, remaining objective and independent, provides methodological advices in the verification of the adequacy and of the actual application of the control procedures defined by the Executive in Charge. In this ambit of activity, the Internal Auditing shall also report any relevant circumstance of which it becomes aware to the Audit and Risk Committee and to the Executive in Charge;
- The Director in charge of the Risk Management and Internal Audit System, as person primarily responsible for the initiatives regarding the assessment and management of business risks;
- The Audit and Risk Committee, which, to support the Board of Directors, analyses the results of audit activities on the Risk Management and Internal Audit System to identify the actions to be taken, if any;
- The Supervisory Authority pursuant to Legislative Decree No. 231/01, which acts within the scope of its supervisory activities for corporate crimes envisaged by Legislative Decree No. 231/01, identifying risk scenarios and verifying at first hand compliance with the control systems Furthermore, the Supervisory Authority monitors compliance with and application of the group's Code of conduct.

10.1 DIRECTOR IN CHARGE OF THE RISK MANAGEMENT AND INTERNAL AUDIT SYSTEM

On 17 April 2013 the Board of Directors appointed, and re-appointed on 19 April 2016, the non-executive director Alessandro Antonio Giusti as the person responsible for the Risk Management and Internal Audit System.

Mr Giusti saw to the identification of the main company risks (strategic, operative, financial and compliance risks), taking into account the characteristics of the activities performed by the company and by its subsidiaries, submitting them periodically to the Board. He also executed the guidelines defined by the Board, aimed at an on-going adjustment of the internal audit system and its management, by designing, implementing and managing the risk and internal audit system and constantly verifying its overall adequacy, efficacy and efficiency.

The director in charge of the Risk Management and Internal Audit System acted in the sense of adjusting such a system to operational conditions and legislative and regulatory frameworks.

The director in charge of the Risk Management and Internal Audit System has the power to ask the internal audit function to make verifications on specific operational areas and on the compliance with the internal procedural rules governing the performance of company transactions, giving prior notice thereof to the Chairman of the Board, the Chairman of the Audit and Risk Committee and to the Chairman of the Board of Statutory Auditors.

His activity has been carried out in coordination with the Audit and Risk Committee.

10.2 PERSON IN CHARGE OF THE INTERNAL AUDIT

The Board of Directors, at the proposal of the Director responsible for the Risk Management and Internal Audit System and after hearing the opinion of the Audit and Risk Committee, on 12 November 2015 resolved to appoint Mr Francesco Allegra as Head of Internal Audit.

In light of the appointments made on 19 April 2016 and in accordance with the Guidelines on the internal audit and risk management system approved by the Board of Directors on 20 December 2012, on 12 May 2016 Mr Francesco Allegra, appointed on 12 November 2015, was reconfirmed as the person responsible for Internal Audit.

The Board of Directors engaged the head of the Internal Audit function to verify that the Risk Management and Internal Audit System operates adequately (*Principle 7. P.3., lett. b*).

The Board also made sure that Mr Simone Colombo was given the resources appropriate for the performance of his tasks (*Application criterion 7. C.1., second section*).

Starting from the date of the Board of Directors meeting of 17 December 2012, the Head of Internal Audit has been a direct report to the Board (*application criteria 7. C.5., lett. b*).

The person in charge of the internal audit function:

- has verified, on an on-going basis and in relation to specific needs and in compliance with international standards, the operations and adequacy of the Risk Management and Internal Audit System, through an audit plan

- approved by the Board of Directors and based on a structured process of analysis and prioritization of the main risks (*Application criterion 7. C.5., let. a)*);
- has had direct access to all the information useful for the performance of the task (*Application criterion 7. C.5., let. c)*);
 - has prepared periodical reports containing adequate information on his activities, on the ways in which risks are managed, and on the compliance with the plans defined to limit them, and has also assessed the adequacy of the Risk Management and Internal Audit System (*Application criterion 7. C.5., let. d)*) providing the reports to the Chairmen of the Board of Statutory Auditors, of the Audit and Risk Committee and of the Board of Directors as well as to the director in charge of the Risk Management and Internal Audit System (*Application criterion 7. C.5., let. f)*);
 - has promptly drafted reports on particularly relevant events (*Application criterion 7. C.5., let. e)*) and sent them to the Chairmen of the Board of Statutory Auditors, of the Audit and Risk Committee and of the Board of Directors as well as to the director in charge of the Risk Management and Internal Audit System (*Application criterion 7. C.5., let. f)*); and
 - verified, as part of the audit plan, the reliability of the information systems, including the accounting systems (*Application criterion 7. C.5., lett. g)*).

In 2017 the person in charge of the Internal Audit could rely on an overall budget of about Euro 320.000,00 intended for consultancy, business travel and overheads pertaining to his function. The function of Internal Auditing has carried out his/her activities in line with and within the limits of an official mandate which provides him/her with free and direct access to all the information considered useful to carrying out his/her duties.

Within the limits of the above-mentioned task, the Internal Audit has completed the execution of an annual plan involving verifications functional to the assessment of adequacy of the Risk Management and Internal Audit System. Secondly, the Person in charge of Internal Audit has supported the Company by providing advice in the implementation of company policies and procedures and in several transactions connected with the company organization.

10.3 ORGANISATION MODEL PURSUANT TO LEGISLATIVE DECREE 231/2001

GEOX

For some time now, the Group has adopted its Model for Organisation, Management and Control in compliance with Legislative Decree no. 231/01 (hereafter “Model 231”) available in the governance section of the website www.geox.biz.

In 2015, the company comprehensively reviewed the 231 Model following a risk assessment process that allowed to identify the sensitive processes as defined in the decree and include the types of offences most recently recognised by law. In addition, chief among the elements that underwent a review are: a) the disciplinary system, and b) the formalisation of the periodic information flows to the Supervisory Body.

The Board of Directors approved the new 231 Model on 12 November 2015.

In order to oversee the correct functioning of the Model, on 19 April 2016, the Board of Directors appointed Mr Marco Dell’Antonia, attorney (Chairman), Mr Renato Alberini, attorney, and Mr Fabrizio Colombo as the new Supervisory Body.

The Supervisory Body, provided with a specific budget, also executed its own annual audit plan aimed at detecting observance of the audit protocols in relation to offence risks, availing itself during its activities of the Internal Auditing division as well.

10.4 INDEPENDENT AUDITING FIRM

The Shareholders’ Meeting held on 17 April 2013 granted the appointment for the auditing of the accounts to the firm Deloitte & Touche S.p.A., for the accounting periods as from 31 December 2013 until 31 December 2021.

10.5 EXECUTIVE IN CHARGE OF DRAFTING THE CORPORATE ACCOUNTING DOCUMENTS AND OTHER COMPANY ROLES AND FUNCTIONS

Mr Livio Libralesso, Geox’s General Manager for the Administration, Finance, Control, Corporate Legal & IT, was appointed as executive tasked with drawing up the company accounting documents by the Board of Directors, upon the proposal of the Chief Executive Officer and in agreement with the Chairman, subject to the opinion of the Board of Statutory Auditors on 17 April 2013, and was re-appointed on 19 April 2016.

Article 18 bis of the Articles of Association envisages that the executive in question is chosen from among the executives who have carried out, for a

suitable period of time, administration, management or auditing activities and who are in possession of the honourability requisites envisaged by current legislation. For the performance of his duties, the executive is provided with an annual expenditure budget and, subject to the agreement of the Company, may avail himself of the advice of the Internal Auditing Department.

10.6 COORDINATION BETWEEN THOSE INVOLVED IN THE RISK MANAGEMENT AND INTERNAL AUDIT SYSTEM

To maximize the efficiency of the Risk Management and Internal Audit System and reduce the duplication of activities, Geox has defined some procedures for coordination between the above-listed persons.

The members of the Board of Statutory Auditors shall be invited, along with others, to attend every institutional meeting having as subject matter specific discussions regarding the Risk Management and Internal Audit System.

The meetings of the Risk and Audit Committee are also attended by the head of Internal Audit so as to guarantee constant alignment.

The Director in charge and the Person in charge of Internal Audit shall meet on a monthly basis in such a way as to inform each other of their activities and define less relevant interventions, if any, of which it is reckoned that the Board of Directors need not be informed.

The Audit and Risk Committee shall meet the Executive in Charge and the Person in charge of the Internal Audit on a six-monthly basis, to analyse the specific results of the assessment of the controls regarding the management of the financial information process.

II. INTERESTS OF DIRECTORS AND TRANSACTIONS WITH RELATED PARTIES

Pursuant to art. 2391-*bis* of the Italian Civil Code, and the Consob RPT Regulations, the Board of Directors of 28 October 2010 approved the Regulation governing Related-Party Transactions concerning the governance of related-party transactions, in force since 1st January 2011, and subsequently modified, following the favourable opinion of a committee composed exclusively of Independent Directors, by the Board of Directors on 19 December 2013 and on 12 January 2017 during the three-yearly review, and published in the Governance section of the company website www.geox.biz.

In drafting the contents of the Regulation governing Related-Party Transactions, the Board established the criteria for identifying transactions which must be approved by the Board subject to the opinion of a special Committee that may coincide with the Audit and Risk Committee and, where necessary, the advice of independent experts.

The Regulation governing Related-Party Transactions identifies the principles which Geox abides by in order to ensure the transparency and essential and procedural correctness of transactions with related parties, in application and compliance with CONSOB RPT Regulations.

The Regulation governing Related-Party Transactions defines, among other things, the “material” transactions that require approval by the Board of Directors in advance, upon the documented and binding opinion (without prejudice to the provisions of the Articles of Association concerning shareholders’ meeting authorisation) of a committee composed exclusively of independent, unrelated Directors; the transactions must be disclosed to the public.

Other transactions, unless they fall within the categories of exclusion or exemption pursuant to art. 6 of the Regulation governing Related-Party Transactions, are defined as “Less Relevant RTPs” and may be approved by the Board of Directors or by any bodies which may be appointed, subject to the motivated and non-binding opinion of a committee that may coincide with the Audit and Risk Committee.

The Regulation governing Related-Party Transactions identifies the cases in which the procedures can be excluded or which are exempted from them, including, among other things, transactions involving a low amount (with a value lower than

Euro 100,000), the ordinary transactions concluded under standard or market conditions, the transactions with or between subsidiaries and those with associated companies, provided that parties related to the Company do not have significant interests in them, some transactions relating to the remuneration of the Directors and the managers with strategic responsibilities and urgent transactions carried out under specific conditions.

The Audit and Risk Committee, in its capacity as Minor Related-Party Transactions Committee, met two times during 2017. It is pointed out that as at the date of this report the Audit and Risk Committee in its capacity as Minor Related-Party Transactions Committee has met once.

The provisions of the Articles of Association governing transactions with related parties were adapted to the CONSOB RPT Regulations. In particular, with a resolution of the Extraordinary Shareholders' Meeting of 28 October 2010, a new section was included in the Articles of Association, titled "Related-party transactions" (with the consequent re-numbering of the articles of the Articles of Association in force), containing the three articles indicated below:

- Article 24 of the Articles of Association is an introductory article which provides that the Company must approve the transactions with related parties in compliance with current legal and regulatory provisions, as well as with its own Articles of Association requirements and relevant procedures adopted by the Company.
- art. 25 of the Articles of Association which allows the Regulation governing Related-Party Transactions to envisage approval by the Board of Directors of the more relevant RPTs despite the adverse opinion of the independent directors, as long as implementation of such transactions is authorised by the Shareholders' Meeting, pursuant to art. 2364, paragraph 1, number 5) of the Italian Civil Code. In the case indicated in the previous paragraph and also if a proposed resolution to be submitted to the Shareholders' Meeting concerning a material transaction is approved despite the directors with the requirements of independence' adverse opinion, the Shareholders' Meeting resolves with legally established majorities, as long as – if the unrelated shareholders present at the Shareholders' Meeting account for at least 10% of voting share capital – the aforesaid legal majorities are achieved with the favourable vote of the majority of the unrelated shareholders voting at the Shareholders' Meeting.

- art. 26 of the Articles of Association which allows the Regulation governing Related-Party Transactions to exclude urgent transactions from their area of application, even if pertaining to the Shareholders' Meeting, within the limits of that are allowed by applicable laws and regulations.

In regard to the procedure for the approval of the proposed resolution to the Shareholders' Meeting concerning the aforementioned amendments to the Articles of Association on transactions with related parties (or which are connected to the introduction of the provisions on this issue), it is noted that on 22 September 2010 the Board of Directors met to discuss the adoption of procedures for transactions with related parties provided for by the CONSOB Regulation and, within this examination and discussion, resolved to propose to the Shareholders' Meeting the above-mentioned amendments to the Articles of Association, subject to the prior favourable opinion of the specifically established committee, composed exclusively by independent directors.

In addition to governing in the Related-Party Transactions Regulation possible transactions with related parties which can include situations in which a director has a personal interest or an interest exercised on behalf of others, the Board of Directors assessed and adopted with the Code of Ethics operating solutions designed to make it easier to identify and manage adequately situations in which a director has a personal interest or an interest exercised on behalf of others.

In particular, the Board of Directors in its meeting of 13 May 2005 approved a Code of Ethics; that Code of Ethics was entirely replaced by the Board of Directors on 31 July 2012, and most recently amended on 23 February 2018. The new Code of Ethics, just as the previous ones, is intended for corporate bodies and their members, staff, temporary employees, consultants and associates of any type, agents, attorneys and any other entity acting for or on behalf of Geox and, in general, all those with whom Geox and other Group companies come into contact while carrying out their activities. This Code of Ethics, which, moreover, is a fundamental element of the organizational model provided for by Legislative Decree no. 231/2001 and of the Group's Risk Management and Internal Audit System, emphasizes, in particular, the prevention and management of the situations of conflict of interests. In particular, art. 2 of this Code stipulates that *"3. Any situation of conflict between personal interests and Geox S.p.A.'s interest must be necessarily avoided or, should this be impossible, prior notice of that must be given to the according to agreed channels"*. Pursuant to Article 11, par. 3, of the Code of

GEOX

Ethics, specific penalties are provided for in the event of failure to comply with the principles contained in the Code of Ethics (including those involving the prevention and disclosure of conflicts of interest): *“With regard to the Directors and the Auditors, breach of the provisions of the Code may involve the adoption, on the part of the Board of Directors or the Board of Auditors, respectively, of provisions in proportion to the severity or the repetition or the degree of the breach, as far as removal from office for just cause, to be proposed to the Shareholders’ Meeting”*.

12. APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS

The provisions applicable to the appointment and replacement of the Board of Statutory Auditors are envisaged by Article 22 of the Articles of Association and presented below.

“When the Auditors are appointed and before they accept the office, the administration and control tasks carried out in other companies are made known to the Shareholders’ Meeting.

Persons holding office as standing Statutory Auditors in more than seven companies issuing securities listed in regulated markets cannot be appointed as the Company’s Statutory Auditors (without prejudice to any other limit introduced according to Article 148-bis of Legislative Decree no. 58/1998).

Statutory Auditors are appointed for the first time in the memorandum of association and thereafter by the ordinary Shareholders’ Meeting, which also appoints from among them the Chairman of the Board of Statutory Auditors, according to the procedures indicated hereunder. Before appointing the Statutory Auditors, the Shareholders’ Meeting determines the Statutory Auditors’ remuneration for their entire term of office.

Statutory Auditors are appointed on the basis of lists presented by Shareholders, in which candidates must be listed in progressive order.

The lists must be divided into two sections, one related to the Permanent Statutory Auditors and one related to the Alternate Statutory Auditors; should these contain a number of candidates equal to or exceeding three, they must ensure the presence of both genders, so that the candidates of the less represented gender are at least, for the first appointment one year after the entry into force of Law no. 120/2011, 1/5 of the total number, whereas in relation to the two subsequent appointments, they shall be at least 1/3 of the total number, with rounding off to the higher unit in the case of fraction.

Each Shareholder can present or take part in the presentation of just one list. Only those Shareholders who, alone or together with other Shareholders presenting the same list, account for at least a fortieth of the share capital (or any other lower limit provided by the law in force at the date of the Shareholders’ Meeting) can present or take part in presentation of the lists.

The minimum shareholding necessary to present the lists is calculated taking into account the shares registered in the shareholders’ name as at the date when the shares are lodged at the Company’s registered office. In order to prove ownership of the

GEOX

number of shares necessary to present the lists, the Shareholders who present, or contribute to the presentation of, the lists must present and/or deliver to the Company's registered office, a copy of the specific certification issued by a legally qualified intermediary by the deadline established for publication of the lists.

Every shareholder, as well as the shareholders which belong to a same group (this meaning the even non-corporate controlling shareholder, pursuant to Article 93 of Legislative Decree no. 58/1998 as well as the subsidiaries and associated companies of the same shareholder), or which are parties to a Shareholders' Agreement pursuant to Article 122 of Legislative Decree no. 58/98, cannot either submit or contribute to submit or vote more than one list, either directly, or through a third party or through a trust company. Each list shows a number of candidates not exceeding the maximum number of members of the Board of Statutory Auditors.

The lists presented by Shareholders must be lodged at the Company's registered office at least 25 (twenty-five) days before the date fixed for the Shareholders' Meeting convened to appoint the Statutory Auditors and are made available to the public at the Company's registered office, on its website and in the other ways envisaged by applicable legal and regulatory requirements, at least 21 (twenty-one) days before the meeting,

The lists must include (i) any information related to the identity of the Shareholders presenting the lists, the total percentage of shareholding held, and a certification proving their ownership and (ii) a declaration from the Shareholders who do not hold a controlling or relative majority shareholding, neither on a joint basis, stating that they do not have any relation provided by Article 144-quinquies of the Consob Issuers' Regulations.

Each candidate can appear on one list only on pain of ineligibility. At the same time when lists are lodged at the Company's registered office, the declarations must be lodged with which individual candidates accept their candidacy and certify, under their own responsibility, the absence of causes of ineligibility and of incompatibility, as well as the existence of the requirements envisaged by applicable regulations and by the Articles of Association including the limit of the number of accumulated offices previously described. Together with these declarations a curriculum vitae is lodged for each candidate concerning the latter's personal and professional characteristics as well as the indication of the suitability to qualify as an independent.

When just one single list is presented within the above mentioned twenty-five days' term, or if only lists from shareholders subject to the relations provided by Article 144-quinquies of the Consob Issuers' Regulations are presented, other lists can be presented

up to the fifth day after that date. In that case, the minimum shareholding requirement for shareholders presenting the lists is cut by half.

Lists for which the previous requirements are not observed are not considered to have been presented.

Each holder of voting rights can vote for just one list.

Two standing auditors and one substitute auditor are taken from the list obtaining the highest number of Shareholders' votes, in the progressive order with which they are listed in the list concerned. The remaining standing auditor and substitute auditor are taken from the lists having obtained the second highest number of votes. In the case of a tie vote between two or more lists obtaining the highest number of votes, the youngest candidates (in terms of age) will be elected as standing and substitute auditors up to the number of offices to be assigned, in any case ensuring that standing auditors are taken from at least two different lists; all this, however, in compliance with the rules related to the balance of genders in the bodies of listed companies pursuant to Law no. 120/2011.

Should the resulting composition of the collective body or of the category of the alternate Statutory Auditors fail to respect the balance of genders, taking into account the order in which they are listed in the respective section, the last elected candidates of the Majority List of the most represented gender shall fall from office in the number necessary to ensure the compliance with the required quota, and they shall be replaced by the first non-elected candidates of the same list and of the same section of the less represented gender. If there are no candidates of the less represented gender in the relevant section of the Majority List in a sufficient number to proceed with replacement, the Shareholders' Meeting shall appoint the missing permanent or alternate Statutory Auditors subject to the legal majorities, thus ensuring that the required quota is met.

For the purpose of implementing the provisions of this article, the lists presented by minority shareholders that are directly or indirectly connected with shareholders that have presented or voted for the list that has obtained the highest number of votes shall not be included.

The chairmanship of the Board of Statutory Auditors is assigned to the standing auditor indicated as the first candidate on the list that at the Shareholder's Meeting has obtained most votes after the first one.

The above-mentioned provisions for the appointment of the Board of Statutory Auditors are not applicable to Shareholders' Meetings appointing the Board of Statutory Auditors following replacement or cease of office of members of the Board, in compliance with legal requirements, or to Shareholders' Meetings appointing the Board of Statutory

GEOX

Auditors whom, for any reason whatsoever, including non-presentation of several lists, it was not possible to elect using the list vote approach. In such cases, the Shareholders' Meeting shall resolve with the legal majorities, in any case in compliance with the division criterion capable of ensuring the gender balance under Article 148, par. 1-bis of Legislative Decree no. 58/1998.

Statutory auditors hold office for three financial years and cease their office on the date of the Shareholders' Meeting convened to approve the financial statements for the last financial year of their term of office. Statutory Auditors' ceasing of office takes effect when the Board of Statutory Auditors has been re-elected. If a standing Statutory Auditor ceases his/her office for any reason, the substitute auditor belonging to the same list as the auditor leaving office takes his/her place. The new Statutory Auditors shall remain in office until the following Shareholders' Meeting, which shall replace the missing members of the Board of Statutory Auditors according to the legal provisions and in compliance with the division criterion capable of ensuring the gender balance under Article 148, par. 1-bis of Legislative Decree no. 58/1998".

By means of Resolution no. 20273 published on 24 January 2018, Consob established the shareholding required for presentation of the lists of candidates for election to the administration and control bodies that closed the accounting period ended on 31 December 2017, unless a lower quota is envisaged by the Articles of Association. In particular, the quota set for GEOX S.p.A. is the following:

CRITERIA FOR THE DETERMINATION OF THE SHAREHOLDING			SHAREHOLDING
CATEGORY CAPITALISATION	FREE FLOAT %	MAJORITY STAKE %	
> 375 million euros and <= 1 billion euros	Not material	Not material	2.5%

13. COMPOSITION AND OPERATION OF THE BOARD OF STATUTORY AUDITORS

Pursuant to art. 123-bis, par. 2, letters d) and d bis), FCA

Pursuant to art. 22 of the Articles of Association, as modified in February 2013, the Board of Statutory Auditors consists of three standing members and two substitutes in compliance with the gender balance pursuant to article 148, par. 1-bis of Leg. Decree no. 58/1998, as introduced by Law 120/2011.

The Auditors currently in office were appointed by the Shareholders during the Shareholders' Meeting held on 19 April 2016 on the basis the lists presented respectively by the majority shareholder Lir S.r.l. – owner of 71.1004% of the subscribed and paid in capital – and by a group of asset management companies and institutional investors – whose overall equity stake amounts to 1.13% of the subscribed and paid in capital, and approved by the majority of the Shareholders' attending the meeting, representing 88.37% of the voting capital; they will remain in office until the meeting for the approval of the financial statements as of 31 December 2018.

During 2017, the Board of Statutory Auditors held 11 meetings with an average length of two hours each. For the current accounting period, a precise number of meetings has not been established. As at the date of this report, in 2018 the Board of Statutory Auditors has met three times.

The structure of the Board of Statutory Auditors as at 31 December 2017 is set out in Table 3 attached.

The list of administration and control offices covered by the Company Auditors in companies pursuant to Book V, Title V, Chapters V, VI and VII of the Italian Civil Code, is enclosed with this Report. The complete list of offices is published by Consob on its own website in the cases and pursuant to Article 144-quinquiesdecies of the Issuers' Regulations. The personal and professional characteristics of each auditor are presented in their curriculum vitae which is published in the Governance section of the website www.geox.biz.

On 8 November 2017 the Board of Directors adopted a Diversity Policy for the composition of administrative, management and control bodies aimed at ensuring that the corporate bodies function properly by regulating their composition and requiring that their members satisfy the personal and professional requirements

GEOX

ensuring a high degree of heterogeneity and expertise. For details, please see section 4.2 of this report.

Observance of the criteria of independence was verified at the time of appointment both in compliance with art. 148, paragraph 3 of the FCA and with art. 8.C.1 of the Corporate Governance Code. In addition, the Board of Statutory Auditors assessed the independence of its members at the first available opportunity after their appointment. The Board of Statutory Auditors assesses the independence of its members also on a yearly basis. The most recent assessment was conducted on 19 February 2018 and confirmed that the members meet the independence requirements.

In observance of Article 2. C.2. of the Corporate Governance Code, the Chairman of the Board of Directors shall make sure that the Statutory Auditors adequately know the sector of activity in which the Company operates, the company dynamics and their development, as well as the applicable legal framework, and he or she shall take specific initiatives intended for this purpose, encouraging Statutory Auditors to join such initiatives.

Responsibility for promptly and thoroughly informing the other Auditors and the Chairman of the Board of Statutory Auditors of any interests in a specific Company transaction, specifying the nature, terms, origin and purport, is left to the initiative of each Auditor.

When performing its activities, the Board of Statutory Auditors co-ordinated with the internal audit department and with the Audit and Risk Committee, by means of the periodic participation in meetings providing updates on internal audit matters.

I 4. DEALINGS WITH THE SHAREHOLDERS

In line with the matters recommended by Article 9 of the Corporate Governance Code, in the Governance section of the website biz significant information is made available to the shareholders with particular reference to the methods envisaged for participation in and exercise of the right to vote during shareholders meetings, along with the documentation relating to the business placed on the agenda.

The investor relations' function was handled by Mr Livio Libralesso and Ms Marina Cagnello until 31 January 2018. Starting from 1 February 2018 the investor relations' function is handled by Mr Livio Libralesso and Mr Simone Maggi.

15. GENERAL MEETINGS

Pursuant to art. 123-bis, par. 2, letter c), FCA

Article 12 of the Articles of Association provides that parties qualifying as owners of shares on the seventh open market day prior to the Shareholders' Meeting date are entitled to intervene and to vote, provided they have announced their wish to intervene in the Shareholders' Meeting through a duly authorised intermediary, pursuant to the provisions of the law and applicable regulations.

Intervention during Shareholders' Meetings by means of telecommunications facilities is permitted, via methods which allow the identification of all the participants and permit the latter to follow the discussion and intervene in real time when handling the business dealt with. In this case, the meeting will be considered to have been held where the Chairman of the Shareholders' Meeting and the secretary are located. The method of telecommunication used must be mentioned in the minutes.

Those who are entitled to vote may exercise this right electronically via certified email (PEC) pursuant to the laws, regulatory provisions on this issue and the provisions within the shareholders' meeting regulations. This provision of the Articles of Association shall enter into effect as from the Shareholders' Meeting resolution that approves the amendments to the Shareholders' Meeting regulations which govern the ways in which a vote can be placed electronically.

Individuals who are entitled to participate and vote in the Shareholders' Meeting may be represented by another natural or legal person, including non-shareholders, via a written authorisation in the cases and within the limits set by the applicable law and regulatory provisions. The authorisation may be sent electronically via certified email and through any other methods provided for in the convocation notice, according to the procedures allowed by the applicable provisions of the law and the regulations.

Pursuant to article 127-ter of the FCA, shareholders can ask questions on the agenda items even prior to the Shareholders' Meeting, by recorded delivery letter with advice of delivery to be addressed to Geox S.p.A. Direzione Affari Legali e Societari, via Feltrina Centro no. 16, 31044 Biadene di Montebelluna (TV), Italy or by certified email to societario@pec.geox.com. These questions will be answered at the latest during the Meeting, while the Company is entitled to provide a joint response to questions having the same content.

GEOX

Pursuant to Article 10 of the Articles of Association, the shareholders who, even jointly, represent at least one fortieth of the share capital may request, within 10 days of the publication of the notice to convene the Shareholders' Meeting (unless the law provides for other time limits), additions to the lists of the items on the agenda, indicating in their request the additional items they propose, or submit proposals for resolution on items already on the Agenda, within the limits and subject to the methods provided for by the applicable legal provisions and regulations, through a signed original letter to be sent to the Legal and Corporate Affairs Department of Geox S.p.A., along with a report on the items proposed for discussion. Addition is not allowed for issues that the shareholders' meeting deliberates about, pursuant to the law, upon the proposal of Directors or based on a project or report prepared by them. Any list of additional issues to be discussed at the shareholders' meeting will be published following the same terms and conditions as for this notice, at least fifteen days prior to the Shareholders' Meeting.

The course of the Meeting is disciplined by specific regulations for general shareholders' meeting business, available in the investor relations section, governance, general shareholders' meeting on the website www.geox.biz.

Article 6 of the Shareholders' Meeting Regulations envisages the possibility for each shareholder to request the floor on any of the matters being discussed, requesting information and making any proposals.

During the general Shareholders' Meeting held on 20 April 2017, attended by the majority of the Directors of the Company, the Board reported on the activities carried out and scheduled and took action so as to ensure the shareholders adequate disclosure regarding the elements necessary in order that they may adopt, in full awareness of the facts, decisions which are the responsibility of the meeting.



16. OTHER PRACTICES PERTAINING TO CORPORATE GOVERNANCE

Pursuant to art. 123-bis, par. 2, letter a), FCA

The Company established an Ethics Committee, subsequently reappointed on 19 April 2016, “Ethics and Sustainable Development Committee” in compliance with the Code of Ethics adopted by the Board and last updated on 23 February 2018. The aforementioned Committee, because of the passing of Professor Joaquín Navarro-Valls on 5 July 2017, currently consists of Mr Mario Moretti Polegato, Mr Umberto Paolucci, engineer, and Mr Renato Alberini, attorney, to direct and promote the Company’s commitment and ethical conduct.

17. CHANGES SINCE THE END OF THE ACCOUNTING PERIOD IN QUESTION

As at the closing date, no changes in the corporate governance structure took place in respect to those indicated in the specific sections.

18. CONSIDERATIONS ON THE LETTER OF 13 DECEMBER 2017 BY THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE

On 23 February 2018, the Board of Directors acknowledged the recommendations received from the Chairperson of the Corporate Governance Committee, Patrizia Grieco, with a letter of 13 December 2017 and anticipated in advance to the directors (the “Recommendations”) and observed:

- 1) with reference to the three main areas of improvement indicated in the Recommendations, we believe that the Company has already aligned itself with the recommendations regarding the pre-meeting information and the specification of the functions relating to the appointments and remuneration unified in the Appointment and Remuneration Committee. With regard to remuneration policies, the Board of Directors intends to carry out new assessments in subsequent meetings, also with the support of the Appointment and Remuneration Committee, on the advisability of implementations in this specific area;
- 2) with reference to the other areas subject to qualitative improvement, we believe that the Company has already adapted to the recommendations regarding the independence of directors and the board review. With regard to the succession plan for executive directors, the Company confirms what has already been expressed in the Report.

Today, 23 February 2018

On behalf of the Board of Directors

The Chairman

Mr Mario Moretti Polegato

List of positions held by Geox’s Directors in other companies listed on regulated markets (also abroad), in financial, banking and insurance companies or companies of significant dimensions; List of positions held by the Statutory Auditors in other companies.

Board of Directors as at 31 December 2017

Name	Office	Other positions
Mario Moretti Polegato	Chairman	Chairman of the Board of Directors of: <ul style="list-style-type: none"> • LIR S.r.l., Geox S.p.A.’s parent company Regent of the Bank of Italy at the Institution’s Offices in Venice.
Gregorio Borgo	Chief Executive Officer	No
Enrico Moretti Polegato	Deputy Chairman	Director of: <ul style="list-style-type: none"> • LIR S.r.l., Geox S.p.A.’s parent company Chairman of the Board of Directors and CEO of: <ul style="list-style-type: none"> • DIADORA SPORT S.R.L. Member of the Managing Committee of: <ul style="list-style-type: none"> • UNINDUSTRIA TREVISO
Alessandro Antonio Giusti	Non-independent director responsible for overseeing the Audit and Risk System	Chairman of the Board of Statutory Auditors of: <ul style="list-style-type: none"> • X CAPITAL S.P.A. • NEXT HOLDING S.P.A. • INTERPORTO DELLA TOSCANA CENTRALE S.P.A. Standing Auditor of: <ul style="list-style-type: none"> • FIDICONTROL S.p.A. • ENEGAN S.P.A.

		Receiver of: <ul style="list-style-type: none"> • O.G. S.p.A. IN LIQUIDAZIONE [company in liquidation] • C.F. S.p.A. IN LIQUIDAZIONE [company in liquidation]
Lara Livolsi	Independent Director	Director of: <ul style="list-style-type: none"> • DIADORA SPORT S.r.l. • NovaRe SIIQ S.p.A • FININVEST RES
Duncan Niederauer	Independent Director	Director of: <ul style="list-style-type: none"> • FIRST REPUBLIC BANK (listed on NYSE) • REALOGY (listed on NYSE)
Claudia Baggio	Director	Director of: <ul style="list-style-type: none"> • DIADORA SPORT S.r.l.
Francesca Meneghel	Independent Director Lead Independent Director	Chairman of the Board of Statutory Auditors: <ul style="list-style-type: none"> • AVON COSMETICS S.R.L. • BANCA MEDIOLANUM S.P.A. Standing Auditor of: <ul style="list-style-type: none"> • MEDIASET S.P.A. • MEDIOLANUM FIDUCIARIA S.P.A. • MEDIOLANUM GESTIONE FONDI SGR S.P.A. • PRESS-DI ABBONAMENTI S.P.A. • EI TOWERS S.P.A.
Manuela Soffientini	Independent Director	Chairman of the Board of Directors and CEO of: <ul style="list-style-type: none"> • ELECTROLUX APPLIANCES S.p.A. Supervisory Director of: <ul style="list-style-type: none"> • BANCO BPM

Ernesto Albanese	Independent Director	Independent Director of: <ul style="list-style-type: none"> • AUTOGRILL S.P.A.
------------------	----------------------	---

Board of Statutory Auditors as at 31 December 2017

Name	Office	Other positions
Sonia Ferrero	Chairman	Standing Auditor of: <ul style="list-style-type: none"> • BANCA PROFILO S.P.A. • INIZIATIVA GESTIONE INVESTIMENTI SOCIETA' DI GESTIONE DEL RISPARMIO S.P.A. • MBDA ITALIA S.P.A. • VALVITALIA S.P.A. • VALVITALIA FINANZIARIA S.P.A.MBDA ITALIA S.P.A.
Francesco Gianni	Standing Auditor	Director and Chairman of the Board of Directors of: <ul style="list-style-type: none"> • OPPIDUM S.R.L. • FIDEROUTSOURCING S.R.L. • FIDERSERVIZI S.R.L. • CALTAGIRONE EDITORE SPA Director and Chairman of the Board of Directors and CEO of: <ul style="list-style-type: none"> • PROPERTIES ITALIA S.R.L. Director and Deputy Chairman of the Board of Directors of: <ul style="list-style-type: none"> • CASSA DI RISPARMIO DI RAVENNA S.P.A. Director of: <ul style="list-style-type: none"> • PANTHEON.IT S.R.L. • PANTHEON ITALIA S.R.L.

		<ul style="list-style-type: none"> • VALVITALIA FINANZIARIA S.P.A. • MAGGIOLI S.P.A. • D.E. HOLDING ITALY S.R.L. • VITROCISSET S.P.A. • VALVITALIA S.p.A. • INNOVA ITALY I S.P.A. • MARCO SIMONE GOLF & COUNTRY CLUB S.P.A. <p>Sole Director of:</p> <ul style="list-style-type: none"> • FULL SERVICES S.R.L.
Fabrizio Colombo	Standing auditor	<p>Standing Auditor of:</p> <ul style="list-style-type: none"> • MITTEL S.p.A. • CRÉDIT AGRICOLE VITA S.p.A. • PUBLITALIA '80 S.p.A. • ACCIAIERIA ARVEDI S.p.A. • FINARVEDI S.p.A. • SISTEMI INFORMATIVI S.r.l. • BNP PARIBAS FOR INNOVATION ITALIA S.r.l. • VALUE TRANSFORMATION SERVICES S.p.A. • ACAM GAS S.P.A.

TABLE 1: INFORMATION on OWNERSHIP STRUCTURES

SHARE CAPITAL STRUCTURE				
	Number of shares	% of share capital	Listed (specify markets) / Not listed	Rights and obligations
Ordinary shares	259,207,331	100%	MTA	Each share is entitled to one vote. The rights and obligations of the shareholders are those laid down by articles 2346 and subsequent articles of the Italian Civil Code.
Shares with multiple voting rights	-	-	-	-
Shares with limited voting rights	-	-	-	-
Shares without voting rights	-	-	-	-
Other	-	-	-	-
OTHER FINANCIAL INSTRUMENTS (with the right to subscribe newly issued shares)				
	Listed (specify markets) / Not listed	Number of outstanding securities	Category of shares to service the conversion/exercise	Number of shares to service the conversion/exercise
Convertible bonds	-	-	-	-
Warrants	-	-	-	-

SIGNIFICANT EQUITY INVESTMENTS IN SHARE CAPITAL			
Declaring Party	Direct Shareholder	% of ordinary capital	% of voting capital
Mario Moretti Polegato	LIR S.r.l.	71.1004%	71.1004%

TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AND COMMITTEES

Board of Directors													Audit and Risk Committee		Appointment and Remuneration Committee		Appointment Committee (4)		Executive Committee (if any)	
Office	Members	Year of birth	Date of first appointment *	In office from	In office until	List **	Exec. c.	Non-exec. .	Indep. Civil Code	Indep. CFA	No. other offices ***	(*)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Chairman	Mario Polegato Moretti	1952	20.05.2002 (1)	19.04.2016	Approval of financial statements 31.12.18	M	X				2	7/7							14/14	P
CEO ◊	Gregorio Borgo	1963	12.01.2017	12.01.2017	18.01.2018	M	X				-	6/6							13/13	M
Deputy Chairman	Enrico Polegato Moretti	1981	27.07.2004 (1)	19.04.2016	Approval of financial statements 31.12.18	M	X				3	7/7							13/14	M
Director •	Alessandro Antonio Giusti	1950	20.10.2004 (2)	19.04.2016	Approval of financial statements 31.12.18	M		X			7	7/7	7/7	M	6/6	M				
Director	Claudia Baggio	1981	08.11.2012	19.04.2016	Approval of financial statements 31.12.18	M		X			1	7/7								
Director	Lara Livolsi	1974	17.04.2013	19.04.2016	Approval of financial statements 31.12.18	M		X	X	X	3	7/7			6/6	P				

Director	Duncan Niederauer	1959	13.11.2014	19.04.2016	Approval of financial statements 31.12.18	M		X	X	X	2	5/7							
Director ^o	Francesca Meneghel	1961	19.04.2016 (3)	19.04.2016	Approval of financial statements 31.12.18	M		X	X	X	7	7/7	7/7	P					
Director	Manuela Soffientini	1959	19.04.2016	19.04.2016	Approval of financial statements 31.12.18	m		X	X	X	2	6/7	7/7	M					
Director	Ernesto Albanese	1964	19.04.2016	19.04.2016	Approval of financial statements 31.12.18	m		X	X	X	1	7/7			6/6	M			
-----DIRECTORS WHO LEFT OFFICE DURING THE REFERENCE FINANCIAL YEAR -----																			
Director	Giorgio Presca	1963	28.09.2012	19.04.2016	11.01.2017	M	X					0/1						0/1	M
No. meetings held in the reference financial year: 7						Audit and Risk Committee: 7				Appointment and Remuneration Committee: 6				Executive Committee: 14					
Specify the quorum required for submitting lists by minority shareholders for electing one or more members (pursuant to art. 147-ter TUF): 2.5 %																			

NOTES

The following symbols must be inserted in the "Office" column:

- This symbol means that the director is responsible for the internal audit and risk management system.
- ◊ This symbol means main person responsible for the issuer's management (Chief Executive Officer or CEO).
- o This symbol means Lead Independent Director (LID).

* Date of first appointment of each director means the date on which the director was appointed for the first time (ever) in the BoD of the issuer.

** This column specifies the list on which each director was included ("M": majority list; "m": minority list; "CdA": list submitted by the BoD).

*** This column specifies the number of offices of director or statutory auditor that are held by a person involved in other listed companies on regulated markets, including abroad, in financial, banking and insurance companies, or companies of significant dimensions. The offices are indicated in detail in the Corporate Governance Report.

(*). This column specifies the attendance of directors in BoD and committee meetings, respectively (specify the number of meetings attended out of the total number of meetings the director could have attended; e.g. 6/8; 8/8 etc.).

(**). This column specifies the title of the director within the Committee: "P": chairman; "M": member.

Notes regarding the Company:

-
- (1) Appointment before listing of the Company on 1 December 2004.
 - (2) Date of first appointment, first office start date 1 December 2004.
 - (3) Date of first appointment as director. Previously Standing Auditor from 18.12.2008 to 19.04.2016.
 - (4) On 19 April 2016 the Appointment Committee was merged into the Remuneration Committee and renamed "Appointment and Remuneration Committee".

TABLE 3: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

Board of Statutory Auditors									
Office	Members	Year of birth	Date of first appointment *	In office from	In office until	List **	Indep. Civil Code	Attendance at the Board meetings ***	No. other offices
Chairman	Sonia Ferrero	1971	19.04.2016	19.04.2016	Approval of financial statements 31.12.2018	m	X	11/11	5
Standing Auditor	Francesco Gianni	1951	17.04.2013 (1)	19.04.2016	Approval of financial statements 31.12.18	M	X	10/11	16
Standing Auditor	Fabrizio Colombo	1968	19.04.2016 (2)	19.04.2016	Approval of financial statements 31.12.18	M	X	11/11	9
Standing Auditor	Fabio Buttignon	1959	19.04.2016	19.04.2016	Approval of financial statements 31.12.18	m			
Standing Auditor	Giulia Massari	1967	20.10.2004 (3)	9.04.2016	Approval of financial statements 31.12.18	M			
-----STATUTORY AUDITORS WHO LEFT OFFICE DURING THE REFERENCE FINANCIAL STATEMENTS -----									
—	—	—	—	—	—	—	—	—	—
No. meetings held in the reference financial year : 11									
Specify the quorum required for submitting lists by minority shareholders for electing one or more members (pursuant to art. 148 TUF): 2.5%									

NOTE

* Date of first appointment of each statutory auditor means the date on which the statutory auditor was appointed for the first time (ever) in the board of statutory auditors of the issuer.

** This column specifies the list on which each statutory auditor was included ("M": majority list; "m": minority list).

*** This column specifies the attendance of the statutory auditors in the board of statutory auditors meetings (specify the number of meetings attended out of the total number of meetings the statutory auditor could have attended; e.g. 6/8; 8/8 etc.).

**** This column specifies the number of offices of director or statutory auditor that are held by a person referred to in art. 148-bis TUF and the relevant implementing provisions set forth in the Consob Issuers' Regulations. The complete list of offices is published by Consob on its website pursuant to art. 144-quinquiesdecies of the Consob Issuers' Regulation.

- (1) Date of first appointment as member and Chairman of the Board of Statutory Auditors. Previously director of the Company from 01.12.2004 (appointed on 20.10.2004) until 17.04.2013.
- (2) Previously director of the company from 17.04.2013 to 19.04.2016 and Chairman of the Board of Statutory Auditors from 20.10.2004 to 17.04.2013.
- (3) In office as alternate statutory auditor from 20.10.2004 until 19.04.2016