



EXPLANATORY REPORT OF THE BOARD OF DIRECTORS TO THE ORDINARY SHAREHOLDERS' MEETING OF 14 DECEMBER 2021

1. ***Report on remuneration policy and remuneration paid: updating of the Company's remuneration policy as set out in the first section of the Report drawn up pursuant to article 123-ter, paragraphs 3, 3-bis and 3-ter of Legislative Decree No. 58 of 24 February 1998. Relevant and ensuing resolutions.***

Shareholders,

on 9 November 2021, the Board of Directors resolved to present, to the General Meeting of Shareholders, an update of its remuneration policy for the year 2021, under in Section I of the remuneration report drawn up in compliance with the provisions of Article 123-ter of the Italian Consolidated Law on Finance, Article 84-*quater* and Annex 3A, Table 7-*bis*, of the Consob Regulation no. 11971/1999, as amended by Consob Resolution No. 21623 of 10 December 2020, and Article 5 of the Corporate Governance Code adopted by the Corporate Governance Committee of Borsa Italiana S.p.A.

The new remuneration policy takes into account the upcoming entry of a new Chief Executive Officer and General Manager, as well as the proposals presented at the same time to the General Meeting of Shareholders regarding the adoption of new incentive plans, and, in particular, provides for the following:

- (i) adoption of a "*Special Award 2022-2026*" plan and of a "*Restricted Shares*" plan for the new Chief Executive Officer and General Manager (as well as for any additional beneficiaries as may be identified by the Board of Directors from among the Company's top management and/or management);
- (ii) description of the convention rules relating to cases of early termination of the relationship with the new Chief Executive Officer and General Manager.

In compliance with Article 123-ter of the Italian Consolidated Law on Finance, the General Meeting of Shareholders will be called to approve, with a binding vote, the new remuneration policy that, starting from the date of the possible approval thereof by the General Meeting of Shareholders, will update and replace the policy approved with the favourable vote of the General Meeting of Shareholders held on 22 April 2021. Conversely, Section II of the remuneration report (final balance of compensation paid in financial year 2020), already approved by the General Meeting of Shareholders held on 22 April 2021, will remain unchanged. Therefore, the General Meeting of Shareholders will not be required to pass a new resolution in relation to the same.

For your information, please refer to the report containing the new remuneration policy made available to the public, within the time limits provided for by current legislation, at the Company's registered office, at Borsa Italiana S.p.A. and on the Company's website.

The following proposed resolution will thus be submitted to the General Meeting of Shareholders:

“Having acknowledged the report on the remuneration policy prepared by the Company's Board of Directors pursuant to Article 123-ter of the Italian Consolidated Law on Finance and Article 84-quater and Annex 3A, Table 7-bis, of the Consob Regulation no. 11971/1999, the General Meeting of Shareholders of Salvatore Ferragamo S.p.A., meeting in an ordinary session,

hereby resolves to

approve the Company's remuneration policy on the remuneration of members of its management and control bodies, general managers, key management personnel with reference to the financial year 2021, as well as the procedures used for the adoption and implementation of such policy as described in the first section of the report on the Company's report on remuneration policy and compensation paid”.

Florence, 9 November 2021

On behalf of the Board of Directors

Leonardo Ferragamo

Chairman