



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

2. *Approval, pursuant to article 114-bis of Legislative Decree no. 58/1998, of the long-term incentive plan called “Special Award 2022-2026”, which provides for the assignment of ordinary shares of Salvatore Ferragamo S.p.A. to the Chief Executive Officer and General Manager as well as to any further executive of the Ferragamo Group. Relevant and ensuing resolutions.*

Shareholders,

on 9 November 2021, the Board of Directors of Salvatore Ferragamo S.p.A., on the proposal of the Remuneration and Appointment Committee, resolved to submit a proposal to the General Meeting of Shareholders for the approval of a long-term incentive plan referred to as “Special Award 2022-2026” (the “**Plan**”), which provides for the assignment – upon attaining certain targets based on the Company’s capitalisation – of ordinary shares of Salvatore Ferragamo S.p.A. (the “**Company**”) to the Chief Executive Officer and General Manager, as well as to any other top managers of the Ferragamo Group.

This report sets out the main characteristics of the Plan in order to be able to better appreciate the resolution proposal and in compliance with Article 114-*bis* of Legislative Decree No. 58/98, it being understood that for your full information, reference should be made to the relevant Disclosure Document published on the same occasion pursuant to Article 84-*bis* of Consob Regulation No. 11971/99.

Reasons for the adoption of the Plan

The Plan aims to strengthen the alignment of the interests of the Ferragamo Group’s top management with those of all stakeholders with a view to creating value by encouraging beneficiaries to achieve the Company’s medium-long term objectives, which will be reflected in the strategic plan currently being drawn up, and also promoting retention.

Recipients of the Plan

The Company’s upcoming Chief Executive Officer and General Manager is the recipient of the Plan. The Board of Directors may identify additional beneficiaries, at its sole discretion, from among top managers who hold or will hold the position of director, employee and/or collaborator of the Company and its subsidiaries.

Scope, methods and clauses for implementing the Plan

The Plan provides for the disbursement of a “*special award bonus*” in two tranches, 50% of which to be paid out in cash and the remaining 50% in Company shares, respectively: (a) at the end of the first three-year period from 1 January 2022, after achieving the first target (as stated by the Board of Directors); and (b) at the end of the following two-year period, after achieving the second target (as will be stated by the Board of Directors).

Each tranche will be equal to a percentage amount (as stated by the Company’s competent bodies and, for the Chief Executive Officer and General Manager, representing 0.50%) of the Company’s average capitalisation value in a period between 3 months prior to and 3 months following the end of the first three-year period and of the further two-year period following the beginning of the Relationship (the “Average Value”).

The Plan will not be supported by the special Fund for encouraging worker participation in corporations, pursuant to Article 4, paragraph 112, of Law No. 350 of 24 December 2003.

The free allocation of the Company’s shares for the implementation of the Plan will take place by using treasury shares deriving from purchases authorized by the General Meeting of Shareholders, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code, and/or any capital increases as appropriate, pursuant to Article 2349, paragraph 1, of the Italian Civil Code.

Lock-up

The shares attributed to the beneficiaries will be subject to a 3-month lock-up.

The Plan incentive will be subject to *ex-post* correction mechanisms, as provided for by the Company’s remuneration policies (including claw-back clauses, limited to wilful misconduct, if any, attributable to the beneficiaries).

* * * *

Therefore, the following proposed resolution is hereby submitted to the General Meeting of Shareholders for approval:

“The General Meeting of Shareholders of Salvatore Ferragamo S.p.A., meeting in an ordinary session,

- *having considered the proposal of the Board of Directors;*
- *having regard to the disclosure document relating to the medium / long-term incentive plan referred to as “Special Award 2022-2026” made available to the public pursuant to applicable regulations;*

hereby resolves to

1) approve the medium / long-term incentive plan referred to as “Special Award 2022-2026”, which provides for the assignment of ordinary shares of Salvatore Ferragamo S.p.A. – upon the achievement of certain targets based on the Company’s capitalisation – to the Chief Executive Officer and General Manager, as well as to any other top managers of the Ferragamo Group as may be identified by the Board of Directors, according to the terms and conditions described in the related disclosure document drawn up in compliance with Article 84-bis of Consob Regulation No. 11971/99, implementing Article 114-bis of Legislative Decree No. 58/98;

2) attribute to the Board of Directors all the powers necessary for the practical implementation of the above plan, in accordance with the provisions of the relevant disclosure document, including, but not limited to, the power to make non-substantial changes as may be necessary for the adaptation thereof following any intervening regulatory provisions or recommendations of the authorities, draw up the plan regulations, identify additional plan beneficiaries, prepare all the necessary notifications for the beneficiaries and fulfil all legal obligations, including publication requirements”.

Florence, 9 November 2021

On behalf of the Board of Directors

Leonardo Ferragamo
Chairman

Annex:

- Information document relating to the medium-long term incentive plan referred to as “Special Award 2022-2026”

Salvatore Ferragamo

INFORMATION DOCUMENT
(drafted pursuant to Art. 114-*bis* of the TUF and Art. 84-*bis* of the
Issuers' Regulations)

RELATED
TO THE MEDIUM/LONG-TERM INCENTIVE PLAN
KNOWN AS THE "SPECIAL AWARD 2022-2026"

approved by the Board of Directors of the Company
on 9 November 2021

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INTRODUCTION

This information document (the "**Information Document**"), prepared in accordance with the provisions of Articles 114-*bis* of Legislative Decree No 58 of 24 February 1998 (the "**TUF (Testo Unico Finanziario - Consolidated Law on Finance)**") and 84-*bis*, paragraph 1, of the regulations adopted by Consob with Resolution No 11971 of 14 May 1999 (the "**Issuers' Regulations**"), as well as Scheme 7 of Annex 3A of the Issuers' Regulations, concerns the long-term incentive plan known as "Special Award 2022-2026" of Salvatore Ferragamo S.p.A. ("**Salvatore Ferragamo**" or the "**Company**") approved by the Board of Directors at the meeting held on 9 November 2021 (the "**Special Award Plan**" or the "**Plan**") and submitted for approval to the Shareholders' Meeting convened at the Company's registered office, Via Tornabuoni 2, 50123 Florence, on a single call for 14 December 2021.

In particular, the Plan provides for the allocation, under the terms and conditions set out below, of ordinary shares (the "**Shares**") of the Company to the Chief Executive Officer and General Manager and to any additional beneficiaries who may be identified in the future by the Board of Directors from among the selected members of the Ferragamo Group's *top management* (the "**Additional Beneficiaries**" and, jointly with the Chief Executive Officer and General Manager, the "**Beneficiaries**").

The Plan is designed to strengthen the alignment of interests between the Beneficiaries and all Ferragamo Group *stakeholders*, providing them with incentives to achieve the Company's medium/long-term objectives, which will also be reflected in the strategic plan, and in particular to foster their motivation and loyalty to the Company and the Ferragamo Group.

The Plan is to be considered of "*particular relevance*" pursuant to Art. 114-*bis*, paragraph 3, of the TUF and Art. 84-*bis*, paragraph 2, of the Issuers' Regulations, as it is also addressed to the Chief Executive Officer and General Manager of the Company and, potentially, to other selected members of the *top management* of the Ferragamo Group, including those belonging to the category of key management personnel of the Company or directors of its subsidiaries.

The Information Document is made available to the public at Salvatore Ferragamo's registered office in Via Tornabuoni 2, 50123 Florence, through the SDIR-NIS centralised storage mechanism for regulated information, managed by BIt Market Services, at the following *address* - www.emarketstorage.com and on the Company's *website* at www.group.ferragamo.com, *Governance* – Shareholders' Meeting 2021 as well as *Corporate Governance* - Remuneration sections.

DEFINITIONS

For the purposes of this information document, the terms below shall have the following meanings:

Chief Executive Officer and General Manager	The director with management powers and General Manager of Salvatore Ferragamo, Marco Gobbetti.
Shareholders' Meeting	Salvatore Ferragamo's shareholders' meeting.
Shares	Salvatore Ferragamo ordinary shares.
Salvatore Ferragamo or Company	Salvatore Ferragamo S.p.A., with registered office in Via Tornabuoni no. 2, 50123 Florence, Italy, Tax Code, VAT No and registration number with the Florence Register of Companies 02175200480.
Special Award Bonus	The medium-long term variable bonus under the Plan.
Beneficiaries	Jointly, the Chief Executive Officer and General Manager and the Additional Beneficiaries.
Change of Control	The exercise of control, pursuant to Art. 2359 of the Civil Code, over the Company by a person other than Ferragamo Finanziaria S.p.A.
Civil Code	The Italian Civil Code, approved by Royal Decree No. 262 of 16 March 1942.
Corporate Governance Code	The Corporate Governance Code prepared by the Corporate Governance Committee promoted by Borsa Italiana S.p.A.
Remuneration and Appointments Committee	The Company's <i>pro tempore</i> remuneration and appointments committee.
Board of Directors	The <i>pro tempore</i> board of directors of the Company.
Subsidiaries	Indistinctly, each of the companies currently directly or indirectly controlled, pursuant to Art. 2359 of the Civil Code, by the Company, which have a Relationship with one or more Beneficiaries.
Date of the Information Document	The date of publication of the Information Document, <i>i.e.</i> November 12, 2021.
Approval Date	The date of approval of the Plan by the Shareholders' Meeting.
Information Document	This information document has been prepared pursuant to and for the purposes of Article 114-bis of the TUF and Article 84-bis, paragraph 1, of the Issuers' Regulations.
Ferragamo Group	The parent company Salvatore Ferragamo and its Subsidiaries.
Vesting period	The five-year period over which each Beneficiary's <i>performance</i> is measured against the objectives.
Special Award Plan or Plan	The "Special Award Plan 2022-2026", the adoption of which, pursuant to Art. 114-bis of the TUF, is subject to the approval of the Shareholders' Meeting called for 14 December 2021.
Remuneration Policy	Salvatore Ferragamo's remuneration policy currently in force.

First Objective	The Average Value at the end of the first three-year period beginning 1 January 2022 (at least equal to an amount defined by the Board of Directors).
Relationship	The existing administrative and/or employment relationship between each Beneficiary and the Company or a Subsidiary, as the case may be.
Plan Regulations	The regulations governing the terms and conditions of the Plan that will be drafted and approved by the Board of Directors, on the proposal of the Remuneration Committee and subject to the favourable opinion of the Board of Statutory Auditors of the Company, after the approval of the Plan by the Shareholders' Meeting.
Issuers' Regulations	The regulation adopted by Consob with resolution no. 11971 of 14 May 1999.
Second Objective	The Average Value at the end of the two-year period following the end of the first three-year period from the inception of the Beneficiary (and at least equal to an amount defined by the Board of Directors).
TUF	Legislative Decree No 58 of 24 February 1998.
Additional Beneficiaries	Any additional beneficiaries of the Plan identified at the sole discretion of the Board of Directors from among the <i>top management</i> of the Company and the Ferragamo Group.
Average Value	The average capitalisation value of the Company in a period between the 3 months preceding and the 3 months following the reference date.

1 THE RECIPIENTS

1.1 Indication of the names of the recipients who are members of the Board of Directors or the management board of the issuer of the financial instruments, the issuer's controlling companies and the companies directly or indirectly controlled by the issuer

At the date of the Information Document, the beneficiary of the Plan is the future Chief Executive Officer and General Manager of the Company, Marco Gobetti.

The Board of Directors may subsequently identify (at the beginning of the Plan or during the Vesting Period, applying, in this case, a pro rata temporis parameter that re-proportioned the Special Award Bonus taking into account the actual length of service during the Vesting Period) Additional Beneficiaries, at its sole discretion, from among those who are and will be directors, employees and/or collaborators of the Company and its Subsidiaries.

The names of any Additional Beneficiaries identified by the Board of Directors, as well as the other information required by paragraph 1 of Schedule 7 of Annex 3A of the Issuers' Regulations, will be provided in accordance with the procedures and terms set forth in Article 84-bis, paragraph 5, letter a) of the Issuers' Regulations.

1.2 Categories of employees or collaborators of the issuer of the financial instruments and the controlling companies or subsidiaries of such issuer

Any Additional Beneficiaries of the Plan may be identified (at the commencement of the Plan or during the Vesting Period, in which case a pro rata temporis parameter will be applied that will re-proportion the Special Award Bonus taking into account the actual length of service during the Vesting Period) from among employees and/or collaborators in key positions within the Ferragamo Group, capable of contributing to the achievement of the Company's long-term strategies, including those belonging to the category of key management personnel.

The precise indication of the categories of Additional Beneficiaries that may be identified by the Board of Directors, as well as the other information required by paragraph 1 of Schedule 7 of Annex 3A of the Issuers' Regulations, will be provided in accordance with the procedures and terms set forth in Article 84-bis, paragraph 5, letter a) of the Issuers' Regulations.

1.3 Indication of the names of the beneficiaries of the Plan belonging to the groups indicated in point 1.3, letters a), b) and c) of Annex 3A, Schedule 7 of the Issuers' Regulations

The Beneficiaries of the Plan include the Chief Executive Officer and General Manager of the Company.

At present, unless the Board of Directors decides otherwise in the future, it is not envisaged that the Beneficiaries of the Plan include parties belonging to the groups indicated in point 1.3, letters b) and c) of Annex 3A, Schedule 7, of the Issuers' Regulations.

In any case, the names of the Additional Beneficiaries belonging to these categories that may be identified by the Board of Directors, as well as the other information required by paragraph 1 of Schedule 7 of Annex 3A of the Issuers' Regulations, will be provided in accordance with the procedures and terms set forth in Article 84-bis, paragraph 5, letter a) of the Issuers' Regulations.

1.4 Description and numerical indication of the beneficiaries, separated for the categories indicated in point 1.4, letters a), b) and c) of Annex 3A, Schedule 7 of the Issuers' Regulations

Any additional Beneficiaries may include key management personnel.

There are no Beneficiaries for whom different characteristics of the Plan are envisaged.

In any case, the names of the Additional Beneficiaries belonging to these categories that may be identified by the Board of Directors, as well as the other information required by paragraph 1 of Schedule 7 of Annex 3A of the Issuers' Regulations, will be provided in accordance with the procedures and terms set forth in Article 84-bis, paragraph 5, letter a) of the Issuers' Regulations.

2 REASONS FOR ADOPTING THE PLAN

2.1 Objectives to be achieved through the allocation of plans

The Plan, in full compliance with applicable regulations as well as in line with best practice in this area (including the recommendations of the Corporate Governance Code), is designed to strengthen, particularly as part of the overall remuneration package for the Chief Executive Officer and General Manager and the Additional Beneficiaries, the alignment of interests between *top management* and all the Ferragamo Group's *stakeholders*, the creation of value, providing incentives for the Beneficiaries to achieve the Company's

medium/long-term objectives, which will be reflected in the strategic plan currently being drawn up, and also encouraging their *retention*.

In consideration of and for the purposes of pursuing these objectives, the Plan shall have the duration specified in sections 4.2 and 4.3 below. This timeframe appears to be suitable for achieving the aforementioned long-term objectives pursued by the Plan.

The Plan is also consistent with the 2021 Remuneration Policy, as updated and amended, submitted for approval to the Shareholders' Meeting called for 14 December 2021.

2.2 Key variables, also in the form of performance indicators, considered for the allocation of plans based on financial instruments

The Plan provides for the payment of the Special Award Bonus in two *tranches* to be paid 50% in cash and 50% in Shares respectively:

- a) at the end of the first three-year period commencing on 1 January 2022, upon achievement of the First Objective (for the amount determined by the Board of Directors); and
- b) at the end of the following two-year period, upon achievement of the Second Objective (for the amount defined by the Board of Directors).

Each *tranche* will be equal to a percentage amount (determined by the competent bodies of the Company and equal, for the Chief Executive Officer and General Manager, to 0.50%) of the average capitalisation value of the Company in a period between the three months preceding and the three months following the end of the first three-year period and the further two-year period following the commencement of the Relationship (the "**Average Value**").

The Shares granted to the Beneficiaries will therefore be subject to a 3-month *lock-up* period.

The incentive covered by the Plan will be subject to the *ex-post* correction mechanisms provided for by the Company's Remuneration Policies (including *claw back* clauses, limited to any conduct attributable to the Beneficiaries by way of fraud).

For a description of the effects of the termination of the Relationship, reference should be made to the following section 4.8.

2.3 Elements underlying the determination of the amount of the compensation based on financial instruments, or the criteria for its determination

The Plan provides for the payment of the Special Award Bonus upon achievement of the First Objective and the Second Objective, for an amount equal to a percentage of the Average Value.

For the position of Chief Executive Officer and General Manager (and, unless otherwise decided by the Board of Directors, for the Additional Beneficiaries) it is also envisaged that:

- a) in the event that, at the end of the first three-year period, the Average Value is less than 5% lower than the First Objective, the Beneficiaries will maintain the right to receive 75% of the first *tranche* of the Special Award Bonus calculated on the basis of the Average Value actually recorded at that date;
- b) in the event that, at the end of the following two-year period, the Average Value is less than 15% lower than the Second Objective, the Beneficiaries will maintain the right to receive 75% of the second *tranche* of the Special Award Bonus calculated on the basis of the Average Value actually recorded at that date;
- c) in any case of achievement of the Second Objective at the end of the relevant reference period, the Special Award Bonus shall accrue in both its two *tranches* irrespective of the achievement, in whole or in part, of the First Objective, with a consequent possible adjustment with respect to the first *tranche* paid.
- d) if the FTSE-MIB index registers, in the 12 months prior to the verification of the condition for the payment of the second *tranche* of the Special Award Bonus, a drop equal to or greater than 10%, the deadline for the verification of the Second Objective shall be extended by a further year (without prejudice, in any case, to the condition relating to the effective continuation of the Relationship up to that date);
- e) in the event of a Change of Control during the Vesting Period, the Beneficiaries are entitled to receive the Special Award Bonus, in a lump sum and in an amount calculated by taking as a reference 0.50% of the *equity value* of the Company determined on the basis of the valuation of the Company in the context of the transaction that determined the Change of Control, it being understood that: (i) in this case, the cash portion of the Special Award Bonus will be recognised within 30 days from the completion of the transaction that determined the Change of Control while the portion in financial instruments of the Special Award Bonus will be recognised through the attribution to the Beneficiaries of the same consideration (in terms of type, timing etc.) that the shareholders will receive from the new controlling shareholder and that (ii) if such consideration has a lower liquidity than the Company's shares, the

portion in financial instruments of the Special Award Bonus will also be recognised in cash, possibly through a mechanism that allows the Beneficiaries to participate themselves in the extraordinary Change of Control transaction;

- f) in the event of major market discontinuity (by way of example, the occurrence of extraordinary changes in macroeconomic conditions or an exceptional worsening of the financial environment), or in the event of other extraordinary events that have an impact on the Company's industrial and strategic plan, the Company puts in place the appropriate corrective measures to the terms and conditions of the Special Award Bonus (including with reference to the reference targets, the relative metrics and the evaluation methods), in order to keep the economic substance of the relative treatments as unchanged as possible, maintaining the main incentive and loyalty-enhancing purposes.

2.4 *Reasons for any decision to allocate compensation plans based on financial instruments not issued by the issuer, such as financial instruments issued by subsidiaries or controlling companies or third party companies with respect to the group to which the issuer belongs; if the aforementioned instruments are not traded on regulated markets, information on the criteria used to determine the value attributable to them*

Not applicable, as the Plan does not provide for the use of such financial instruments.

2.5 *Assessment of significant tax and accounting implications that affected the definition of the plan*

Not applicable, as there are no significant tax and accounting implications affecting the definition of the Plan.

2.6 *Potential support for the plan from the special fund for the encouragement of worker participation in companies, referred to in Article 4, paragraph 112 of Law 350 of 24 December 2003*

Not applicable, the Plan does not receive support from the Special Fund for the encouragement of worker participation in companies, as per Article 4, paragraph 112, of Law 350 of 24 December 2003.

3 APPROVAL PROCESS AND TIMING OF INSTRUMENT ALLOCATION

3.1 *Scope of the powers and functions delegated by the Shareholders' Meeting to the Board of Directors for the purpose of implementing the plan*

On 9 November 2021, the Board of Directors, at the proposal of the Remuneration Committee and with the favourable opinion of the Board of Statutory Auditors, resolved to submit the approval of the Plan to the Shareholders' Meeting.

The Shareholders' Meeting convened for 14 December 2021 will be called to resolve, in addition to approving the Plan, to grant the Board of Directors, with the right to sub-delegate to one or more of its members, any power necessary or appropriate to implement the Plan. Specifically, following the approval of the Plan by the Shareholders' Meeting, the Board of Directors will approve the Plan Regulations.

Shares attributable to the Beneficiaries will be sourced, in whole or in part, (i) from the supply of treasury shares eventually purchased by the Company in execution of the authorisations issued by the Shareholders' Meeting or, if necessary, further authorisations to be issued by the Shareholders' Meeting pursuant to Articles 2357 and 2357-ter of the Civil Code; (ii) from any capital increase pursuant to Article 2349, paragraph 1 of the Civil Code.

3.2 *Entities entrusted with the administration of the plan and their function and competence*

The Board of Directors is the entity charged with the administration of the Plan.

Within the limits provided for by the laws in force at the time, the Board of Directors may grant a mandate to the Chairperson (with regard to the position of the Chief Executive Officer and General Manager) and to the Chief Executive Officer and General Manager (with regard to the position of the Additional Beneficiaries) in order to carry out the activities necessary to implement the Special Award Plan, including, among other things, the sending to the Beneficiaries of the letter of allocation and acceptance of the Special Award Plan.

3.3 *Any existing procedures for the revision of plans, including in relation to possible changes in the basic objectives*

The Board of Directors may make any amendments and additions deemed necessary and/or appropriate to the Plan, to its subsequent regulations and to the participation letters, independently and without the need for further approval by the Shareholders' Meeting, as a result of factors likely to affect the Shares, the Company and/or the Ferragamo Group and/or the Plan and/or the objectives (including, but not limited to, extraordinary

transactions and reorganisations involving the Ferragamo Group, capital transactions, changes in laws and regulations, changes in remuneration policies or the group perimeter, public purchase or exchange offers or changes in control, *compliance* with specific industry or foreign regulations applicable to individual companies in the Salvatore Ferragamo Group, material changes in macroeconomic conditions or international monetary policy), in order to keep the substantive and economic content of the Plan unchanged, at the Company's discretion and in any case within the limits allowed by applicable legislation in force.

Furthermore, as specified in point 2.3, in the event of major market discontinuity (by way of example, the occurrence of extraordinary changes in macroeconomic conditions or an exceptional worsening of the financial environment), or in the event of other extraordinary events that have an impact on the Company's industrial and strategic plan, the Company will put in place the appropriate corrective measures to the terms and conditions of the Special Award Bonus (including with reference to the reference targets, the relative metrics and the evaluation methods), in order to keep the economic substance of the relative treatments as unchanged as possible, maintaining the main incentive and loyalty-enhancing purposes.

3.4 Description of the procedures for determining the availability and allocation of the financial instruments on which the plans are based

The free allotment of Shares in execution of the Plan will take place using treasury Shares deriving from purchases authorised by the Shareholders' Meeting, pursuant to Articles 2357 and 2357-ter of the Civil Code and/or from any specific capital increase pursuant to Article 2349, paragraph 1 of the Civil Code.

3.5 Role played by each director in determining the characteristics of the plans; possible occurrence of situations of conflict of interest for the directors concerned

The characteristics of the Plan have been determined collectively by the Board of Directors of the Company.

3.6 For the purposes of the requirements of Art. 84-bis, paragraph 1, the date of the decision taken by the competent body to propose the approval of the plans at the shareholders' meeting, and of the proposal of the remuneration committee, if required

The Remuneration Committee, at its meeting of 4 November 2021, reviewed the Plan, giving its positive opinion, and resolved to submit it to the Board of Directors for approval.

The Shareholders' Meeting called to resolve on, among other things, approval of the Plan, is scheduled for 14 December 2021.

3.7 For the purposes of the requirements of Article 84-bis, paragraph 5, letter a), the date of the decision made by the competent body regarding the allocation of the instruments and any proposal to the aforementioned body formulated by the remuneration committee, if required

The accrual of the Special Award Bonus is subject to the verification by the Board of Directors of the achievement of the First Objective and the Second Objective at the end of the Vesting Period, having consulted the Remuneration Committee as to its competence.

The Shareholders' Meeting called to resolve on, among other things, approval of the Plan is scheduled for 14 December 2021.

Following the approval of the Plan by the Shareholders' Meeting, the Board of Directors will (again on the proposal of the Remuneration Committee and subject to the favourable opinion of the Board of Statutory Auditors) approve the Plan Regulations and, if necessary, identify the Additional Beneficiaries.

3.8 Market price, recorded on the aforementioned dates, for the financial instruments on which the plans are based, if traded on regulated markets

The market price of the Shares on 4 November 2021 (i.e., on the date on which the Remuneration Committee approved the Plan proposal) is Euro 19,10.

The market price of the Shares on 9 November 2021 (i.e., on the date of approval of the Plan by the Board of Directors) is 19,975.

3.9 In the event of plans based on financial instruments traded on regulated markets, under what terms and in what manner does the issuer take into account, in identifying the timing of the allocation of the instruments as set out in the plan, the possible overlap in time between: (i) such allocation or any decisions made in this regard by the remuneration committee; and (ii) the disclosure of any relevant information within the meaning of Article 17 of Regulation (EU) No. 596/2014; for example, where such information is: (a) not already published and capable of

positively influencing market quotations, or (b) already published and capable of negatively influencing market quotations

The entire execution of the Plan will be carried out in full compliance with the disclosure obligations incumbent on the Company, so as to ensure transparency and equality of information to the market, as well as in compliance with the procedures adopted by the Company, including those relating to *market abuse* and the management of inside information.

4 CHARACTERISTICS OF ALLOCATED INSTRUMENTS

4.1 Description of the forms in which compensation plans based on financial instruments are structured; for example, indicate whether the plan is based on the allocation of: financial instruments (so-called allocation of restricted stock); the increase in value of these instruments (so-called phantom stock); option rights that allow the subsequent purchase of financial instruments (so-called option grant) with settlement by physical delivery (so-called stock option) or in cash on the basis of a differential (so-called stock appreciation right)

The Plan provides for the right of the Beneficiaries to receive, at the end of the Vesting Period, upon achievement of the First Objective and of the Second Objective and subject to the existence of the Relationship at that date, the Special Award Bonus which, if accrued, will be paid in two *tranches*, 50% in cash and the remaining 50% in financial instruments of the Company subject to a *lock-up* of 3 months. The portion of the Special Award Bonus to be recognised in financial instruments will be determined by taking as a reference the average value of the Shares (meaning the average of the official prices of the Shares) in a period between the 3 months preceding and the 3 months following the reference date.

4.2 Indication of the period of actual implementation of the plan with reference also to any different cycles envisaged

The Plan provides for a single cycle subject to a five-year *performance* period commencing at the beginning of the Relationship with each Beneficiary.

As specified in point 2.3, if the FTSE-MIB index registers, in the 12 months prior to the verification of the condition for the payment of the second tranche of the Special Award Bonus, a drop equal to or greater than 10%, the deadline for verification of the condition for payment of the second tranche of the Special Award Bonus will be extended by a further year (without prejudice, in any case, to the condition relating to the effective continuation of the Relationship up to that date).

4.3 Termination of the plan

In consideration of that illustrated in section 2.2 above, the Plan shall cease to have effect with the disbursement of the second *tranche* of the Special Award Bonus and the completion of the *lock-up* period.

4.4 Maximum number of financial instruments, including in the form of options, assigned in each fiscal year in relation to the persons identified by name or the categories indicated

With reference to the number of Shares assignable to the Chief Executive Officer and General Manager, please refer to section 2.2. As of the date of the Information Document, as no Additional Beneficiaries have yet been identified, the maximum number of Shares attributable to them cannot be determined.

4.5 Plan implementation procedures and clauses, specifying whether the actual allocation of the instruments is subject to the occurrence of conditions or the achievement of certain results, including performance results; description of such conditions and results

Please refer to section 2.2 above.

4.6 Indication of any restrictions on the availability of options or on the financial instruments resulting from the exercise of options, with particular reference to the terms within which the subsequent transfer to the same company or to third parties is permitted or prohibited

Shares allocated under the Plan will be subject to a 3-month *lock-up* at the end of the first three-year period from 1 January 2022 and at the end of the following two-year period, respectively.

The Shares will be granted to the Beneficiaries on an individual basis and, during the *lock-up* period, may not be transferred by deed between living persons nor subject to restrictions or other acts of disposition for any reason whatsoever.

4.7 Description of any termination conditions in relation to the assignment of the plans in the event that beneficiaries carry out hedging transactions that make it possible to neutralise any

prohibitions on the sale of the financial instruments assigned also in the form of options, or of financial instruments resulting from the exercise of such options

The Plan does not contain any termination conditions of the type described above.

4.8 Description of the effects caused by the termination of the employment relationship

The Special Award Bonus may be granted to each Beneficiary provided that at the end of the Vesting Period the Relationship is still in place (unless otherwise decided by the Board of Directors, on the basis of a reasoned proposal, including in relation to reasons for the termination of the Relationship, of the Remuneration and Appointments Committee).

With particular reference to the position of the Chief Executive Officer and General Manager, the Plan provides that the latter,

- a) in the event of termination of the Relationship in the event of a *bad leaver* (and, therefore, in the event of withdrawal at the Company's initiative in the presence of just cause or in the event of voluntary resignation), will lose all rights in relation to the Special Award Bonus not yet accrued and paid;
- b) on the other hand, in the case of termination of the Relationship in the event of a *good leaver* (and, therefore, in the case of termination on the initiative of the Company in the absence of just cause or in the case of termination on the initiative of the Chief Executive Officer and General Manager for just cause) and in the case of termination of the Relationship in the event of strategic misalignment, death or disability, the right to receive the first *tranche* (in the event of termination of the Relationship in the first three-year period) or the first and second *tranches* (in the event of termination of the Relationship in the second further two-year period) of the Special Award Bonus shall be retained, subject to all the relevant conditions being met and recalculated on the basis of the Average Value at the time of termination of the Relationship.

4.9 Indication of any other reasons for the cancellation of the plans

Except as set forth elsewhere in this Information Document, there are no other causes for cancellation of the Plan.

4.10 Reasons for any provision for "redemption" by the company of the financial instruments covered by the plans, pursuant to Articles 2357 et seq. of the Civil Code; the beneficiaries of the redemption, indicating whether it is intended only for particular categories of employees; effects of the termination of employment on such redemption

The Plan does not include any redemption clauses on behalf of the Company. However, the Plan Regulations will provide that the incentive covered by the Plan will be subject to the *ex-post* correction mechanisms provided for by the Company's Remuneration Policies (including *claw back* clauses, limited to any conduct attributable to the Beneficiaries by way of fraud).

4.11 Any loans or other facilities intended to be granted for the purchase of shares pursuant to Article 2358 of the Civil Code

Not applicable. No loans or facilities are granted for the purchase of Shares pursuant to Article 2358 of the Civil Code.

4.12 Indication of valuations of the expected burden for the company at the date of the relative allocation, as determinable on the basis of terms and conditions already defined, by total amount and in relation to each instrument of the plan

Please refer to section 4.4. The expected charge for the Company cannot be determined at present.

4.13 Indication of any dilutive effects on the capital caused by the compensation plans

If treasury shares are used, there will be no dilutive effect on capital. If, on the other hand, the Shares to service the Plan were to be created solely through capital increases, the maximum dilutive effect, if any, cannot be determined at present, since no Additional Beneficiaries have yet been identified.

4.14 Any limits set for the exercise of voting rights and the allocation of property rights

There is no limit to the exercise of voting rights and the attribution of property rights.

4.15 In the event that shares are not traded on regulated markets, any pertinent information for a full assessment of the value attributable to them

Not applicable.

4.16 Number of financial instruments underlying each option

Not applicable.

4.17 Expiration of options

Not applicable.

4.18 Method (U.S./European), timing (e.g., valid exercise periods) and exercise clauses (e.g., knock-in and knock-out clauses)

Not applicable.

4.19 Exercise price of the option or methods and criteria for its determination, with particular regard to: a) the formula for the calculation of the exercise price in relation to a determined market price (so-called fair market value); and b) the methods for the determination of the market price used as a reference for the determination of the exercise price

Not applicable.

4.20 In the event that the exercise price is not equal to the market price determined as indicated in point 4.19.b (fair market value), reasons for such difference

Not applicable.

4.21 Criteria on the basis of which different exercise prices are envisaged between different parties or different categories of recipients

Not applicable.

4.22 Where the financial instruments underlying the options are not traded on regulated markets, indication of the value attributable to the underlying financial instruments or the criteria for determining that value

Not applicable.

4.23 Criteria for adjustments made necessary by extraordinary capital transactions and other transactions involving changes in the number of underlying instruments (capital increases, extraordinary dividends, regrouping and splitting of underlying shares, mergers and demergers, conversions into other classes of shares, etc.)

See section 3.3.

4.24 Table

The information in the attached table will be updated from time to time, during the implementation of the Plan, pursuant to Art. 84-bis, paragraph 5, of the Issuers' Regulations.

The information referred to in Section 1, Box 1, of Table 7 of Annex 3A of the Issuers' Regulations, as well as in Article 84-bis, paragraph 5, of the Issuers' Regulations, with reference to existing incentive plans, is available on the Company's website at the following address www.group.ferragamo.com.

ANNEX 1

Table prepared in accordance with Section 2, Box 2, of Table No 1 of Schedule 7 of Annex 3A to the Issuers' Regulations

Special Award Plan								
Newly allotted instruments based on the Board of Directors' proposal decision for the Shareholders' Meeting								
First name and surname or category	Office (to be indicated only for persons reported by name)	Date of shareholders' meeting resolution	Instrument description	Number of financial instruments	Allocation date	Possible purchase price of the instruments	Market price of the underlying shares on the allocation date	Vesting period
Marco Gobbetti	Chief Executive Officer and General Manager	[14 December 2021]	[...]	[...]	[...]	[N/A]	[N.D.]	[Three-year period for the first tranche. [Five-year period for the first tranche.