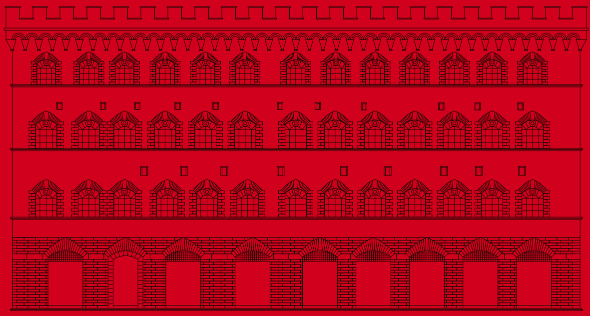
REMUNERATION POLICY REPORT AND FEES PAID

PURSUANT TO ARTICLE 123-TER OF THE TUF
APPROVED BY THE COMPANY'S BOARD OF DIRECTORS
ON 2 MARCH 2023



FERRAGAMO

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Summary

Letter from the Chairman of the Remuneration and Nomination Committee

Dear Shareholders,

In my capacity as Chairman of the Remuneration and Appointments Committee, I am pleased to present the Report on the Remuneration Policy and Compensation Paid, approved by the Board of Directors on 2 March 2023, drafted pursuant to Articles 123-ter of the Consolidated Law on Finance and 84-quater of the Issuers' Regulation and in compliance with the principles of EU Directive 2017/828 - SHRD II.
Although the macroeconomic context is still uncertain and volatile, during the reporting year Ferragamo was able to react proactively by leveraging the priorities and guidelines of the 2022-2026 Strategic Plan, presented to the market on 10 May 2022, and thus guiding the Company's growth towards a desired financial success.
Exogenous events, such as the current unstable geopolitical situation, inflationary scenario and slow recovery from the crisis caused by the COVID-19 pandemic were factors that influenced a year that was nevertheless characterised by economic growth and the start of strategic and competitive consolidation in the market.
In this context, the Remuneration Policy is a tool to support and facilitate the implementation of the Strategic Plan and contribute to the achievement of sustainable success and the alignment of stakeholders' interests with those of management.
As part of its functions, the Remuneration and Appointments Committee, also supported by benchmarking analyses on best market practices, has promoted the review of Ferragamo's short- and long-term variable incentive systems to ensure they are increasingly aligned to the market context and the expectations of you, the Shareholders.
The design of the new variable incentive systems was guided by the desire to propose a clear, simple and transparent remuneration system capable of guaranteeing full consistency between remuneration, sustainable performance and value creation, fully aligned with the corporate strategy, the principles of the Corporate Governance Code and the guidelines of the Proxy Advisors.

In particular, the 2023 Remuneration Policy introduces a new variable short term incentive plan with a single structure for all participants and aims to harmonise incentive logics with respect to homogeneous population clusters and *cross-geography*.
This system envisages Group performance conditions of an economic-financial nature common to all plan participants, as well as ESG and individual objectives defined on the basis of the relevant function or geographical scope, and the role and responsibilities of each beneficiary. Moreover, to promote corporate values and the achievement of performance in line with our corporate culture, the system envisages a bonus multiplier based on the assessment of distinctive behaviour consistent with Ferragamo's value system.
The Chief Executive Officer and General Manager is among the beneficiaries of this plan, with an objective sheet focused on economic and financial performance and sustainability issues in line with the pillars of the strategic plan.
He is also the beneficiary of a Restricted Share plan aimed at ensuring his *retention,* which is crucial to achieving the important change in the Group's Industrial and Strategic Plan.
Pursuing the objective of coherence and direction of management in support of the new Strategic Plan, the Company has promoted the definition of a long-term incentive system for management and key resources, based on a combination of equity instruments, Performance Shares and Restricted Shares, which respond to the dual objective of directing behaviour towards the achievement of the ambitious plan objectives and ensuring the *retention of* key resources, precisely for its implementation.
On the other hand, the Chief Executive Officer and General Manager remain the recipient of the Long-Term Incentive Plan defined in the 2022 Remuneration Policy, linked to the achievement of predetermined average capitalisation values of the Company over a five-year timespan.
Both the short- and long-term variable incentive systems include a focus on ESG objectives through the introduction of measurable indicators related to the Climate, Diversity, Equity & Inclusion sphere, and fully consistent with the corporate strategy and the sustainability plan. This new element of the 2023 Policy represents further confirmation of the concrete and genuine attention the Group has always dedicated to sustainability issues.
Lastly, in line with market best practices and the 2023 recommendations of the Corporate Governance Committee, the level of disclosure was further improved by including graphic elements aimed at maximising transparency within the market.
On behalf of the Committee, I would like to thank the corporate functions that supported the revision of the 2023 Policy for their constant and valuable efforts, and the Board of Statutory Auditors that, by participating in all Committee meetings, ensured the process was followed correctly.
Together with Councillors Annalisa Loustau Elia and Umberto Tombari, to whom I extend my heartfelt thanks for their constant, significant and constructive contribution to the Committee's activities, I thank you for the attention you will devote to this Report, in the hope that it will meet with the widest possible support at the Assembly.

Anna Zanardi Cappon
Chairman of the Remuneration and Appointments Committee

EXECUTIVE SUMMARY
1. Link between strategy, sustainability and remuneration

Since the origins of its brand, Salvatore Ferragamo Group has set excellence in creativity, innovation and craftsmanship as its fundamental values. Moreover, the Group has always operated with sustainability as its guiding light, with the aim of generating shared value while protecting the places in which it operates and the people who work for the Company. This determination stems from the Group's deep bond with the territory, culture and community in which it operates.

In recent years, Salvatore Ferragamo's sustainability strategy has been further consolidated to meet the needs of the various stakeholders in this phase of recovery. In fact, the strong focus on ESG (*Environment, Social, Governance*) dimensions is one of the pillars of the new 2022-2026 Strategic Plan, which aims to pursue economic growth objectives that also account for the impacts – both positive and negative – of its activities within the social and environmental sphere.

For these reasons, the process of defining the Company's Remuneration Policy is a powerful tool in guiding management behaviour and business results towards long-term sustainable success, in line with the launch of the new Strategic Plan 2022-2026.

In particular, the Company has deemed it appropriate to undertake a strategic review of the short- and long-term incentive systems for management, including specific objectives linked to the aforementioned ESG issues in the beneficiaries' scorecards, harmonising the Company's strategic priorities with the incentive plans. For Ferragamo, investing in sustainable development means believing in the use of innovative materials and the Company's link with its community and territory, and respecting the environment and its people. These values, transmitted by our founder, are essential not only for the Company's success, but also for the success of all stakeholders.

The table below shows how the objectives and mechanisms of the short-term (for the CEO-GM and for *management*) and long-term (for management) variable incentive plans affect certain dimensions of the new Strategic Plan:

DIMENSIONS OF THE STRATEGIC PLAN	PERFORMANCE TARGETS OF THE SHORT-TERM INCENTIVE PLAN	PERFORMANCE TARGETS OF THE LONG-TERM INCENTIVE PLAN
"FINANCIAL AMBITION"	• Product Net Sales • EBITDA	• Product Net Sales as average % • Cumulative EBITDA
"SIGNIFICANT STEP-UP INVESTMENT"		• Return On Invested Capital (ROIC)
"ESG FOCUS"	• Reducing emissions • Using Sustainable Materials • Chemicals	• Renewable energies
		• Gender Pay Gap Measurements • Gender Equality Certifications
"FAST-FORWARD ORGANISATION"	• Multiplier linked to the assessment of distinctive behavior consistent with Ferragamo values	

Overview of the main remuneration elements of the 2023 policy

PRINCIPLE AND PURPOSE	CHARACTERISTICS AND PERFORMANCE CONDITIONS	AMOUNTS
FIXED REMUNERATION		
Commensurate with assigned responsibilities, required contribution, skills and experience	It is determined in relation to market remuneration *benchmarks* and also periodically evaluated in relation to *pay mix* policies	**CHAIRMAN** € 400,000 per year gross of which: – € 350,000 as remuneration for the office of Chairman pursuant to Article 2389, paragraph 3 of the Italian Civil Code. – € 50,000 as remuneration for the office of Director pursuant to Article 2389 paragraph 1 of the Italian Civil Code.
		DEPUTY CHAIRMAN 200,000 per year gross, of which: – € 50,000 for the office of director resolved pursuant to Article 2389 paragraph 1 of the Italian Civil Code. – €100,000 as remuneration for the office of Deputy Chairman pursuant to Article 2389, paragraph 3 of the Italian Civil Code. – €50,000 for appointments in subsidiaries pursuant to Article 2389, Section 3 of the Civil Code.
		CEO-GM €2,300,000 per annum gross, of which: – € 2,180,000 as Gross Annual Remuneration for performing the duties as an Executive of the Company – € 120,000 for the exercise of the office and proxy pursuant to Article 2389, paragraph 3 of the Italian Civil Code.
		EXECUTIVES WITH STRATEGIC RESPONSIBILITIES Remuneration determined in relation to assigned responsibilities.

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SHORT-TERM VARIABLE INCENTIVE PLANS

SHORT TERM INCENTIVE 2023

Encourages the achievement of annual business and sustainability targets defined in accordance with the Strategic Plan and Budget	**CHARACTERISTICS OF THE PLAN** – The plan scorecard provides a balance between economic/financial and ESG objectives. – Three targets measured on the Group perimeter have been identified as strategic priorities, represented by Product Net Sales, EBITDA and ESG targets focusing on environmental issues. – The three Group performance targets are assigned to the entire population participating in the plan with an overall weight ranging from 100% to 20%, depending on the type and level of responsibility of the beneficiaries. – The objectives provide for independent incentive curves, on the basis of which an accrued incentive is determined, varying in a range from 50% of the target incentive, corresponding to the achievement of a "threshold" level of performance, to 150% of the target incentive, corresponding to the achievement of a maximum level of performance. – For all beneficiaries, with the exception of the MD-DG, a multiplier of +/-15% of the bonus achieved under the plan's individual file is envisaged, depending on the assessment of distinctive skills consistent with Ferragamo's Values. – The plan is subject to malus and clawback clauses.	**CHAIRMAN and DEPUTY CHAIRMAN** Variable incentive not provided
	STI 2023 CEO-GM TARGETS 1) Group Product Net Sales - weight 40% 2) Group EBITDA - weight 40% 3) Group-wide ESG target consisting of three metrics related to the environmental sphere - weight 20%.	**CEO-GM** Target incentive is 130% of the fixed fee (€ 3,000,000). In the event that all three performance targets were largely achieved, the maximum accrued incentive could reach 150% of the target incentive.
	TARGETS STI 2023 EXECUTIVES WITH STRATEGIC RESPONSIBILITIES 1) Group Product Net Sales - weight 25%. 2) Group EBITDA - weight 15%. 3) Group-wide ESG target consisting of three metrics related to the environmental sphere - weight 10%. 4) Other function-related objectives - weight 50%.	**EXECUTIVES WITH STRATEGIC RESPONSIBILITIES** Average target incentive of 40% of fixed remuneration. The maximum incentive can theoretically reach 172.5% of the target incentive, as a combined action of the maximum result of the individual scorecard (up to 150%) and the multiplier linked to the competence assessment (up to +15%).

RESTRICTED SHARE PLAN FOR CEO-GM

Ensuring the *retention* of the CEO-GM, year by year, indispensable for the implementation of the important change in the Ferragamo Group's industrial and strategic plan.	**RESTRICTED SHARE UNIT PLAN FOR CEO-GM** The plan, submitted to today's Shareholders' Meeting, provides for the allocation of Restricted Shares on a subordinate basis: – to the permanence of the relationship; and – the maintenance by the Company of the following *underpins*: 1. level of total revenues at CER (current exchange rates) for the reporting year equivalent to at least 70% of that of the previous year, 2. Group ROIC at RER (reported Exchange rates) of a positive sign for the reporting year; ROIC is defined as the net result for the period (as reported in the Group's annual consolidated financial statements for the reporting year) divided by the average adjusted net invested capital (adjusted net capital represented by net invested capital excluding assets for right-of-use and those classified as investment properties). Once vested, the restricted shares will be subject to a 12-month *lock-up.* Plan subject to *Clawback* clauses (subject, however, to the Sell to Cover mechanism).	**CEO-GM** If the conditions are met, the CEO-GM may accrue the right to receive, free of charge, a number of Restricted Share Units representing 109% of the fixed remuneration (€2,500,000)

VARIABLE LONG-TERM INCENTIVE PLANS

SPECIAL AWARD **2022-2026 FOR THE CEO-GM**

It is aimed at strengthening the alignment of interests between the CEO-GM and all the Group's stakeholders, the creation of value, incentivising the CEO-GM to achieve the medium-long term objectives reflected in the Strategic Plan, and fostering his *retention.*	The Plan, approved by the Shareholders' Meeting of 14 December 2021, is intended for the CEO-GM and may provide for the recognition of a monetary and stock incentive, upon the achievement of predetermined conditions measured over a five-year period. For further details on the plan, please refer to the documentation submitted to the Shareholders' Meeting of 14 December 2021.	**CEO-GM** the Chief Executive Officer and General Manager may accrue the right to receive the *Special Award* bonus in two instalments, respectively at the end of the first three years from the beginning of the relationship and at the end of the subsequent two-year period, each of an amount equal to 0.50% of the average capitalisation value of the Company at each date, provided that he has achieved predefined objectives. The accrued incentive will be paid 50% through free assignment of ordinary shares of the Company (*Performance Shares*) subject to a lock-up period and 50% in cash.

PERFORMANCE PLAN AND RESTRICTED SHARES 2023-2025 (LTI PLAN)

Long-term variable remuneration is aimed at: promote the pursuit of long-term sustainable success through the achievement of performance targets consistent with the strategic plan ensuring the *retention* of Ferragamo's key people

DESCRIPTION OF THE PLAN

The Plan, submitted to today's Shareholders' Meeting, envisages three cycles of annual (rolling) grants of ordinary shares of the Company's common stock for the Strategic Executives and selected key resources of Ferragamo:

- 75% in the form of *Performance Share* Units
- 25% in the form of *Restricted Share Units.*

The vesting of the initial rights relating to the *Performance Shares* (equal to 75% of the *Incentive Opportunity*) will be subject to the attainment of the condition of permanence of the ratio at the end of the *vesting period of each cycle of the* LTI Plan and to the level of achievement of one or more performance indicators (according to an incentive curve between 50% and 150%) at the end of the *vesting* period of each cycle of the LTI Plan.

The vesting of the initial rights relating to the *Restricted Shares* (equal to 25% of the *Incentive Opportunity*) is subject to the sole condition of permanence at the end of the *vesting* period of each cycle of the LTI Plan.

The plan is subject to malus and clawback clauses.

PERFORMANCE TARGETS FOR PERFORMANCE SHARE UNITS - 1ST CYCLE 2023-2025

For the first allocation cycle, performance indicators are divided between economic/financial indicators consistent with the strategic plan (overall weight 80%), and ESG indicators (overall weight 20%):

1) Product Net Sales (average % growth in relation to revenue) (30%)
2) Cumulative EBITDA of the three-year period 2023-2025 (30%)
3) Return on Investment (ROIC) average for the three-year period 2023 - 2025 (20%)
4) ESG cu *climate* metric related to achieving 100 per cent renewable energy in all corporate locations worldwide by 2029 (10 per cent)
5) ESG *Gender Pay Gap* metrics for Salvatore Ferragamo Spa, North America, Korea and China (5%)
6) ESG metrics related to Uni-PdR 125/22 Certification for Salvatore Ferragamo Spa (5%)

For each indicator, there is an incentive curve linking the number of rights that can be accrued to the level of achievement of the performance indicators (from 50% to 150% of the initial rights).

VESTING PERIOD

Three-year *vesting* period for each award cycle (1st cycle 2023-2025; 2nd cycle 2024-2026; 3rd cycle 2025-2027)

***LOCK-UP* COMMITMENT**

The Strategic Executives and the beneficiaries who will be identified by the Board of Directors among those who report directly to the CEO of the Company and/or who have responsibility for a so-called "region" will be obliged to continuously hold, until the end of the 2nd calendar year following the end of each *vesting* period, all the Shares granted under the LTI Plan (without prejudice to the Sell to Cover mechanism).

CHAIRMAN AND DEPUTY CHAIRMAN

Variable incentive not provided

CEO-GM

Non-beneficiary of the plan

EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

For each cycle of the Plan, there is a target LTI share equal to 50% of the fixed remuneration, of which 75% will be paid in the form of *Performance Share Units* and 25% in the form of *Restricted Share Units.*

Performance Share Units may vest according to an (independent) incentive curve of between 50% and 150%.

Restricted Shares may vest in a fixed amount equal to 25% of the Initial Entitlements.

NON-MONETARY BENEFITS		
They are allocated in line with the aims of the Group's remuneration policy	Non-monetary benefits are defined consistently with the provisions of the law, collective agreements and other applicable trade union agreements.	The Company may grant Executive Directors and Strategic Executives non-monetary benefits among those listed below as examples: house cars *uniform allowance* tax assistance supplementary health care policy supplementary life insurance policy and contribution to supplementary pension fund.
TERMINATION		
Role-related *retention* purposes in line with strategies, values and long-term interests	Determined in relation to the strategic nature of the role, as well as non-competition obligations.	**CHAIRMAN** No treatment provided. **AD-DG** In the event of termination due to *Good Leaver, the* termination indemnity equal to 24 months' fixed and variable compensation (excluding the *Special Award* bonus), in addition to the *Special Award* bonus calculated taking as reference the average capitalisation value of the Company at the time of termination of the relationship and the MBO bonus and *Restricted Shares pro-rata temporis*. **EXECUTIVES WITH STRATEGIC RESPONSIBILITIES** Competences provided for by the relevant CCNL

REMUNERATION POLICY

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1. Foreword

This Report on the Remuneration Policy and Compensation Paid pursuant to Article *123-ter* of the Consolidated Finance Act (the "**Report**") prepared by Salvatore Ferragamo S.p.A. ("**Salvatore Ferragamo**" or the "**Company**") includes:

a) in Section I (the "**Remuneration Policy**"), a description of the general policy on the remuneration of the Members of the Board of Directors (the "**Directors**"), Executives with Strategic Responsibilities (the "**Strategic Executives**") and, without prejudice to the provisions of Article 2402 of the Italian Civil Code, Members of the Control Body (the "**Statutory Auditors**") of Salvatore Ferragamo, as well as an illustration of the procedures used to adopt and implement such Remuneration Policy;

b) in Section II:

(i) a representation of the items comprising the remuneration paid in the Financial Year ending 31 December 2022 (the "Financial **Year"** or the "2022 **Financial Year**") in favour of the Members of the Management and Control Bodies and, in aggregate, of the Company's Strategic Executives, highlighting their consistency with the Company's Remuneration Policy for that Financial Year;

(ii) an analytical representation of the remuneration paid during the Financial Year, for any reason and in any form, by the Company and by associated and subsidiary companies (the "**Subsidiaries"** and jointly with the Company, the "**Group**");

as well as an illustration of how the Company considered the vote cast in April 2022 on Section II of the Remuneration Policy and Compensation Report 2022.
The Remuneration Policy has been prepared in accordance with the provisions of Article *123-ter* of Legislative Decree No. 58/1998 (the "**Consolidated Law on Finance**"), Article *84-quater* and Annex 3A, Schedule *7-bis* of CONSOB Regulation No. 11971/1999 (the "**Issuers' Regulation**") and Article 5 of the Corporate Governance Code adopted by the *Corporate Governance Committee* of Borsa Italiana S.p.A. in January 2020 (the "**Code**").
In compliance with the regulations and in line with the values of transparency and accountability that Salvatore Ferragamo has always pursued, the purpose of this Report is to provide clear and comprehensible information on the strategies and processes adopted to define and implement the Company's Remuneration Policy for Directors and Strategic Executives, and how it contributes to the Company's strategy, the pursuit of long-term interests and the sustainability of the Company and the Group.
The Remuneration Policy has been made available to the public on the Company's website https://group.ferragamo.com in the Governance/Shareholders' Meeting 2023 section, within the terms of the law.

1.
Executives with Strategic Responsibilities ("Executives with Strategic Responsibilities") are those persons who have the power and responsibility, directly or indirectly, for planning, directing and controlling the activities of the company, including Directors (executive or otherwise) of the Company. In relation to the category of Executives with Strategic Responsibilities, the Remuneration Policy for the two employees who, as of the date of publication of this document, are Strategic Executives, –Chief Transformation & Sustainability Officer and Chief Financial Officer (by resolution of the Board of Directors on 20 April 2018 and 13 December 2018, respectively) – is described from this point forward. The Remuneration Policy related to Members of the Board of Directors is described in the following paragraphs.

2. Bodies and persons involved in the preparation, approval and possible revision of the remuneration policy and responsible for its proper implementation

The definition of the Remuneration Policy is the outcome of an articulated process involving the Shareholders' Meeting (the "**Shareholders' Meeting")**, the Board of Directors (the "**Board of Directors")**, the Remuneration and Appointments Committee (the "**Remuneration and Appointments Committee"** or the "**Committee**"), the Board of Statutory Auditors (the "**Board of Statutory Auditors**"), the Chairman of the Board of Directors (the '**Chairman**'), the Chief Executive Officer and General Manager (the "**CEO-GM**") and the relevant corporate structures (in particular, the General Counsel and Human Resources Functions) of the Company.
The Remuneration Policy was drafted on the basis of strategic guidelines defined by the Board of Directors, with the support of the Committee and the competent corporate structures.
The Company's Shareholders' Meeting resolves by binding vote on the Remuneration Policy set out in Section I of the Report.
The Remuneration Policy will run for one year, until the date of approval of the Company's financial statements on 31 December 2023.
The Committee will periodically evaluate the adequacy, overall consistency and concrete application of the Remuneration Policy, making use – for the remuneration of Strategic Executives – of the information provided by the Chairman and the Chief Executive Officer, and will share any observations and/or proposals for revision or modification with the Board of Directors, if necessary.
In the event that, during the term of the Remuneration Policy, the Board of Directors intends to make changes to it (excluding the deviations to the Remuneration Policy described at par. 10), it will convene a Shareholders' Meeting, which will take a binding vote on the new Remuneration Policy.

3. Remuneration and Nomination Committee

The Company has a Remuneration and Appointments Committee, established within the Board of Directors on 22 April 2021 and composed of – as of the date of this Report – three non-executive and independent Directors. As of 31 December 2022 and at the date of this Report, the Committee is composed of Anna Zanardi Cappon[2](Chairman), Annalisa Loustau Elia and Umberto Tombari.

Composition of Remuneration and Appointments Committee

ANNA ZANARDI CAPPON
CHAIRMAN
Independent non executive director

ANNALISA LOUSTAU ELIA
MEMBER
Independent non executive director

UMBERTO TOMBARI
MEMBER
Independent non executive director

2.
Director Zanardi Cappon tendered her resignation, effective as of the date of the Shareholders' Meeting of 26 April 2023, per the Company's press release of 28 February 2023.

At least one Member of the Committee has adequate knowledge and experience in financial matters or remuneration policies, assessed as adequate by the Board of Directors at the time of appointment.
The Committee performs the functions laid out in the Code for the Nomination Committee and the Remuneration Committee[3].
More specifically, the Committee:

a) annually formulates – at the latest during the meeting of the Board of Directors convening the Shareholders' Meeting called to approve the annual financial statements and the Remuneration Policy – a proposal to the Board of Directors regarding the Company's Remuneration Policy;

b) periodically evaluates, during the course of the year, the adequacy, overall consistency and concrete application of the Remuneration Policy adopted by the Company, making proposals to the Board of Directors and reporting – whenever deemed appropriate – any need to amend, revise or supplement the Remuneration Policy, as well as any failure to implement the policy itself and/or the violation of any of its principles;

c) expresses its opinion on the remuneration of Executive Directors, other Directors holding special offices and Strategic Executives, as well as on the setting of *performance* targets related to the variable component of such remuneration, and monitors the implementation of the decisions adopted by the Board, verifying the actual achievement of the *performance* targets set;

d) evaluates and formulates any proposals to the Board of Directors concerning remuneration plans, including share-based plans, with reference to the adoption of measures to avoid such plans encouraging their recipients to behave in such a way as to favour the short-term increase of the market value of the shares or, in any case, short-term objectives, to the detriment of the creation of value in the medium/long-term and the sustainability of the Company as a whole;

e) has the right – should it deem it necessary or appropriate for the performance of its tasks – to avail itself at the Company's expense and within the limits of the *budget* assigned to it on an annual basis, of consultants, including external consultants, experts in remuneration matters (also to take into account the remuneration practices widespread in the reference sectors and for companies of similar size and considering comparable foreign experiences). In particular, for the definition of the variable incentive framework and the drafting of the Remuneration Policy, the Company availed itself of the assistance of Mercer Italia, a leading international consulting firm in the field of executive compensation and remuneration policies.

The Committee's work is coordinated by the Chairman and meetings are regularly recorded by the *General Counsel*, in his role as Secretary, in a special minutes book kept at the Company's registered office.
The Committee shall meet as often as necessary to perform its functions and whenever the Committee Chairman deems it appropriate. The Committee, in any case, meets before each Board of Directors Meeting, whose agenda includes items within its competence. Directors in relation to whose remuneration the Committee is called upon to express an opinion do not participate in the Committee's meetings. The Committee Chairman regularly reports to the Board on its activities following meetings.
The participation in meetings of persons who are not Members of the Committee (such as Directors or representatives of corporate functions) can occur upon invitation of the Committee Chairman and on individual agenda items. The CEO and General Manager is permanently invited to Committee meetings, except when his remuneration is discussed.
During the 2022 Financial Year, the Remuneration and Appointments Committee met 12 times, namely on 24 January, twice on 14 February (one of which was held jointly with the Control and Risk Committee), on 3 and 29 March, 31 May, 5 July, twice on 1 September (one of which was held jointly with the Control and Risk Committee), on 10 October, 3 November and 1 December.
The Committee reports to the Shareholders on how it exercises its functions. To this end, the Chairman or another Member of the Committee is always present at the Annual General Meeting called to approve the annual financial statements.

3.
This Report will refer to the functions and activities performed by the Committee in its function as Remuneration Committee, while for the activities performed in the field of appointments, please refer to the Report on Corporate Governance and Ownership Structure published on the Company's website https://group.ferragamo.com in the Governance section.

FOCUS

During the 2022 Financial Year, the Committee met 12 times: on 24 January, twice on 14 February (one of which in a joint meeting with the Control and Risk Committee), on 3 and 29 March, 31 May, 5 July, twice on 1 September (one of which in a joint meeting with the Control and Risk Committee), on 10 October, 3 November and 1 December, eight of which in the function of Remuneration Committee to examine: i) the remuneration of the Company's Deputy Chairman; ii) the finalisation of the short-term variable remuneration (*Performance Incentive Plan* 2021) of the Strategic Executives and the definition of their performance targets in relation to the *Performance Incentive Plan* 2022; iii) the initiation and implementation of – with the support of a specialised consultancy firm – a new Remuneration Policy framework for the 2023 Financial Year, with particular regard to the STI and LTI Plans; iv) the remuneration of certain top Managers of the Company.
The average duration of the meetings was 70 minutes.
A minimum of six Committee Meetings have been scheduled for the current Financial Year, four of which have already been held on 19 January 2023 (two meetings, one of which was held jointly with the Audit and Risk Committee), 10 February and 24 February 2023.
Committee Meetings were attended by all Members of the Board of Statutory Auditors and, at the invitation of the Committee, depending on the items on the agenda, by the Chairman, Chief Executive Officer, Human Resources Director and some of the Company's external consultants.
The *General Counsel, in his role as Secretary of the Committee, and the Chief People Officer* attended the Committee Meetings.
The Committee Meetings were not attended by the Directors on whose remuneration the Committee is called upon to express an opinion.
During the year, the Committee had access to the information and corporate functions necessary to perform its duties and was assisted by the consulting firm Mercer Italia in preparing the Remuneration Policy.
The Committees' work covered:

JANUARY

- Remuneration of the Deputy Chairman

FEBRUARY

- Definition of objectives for the Internal Audit function;
- Sharing of annual variable remuneration settings for the Remuneration Report

MARCH

- Board Evaluation activities Consolidation of the PIP 2021 and LTIP 2019-2021 for Strategic Managers;
- Approval of the remuneration Policy Report
- Sharing organisational updates

MAY

- Update action plan of the People Strategic Plan;
- Updates and hypotheses for action on variable incentive schemes
- Definitions of obectives for the 2022 MIP for Strategic Managers;

JULY

- Evaluation of bids concerning the assignment for the review of incentive systems

SEPTEMBER

- Proposal for the appointment of Ethics Committee Members

OCTOBER

- Updates on the definition and review of variable incentive schemes

NOVEMBER

- Opinion on the new short-term variable incentive scheme and update on the definition and revision of long-term variable incentive schemes
- Presentation of the Board Evaluation questionnaire.

DECEMBER

- Updates on the definition and review of variable incentive schemes

4. Aims pursued with the Remuneration Policy and its underlying principles

The Company believes that the Remuneration Policy represents a primary tool aimed at attracting, motivating and retaining people to profitably pursue short- and/or medium/long-term objectives, correlated to the Group's strategic goals, thus contributing to the achievement of results aimed at strengthening the Company's long-term operational, economic and financial stability and safeguarding the sustainability of the Company and the Group. The Company's Remuneration Policy has been drawn up considering the remuneration and working conditions of its employees and the provisions of collective bargaining (applicable from time to time), with the aim of retaining and attracting qualified and adequately motivated professional resources, within a meritocratic perspective.

From time to time, the Company makes appropriate comparisons with reference *peer groups* when defining elements of its Remuneration Policy. Specifically, for the purposes of defining the new variable remuneration framework, *benchmarking* analyses were conducted, referring to a panel of Italian and international listed companies operating in the luxury sector, as well as a select group of companies operating in other industries who are models of excellence in their respective sectors (Comparison analyses were conducted referring to the following panel: Aeffe, Brunello Cucinelli, Burberry, Capri Holdings, Hermes, Hugo Boss, Kering, LVMH, Moncler, OTB, Prada, Ralph Lauren, Richemont, SMCP, Tod's, Zegna, Amplifon, Campari, Essilor-Luxottica, Ferrari e Pirelli).

With the Remuneration Policy adopted for the 2023 Financial Year, the Company pursues the following objectives:

Remuneration policy objectives

In particular, the Company implements a Remuneration Policy aimed at aligning *management objectives* with the overarching interest of creating value for all *Stakeholders* over a medium to long-term timespan.

Fixed remuneration is appropriate to the role and guarantees satisfactory remuneration, even in the event that the conditions for payment of the variable part are not met.

Variable remuneration is aimed at incentivising and retaining *management*, linking a component of the relative remuneration to the achievement of the Company's strategic objectives, without encouraging them to take risks in excess of the degree of risk appetite envisaged by the Company's strategies on the subject and approved by the Company's Board of Directors.

The variable remuneration of Executive Directors and Strategic Executives is linked to parameters of an economic and/or non-financial nature, linked to corporate strategies and strategic *pillars*, approved by the Board of Directors, which also include ESG objectives.
The *performance* objectives, to which the payment of the variable components is connected, are predetermined, measurable and linked in significant part to a medium/long-term horizon, which considers industry *best practices* and remuneration policies of comparable Italian and foreign companies.
The Company's Remuneration Policy is generally aligned with the principles laid out in the Corporate Governance Code and provides for:

a) a balance between the fixed and variable components that is appropriate and consistent with the Company's strategic objectives and risk management policy, taking into account the characteristics of the Company's business and the sector in which it operates, providing in any case that the variable component represents a significant part of the overall remuneration;

b) maximum limits on the disbursement of variable components;;

c) performance targets, to which the payment of variable components is connected, predetermined, measurable and linked in significant part to a long-term horizon. They are consistent with the Company's strategic objectives and aimed at promoting its sustainable success, including, where relevant, non-financial parameters;

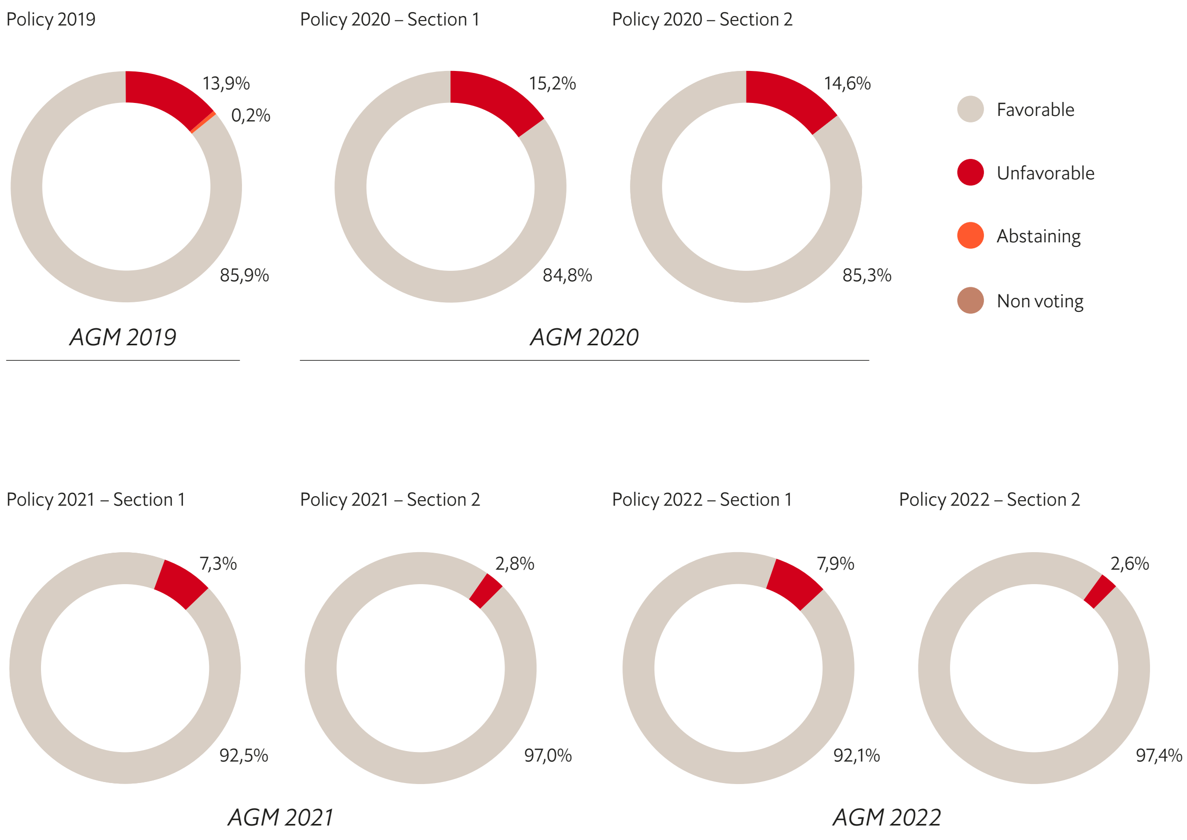
d) an adequate deferral period – with respect to the time of maturity – for the payment of a significant portion of the variable component, consistent with the characteristics of the business activity and the related risk profiles;

e) clauses permitting the Company to demand repayment, in whole or in part, of variable components of remuneration paid (or to withhold amounts subject to deferral), determined on the basis of data that later proves to be manifestly erroneous and other circumstances that may be identified by the Company;

f) clear and predetermined rules for the possible payment of termination indemnities, which define the upper limit of the total sum payable by linking it to a certain amount or a certain number of years of remuneration. This indemnity is not paid if the termination is due to objectively inadequate results.

5. Voting performance on the annual remuneration report

The Shareholders' Meeting votes on the contents of Section I of the Remuneration Policy over the last four years (2019-2022) shown below demonstrates a positive trend in terms of Shareholder consensus.
In assessing the updates made to the Remuneration Policy, which mainly refer to a general strengthening of *disclosure* and the updating of the variable remuneration framework through the introduction of new Short- and Long-Term Incentive Plans, the results of the Shareholders' Meetings were considered, paying particular attention to monitoring the recommendations of the Proxy Advisors.



6. Policies on fixed and variable components of the remuneration of directors, the supervisory board and strategic executives

6.1 Chairman of the Board of Directors

The Fixed Remuneration of the Chairman of the Board of Directors, approved by the Board of Directors with the favourable opinion of the Board of Statutory Auditors pursuant to Article 2389, Paragraph 3 of the Italian Civil Code, is equal to Euro 350,000, to which is added the remuneration set forth by the Shareholders' Meeting for the Office of Director pursuant to Article 2389, Paragraph 1 of the Italian Civil Code in the amount of Euro 50,000.

6.2 Non-Executive Deputy Chairman

The Board of Directors, having heard the favourable opinion of the Remuneration and Appointments Committee and the Board of Statutory Auditors, resolved to award the Vice-Chairman the following remuneration:

a) Euro 50,000 gross per annum for the Office of Director, resolved pursuant to Article 2389, Paragraph 1 of the Italian Civil Code;

b) Euro 100,000 gross per annum as emolument for the Office of Deputy Chairman, pursuant to Article 2389, Paragraph 3 of the Italian Civil Code;

c) Euro 50,000 gross per annum, in respect of the offices held in the subsidiaries (with the latter's commitment to waive any remuneration resolved upon by these companies) pursuant to Article 2389, Paragraph 3 of the Italian Civil Code

6.3 Chief Executive Officer and General Manager

The Chief Executive Officer and General Manager is granted, subject to a resolution of the Board of Directors after hearing the opinion of the Remuneration and Appointments Committee and the Board of Statutory Auditors, the following components:

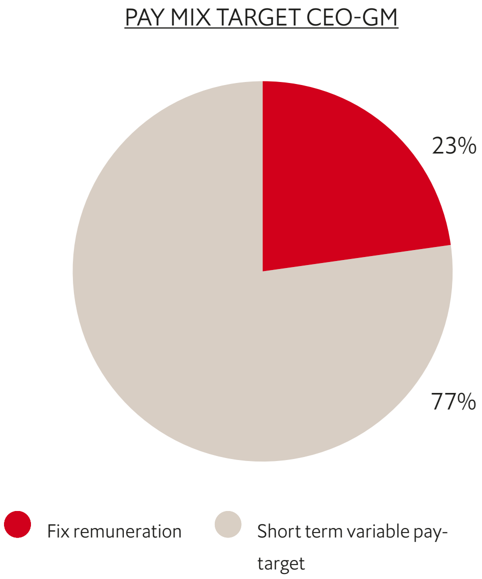
a) a Gross Annual Remuneration of Euro 2,180,000 for performing the duties as an Executive of the Company;

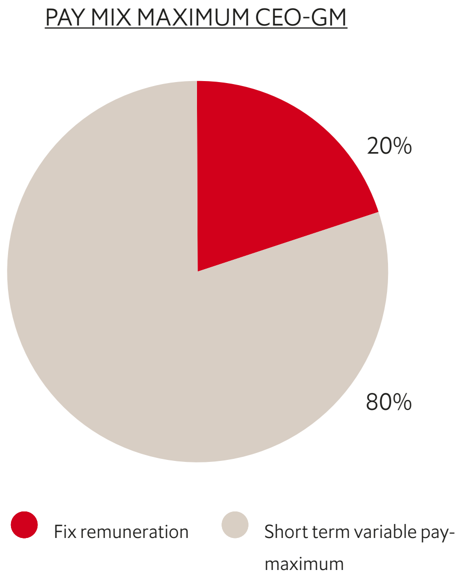
b) a Fixed Remuneration pursuant to Article 2389, Paragraph 3 of the Italian Civil Code for the exercise of the Office of the Proxy equal to Euro 120,000, with a stable and irrevocable nature, which does not create incentives to take risks and does not depend on the Company's *performance*[4], to be paid on an annual basis; the same is determined on the basis of the responsibilities connected to the office and the commitment required during the year for its performance;

c) variable remuneration[7] (as better detailed in Paragraph 7), linked to the achievement (on an annual and/or multi-year basis) of predetermined, measurable objectives consistent with the Company's strategic objectives in the medium/long-term and aimed at promoting its sustainable success (including financial and/or non-financial parameters and, where relevant, ESG objectives; for remuneration that envisages the allocation of financial instruments or options on financial instruments), the same envisages *vesting periods* and periods of intransferability (so-called *lock-up periods*) for such financial instruments.

4.
The fixed component must be sufficient to allow the variable component to contract significantly – and, in extreme cases, even to zero – in relation to the results, adjusted for the risks actually achieved.
5.
In 2022, upon hiring, a lump-sum entry fee (Welcome Bonus) of Euro 8,875,000 gross was also granted to the CEO-GM to be paid subject to continued employment at each of the following dates: (i) 50% within 30 days of actual commencement of employment; (ii) 25% within 12 months of actual commencement of employment; (iii) 25% within 24 months of actual commencement of employment.

Pay Mix target and maximum CEO-GM[6]– 2023 Policy





The pay mix does not include the Special Award 2022-2026, which provides for a five-year performance measurement period based on the achievement of predetermined average capitalisation values of the Company at the end of the first three-year period and five-year period from 1 January 2022, respectively. For more information on this plan, please refer to Section 7.4 below and the Plan Disclosure Document approved by the Shareholders' Meeting of 14 December 2021.

6.4 Non-Executive Directors

Directors are entitled (in addition to the reimbursement of expenses incurred by reason of their office) to a remuneration pursuant to Article 2389, Paragraph 1 of the Italian Civil Code in the amount of Euro 50,000 per annum gross, determined by the Shareholders' Meeting at the time of their appointment in light of the commitment required, the relevant responsibilities and the practices in force for members of boards of directors of comparable companies.
Directors who participate in internal committees of the Board of Directors (Control and Risk Committee and Remuneration and Appointments Committee) are paid an additional fixed remuneration for such participation, considering the greater commitment required of them and the role they hold as Chairman or Committee Member.

CONTROL AND RISK COMMITTEE		REMUNERATION AND NOMINATING COMMITEEE	
Chairman	Euro 30.000	Chairman	Euro 25.000
Member	Euro 22.000	Member	Euro 20.000

The remuneration of non-executive Directors is not linked to financial *performance* targets. Non-executive Directors are not recipients of Share-Based Incentive Plans.

6.
The target and maximum pay mix representations also include the 25% Welcome Bonus for the AD-DG to be paid in 2023.

6.5 Board of Statutory Auditors

The Members of the Board of Statutory Auditors are entitled to a fixed annual remuneration determined by the Shareholders' Meeting at the time of their appointment in light of the competence, professionalism and commitment required for the role they hold and the Company's size and sectoral characteristics.
The Shareholders' Meeting of 26 April 2023 must come to a resolution on the appointment of the new Board of Statutory Auditors and the remuneration of Statutory Auditors. In this regard, we send you the Illustrative Report approved by the Board of Directors at its meeting on 2 March 2023.

The fixed annual remuneration of the Members of the Board of Statutory Auditors amounted to Euro 48,000 gross (for each standing Auditor) and Euro 64,000 gross (for the Chairman of the Board of Statutory Auditors) in line with the resolution passed by the Shareholders' Meeting of 8 May 2020. There was also additional remuneration for the responsibilities assigned to the Board of Statutory Auditors as Supervisory Board pursuant to Decree 231, amounting to Euro 15,000 gross per annum for the Chairman and Euro 12,000 gross per annum for the Members of the Supervisory Board, approved by the Company's Board of Directors on 12 May 2020.
More information on this can be found in Section II of this Report.

6.6 Strategic Executives, Head of Internal Audit function and Manager responsible for the preparation of corporate accounting documents

The remuneration of **Strategic Executives** consists of:

a) a fixed component, represented by the gross annual remuneration (so-called RAL), defined in compliance with the provisions of collective bargaining agreements (applicable from time to time) and which corresponds, as a rule (and therefore unless otherwise decided by the Board of Directors, upon proposal of the Remuneration and Appointments Committee), to at least 50% of the total annual remuneration[7];

b) a variable component broken down as follows (and further detailed in Section 7):

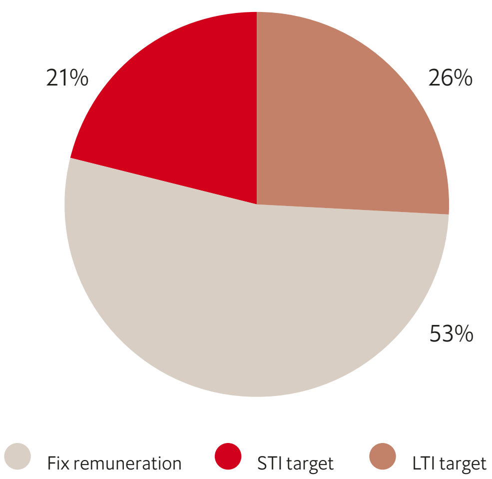
- an annual short-term variable component linked to the achievement of Company objectives predefined by the Board of Directors, upon proposal of the Chief Executive Officer with the support of the Remuneration and Appointments Committee, in line with the guidelines contained in the Remuneration Policy and taking into account existing practices in similar companies operating in the same sector. This component, as a rule (and therefore unless otherwise decided by the Board of Directors, upon proposal of the Remuneration and Appointments Committee), does not exceed 50% of the total annual remuneration.

- medium/long-term variable component envisaged in the participation in medium/long-term Share Incentive Plans (based on *Performance Share Units* and *Restricted Share Units*), approved by the Company with the priority objective of guaranteeing an alignment of interests with the Shareholders, with a view to value creation and ensuring the *retention of* key figures in the medium/long-term. To this end, the shares will have a *vesting* period of three years for medium/long-term plans, and the receipt of the benefit will be subject to the achievement of predetermined and measurable *performance* targets. A two-year *lock-up* period following the granting of the shares is also envisaged, in line with the principles of the Corporate Governance Code, Proxy Advisor guidelines and best market practices.

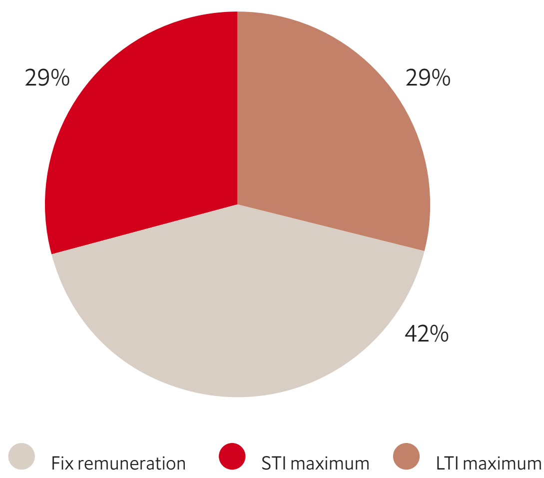
7.
Even for Strategic Executives, the fixed component must be sufficient to allow the variable component to contract significantly – and, in extreme cases, even to zero – in relation to the results, adjusted for the risks actually achieved.

EXECUTIVES WITH STRATEGIC RESPONSIBILITIES' Target and Maximum Pay Mix

PAY MIX TARGET STRATEGIC EXECUTIVES



PAY MIX MAXIMUM STRATEGIC EXECUTIVES



The **Head of the Internal Audit function** is granted short-term variable remuneration related to objectives linked to the strategic priorities defined at the Group level (as better defined in Paragraph 7.1 in relation to the STI Plan) and objectives consistent with the functions assigned, to ensure effectiveness and timeliness in the performance of the activities carried out. The Internal Audit Manager may also be assigned a medium/long-term variable component based on the Share Incentive Plan envisaged for management (performance plan and restricted shares 2023-2025 – LTI Plan), subject to the opinion of the Control and Risk Committee.
For the role of **Executive in charge of preparation of the Company's accounting documents,** a fixed annual remuneration is envisaged, resolved by the Company's Board of Directors after hearing the opinion of the Board of Statutory Auditors. Please refer to the provisions for EXECUTIVES WITH STRATEGIC RESPONSIBILITIES for more on the variable remuneration structure.

7. Variable remuneration, description of incentive plans and malus and clawback clauses

The variable remuneration of Executive Directors, the CEO-GM and Strategic Executives is established, from time to time, by the competent bodies, providing for quantitative and qualitative objectives of a financial and/or non-financial nature in line with the Company's Strategic Plans. They are aimed at ensuring the sustainable success of the Company in the medium/long-term.

The Remuneration and Appointments Committee oversees the application of the decisions adopted by the Board of Directors on remuneration, verifying the actual achievement of the *performance objectives* to which the payment of the variable component of the remuneration of the Executive Directors, CEO-GM and Strategic Executives is linked, as well as the achievement of the *performance* objectives envisaged by the incentive plans for *top management*. Evaluations are carried out on the basis of external expert and *benchmark reports*, analytical data produced by the management control system and income statement data approved by the competent corporate bodies.

It is the Company's right to pay Executive Directors and Strategic Executives any exceptional bonuses in relation to operations and/or projects of strategic importance and/or extraordinary results of such significance as to have a substantial impact on the Company's business and/or on its profitability and as such unable to be adequately covered by ordinary variable remuneration systems. The criteria for determining the amount of the exceptional bonus, if any, are on the one hand linked to the value of the operation and/or project and, on the other, take into account the total remuneration already paid to the beneficiary under ordinary remuneration systems.

With a view to attracting or retaining key figures, specific treatments may be granted to specific managerial figures at the recruitment stage or during the continuation of the relationship, including, by way of:

a) Welcome Bonuses, also related to the loss of incentives by the previous employer and/or linked, where possible, to the commitment to maintain the employment relationship with the Company for a fixed period;

b) variable components guaranteed for the first year of employment (or for a different period determined by the Board of Directors, upon justified proposal of the Remuneration and Appointments Committee);

c) disbursements linked to the stability of the relationship over time.

In the event of major market discontinuities with respect to the trends of the last three Financial Years (by way of example but not limited to the occurrence of material changes in macroeconomic conditions or a worsening of the financial context), or extraordinary events impacting the Group's Industrial and Strategic Plan, the Board of Directors, within the scope of the governance processes on remuneration, may implement appropriate adjustments to variable compensation (including with regard to the reference targets, related metrics and evaluation methods), if and insofar as functional to keeping the economic substance of the related treatments as unchanged as possible, preserving the main incentive and loyalty-building purposes without prejudice to compliance with the limits and general principles of this Remuneration Policy (so-called "Market Adverse Change" clause, "*Market Adverse Change*" or "*MAC Clause*").

Contractual mechanisms are in place that allow the Company to:

a) demand restitution in whole or in part (*clawback*); or to
b) withhold, in whole or in part, sums subject to deferral (so-called *malus*)
c) of variable remuneration components determined on the basis of data that later turns out to be manifestly incorrect.

"Manifestly erroneous data" refers to data that is useful for the purpose of verifying the attainment of the objectives of the various incentive plans, on which the vesting of rights is conditional. Manifest errors that may characterise the data include:

a) an error in the calculation of results leading to the attainment of an objective (basis of payment of a variable form) which, in the absence of the material error, would not have been attained;
b) wilful alteration of the data used for the attainment of the objectives or, in any event, of the data on the basis of which the disbursement or allocation of the bonus was ordered, to obtain the right to the incentive; or
c) the achievement of objectives through conduct contrary to legal provisions or Company rules.

The main features of the short-term and medium/long-term monetary and/or equity incentive plans currently in place are outlined below.

7.1 *Short-Term Incentive* Plan (STI Plan)
The *Short-Term Incentive Plan* is dedicated to the Chief Executive Officer and General Manager, Strategic Executives and a large managerial and professional population of Ferragamo, which involves about 700 Group employees. The plan is designed to focus resources on pursuing Ferragamo's value drivers and strategic objectives.

The Group has identified three measurable indicators as strategic priorities: Product Net Sales, EBITDA and an ESG indicator consistent with the Sustainability Plan, which focuses on environmental issues. The three Group performance targets are assigned to the entire population participating in the plan with an overall weight ranging from 100% to 20%, depending on the target population.
The target sheet for the Chief Executive Officer and General Manager was approved by the Board of Directors at the meeting of 26 January 2023 – subject to the approval of the Policy, at the proposal of the Remuneration and Appointments Committee and the Board of Statutory Auditors pursuant to Article 2389, Paragraph 3 of the Italian Civil Code – and consists solely of Group targets focused on economic-financial performance and sustainability issues.
In fact, it was deemed that the implementation of the Strategic Plan presented to the market on 10 May 2022 and the main objective of the Chief Executive Officer and General Manager was adequately reflected in the economic-financial and ESG objectives indicated below.

	CEO-GM SCORECARD	WEIGHT
ECONOMIC - FINANCIAL	Product Net Sales	40%
	EBITDA	40%
ESG	ESG KPIs Specific metrics related to: 1) Emissions, 2) Use of sustainable materials and 3) Chemicals	20%

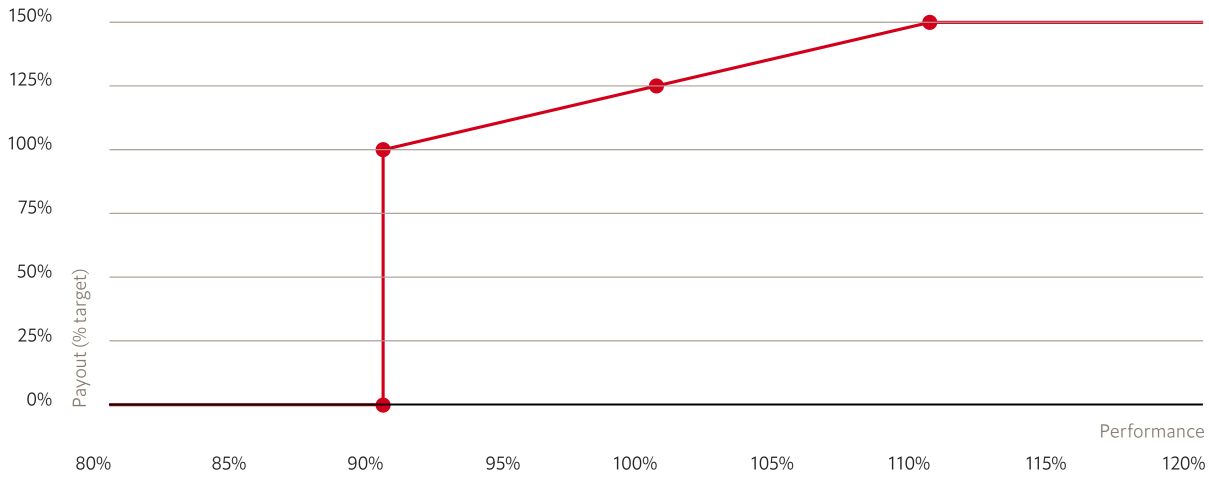
The first target refers to *Product Net Sales*, as reported in the financial statements, which represent the sum of sales in the *Retail* and *Wholesale* channel, net of allocations and returns. They therefore do not include other revenue components, such as *Royalties*, *Hedging*, *Rental Income* and other revenues.

EBITDA, as reported in the financial statements, represents operating income before depreciation, amortisation and impairment of tangible and intangible assets and right-of-use assets.

With reference to the performance indicators of an economic-financial nature, given the sensitivity of the data and its strategic relevance, the incentive curve below refers to performance levels determined in comparison to budget values without making relative figures explicit.

PRODUCT NET SALES AND EBITDA HAVE THE SAME INCENTIVE CURVE

PERFORMANCE		PAYOUT
< Minimum	< 90% of the budget	0%
Minimum	= 90% of the budget	50%
Target	= 100% of the budget	100%
Maximum	= 110% of the budget	150%

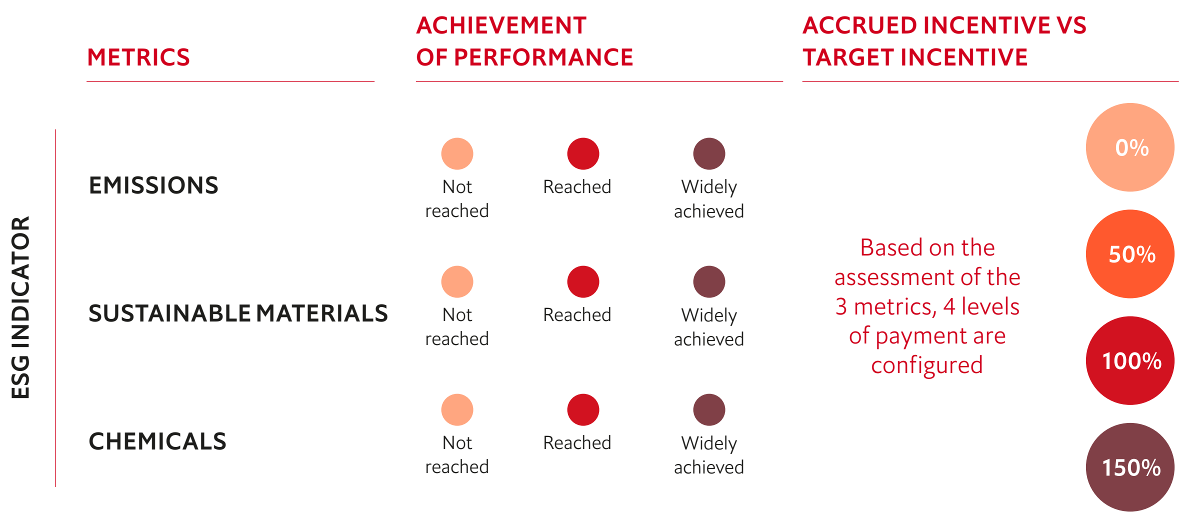


The achievement of intermediate results between the threshold and target level, and between the target and maximum level, results in an incentive calculated by linear interpolation.

With respect to ESG issues, as concrete proof of the attention and care that Ferragamo has always dedicated to sustainability, the plan envisages that part of the variable compensation of the CEO-GM, Strategic Executives and other plan participants will be linked to the achievement of a target broken down into three distinct metrics, referring to the environmental sphere. In particular:

- Emissions:
    - with reference to the target of a 42% reduction in absolute GHG emissions in Scope 1 and Scope 2 by 2029 compared to 2019: implement a monitoring system to improve the measurement of energy vectors and intervention strategies with the aim of reducing energy consumption for Stand Alone Stores (30% of the 44 shops identified) and WW Outlet Stores (30% of the 56 shops identified);
    - with reference to the target of a 42% reduction in absolute Scope 3 GHG emissions from the purchase of goods and services and from downstream transport and distribution by 2029 compared to 2019: carry out a feasibility study on logistics for the optimisation of downstream transport and distribution.
    - Sustainable materials: annual target of 30% sourcing of LCI leather (with characteristics exceeding LWG certification) by 2025;
    - Chemicals: defining a ZDHC strategy for managing chemicals in production processes and phasing out substances that are toxic and harmful to humans and the environment.

The assessment of the ESG target will be made by the Board of Directors, consistent with the actual achievement of each metric.
Specifically, depending on the performance achievement scenarios for the three ESG metrics, four payment levels are configured, ranging from 0 to 150% of the target incentive:



The Chief Executive Officer and General Manager participates in the plan with a target incentive of Euro 3,000,000 and may accrue a maximum incentive of no more than 150% of the target incentive (cap) if all the objectives of the individual card are largely achieved.
The target sheets of the Strategic Executives are structured similarly to those of the Chief Executive Officer and General Manager, thus envisaging indicators of an economic-financial and sustainability nature at Group level, in addition to specific function objectives closely related to the role and function of the relevant Strategic Executives within the I.

EXECUTIVES WITH STRATEGIC RESPONSIBILITIES SCORECARD			WEIGHT
OBIETTIVI DI GRUPPO	ECONOMIC - FINANCIAL	Product Net Sales	25%
		EBITDA	15%
	ESG	ESG KPIs Specific metrics related to: 1) Emissions, 2) Use of sustainable materials and 3) Chemicals	10%
FUNCTIONAL KPIs (50%)			50%

The Group objectives follow the same principles of performance measurement and reporting as those described above for the Chief Executive Officer and General Manager.

To allow for an overall and organic evaluation of resources that takes into account both the achievement of assigned objectives and the way performance is achieved, the Short-Term Incentive Plan envisages the evaluation of distinctive behaviour belonging 'o the Group's Model of Excellence, consistent with Ferragamo's values.[8]

The evaluation of behaviour, carried out by 'he employee's Line Manager and reviewed in a dedicated calibration process, is expressed in a summary score and can act as a modifier of the bonus achieved under the individual plan form, to the extent of +/-15%.

It follows that for EXECUTIVES WITH STRATEGIC RESPONSIBILITIES and the rest of the beneficiaries, the incentive can reach 172.5% of the target incentive, as a combination of the maximum result of the individual scorecard (150%) and the above-mentioned behaviour-related multiplier (+15%).
It is specified that this mechanism is not applied to the Chief Executive Officer and General Manager, whose maximum incentive could reach a cap of 150% of the target incentive, depending on the achievement of the performance results related to the individual file.

8.
Passion, Respect, Innovation, Courage, Authenticity and Wellbeing

EVALUATION OF BEHAVIOUR

BEHAVIOUR

EVALUATION

Area of Development | Consistent | Role Model

1. Result orientation / creativity and innovation

2. Collaboration

3. Decision makng

4. People development

MULTIPLIER/ DE-MULTIPLIER

Depending on the total score achieved, a multi-plier/de-multiplie of +/-15% can be activated

-15% | -7,5% | No adjustment | +7,5% | +15%

The evaluation of behaviour determines an overall score froma minimum of 4 to a maximum of 12

The bonus accrues on 31 December of each year (based on the achievement of performance targets) and is normally (and therefore, unless otherwise justified by the Board of Directors, having consulted the Remuneration and Appointments Committee) paid after the approval of the previous year's financial statements, subject to the beneficiary being in force at the end of the *vesting* period (31 December of each year) and having not resigned.

In accordance with the recommendations of the Corporate Governance Code, for variable incentives related to the STI Plan, there are *malus* and *clawback* clauses under which the Company has the right not to pay the variable components or to request the repayment – within a maximum period of three years from the payment of the award – of all or part of the variable remuneration components whose allocation was determined on the basis of data or information that is subsequently proven to be manifestly incorrect or determined to be the outcome of fraudulent conduct or gross negligence on the part of the recipients.

7.2 *Restricted Shares* Plan for the CEO-GM

The Shareholders' Meeting of 14 December 2021 approved an incentive plan for the CEO-GM known as the "Restricted Shares Plan", with a view to ensuring, year after year, the retention of the Chief Executive Officer and General Manager (indispensable for the implementation of the important change in the Group's Industrial and Strategic Plan) and reinforcing, as part of his overall compensation package, the alignment of interests with all the Ferragamo Group's stakeholders.
Specifically, the Restricted Shares Plan provides for the right of the CEO-GM to accrue a number of ordinary Company shares, obtained by dividing a monetary countervalue (determined by the competent corporate bodies and equal to Euro 2,500,000) by the average of the official prices of the shares in the 30 days prior to the assignment of the right, at the end of an annual vesting period and provided that, at that date:

a) the Company has fulfilled, during the relevant Financial Year, the following two conditions of access deemed to be minimal at the time of the approval of the *Restricted Shares* Plan (so-called *underpins*):

  i. llevel of total revenues at CERs (current exchange rates) for the reporting year equivalent to at least 70% of that of the previous year; and

ii. level of the Ferragamo Group's ROIC at RER (reported exchange rates) for the reporting year higher than the Group's WACC; and

b) the Manager's relationship with the Company is still in place.

Once vested and at the end of the vesting period, the shares are then subject to a lock-up obligation of a further 12 months.
Following the approval of the *Restricted Shares* Plan and the entry of the Chief Executive Officer and General Manager at the beginning of 2022, this will mark the beginning of a new phase in the development of the Ferragamo *brand* on global markets:

a) on 10 May 2022, after a positive assessment by the Board of Directors, it presented to the market the Strategic Plan that envisages (for the best interest of the Company and of all the Group's *stakeholders* and as an important "change of course" ’n the Group's *business* and industrial plan) major investments (amounting to approximately Euro 400 million over the 2023-2026 period) to be financed through the use of equity capital; and

b) defined a new organisation for the Group, selecting experienced Managers from the *luxury-fashion industry* to carry out and achieve the challenging goals of the Strategic Plan.

The Chief Executive Officer and General Manager, with the aim of motivating, incentivising and retaining (until the Strategic Plan is fully implemented) management, has proposed adopting an incentive plan based on shares, in three separate three-year cycles (2023-2025, 2024-2026 and 2025-2027), linked to *retention* and performance targets, and determined on the basis of the Strategic Plan estimates and therefore taking into account the significant investments envisaged.

Moreover, considering that the investments referred to in point a) above will have the automatic effect of reducing the Group's ROIC index to a threshold of *business* sustainability that will be lower than the minimum access conditions estimated prior to the preparation of the Strategic Plan and the actual entry of the Chief Executive Officer and General Manager and therefore reflected in the *Restricted Shares* Plan, at the outcome of an assessment of the adequacy and overall consistency of the policy for the remuneration of the Group's Directors and top management, on 2 March 2023, the Board of Directors – having received the favourable opinion of the Remuneration and Appointments Committee on 24 February 2023 and the Board of Statutory Auditors – resolved to submit to the Shareholders' Meeting the proposal to:

a) realign the forecasts of the Restricted Shares Plan with those of the Strategic Plan and therefore, the interests of the Chief Executive Officer and General Manager with those of the stakeholders and management, in a logic of sustainability and creation of value in the medium/long-term (by making certain amendments and additions to the Terms and Conditions of the Restricted Shares Plan, as illustrated below);
and,

b) jointly approve a new share-based incentive plan, linked in three separate three-year cycles (2023-2025, 2024-2026 and 2025-2027) to retention and performance targets and aimed at motivating, incentivising and retaining (until the Strategic Plan is full’ implemented) the Group's management, better described in Paragraph 7.3 below.

With reference to point a) above, the proposal submitted to today's Shareholders' Meeting provides for an adjustment of the Restricted Shares Plan, reserving it only to the Chief Executive Officer and General Manager, with the modification of the second minimum target’(the level of the Group's ROIC at RER for the year of reference higher than the Group's WACC) to Group ROIC (at RER) with a positive sign for the year of reference. ROIC is defined as the net profit for the period (’s reported in the Group's annual consolidated financial statements for

the reporting year) divided by the average adjusted net invested capital (adjusted net capital represented by net invested capital excluding right-of-use assets and those classified as investment properties).
The ROIC parameter has been consistently identified by the Board of Directors among the economic and financial objectives of the Management Incentive Plan, with the difference being that since the Management Plan is based on three-year cycles, the ROIC for the Management Plan will be a cumulative value, whereas for the Restricted Share Plan of the Chief Executive Officer and General Manager, the ROIC threshold will be measured on an annual basis..

7.3 Performance Plan and Restricted Shares 2023-2025
On 2 March 2023, Ferragamo's Board of Directors approved a new long-term variable incentive plan called the "Performance Plan and Restricted Shares 2023-2025" intended for the Group's Strategic Executives and other key resources to pursue sustainable success in the medium/long-term.
The Chief Executive Officer and General Manager, who is already the beneficiary of the *Special Award* 2022-2026 approved by the Shareholders' Meeting of 14 December 2021 (as better described below), is not a participant of this plan.

The main objectives of the new plan are to:

- motivate participants to achieve medium- to long-term results oriented towards the creation of sustainable value over time;

- align the interests of management with those of Shareholders through the use of share-based incentive instruments;

- strengthen the engagement and *retention* of participants.

Specifically, the plan is divided into three allocation cycles, each of which provides for the assignment of a certain number of initial rights to the ownership of Company shares upon the achievement of *retention* and performance targets over a three-year reference period (*vesting* period: first cycle 2023-2025, second cycle 2024-2026 and third cycle 2025-2027).

The plan provides for a combination of equity vehicles to meet the dual objective of guiding employee behaviour with respect to the achievement of strategic goals and ensuring *retention of* key personnel, and is based on the free allocation of shares according to the following two components:

1. *Performance Share Unit*: the allocation of a certain number of rights to the ownership of Company shares upon the achievement of *retention* and performance targets over a three-year period;

2. *Restricted Share Unit*: the allocation of a certain number of rights to the ownership of Company shares upon the achievement of the sole condition of permanence of the ratio at the end of the *vesting* period of each cycle of the LTI Plan.

For each grant cycle, the Board of Directors, after consulting with the Remuneration and Appointments Committee, shall determine the number of initial rights to be granted to each beneficiary on the basis of an indicator equal to a multiple/percentage of each beneficiary's gross annual fixed compensation, as of 1 January of each cycle, taking into account the relative position in the Company organisation and dividing said monetary value by the average official price of the Company's shares in the 30 (thirty) days prior to 1 January of the year in which each plan cycle begins. The assignment of the rights relating to the first cycle will take place following the approval of the plan by the Shareholders' Meeting.

The initial rights will be divided into an amount equal to 75% of the same, linked to the achievement of retention and performance targets (Performance Share Unit), and the remaining amount equal to 25%, linked to the achievement of retention-only targets (Restricted Share Unit).

75%

PERFORMANCE SHARES UNITS

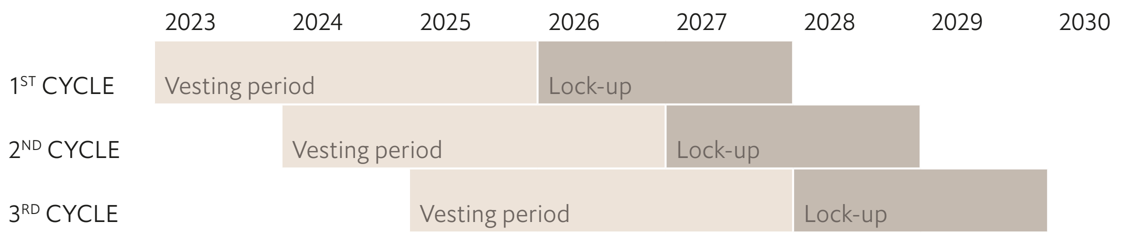
75% of the target amount paid in **Performance Share Units**, the actual allocation of which is subject tothe level of achievement of **performance tagrets**

25%

RESTRICTED SHARES UNIT

25% of the target amount paid in **Restricted Share Units**, the actual allocation of which is subject to the beneficiary's **continued employment**

Plan structure for EXECUTIVES WITH STRATEGIC RESPONSIBILITIES and other key resources:



For the first allocation cycle, the performance indicators relevant to the vesting of rights linked to the Performance Share Units are divided between economic-financial objectives (overall weight of 80%) consistent with the Strategic Plan presented to the market on 10 May 2022, and ESG indicators, pertaining to the "*Environment*" and "*Social*" spheres (overall weight of 20%):

GROUP KPI - 1ST ASSIGNMENT CYCLE			RELATIVE WEIGHT
ECONOMIC - FINANCIAL	GROWTH TARGET	PRODUCT NET SALES - Average % growth in relation to revenue	30%
	PROFIT TARGET	EBITDA - Cumulative value 2023-2025	30%
	PROFITABILTY TARGET	Return On Invested Capital (ROIC) - Average 2023-2025	20%
ESG	CLIMATE	**Metrica on Climate**: 100% renewable energy in all corporate loctions worldwide by 2029	10%
	SOCIAL	**Gender pay gap measurement** for Salvatore Ferragamo Spa, North America, Korea and China	5%
		Uni-PdR 125/22 certification for Salvatore Ferragamo Spa	5%

For each of the performance indicators, there is an incentive curve linking the number of *Performance Share Unit* rights accruing to the level of the performance indicator achieved.

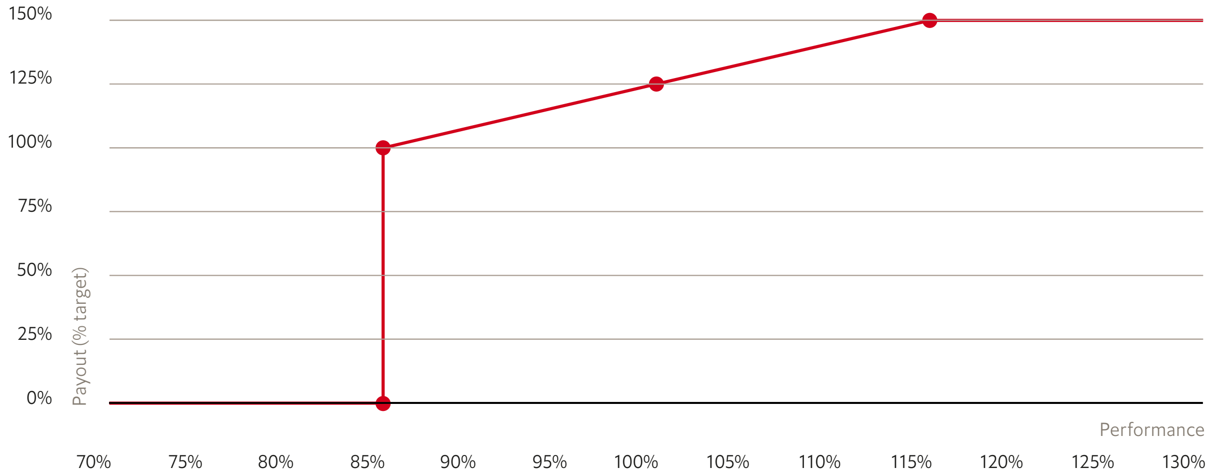
The rights relating to the *Performance Share Units* will vest according to the level of achievement at the end of the vesting period of each cycle of the LTI Plan and the relevant performance indicators. In particular, for the first cycle of the LTI Plan, each performance indicator will be relevant for the purpose of calculating the number of rights accrued in accordance with the following tables, specifically providing that at the threshold, target and maximum performance levels – on the basis of which the achievement of the results is measured – a portion of the initial rights pertaining to the specific performance indicator will accrue, which may vary in a range from 0 to 150%.

For objectives of an economic-financial nature only, the achievement of intermediate results between the threshold level and the target level, and between the target level and the maximum level, results in an entitlement number calculated by linear interpolation. The achievement of results below the threshold level leads to the non-allocation of shares for the individual performance condition to which this result refers.

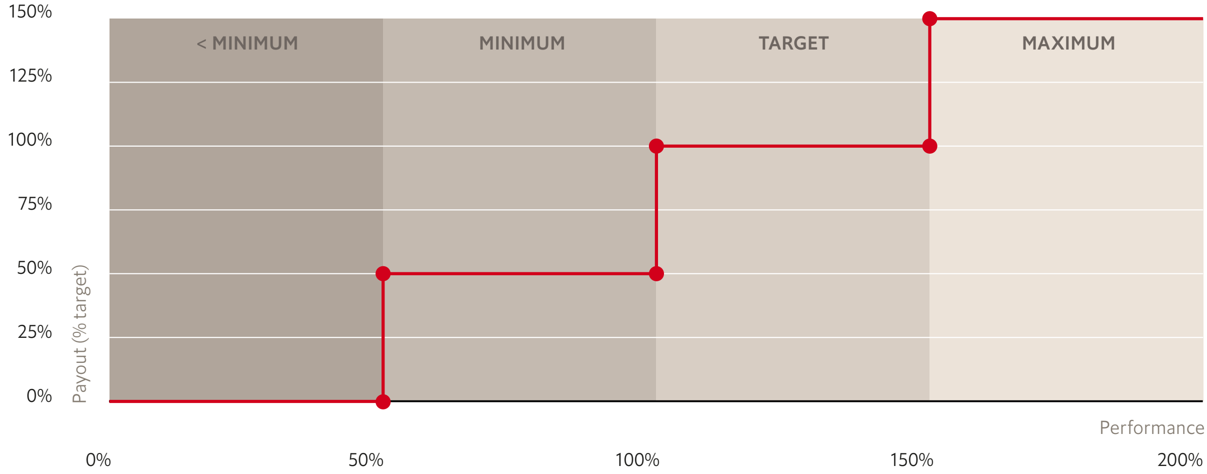
In addition, with reference to the performance indicators of an economic-financial nature, given the sensitivity of the data and the strategic relevance, the performance levels determined in comparison to plan target values are reported below without making the relative figures explicit:

NATURE OF KPI	PERFORMANCE INDICATOR	PERFORMANCE / PAYOUT	BELOW THE THRESHOLD	THRESHOLD	TARGET	MAXIMUM
ECONOMIC-FINANCIAL	**Average growth % a Net Sales 2023-2025**	Performance	< 85% of target	85% of target	100% of target	115% of target
		Payout	0%	50%	100%	150%
	Cumulative EBITDA 2023-2025	Performance	< 85% of target	85% of target	100% of target	115% of target
		Payout	0%	50%	100%	150%
	Return on Invested Capital – Average 2023-2025	Performance	< 85% of target	85% of target	100% of target	115% of target
		Payout	0%	50%	100%	150%
ESG	**Metric on *Climate*:** 100% renewable (offset) energy in all corporate locations worldwide by 2029	Performance	<100% renewable energy in Italy by 2025	100% renewable energy in Italy by 2025	100% renewable energy in Europe by 2025	100% renewable energy in Italy, Europe and North America by 2025
		Payout	0%	50%	100%	150%
	Measuring the *Gender Pay Gap* for Salvatore Ferragamo S.p.A., North America, Korea and China	Performance	Measurement not carried out for any region	Measured for Salvatore Ferragamo S.p.A.	Measurement for Salvatore Ferragamo S.p.A. and North America	Measurement for Salvatore Ferragamo S.p.A., North America, China and Korea
		Payout	0%	50%	100%	150%
	Uni-PdR 125/22 certification (gender equality) for Salvatore Ferragamo S.p.A.	Performance	Certification score < 60%	60% < Certification score < 80%	80% < Certification score < 90%	Certification score > 90%
		Payout	0%	50%	100%	150%

Incentive curve for economic-financial objectives



Incentive curve for ESG indicators



Subsequent to the completion of the *vesting* period of each cycle, each of the beneficiaries will also be allocated, free of charge, an additional number of rights calculated on the basis of the accrued rights and the cumulative amount of dividends per share distributed to the Company's Shareholders during the period between the first day of the *vesting* period and the day preceding the date of allocation of the shares.

A lock-up (or *holding*) period of two years is envisaged, during which the participants may not dispose of the allocated shares, except for what may be transferred to cover tax/contribution charges, if applicable (so-called *Sell to Cover*). This restriction concerns the entire number of shares allocated to the EXECUTIVES WITH STRATEGIC RESPONSIBILITIES and the beneficiaries who will be identified by the Board of Directors from among those who report directly to the Chief Executive Officer and General Manager of the Company and/or who are responsible for a so-called "*region*".

7.4 *Special Award* 2022-2026 for the CEO-GM[9]

The Chief Executive Officer and General Manager is the beneficiary of the *Special Award* 2022-2026, approved by the Board of Directors on 9 November 2021, on the proposal of the Remuneration Committee and with the favourable opinion of the Board of Statutory Auditors, and by the Shareholders' Meeting on 14 December 2021.

The plan is aimed at reinforcing the alignment of interests between the CEO-GM and all the Ferragamo Group's stakeholders and incentivising them to achieve the Company's medium/long-term objectives, reflected in the Strategic Plan, particularly by fostering their motivation and loyalty to the Company and the Ferragamo Group.

The plan provides for a five-year performance measurement period[10] and is based on the following conditions:

- permanence of the relationship; and
- attainment of predetermined average capitalisation values of the Company (in a period between the three months preceding and the three months following) at the end of the first three-year period and the five-year period from 1 January 2022, respectively.

9.
For further information in relation to this plan (also in relation to the effects of the termination of the relationship), please refer to the Information Document of the "Bonus *Special Award* 2022-2026" plan, approved by the Board of Directors on 9 November 2021 and by the Shareholders' Meeting on 14 December 2021 and published on the Company's website at https://group.ferragamo.com/it/governance/corporate-governance/remunerazione/piani-di-incentivazione-azionaria.
10.
It being understood that if the FTSE-MIB Index registers – in the 12 months prior to the time of verification of the condition for payment of the second tranche of the *Special Award* Bonus – a decrease equal to or greater than 10%, the time limit for verification of the condition for payment of the second tranche of the *Special Award* Bonus shall be extended for a further year (subject, in any case, to the condition relating to the actual continuation of the relationship up to that further date).

8. Non-monetary benefits and insurance coverage (i.e., social security or pension coverage, other than compulsory coverage)

The Company may grant Executive Directors and Strategic Executives non-monetary *benefits, including*: housing, car, *uniform allowance*, tax assistance, supplementary health care policy, supplementary life policy and contribution to supplementary pension fund.

The Company currently has the following non-compulsory insurance, social security or pension coverage:

a) D&O Directors', Auditors' and General Managers' liability policy;

b) supplementary life insurance in the event of death (supplementary to compulsory coverage under the collective agreement);

c) supplementary health care policy (supplementary to the insurance coverage of FASI, Supplementary Health Care Fund for Industry Executives);

d) occupational and non-occupational accident policy.

9. Policy on treatment in the event of termination of office or termination of employment

In the event of termination of office and/or employment, the provisions of the law and/or contract applicable from time to time necessarily apply.

With particular reference to managerial staff, the collective agreement currently in force and applied by the Company provides, in particular[11], in the event of termination of employment at the Company's initiative:

a) between six to twelve months' notice (depending on seniority); and

b) between four to twenty-four months' salary by way of an all-inclusive 'additional allowance' (depending on seniority).

No benefits are paid in the presence of a just cause for termination at the initiative of the Company or in the event of voluntary resignation (without just cause) of the person concerned.

11.
As well as specific cases of resignation for qualified circumstances.

In the light of the above limits and criteria and the performance achieved, the Company may enter into agreements (both at the time of hiring and upon termination of the employment relationship) with Directors and Strategic Executives that provide for certain financial treatments upon termination of the office and/or employment relationship, consisting of a predetermined maximum amount or linked to the residual duration of the mandate. At the date of this Report, the Company has an agreement in place with the CEO-GM that contains specific provisions in relation to treatments provided for in the event of termination of office or termination of employment. In particular, the agreement with the CEO-GM provides that: (i) in the event of termination of the relationship as a *good leaver,* the Manager is entitled to receive, within the framework of a settlement agreement, a *severance* equal to 24 months of fixed and variable compensation (excluding the *Special Award* bonus), in addition to the *Special Award* bonus calculated by taking as a reference the average capitalisation value of the Company at the time of termination of the relationship, and the MBO bonus and *restricted shares pro rata temporis* (with respect to the value at target) (ii) in the event of termination of the relationship in the event of strategic misalignment, death or disability, the Manager is entitled to receive, under a settlement agreement, a *severance payment* equal to 12 months of fixed and variable compensation (excluding the *Special Award* bonus), in addition to the *Special Award* bonus calculated by taking as a reference the Average Value at the time of termination of the relationship and the MBO bonus and *restricted shares pro rata temporis (compared to the* target value) (iii) in the event of termination of the relationship as a *bad leaver*, the Manager loses any right to *severance*, MBO bonus, *restricted shares* and Special *Award* bonus. Moreover, in the event of the Manager's resignation under circumstances other than those referred to in points (i) and (ii) above, in addition to losing all rights in relation to the MBO bonus, restricted *shares* and the *Special Award* bonus, the Manager will be required – if the termination occurs in the first 36 months from the start date of the relationship – to pay an amount to the Company by way of a non-reducible penalty and, if the termination occurs afterwards, to observe a six-month notice period.
The Company may also enter into non-competition or confidentiality agreements for a limited period following the termination of the relationship, as well as agreements aimed at assigning or maintaining non-monetary benefits and consultancy contracts for a period following the termination of the relationship. Currently, no non-competition agreements exist with the CEO-GM or Strategic Executives.

10. Exceptions to the remuneration policy

In exceptional circumstances – meaning specific situations in which the deviation from the Remuneration Policy is necessary to pursue the long-term interests and sustainability of the Company as a whole, or to ensure its ability to stay in the market – the Company may deviate from the following elements of the Remuneration Policy approved by the Shareholders:

a) the *pay mix* and *peer group* for Executive Directors and Strategic Executives;

b) the economic parameters of the *Short-Term Incentive* Plan, the *Performance and Restricted Shares* Plan 2023-2025, the *Restricted Shares* Plan and *Special Award* Plan 2022-2026;

c) athe criteria and upper limits in the event of termination of office or termination of employment..

Any exceptions will be decided by the Company's Board of Directors with the favourable opinion of the Remuneration and Appointments Committee and in compliance with the procedure for transactions with related parties.

DETAILS OF FEES PAID

This Section is divided into two parts and illustrates, by name, the remuneration of the Members of the Management and Control Bodies and the Chief Executive Officer and General Manager and, in aggregate form[12], the remuneration of the Company's Strategic Executives for the 2022 Financial Year, on an accrual basis.

KPMG S.p.A., the entity engaged to perform the statutory audit of Salvatore Ferragamo's financial statements for the 2020-2028 period, has verified that the Directors have prepared this Second Section of the Report.

PART ONE

Salvatore Ferragamo believes that remuneration represents a key tool to attract, motivate and retain people who possess the professional qualities required to profitably pursue the Group's strategic objectives, with a view to creating value for all *stakeholders* in the medium/long-term and safeguarding the sustainability of the Company and the Group.

With the goal of retaining and attracting qualified and adequately motivated professional resources – also through the definition of competitive and meritocratic remuneration levels – the Company has therefore implemented the Remuneration Policy (Section I) approved by the Shareholders' Meeting on 12 April 2022, taking into account the remuneration and working conditions of its employees, the provisions of collective bargaining agreements (applicable from time to time), the remuneration policies of competing Italian and foreign companies comparable to the Company in terms of size and business sector, as well as the advisory vote (largely favourable) expressed by the Shareholders' Meeting on 12 April 2022 on Section II of the 2022 Remuneration Policy (relating to remuneration for the 2021 Financial Year):

Votes in favour	Votes against	Abstentions	Non-voters
244.457.724	6.543.052	0	0
97,393%	2,607%	0%	0%

In line with the values of transparency and accountability that Salvatore Ferragamo has always pursued, below is a representation of the items that make up the remuneration of the Members of the Administration and Control Bodies, the Chief Executive Officer and General Manager and the Strategic Executives, highlighting their compliance with the reference Remuneration Policy and also indicating how each fixed and variable component of remuneration contributes to the Company's long-term results, aligning the interests of all the Company's *stakeholders*. In this regard, it should be noted that the Strategic Executives and the top management of the Company and the Group took part in the medium/long-term incentive plan called "LTI 2019-2021", whose goal was to create a stronger drive for the achievement of business objectives over a three-year timespan. It should also be noted that the Chief Executive Officer and General Manager is the beneficiary of an incentive plan called "Special Award" relating to the 2022-2026 period, which envisages, among the objectives, the achievement of predetermined average capitalisation values of the Company at the end of the first three-year period as well as the five-year period from 1 January 2022, respectively, for which a modification to the Remuneration Policy was approved by the Members' Meeting on 14 December 2021.

12.
No Strategic Manager received, in the 2022 Financial Year, a higher total remuneration than the remuneration awarded to the Chief Executive Officer and General Manager.

1. Fixed and variable remuneration

1.1 Directors

The following tables summarise the fixed remuneration allocated during the 2022 Financial Year to the Members of the Board of Directors and for their participation in the endo-conciliar committees (in addition to the reimbursement of expenses incurred by reason of their office).

Members of the Board of Directors appointed by the Shareholders' Meeting of 22 April 2021
Euro 50,000 gross on an annual basis

	Component	**Chairman**
Remuneration and Appointments Committee	Euro 20,000 gross on an annual basis	Euro 25,000 gross on an annual basis
Risk and Control Committee	Euro 22,000 gross on an annual basis	Euro 30,000 gross on an annual basis

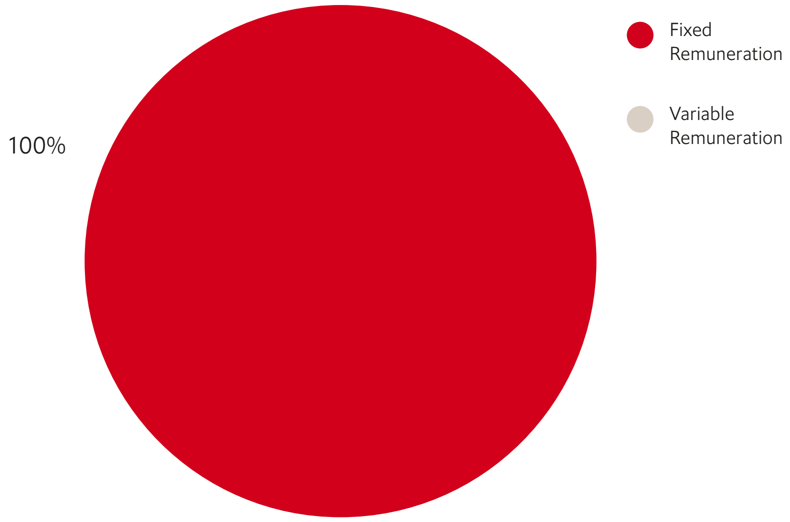
Directors who have received special assignments have been granted an additional fixed remuneration, resolved by the Board of Directors, after consulting the Remuneration and Appointments Committee and, where required, with the favourable opinion of the Board of Statutory Auditors, commensurate with the special assignments granted and the related responsibilities. In particular, during the 2022 Financial Year, special offices were held, including:

- il Presidente, Leonardo Ferragamo;
- l'Amministratore Delegato e Direttore Generale, Marco Gobbetti;
- la Vice-Presidente, Angelica Visconti.

1.2 Chairman of the Board of Directors

In the 2022 Financial Year, in accordance with the principles set forth in the Remuneration Policy (Section I) approved by the Shareholders' Meeting on 12 April 2022, the **Chairman of the Board of Directors,** Leonardo Ferragamo, was paid a fixed gross remuneration of Euro 400,000 for his Office as Chairman of the Board of Directors (and already including the fixed remuneration attributed by virtue of his Office as Director).

The following chart summarises the *pay mix* of the remuneration paid to the Chairman of the Board of Directors Leonardo Ferragamo in FY 2022.



1.3 Chief Executive Officer and General Manager

The remuneration for the **Chief Executive Officer and General Manager,** Marco Gobbetti, for the 2022 Financial Year, is represented – consistently with the principles set forth in the Remuneration Policy (Section I) approved by the Shareholders' Meeting on 12 April 2022 – by:

a) a fixed annual remuneration of Euro 120,000 gross for the Office of Chief Executive Officer;

b) a gross annual fixed remuneration of Euro 2,180,000 for performing the duties of General Manager;

c) a *Welcome Bonus* (also linked to the Manager's commitment to maintaining an employment relationship with the Company for a fixed period of time) of Euro 4,437,500 gross;[13]

d) an MBO bonus (guaranteed for the first year of employment and therefore for the 2022 Financial Year) of Euro 3,000,000 gross;

e) monetary *benefits* in the amount of Euro 27,801 gross;

f) non-monetary benefits in the amount of Euro 72,601 gross.

13. The value indicated represents 50% of the *Welcome Bonus* paid to Mr Marco Gobbetti, totalling Euro 8,875,000. The remaining 50% will be paid in two instalments (January 2023 and January 2024).

The Chief Executive Officer and General Manager then participates, effective as of the 2022 Financial Year, in:

a) the "Restricted Shares" plan, under which 114,766 Company shares were allocated, in line with the provisions of the plan itself and in relation to the 2022 Financial Year, on 8 February 2023;[14] and

b) to the 'Special Award 2022-2026' plan, the *vesting* period of which is still ongoing.

For the sake of completeness – as also illustrated in Paragraph 9 of Section I of the 2023 Remuneration Policy – the *management agreement* in place with the Chief Executive Officer and General Manager provides that:

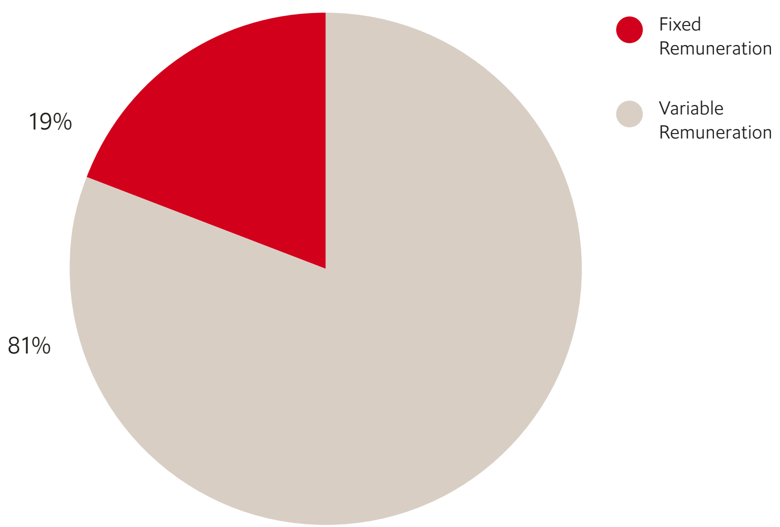
a) in the event of termination of the relationship as a *good leaver,* the Manager has the right to receive, within the framework of a settlement agreement, a *severance* equal to 24 months of fixed and variable compensation (excluding the Special Award bonus), in addition to the Special Award bonus calculated by taking as a reference the average capitalisation value of the Company at the time of termination of the relationship, and the MBO bonus and restricted shares *pro-rata temporis* (with respect to the value at target);

b) in the event of termination in the event of strategic misalignment, death or disability, the Manager is entitled to receive, under a settlement agreement, a severance payment equal to 12 months of fixed and variable compensation (excluding the Special Award bonus), in addition to the Special Award bonus calculated taking as a reference the average value at the time of termination of the relationship, and the MBO bonus and restricted shares *pro rata temporis* (compared to the target value);

c) in the event of termination as a *bad* leaver, the Manager loses any right to *severance*, MBO bonus, restricted shares and Special Award bonus.

Moreover, in the event of the Manager's resignation in cases other than those referred to in points a) and b) above, in addition to forfeiting all rights in relation to the MBO bonus, restricted shares and Special Award bonus, the Manager will be required – if the resignation occurs in the first 36 months from the date of commencement of the relationship – to pay an amount to the Company by way of a non-reducible penalty and, if the resignation occurs afterwards, to observe a six-month notice period.

The following chart summarises the *pay mix* of the remuneration paid to the CEO in the 2022 Financial Year.



14. For a total value of Euro 2,075,027 determined on the basis of the average of the official price of the Company's shares in the previous 30 (thirty) days equal to Euro 180,805.

1.4 *Deputy Chairman of the Board of Directors*

In the 2022 Financial Year, Mrs Angelica Visconti, in her capacity as **Deputy Chairman** was paid[15]:

a) a fixed fee

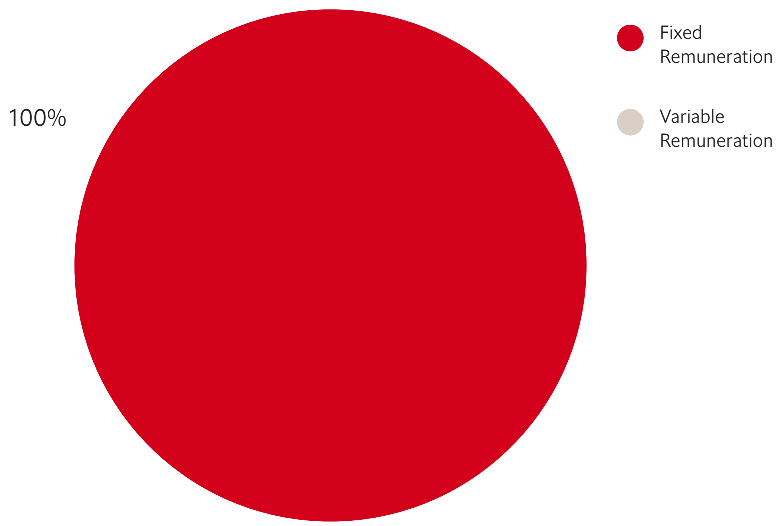
b) Euro 50,000 gross for the position of Director of the Company[16];

(i) Euro 100,000 gross, as emolument for the Office of Deputy Chairman[17];

(ii) of EUR 50,000 gross, with respect to appointments in the subsidiaries[18];

c) non-monetary benefits in the amount of Euro 3,823 gross.

The following chart summarises the *pay mix of the* remuneration paid to the Deputy Chairman.



1.5 Mayors

In the 2022 Financial Year, the **Statutory Auditors** were paid:

a) a fixed remuneration represented by the amount resolved by the Company's Shareholders' Meeting at the time of their appointment, equal to Euro 64,000 gross on an annual basis for the Chairman and Euro 48,000 gross on an annual basis for the other Members of the Board, in addition to the reimbursement of expenses incurred in the performance of their duties;

b) an additional fee for the appointment of the Board of Statutory Auditors as Supervisory Board pursuant to Decree No. 231, equal to Euro 15,000 gross on an annual basis for the Chairman and Euro 12,000 gross on an annual basis for the Members of the Supervisory Board, resolved by the Company's Board of Directors on 12 May 2020.

15.
As specified in Paragraph 2 below, Mrs Angelica Visconti held, until 31 January 2022, a subordinate employment relationship with managerial status (within which – as also specified in Paragraph 2 below – Mrs Visconti received an indemnity for termination of employment).
16.
In line with the resolution passed by the Shareholders' Meeting held on 22 April 2021 pursuant to Article 2389(1) of the Italian Civil Code.
17.
On 14 December 2021, Mrs Angelica Visconti was appointed Deputy Chairman of the Company, effective 1 January 2022.
18.
In this regard, it should be noted that Mrs Angelica Visconti waived any further remuneration resolved upon by the Group's subsidiaries in which she serves as a Director.

1.6 EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

For Strategic Executives, the remuneration for the 2022 Financial Year is represented by the gross annual remuneration (so-called RAL) and the annual variable remuneration (Performance Incentive Plan 2022) linked to the achievement of economic-financial (to an extent equal to 60%) and non-financial (to an extent equal to 40%) performance objectives, the latter including the Company's results and a series of business and individual objectives assigned in relation to the scope of responsibility of the role held, in line with the provisions of the Strategic Plan presented by the Company to the market on 10 May 2022.

The above performance targets for the MIP 2022 were reported as follows:

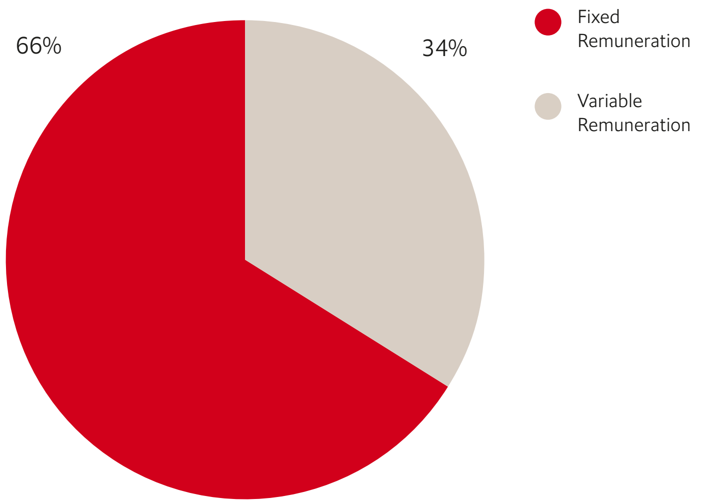
		PAYOUT			
INDICATOR	**WEIGHT**	**% Ach.**	**% Payout**	**% Multiplier**	**Payout**
Group Product Sales	30%	95,6%	55,7%	-	50.146
Group EBITDA	30%	112,8%	142,5%	-	128.255
People, Organization and Processes	20%	100%	100%	-	60.000
Product	20%				
Department's financial targets	5%	100%	100%	-	15.000
Department's financial targets	15%	100% 150%	[X]	-	56.250
Group EBITDA Multiplier	-	-	-	142,5%	131.622

The Strategic Executives were also beneficiaries of the 2019-2021 LTI Plan, which envisaged the assignment of a cash bonus upon the achievement of predetermined performance targets linked to EBIT and Net Sales, with the provision of a multiplier/divider of the bonus, depending on the Company's performance compared to an identified group of peers. On 10 May 2022, the Board of Directors, after sharing with the Remuneration and Appointments Committee, took note of the findings of the reporting carried out for the three-year period, which highlighted the failure to achieve all the performance objectives assigned during the period of reference, as shown in the table below. As a result, according to the Regulations of the 2019-2021 LTI Plan, no bonus payment was made to the beneficiaries.

			PAYOUT		
INDICATOR	**WEIGHT**	**THRESHOLD**	**% Payout**	**% Ach.**	**Payout**
Group EBIT	50%	90 – 120%	50 - 125%	32%	0
Group Net Sales	30%	50 – 125%	50 - 125%	-84%	0
Group Net Sales Like for Like	20%	95 – 110%	50 - 125%	-9%	0

MULTIPLIER: Group Net Sales vs. Peer Group Results		**Results**	**Achievement**	**Multiplier Payout**
Below median	0	<2,1	-4,5%	0
Equal to median	1	=2,1		
Between median and third quartile	1,1	>2,1%<7,1%		
Above third quartile	1,2	>7,1%		

The following chart summarises the *pay mix of* the Strategic Executives of the Board of Directors in the 2022 Financial Year.



2. Award of indemnities and/or other benefits for termination of office or termination of employment during the 2022 financial year

On 24 January 2022, a settlement agreement was reached with Mrs Angelica Visconti in which she consented to defining the terms and conditions of the termination (as of 31 January 2022) of her Executive employment relationship existing with Salvatore Ferragamo S.p.A. since 13 May 2002. In line with the remuneration policy, the agreement provided for:

a) the payment (in the month following the month of termination of employment) to the Manager of a redundancy incentive equal to the cost of the indemnity in lieu of notice (quantified, pursuant to the provisions of the National Collective Labour Agreement for Industry Executives, at Euro 285,000 gross), the fixed salary due for the month of January 2022, normal severance pay and a consideration (equal to Euro 5,000 gross) for the waivers provided by the *Manager to the* Company (including the *PIP* 2021 *bonus);*

b) *the Manager*'s undertaking to return company assets (assigned in performance of the employment relationship) by 30 April 2022.

Malus and *clawback* clauses did not apply.

3. Exceptions to the 2022 remuneration policy

No exceptions to the Remuneration Policy were implemented in the 2022 Financial Year.

4. Application of ex-post correction mechanisms for variable remuneration

No *ex-post* correction mechanisms of the variable component (so-called *malus* and *clawback* clauses) were applied in the 2022 Financial Year.

5. Comparative information between the annual changes in the total remuneration of the members of governing and control bodies, the Company's Results and the average gross annual remuneration of employees

The Company provides below a comparative statement of changes to the following information for the 2019, 2020, 2021 and 2022 Financial Years:

a) total remuneration of each of the Members of the Company's Board of Directors and Control Body.

Total remuneration of each Member of the Company's Governing and Control Bodies					**Variation**		
	2019	**2020**	**2021**	**2022**	**% 2020 - 2019**	**% 2021 - 2020**	**% 2022 - 2021**
Leonardo Ferragamo	35.000	35.000	288.000	400.000	-	+722,9%	+38,9%
Marco Gobbetti	-	-	-	11.912.929	-	-	-
Frédéric Biousse	-	-	12.740	50.000	-	-	+292,5%
Giacomo Ferragamo	556.310	183.061	761.684	771.865	-67%	+316%	+1,33%
Patrizia Michela Giangualano	-	-	55.452	80.000	-	-	+44,3%
Annalisa Loustau Elia	-	-	18.028	70.000	-	-	+288,3%
Umberto Tombari	75.000	75.000	86.784	92.000	-	+15,7%	+6%
Angelica Visconti	293.168	251.036	367.959	493.823	-14,3%	+46,5%	+34,21%
Peter K.C. Woo	-	-	-	-	-		-
Anna Zanardi Cappon	-	-	65.296	97.000	-		+48,6%
Andrea Balelli	77.000	79.000	79.000	79.000	+2,5%		-
Paola Caramella	58.000	60.000	60.000	60.000	+3,4%		-
Giovanni Crostarosa Guicciardi	-	39.557	60.000	60.000	-		-

b) Company results (in terms of EBITDA and Net Sales);

	Company performance				**Variation**		
Index	**2019**	**2020**	**2021**	**2022**	**% 2020 - 2019**	**% 2021 - 2020**	**% 2022 - 2021**
Revenues	€836.947.210	€561.058.332	€564.002.658	€740.233.835	-33%	0,52%	31,25%
EBITDA	€188.693.428	€5.181.482	€100.401.037	€183.162.745	-97,2%	1837,6%	82,43%

c) average gross annual remuneration, benchmarked on full-time employees.

Average gross annual remuneration based on full-time employees				**Variation**		
2019	2020	2021	2022	% 2020 - 2019	% 2021 - 2020	% 2022 - 2021
€44.839	€46.667	€ 47.267	€49.795	+4,07%	+1,3%	5,3%

PART TWO

Compensation paid by the Company and other Group companies in relation to the 2022 Financial Year, in any capacity and in any form using the tables prepared in accordance with the Issuers' Regulations, is detailed below.

nformation is provided separately with reference to positions held in the Company and for those held in listed and unlisted Group subsidiaries and associates.
In accordance with the provisions of Article *84-quater* and Annex 3A, Schedule *7-ter* of the Issuers' Regulations, the Report includes a table indicating the shareholdings held in the Company and its subsidiaries by the Members of the Administration and Control Bodies and by the EXECUTIVES WITH STRATEGIC RESPONSIBILITIES, as well as by spouses who are not legally separated and minor children, either directly or through subsidiaries, trust companies or intermediaries, on the basis of the information contained in the Shareholders' register, communications received or information acquired from the Members of the Administration and Control Bodies and from the EXECUTIVES WITH STRATEGIC RESPONSIBILITIES.
Finally, in accordance with Article *84-bis*, Paragraph 5, and Annex 3A, Schedule 7 of the Issuers' Regulation, this Report includes tables detailing information on the plans based on financial instruments currently in place.

2 March 2023

The Chairman of the Board of Directors
Leonardo Ferragamo

Table 1: remuneration paid to and/or accrued in favour of members of governing and control bodies and EXECUTIVES WITH STRATEGIC RESPONSIBILITIES (DS).

(A)	(B)	(C)	(D)	-1	-2	-3		-4	-5	-6	-7	-8
NAME AND SURNAME	**Office**	**Period in which the office was held**	**Term of office**	**Fixed fees**	**Fees for participation in committees**	**Variable non-equity remuneration**		**Non-monetary benefits**	**Other remuneration**	**Total**	**Fair value of equity compensation**	**Allowances for termination of office or termination of employment Total**
						Bonuses and other incentives	**Profit-sharing**					
LEONARDO FERRAGAMO	**Chairman**	2022	Until the Shareholders' Meeting to approve the balance sheet as of 31.12.2023									
(I) Remuneration in the reporting Company				400.000						400.000		
(II) Compensation from subsidiaries and associates												
(III) Total				400.000						400.000		
MARCO GOBBETTI [1]	**Chief Executive Officer**	2022	Until the Shareholders' Meeting approving the financial statements as of 31.12.2023									
(I) Remuneration in the reporting Company				2.300.000			9.512.527	72.601	27.801	11.912.929		
(II) Compensation from subsidiaries and associates												
(III) Total				2.300.000			9512527	72.601	27.801	11.912.929		

GIACOMO FERRAGAMO[2]	**Director**	2022	Until the Shareholders' Meeting approving financial statements as of 31.12.2023								
(I) Remuneration in the reporting Company				507.000		250.055	14.810		771.865		
(II) Compensation from subsidiaries and associates											
(III) Total				507.000		250.055	14.80		771.865		
PETER K. WOO	**Director**	2022	Until the Shareholders' Meeting approving financial statements as of 31.12.2023								
(I) Remuneration in the reporting Company				-					-		
(II) Compensation from subsidiaries and associates											
(III) Total				-					-		
ANGELICA VISCONTI[3]	**Director**	2022	Until the Shareholders' Meeting approving financial statements as of 31.12.2023								
(I) Remuneration in the reporting Company				200.000			3.823		493.823		290.000
(II) Compensation from subsidiaries and associates											
(III) Total				200.000			3.823		493.823		290.000

FRÉDÉRIC BIOUSSE	**Director**	2022	Until the Shareholders' Meeting to approve the balance sheet as of 31.12.2023								
(I) Remuneration in the reporting Company				50.000					50.000		
(II) Compensation from subsidiaries and associates											
(III) Total				50.000					50.000		
PATRIZIA MICHELA GIANGUALANO[4]	**Director**	2022	Until the Shareholders' Meeting to approve the balance sheet as of 31.12.2023								
(I) Remuneration in the reporting Company				50.000	30.000				80.000		
(II) Compensation from subsidiaries and associates											
(III) Total				50.000	30.000				80.000		

ANNALISA LOUSTAU ELIA[5]	**Director**	2022	Until the Shareholders' Meeting to approve the balance sheet as of 31.12.2023								
(I) Remuneration in the reporting Company				50.000	20.000				70.000		
(II) Compensation from subsidiaries and associates											
(III) Total				50.000	20.000				70.000		
ANNA ZANARDI CAPPON[6]	**Director**	2022	Until the Shareholders' Meeting to approve the balance sheet as of 31.12.2023								
(I) Remuneration in the reporting Company				50.000	47.000				97.000		
(II) Compensation from subsidiaries and associates											
(III) Total				50.000	47.000				97.000		

UMBERTO TOMBARI [7]	**Director**	2022	Until the Shareholders' Meeting to approve the balance sheet as of 31.12.2023								
(I) Remuneration in the reporting Company				50.000	42.000				92.0000		
(II) Compensation from subsidiaries and associates											
(III) Total				50.000	42.000				92.000		
ANDREA BALELLI	**Chairman of the Board of Statutory Auditors**	2022	Until the Shareholders' Meeting to approve the balance sheet as of 31.12.2023								
(I) Remuneration in the reporting Company				64.000	..			15.000	79.000		
(II) Compensation from subsidiaries and associates											
(III) Total				64.000				15.000	79.000		
GIOVANNI CROSTAROSA GUICCIARDI	**Standing Auditor**	2022	Until the Shareholders' Meeting to approve the balance sheet as of 31.12.2023								
(I) Remuneration in the reporting Company				48.000				12.000	60.000		
(II) Compensation from subsidiaries and associates											
(III) Total				48.000				12.000	60.000		

PAOLA CARAMELLA	**Standing Auditor**	2022	Until the Shareholders' Meeting to approve the balance sheet as of 31.12.2023								
(I) Remuneration in the reporting Company				48.000				12.000	60.000		
(II) Compensation from subsidiaries and associates											
(III) Total				48.000				12.000	60.000		
2 MANAGERS STRATEGIC (8)	**EXECUTIVES WITH STRATEGIC RESPONSIBILITIES**	2022									
(I) Remuneration in the reporting Company				857.000		441.274	29.890		1.328.164		
(II) Compensation from subsidiaries and associates											
(III) Total				857.000		441.274	29.890		1.328.164		

NOTES

(1) The value shown in the table relative to the fixed remuneration of the Director Marco Gobbetti includes Euro 120,000 for the Office of Chief Executive Officer, Euro 2,180,000 for the Office of General Manager, Euro 3,000,000 as MBO 2022 bonus, Euro 6,656,250 as *Welcome Bonus* and Euro 2,075,027 as the countervalue of the 114,766 Company shares (Restricted Shares 2022) assigned to him on 8 February 2023.
(2) The value set forth in the table relative to the fixed compensation of Director Giacomo Ferragamo includes Euro 50,000 as a Director of the Company for the 2022 Financial Year and, also in relation to that period, Euro 457,000 as an Executive of the same.
(3) The value shown in the table regarding the fixed compensation of Director Angelica Visconti includes, in addition to the fixed compensation for the Office of Director equal to Euro 50,000, the following fixed compensation: a) a compensation of Euro 100,000, as emolument for the Office of Deputy Chairman; b) a compensation of Euro 50,000.00, for offices held in subsidiaries; and c) a severance indemnity of Euro 290,000.
(4) Director Patrizia Michela Giangualano received, in addition to the fixed remuneration for the Office of Director of Euro 50,000, a remuneration of Euro 30,000 as Chairman of the Control and Risk Committee for the period of her mandate.
(5) Director Annalisa Loustau Elia received, in addition to the fixed remuneration for the Office of Director amounting to Euro 50,000, a remuneration of Euro 20,000 as a Member of the Remuneration and Appointments Committee for the period of her mandate.
(6) Director Anna Zanardi Cappon received, in addition to the fixed remuneration for the Office of Director equal to Euro 50,000, a remuneration of Euro 25,000 as Chairman of the Remuneration and Appointments Committee and a remuneration of Euro 22,000 as Member of the Control and Risk Committee for the period of her mandate.
(7) Director Umberto Tombari received, in addition to the fixed remuneration for the Office of Director of Euro 50,000, a remuneration of Euro 20,000 as a Member of the Remuneration and Appointments Committee and Euro 22,000 as a Member of the Control and Risk Committee for the period of his mandate.
(8) The remuneration includes the amount paid to the Strategic Manager Giacomo Ferragamo for the 2022 Financial year. Details are shown in Table 1, Note 2.

LEGEND

In "**Fixed remuneration**", the following are indicated separately, possibly in a note and on an accrual basis (i) accrual emoluments resolved by the Shareholders' Meeting, even if not paid; (ii) attendance fees; (iii) lump-sum expense reimbursements; (iv) remuneration received for holding particular offices, pursuant to Article 2389, Paragraph 3 of the Italian Civil Code (e.g., Chairman, Vice-Chairman); (v) fixed employee remuneration gross of social security and tax charges payable by the employee, excluding mandatory collective social security charges payable by the Company and provision for severance pay. Other components of employee remuneration, if any (bonuses, other remuneration, non-monetary benefits, etc.) should be indicated in the relevant columns, specifying in the footnote the part paid by virtue of the directorship relationship and the part paid by virtue of the employee relationship.

Remuneration for participation in committees is disclosed on an accrual basis and may be indicated on an aggregate level. In the notes, an indication is given of the committees on which the Director serves and, in the case of participation in several committees, the remuneration they receive for each.

Column (3), the "**Bonuses and other incentives**" Section includes the portion of remuneration accrued (*vested*), even if not yet paid, during the Financial Year for objectives achieved in the year itself, in respect of cash incentive plans. The amount is disclosed on an accrual basis, even if the approval of the financial statements has not yet taken place, and also for the portion of the bonus that may be subject to deferral. In no case are the values of *stock options* granted or exercised, or other compensation in financial instruments included. This value corresponds to the sum of the amounts shown in Table 3B, columns 2A, 2B and 4, line (III).

With regard to column (3), the '**Profit-sharing**' section, the amount is reported on an accrual basis, even if the approval of the financial statements and the distribution of profits have not yet taken place.

Column (4), the "**non-monetary benefits**" section shows the value of *fringe benefits* (according to a taxable amount), including any insurance policies and supplementary pension funds.

Column (5), the "**Other remuneration" section** shows separately and on an accrual basis all further remuneration arising from other services rendered. Information is provided in the notes on any loans, advance payments and guarantees, granted by the Company or its subsidiaries to Executive Directors and the Chairman of the Board of Directors, in the event that, taking into account the particular conditions (deviating from market conditions or those applicable in a standardised form to categories of persons), they represent a form of indirect remuneration.

In column (6) the '**Total' section,** items (1) to (5) are added together.

Column (7), the "***Fair value of equity* compensation**" section shows the *fair value* at the grant date of equity compensation for the Financial Year for equity-based incentive plans, estimated in accordance with International Accounting Standards. This value corresponds to the sum of the amounts indicated in column 16, line III of Table 2 and column 12, line III of Table 3A.

Column (8), the "Compensation for **termination of office or termination of employment" section** shows the compensation accrued, even if not yet paid, for termination of office during the Financial Year in question, with reference to the Financial Year in which the actual termination of office occurred. The estimated value of any payment of non-monetary benefits, the amount of any consulting contracts and for non-competition undertakings is also indicated. The amount of remuneration for non-competition undertakings shall only be disclosed upon termination of office, specifying in the first part of the second section of the Report the duration of the non-competition undertaking and the date of actual payment.

Line (III) summarises, for each column, the remuneration received by the reporting Company and the remuneration received for tasks performed in subsidiaries and affiliated companies.

TABLE 3A: Incentive plans based on financial instruments, other than stock options, in favour of members of the governing body, general managers and other executives with strategic responsibilities..

			Financial instruments allocated in previous years not vested during the year		**Financial Instruments assigned during the Year**					**Financial instruments vested during the financial year and not attributed**	**Financial instruments vested during the Year and attributable**		**Financial Instruments for the Year**
A	**B**	**(1)**	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**	**(8)**	**(9)**	**(10)**	**(11)**	**(12)**
SURNAME AND NAME	**Office**	**Plan**	**Number and type of financial instruments**	**Vesting period**	**Number and type of financial instruments**	**Fair Value at date of allocation**	**Vesting period**	**Assignment Date**	**Market price at allocation**	**Number and type of financial instruments**	**Number and type of financial instruments**	**Value at maturity date**	**Fair value**
MARCO GOBBETTI	Chief Executive Officer and General Manager												
(I) Remuneration in the reporting Company		Restricted Shares Plan Board Resolution dated 14 December 2021	-	-	114,766 Salvatore Ferragamo ordinary shares (Restricted Shares)	22,19	1 January 2022 - 31 December 2022	1 January 2022	21,7835 average of the official price of the Company's shares in the 30 (thirty) days preceding the assignment	-	114,766 Salvatore Ferragamo ordinary shares (Restricted Shares)	180,805 average of the official price of the Company's shares over the last 30 (thirty) days	-
(II) Compensation from subsidiaries and affiliates													
(III) Total					114.766	2.546.657			2.500.005		114.766	2.075.027	

The Total is indicated with reference to columns (5), (11) and (12).

Table 3A shows, for each person concerned and for each incentive plan of which they are a beneficiary:
financial instruments allocated in previous years and not *vested* during the year, with an indication of the *vesting* period;
the financial instruments assigned during the year, indicating the *fair value* at the assignment date, the *vesting* period, the assignment date and the market price at assignment;
financial instruments *vested* during the year and not allocated;
financial instruments *vested* during the year and attributable, with an indication of the value on the vesting date;
the *fair value* of financial instruments for the year.

***The vesting* period is defined** as the period between the time when the right to participate in the incentive scheme is granted and the time when the right accrues.

Financial instruments *vested during the* Financial Year and not allocated are those financial instruments for which the *vesting* period ended during the Financial Year and which were not allocated to the recipient due to the non-fulfilment of the conditions on which the allocation of the instrument was conditional (e.g., failure to achieve *performance* targets).

The value at the vesting **date** is the value of the financial instruments accrued, even if not yet paid (e.g., due to lock-up clauses), at the end of the *vesting* period.

If an aggregate representation criterion is adopted, the following information must be provided in the table:
the total number of *non-vested* financial instruments held at the beginning of the Financial Year, with an indication of the average maturity;
the total number of financial instruments assigned at the beginning of the Financial Year, with an indication of the total *fair value*, average maturity and average market price at assignment;
the total number of financial instruments *vested* during the year and not allocated;
the total number of financial instruments *vested* during the year and attributable, with an indication of the total market value;
the total *fair value* of financial instruments for the year.

TABLE 3B: Monetary incentive plans for members of the governing body, general managers and other executives with strategic responsibilities[20]

A	B	(1)	(2)			(3)			(4)
SURNAME AND NAME	**Office**	**Plan**	**Bonus for the year**			**Bonus for previous years**			**Other Bonuses**
			(A)	**(B)**	**(C)**	**(A)**	**(B)**	**(C)**	
			Payable/ Paid out	**Deferred**	**Deferment period**	**No longer deliverable**	**Disbursed**	**Still deferred**	
EXECUTIVES WITH STRATEGIC RESPONSIBILITIES									
Remuneration in the reporting Company		2019	-	120.000	2022				
		2020	-	120.000	2022				
		2021		120.000	2022				
(III) Total			-	**360.000**[(ii)]					

NOTES
(ii) *Long-term* variable component relating to the 2019-2021 period. This component was finalised after the Shareholders' Meeting to approve the 2021 Financial Statements, specifically on 5 May 2022. On 10 May 2022, the Board of Directors noted, after sharing with the Compensation and Nomination Committee, the failure to achieve the performance targets.

20. The Table covers all types of cash incentive plans, both short-term and medium- to long-term.

The total (III) is shown with reference to all columns with the exception of column (2C).

Column 2A shows the bonus accrued for the Financial Fear for objectives achieved during the year and paid or payable because it is not subject to further conditions (so-called *upfront* remuneration).

Column 2B shows the bonus linked to objectives to be achieved in the Financial Year but not payable because it is subject to further conditions (so-called deferred bonus).

Column 3A shows the sum of bonuses deferred in previous years still to be disbursed at the beginning of the Financial Year and no longer payable due to non-fulfilment of the conditions to which they are subject.

Column 3B shows the sum of bonuses deferred in previous years still to be paid at the beginning of the Financial Year and paid during the year or payable.

Column 3C shows the sum of bonuses deferred in previous years still to be paid at the beginning of the Financial Year and further deferred.

The sum of the amounts indicated in columns 3A, 3B and 3C corresponds to the sum of the amounts indicated in columns 2B and 3C of the previous year.

The "**Other Bonuses**" column shows bonuses pertaining to the Financial Year that are not explicitly included in plans defined ex ante.
If an aggregate representation criterion is adopted, the following information must be provided in the Table:
- total bonuses for the year, broken down into disbursed and deferred, with an indication of the average deferral period for the latter;
- total bonuses from previous years, broken down into no longer payable, disbursed and still deferred;
- other overall bonuses.

Tables prepared in accordance with Table No. 1, Schedule 7 of Annex 3A to the Issuers' Regulations.

Date: 2 March 2023

Name and surname or category	Office (to be indicated only for persons listed by name)	Piano Restricted Shares						
		Financial instruments other than stock options relating to plans, in force, approved on the basis of previous Shareholders' resolutions						
		Date of meeting resolution	Type of financial instruments	Number of financial instruments	Date of Assignment	Possible purchase price of instruments	Market price at allocation	Vesting period
Marco Gobbetti	Chief Executive Officer and General Manager	14 December 2021	Restricted Shares	114.766	1 January 2023[1]	0	18,0805	1 January 2022 - 31 December 2022

NOTES
1 In line with the provisions of the plan and the resolutions passed by the Remuneration Committee on 14 December 2021 and the Board of Directors on 14 December 2021, on 1 January 2022 the Company notified the Manager that he would accrue, as of 1 January 2023, the right to receive, free of charge, 114,766 Company shares (determined by dividing the conventionally agreed monetary countervalue – equal to Euro 2,500,000 – by the average of the Company's official price over the previous 30 days. On 8 February 2023, the Company therefore notified the Manager of the transfer to the securities account in his name of the aforesaid shares, without prejudice to the 12-month non-transferability restriction (until 31 December 2023) encumbering them.

Date: 2 March 2023

Name and surname or category	Office (to be indicated only for persons listed by name)	Piano Special Award						
		Financial instruments other than stock options relating to plans, in force, approved on the basis of previous Shareholders' resolutions						
		Date of meeting resolution	Type of financial instruments	Number of financial instruments	Date of Assignment	Possible purchase price of instruments	Market price at allocation	Vesting period
Marco Gobbetti	Chief Executive Officer and General Manager	14 December 2021	Bonus 50% in cash and 50% in financial instruments	Not yet determinable	Not yet determinable	Not yet determinable	Not yet determinable	Three years from 1 January 2022 for the first tranche. Five-years from 1 January 2022 for the second tranche.

EQUITY INVESTMENTS OF MEMBERS OF THE GOVERNING AND CONTROL BODIES

SURNAME AND NAME	OFFICE	INVESTEE COMPANY	NUMBER OF SHARES HELD ON 31 DECEMBER 2021	NUMBER OF SHARES PURCHASED IN 2022	NUMBER OF SHARES SOLD IN 2022	NUMBER OS SHARES HELD ON 31 DECEMBER 2022
Leonardo Ferragamo	Chairman	Salvatore Ferragamo S.p.A.	3.386.090	0	0	3.386.090
Marco Gobbetti	Chief Executive Officer	Salvatore Ferragamo S.p.A.	0	0	0	0
Angelica Visconti	Deputy Chairman	Salvatore Ferragamo S.p.A.	126.582	0	0	126.582
Giacomo Ferragamo	Director	Salvatore Ferragamo S.p.A.	10.000	0	0	10.000
Umberto Tombari	Director	Salvatore Ferragamo S.p.A.	0	0	0	0
Peter K. Woo	Director	Salvatore Ferragamo S.p.A.	10.104.600	0	0	10.104.600
Frédéric Biousse	Director	Salvatore Ferragamo S.p.A.	0	0	0	0
Annalisa Loustau Elia	Director	Salvatore Ferragamo S.p.A.	0	0	0	0
Patrizia Michela Giangualano	Director	Salvatore Ferragamo S.p.A.	0	0	0	0
Anna Zanardi Cappon	Director	Salvatore Ferragamo S.p.A.	0	0	0	0
Andrea Balelli	Chairman of the Board of Statutory Auditors	Salvatore Ferragamo S.p.A.	0	0	0	0
Giovanni Crostarosa Guicciardi	Standing Auditor	Salvatore Ferragamo S.p.A.	0	0	0	0
Paola Caramella	Standing Auditor	Salvatore Ferragamo S.p.A.	0	0	0	0

Participation of EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

NUMBER DIRECTORS WITH LIABILITY STRATEGIC	SOCIETY PARTICIPATION	NUMBER ACTIONS POSSESSION AS OF 31/12/2021	NUMBER ACTIONS PURCHASED IN THE 2022 FINANCIAL YEAR	NUMERO AZIONI VENDUTE NELL'ESERCIZIO 2022	NUMBER ACTIONS SOLD IN THE 2022 FINANCIAL YEAR
1 *	Salvatore Ferragamo S.p.A.	0	0	0	0

*The information pertaining to Chief Financial Officer Giacomo Ferragamo is reported in the Table above. The information in this Table relates to the Chief Financial Officer and Strategic Manager Alessandro Corsi.

Glossary

Unless otherwise defined, capitalised terms used in this document shall have the following meanings.

"**Chief Executive Office and General Manager (CEO-GM)**"	The Chief Executive Officer and General Manager of Ferragamo from time to time in office.
"**Assembly**"	Ferragamo's Shareholders' Meeting, in ordinary or extraordinary session, as the case may be.
"**Civil Code**"	Royal Decree No. 262 of 16 March 1942, as amended and supplemented.
'**Corporate Governance Code' or 'CG Code**'	the Corporate Governance Code for Listed Companies approved in January 2020 by the *Corporate Governance* Committee.
'**Board of Auditors**'	Ferragamo's Board of Statutory Auditors from time to time in office.
'**Remuneration and Appointments Committee' or 'Committee**'	Ferragamo's Remuneration and Appointments Committee from time to time in office.
'**Board of Directors**'	Ferragamo's Board of Directors from time to time in office.
"**Date of Report**"	2 March 2023
"**Executives with Strategic Responsibilities" or "DIRS" or "Strategic Executives**"	Individuals who have the power and responsibility, directly or indirectly, for planning, directing and controlling the Company's activities, including Directors (Executive or otherwise) of the Company.
'**Group**'	Ferragamo and its subsidiaries, pursuant to Article 93 of the Consolidated Law on Finance.
'**Ferragamo' or 'Issuer' or 'Company**'	Salvatore Ferragamo S.p.A.
'**Long-Term Incentive' or 'LTI**'	Defined in Section I, Paragraph 7 of this Report.
'**Remuneration Policy**'	The Remuneration Policy of the Company for the 2023 Financial Year described in this Remuneration Report.
"**Chairman**"	The Chairman of Ferragamo's Board of Directors from time to time in office.
'**Related Parties Procedure**'	Ferragamo's procedure for the management of transactions with related parties.

"**Consob Related Parties Regulation**"	Consob Regulation No. 17221 of 12 March 2010 laying down provisions on related party transactions, as subsequently amended and supplemented.
'**Issuers' Regulation**'	The regulation implementing the Consolidated Law on Finance, concerning the regulation of issuers, adopted by Consob with resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented.
'**Report' or 'Remuneration Report**'	This "Report on Ferragamo's Remuneration Policy and Compensation Paid" has been prepared pursuant to Article *123-ter* of the Consolidated Law on Finance and in accordance with Article *84-quater* and Annex 3A, Schedule *7-bis*, of the Issuers' Regulations, and is available on the Company's *website* (https://group.ferragamo.com, Governance section, Shareholders' Meetings) as well as the authorised storage site "1Info" (www.1info.it).
"**CG Report**"	The Report on Corporate Governance and Ownership Structure that companies issuing securities admitted to trading on regulated markets are required to prepare pursuant to Article *123-bis* of the Consolidated Law on Finance.
'**Short-Term Incentive' or 'STI' or 'Short-Term Incentive Plan**'	Defined in Section I, Paragraph 7 of this Report.
'**Statute**'	Indicates Ferragamo's Articles of Association in force as of the Report Date.
'**TUF**'	Legislative Decree No. 58 of 24 February 1998, as amended and supplemented.