

# FERRAGAMO

**REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSAL UNDER ITEM 4 ON THE AGENDA OF THE SHAREHOLDERS' MEETING OF SALVATORE FERRAGAMO S.P.A., CONVENED IN A SINGLE CALL, IN ORDINARY SESSION, FOR APRIL 23, 2024**

- 4. *Appointment of the Board of Directors, upon determination of the number of members, term of office and determination of remuneration. Appointment of the Chairman and Vice Chairman. Related and consequent resolutions:***
- 4.1 *determination of the number of members of the Board of Directors;***
  - 4.2 *determination of the term of office of Directors;***
  - 4.3 *appointment of Directors;***
  - 4.4 *determination of remuneration of the members of the Board of Directors;***
  - 4.5 *appointment of the Chairman of the Board of Directors;***
  - 4.6 *appointment of the Vice Chairman of the Board of Directors;***
  - 4.7 *any resolutions pursuant to Article 2390 of the Italian Civil Code.***

# FERRAGAMO

## REPORT OF THE BOARD OF DIRECTORS TO THE ORDINARY MEETING OF SHAREHOLDERS ON APRIL 23, 2024

### 4.1. Determination of the number of members of the Board of Directors.

Shareholders,

with the Shareholders' Meeting to approve the financial statements as of December 31, 2023, the term of the Board of Directors of Salvatore Ferragamo S.p.A. (the "**Company**" or "**Salvatore Ferragamo**"), originally appointed by the Shareholders' Meeting of April 22, 2021, expires.

Pursuant to Article 20 of the Articles of Association, the Company is administered by a Board of Directors consisting of no fewer than 5 (five) and no more than 15 (fifteen) members. The Shareholders' Meeting shall determine, upon appointment, the number of members of the Board of Directors within the aforementioned limits.

As a reminder, the Shareholders' Meeting of April 22, 2021 had set the number of members of the Board of Directors at 10 (ten).

The expiring Board of Directors, while deeming it appropriate to point out that as part of the board evaluation process relating to the last year of its office it has deemed its quantitative composition adequate, refrains from making specific proposals on this agenda item and therefore invites the Shareholders to formulate them in order to determine the number of members of the Board of Directors in accordance with the procedures and terms indicated in the notice of call and in any case with the applicable provisions.

Florence, March 14, 2024

**For the Board of Directors**

**The Chairman**

**Leonardo Ferragamo**

# FERRAGAMO

## REPORT OF THE BOARD OF DIRECTORS TO THE ORDINARY MEETING OF SHAREHOLDERS ON APRIL 23, 2024

### 4.2. Determination of the term of office of Directors.

Shareholders,

pursuant to Article 20 of the Articles of Association, the Shareholders' Meeting determines, upon appointment, among other things, the term of office of the Board of Directors, which may not exceed three financial years. The office of Directors expires on the date of the Shareholders' Meeting convened to approve the financial statements for the last financial year of their term of office and Directors may be re-elected.

The Board of Directors has not made any assessments in this regard as part of its annual board evaluation process and therefore refrains from making specific proposals on this agenda item, inviting the Shareholders to make them by fixing the term of office of the Directors to be appointed, in accordance with the procedures and terms indicated in the notice of call and in any case with the applicable provisions.

Florence, March 14, 2024

**For the Board of Directors**

**The Chairman**

**Leonardo Ferragamo**

# FERRAGAMO

## REPORT OF THE BOARD OF DIRECTORS TO THE ORDINARY MEETING OF SHAREHOLDERS ON APRIL 23, 2024

### 4.3. Appointment of Directors.

Shareholders,

in accordance with Article 147-ter of Legislative Decree No. 58/1998 (the "TUF"), the Company's Articles of Association provides that the appointment of Directors takes place through the list voting mechanism.

Specifically, pursuant to Article 20 of the Articles of Association, Directors are appointed by the Ordinary Shareholders' Meeting on the basis of lists submitted by Shareholders in which candidates must be listed, in sequential order, in no greater number than those to be elected.

Pursuant to Consob Determination No. 92 of January 31, 2024, only Shareholders representing, even jointly, at least 1% of the share capital are entitled to submit lists.

Each Shareholder, as well as Shareholders belonging to the same group, adhering to the same shareholders' agreement relevant pursuant to Article 122 of the TUF, as well as the controlling entity, subsidiaries, and those under common control pursuant to Article 93 of the TUF, may not submit or concur to submit, not even through a third party or trust company, more than one list, nor may they vote for different lists, and each candidate may only appear on one list under penalty of ineligibility.

Pursuant to Article 20 of the Articles of Association, in case of violation of the above provisions, the position of the Shareholder in question shall not be taken into account with regard to any of the lists.

Lists must be filed at the Company's registered office at least 25 (twenty-five) days prior to the scheduled date of the Shareholders' Meeting on single call (i.e., by Friday, March 29, 2024), where possible accompanied by the relevant proposed resolutions considering that the Board of Directors did not make any proposal of resolution in relation to the item on the agenda which, as indicated above, provides for the determination of the number of Directors, term of office, remuneration for the office, appointment of the Chairman and Vice Chairman.

Ownership of the minimum number of shares required for the submission of lists is determined by taking into account the shares that are registered in favor of the Shareholder on the day the same lists are deposited at the Company's registered office. In order to prove the ownership of the number of shares required for the submission of the lists, Shareholders participating in the submission of the lists must submit or have delivered to the registered office a copy of the appropriate certification issued by the intermediary qualified in accordance with the law within the deadline set for the publication of the lists of 21 (twenty-one) days before the date set for the Shareholders' Meeting on single call (i.e. Tuesday, April 2, 2024).

Together with each list must be filed:

# FERRAGAMO

- (a) information on the identity of the Shareholders who submitted the list and the total percentage of shareholding held by them;
- (b) declarations by which the individual candidates accept the candidacy and certify, under their own responsibility, the non-existence of causes of ineligibility and incompatibility, as well as the existence of the requisites prescribed by the regulations in force for assuming the office;
- (c) declarations of independence made in accordance with applicable laws and regulations; and
- (d) the *curriculum vitae* of each candidate, containing a comprehensive disclosure of his or her personal and professional characteristics with an indication of the administrative and supervisory positions held.

In addition, pursuant to paragraph 1-ter, of Article 147-ter of the TUF, at least two-fifths of the directors must be elected from among those of the less represented gender; in the event that, in view of the total number of members of the Board of Directors established by the Shareholders' Meeting, the number of members of the less represented gender to be elected is not a whole number, the latter, in accordance with the provisions of Article 144-undecies.1, paragraph 3 of Consob Regulation No. 11971/1999, will be rounded up to the next higher unit.

To this end, Shareholders who intend to submit a list for the renewal of the Board of Directors bearing a number of candidates equal to or greater than three are required to include in the list a number of candidates belonging to the least represented gender equal to at least two-fifths of the candidates (the number of candidates is rounded up to the next higher unit, except for lists consisting of three candidates for which rounding down is done to the next lower unit).

Lists submitted without complying with the above provisions are considered as not submitted.

It should be recalled that, pursuant to Article 2, paragraph 2, of the Board of Directors Regulations adopted on January 28, 2021 and most recently updated on January 26, 2023 (the "**Board of Directors Regulations**"), Directors accept office when they believe they can dedicate the necessary time to the diligent performance of their duties, also taking into account the commitment related to their work and professional activities and the number of positions they hold in other companies or entities (including foreign). Also in Article 2, paragraph 2, of the Board of Directors Regulations, the maximum number of positions deemed compatible for effective performance of the office of Non-Executive and Executive Director was determined, identifying the number as 5, respectively, with regard to Non-Executive Directors and 3 with regard to Executive Directors, provided that, with reference to the latter, they are non-executive positions. In this regard, it should be noted that (i) positions are understood to be those of Director or Statutory Auditor in other companies listed on regulated markets, including foreign markets, in financial, banking, insurance companies or companies of significant size, with the exclusion of the Company's subsidiaries, the parent company and companies subject to common control; (ii) multiple positions held in entities of the same corporate group are considered as a single position (see the **Board of Directors Regulations available on the Company's website at <https://group.ferragamo.com>, section Governance - Board of Directors**).

# FERRAGAMO

In addition, pursuant to the aforementioned Article 20 of the Articles of Association, taking of the office of Director is subject to meeting the requirements of the applicable *pro tempore* regulations and the Articles of Association.

All candidates must meet the integrity requirements prescribed for auditors of listed companies by Article 148, paragraph 4, of the TUF, referred to for directors by Article 147-*quinquies*, paragraph 1, of the TUF.

In addition, pursuant to Article 2383 of the Italian Civil Code, candidates must submit a declaration that they have no grounds for ineligibility under Article 2382 of the Italian Civil Code and no disqualification from the office of director adopted against them in a Member State of the European Union.

A number of Directors not less than the minimum number required by applicable legal provisions must meet the independence requirements of Article 148, paragraph 3, of the TUF.

In addition, since Salvatore Ferragamo currently qualifies - according to the Corporate Governance Code approved by the Corporate Governance Committee on January 30, 2020 (the "**Governance Code**") - as a "large" and "concentrated ownership" company, at least one-third of the Board of Directors must be made up of independent directors as defined in Recommendation No. 7 of the same Governance Code.

For the purposes of the existence of the independence requirement under the Governance Code, it should be noted that the Board, in its Regulation, has determined at Euro 100,000.00 per year the threshold at which any commercial, financial or professional relationships entertained by the Directors or any additional remuneration received by them should normally be considered significant.

Therefore, it is recommended that candidates, who are on the list, expressly indicate that they meet the independence requirements of the Governance Code.

For the sake of completeness, some additional qualitative and quantitative indications that emerged during the Board of Directors' evaluation in relation to financial year 2023 are also disclosed.

Specifically, in relation to the qualitative composition, the Board of Directors positively assessed the balance among its members: (i) in terms of the balance between age groups, and gender, (ii) in quantitative terms, regarding the ratio of Executive/Non-Executive and Independent/Non-Independent members, and (iii) in terms of expertise.

With specific reference to skills, the Board of Directors also expressed its favourable opinion for integrations that could increase sectorial and digital innovation skills.

In accordance with the provisions of Consob Communication No. DEM/9017893 of February 26, 2009, shareholders other than those who hold, even jointly, a controlling or relative majority interest are recommended to file, together with the list, a statement that:

- certifies the absence of any relationship of connection, even indirect, as referred to in Article 147-*ter*, paragraph 3, of the TUF and Article 144-*quinquies* of the Issuers' Regulations adopted by Consob with Resolution No. 11971 of May 14, 1999, as amended), with Shareholders who hold, even jointly, a controlling or relative majority interest; or

# FERRAGAMO

- specify the relationships, if any, that exist, if significant, with the reasons why these relationships were not considered determinative for the existence of the aforementioned liaison relationships.

The lists, accompanied by the above information, will be made available to the public at the Company's registered office, on the Company's website, at the authorized eMarket Storage mechanism (<https://www.emarketstorage.it/>), and in any other manner required by the applicable legal and regulatory provisions at least 21 (twenty-one) days before the date set for the Shareholders' Meeting on single call (i.e. Tuesday, April 2, 2024).

Each Shareholder has the right to vote for only one list. At the end of the voting, the candidates of the 2 (two) lists with the highest number of votes will be elected, with the following criteria:

(a) a number of Directors equal to the total number of members of the Board, as previously determined by the Shareholders' Meeting, minus one, shall be drawn from the list obtaining the highest number of votes; candidates shall be elected within these numerical limits in the sequential order indicated in the list;

b) one director shall be drawn from the list that obtained the second highest number of votes and that is not connected in any way, not even indirectly, with the list referred to in paragraph a) above and/or with the Shareholders who submitted or voted for the majority list, in the person of the candidate indicated with the first number in the list. For this purpose, however, lists that have not achieved a percentage of faces at least equal to half of that required for the submission of lists shall not be taken into account.

If, with the candidates elected in the manner indicated above, the appointment of a number of Directors meeting the independence requirements established for Statutory Auditors in Article 148, paragraph 3, of the TUF equal to the minimum number established by the applicable regulations in relation to the total number of Directors is not ensured, the non-independent candidate elected as the last in sequential order in the list that received the highest number of votes referred to in letter a) above shall be replaced with the first independent candidate according to the unelected sequential order of the same list, or, failing that, by the first independent candidate according to the unelected sequential order of the other lists, according to the number of votes obtained by each. This replacement procedure will take place until the Board of Directors is composed of a number of members meeting the requirements of Article 148, paragraph 3, of the TUF equal to the minimum number prescribed by the applicable regulations. If, finally, said procedure does not ensure the result last mentioned, the replacement will take place by resolution passed by the Shareholders' Meeting with the majorities prescribed by law, subject to the submission of nominations of persons in possession of the aforementioned requirements.

Subject to compliance with the minimum number of Directors who meet the independence requirements as provided above, if with the candidates elected in the manner set forth above the composition of the Board of Directors does not comply with the current regulations on gender balance, the candidate of the most represented gender elected as the last in numerical order in the list that received the highest number of votes referred to in letter a) above shall be replaced by the first candidate of the least represented gender according to the unelected numerical order of the same list, or, failing that, by the first candidate of the least represented gender according to the unelected numerical order of the other lists, according to the number

# FERRAGAMO

of votes obtained by each. This replacement procedure will be carried out until the Board of Directors complies with the current regulations on gender balance.

If, finally, said procedure does not ensure the result last mentioned, replacement will take place by resolution passed by the Shareholders' Meeting with the legal majorities.

In the event that only one list is submitted, all candidates on that list will be elected, however, safeguarding the appointment of Directors who meet the independence requirements at least in the total number required by the *pro tempore* regulations in force, as well as compliance with current regulations on gender balance.

In the event that no list is submitted, the Shareholders' Meeting shall pass resolutions by legal majorities without observing the above procedure. In any case, compliance with the minimum number of Independent Directors and current regulations on gender balance must be ensured.

For any further information, please refer to the text of the Articles of Association, available on the Company's website.

Therefore, the Shareholders' Meeting is invited to appoint, pursuant to Article 20 of the Articles of Association, the members of the Board of Directors on the basis of the lists submitted by those entitled to vote.

Florence, March 14, 2024

**For the Board of Directors**

**The Chairman**

**Leonardo Ferragamo**



# FERRAGAMO

## REPORT OF THE BOARD OF DIRECTORS TO THE ORDINARY MEETING OF SHAREHOLDERS ON APRIL 23, 2024

### 4.4. *Determination of remuneration of the members of the Board of Directors.*

Shareholders,

article 27 of the Articles of Association provides that Directors are entitled to reimbursement of expenses incurred by reason of their office and a fee determined by the Shareholders' Meeting upon appointment.

Also pursuant to the same article, the Shareholders' Meeting may determine an overall amount for the remuneration of all Directors, including those holding special offices. Board members are also entitled to reimbursement of travel and commuting expenses.

That being said, in section I of the Report on Remuneration Policy referred to in item 3) on the agenda of the Shareholders' Meeting, the data emerging from the following documents are given: (i) Assonime's study "*Report on Corporate Governance in Italy: the implementation of the Italian Corporate Governance Code, 2022*" and (ii) Assonime's study "*Report of Corporate Governance in Italy: the implementation of the Italian Corporate Governance Code, 2023*".

Assonime studies show that listed companies on average pay the following amounts as compensation for office under Article 2389, paragraph 1 of the Italian Civil Code:

- for independent directors Euro 67,000;
- for other non-executive directors Euro 70,000.

By distinguishing the remuneration of directors between companies belonging to the FTSE MIB and companies belonging to the MID Cap, always according to Assonime studies mentioned above, in FTSE MIB companies the remuneration for the office would be around Euro 68,000 while in MID Cap companies around Euro 47,000.

It should be noted that the above compensation does not include that for special roles.

The Board of Directors refrains from making a proposal in relation to this agenda item.

It should be reminded that at the Shareholders' Meeting held on April 22, 2021, the Shareholders' Meeting had set the number of Directors at 10 and the total remuneration at Euro 500,000.00, with the result that the emolument for the office was equal to Euro 50,000.00. On that occasion, the proposal made by the Majority Shareholder had referred the determination of compensation for special roles to the Board of Directors.

# FERRAGAMO

The Board of Directors has not made any evaluation in this regard and therefore refrains from making specific proposals on this agenda item, inviting Shareholders to make them in accordance with the procedures and time limits indicated in the notice of call and in any case with the applicable provisions.

Florence, March 14, 2024

**For the Board of Directors**

**The Chairman**

**Leonardo Ferragamo**

# FERRAGAMO

## REPORT OF THE BOARD OF DIRECTORS TO THE ORDINARY MEETING OF SHAREHOLDERS ON APRIL 23, 2024

**4.5. Appointment of the Chairman of the Board of Directors.**

**4.6. Appointment of the Vice Chairman of the Board of Directors.**

Shareholders,

article 21 of the Articles of Association envisages that if the Shareholders' Meeting has not done so, the Board of Directors shall elect a Chairman and a Vice Chairman from among its members.

The Shareholders' Meeting is therefore asked to appoint the Chairman and Vice Chairman of the Board of Directors from among the Directors elected as a result of the voting on item 4.3. above and based on the proposals made by the Shareholders.

In connection with the above, Shareholders would like to make proposals in relation to this agenda item by indicating such preference within the list to be submitted.

The proposal shall be formulated within the terms specified in the notice of meeting and in any case in compliance with the applicable provisions of law.

It is reminded that proposals made by Shareholders representing the largest percentage of the share capital will be put to a vote first. Only in the event that these proposals put to the vote are rejected will subsequent proposals be put to the vote in order of share capital represented.

Florence, March 14, 2024

**For the Board of Directors**

**The Chairman**

**Leonardo Ferragamo**

# FERRAGAMO

## REPORT OF THE BOARD OF DIRECTORS TO THE ORDINARY MEETING OF SHAREHOLDERS ON APRIL 23, 2024

### 4.7. Any resolutions pursuant to Article 2390 of the Italian Civil Code.

Shareholders,

article 2390 of the Italian Civil Code envisages that directors may not take on the capacity of unlimited partners in competing companies, or engage in a competing business on their own behalf or on behalf of third parties, or be directors or general managers in competing companies, unless authorized by the shareholders' meeting. For failure to comply with this prohibition, the director may be removed from office and liable for damages.

If the need arises in relation to the nominations submitted, and in order to allow persons who hold management positions in partner companies or, in any case, who operate in the same sector as the Company to contribute their experience and expertise to the Board of Directors, the Board considers it appropriate for the Shareholders' Meeting to consider the possibility of authorizing exceptions to the non-competition clause in Article 2390 of the Italian Civil Code in favor of directors who do not hold executive positions.

Florence, March 14, 2024

**For the Board of Directors**

**The Chairman**

**Leonardo Ferragamo**