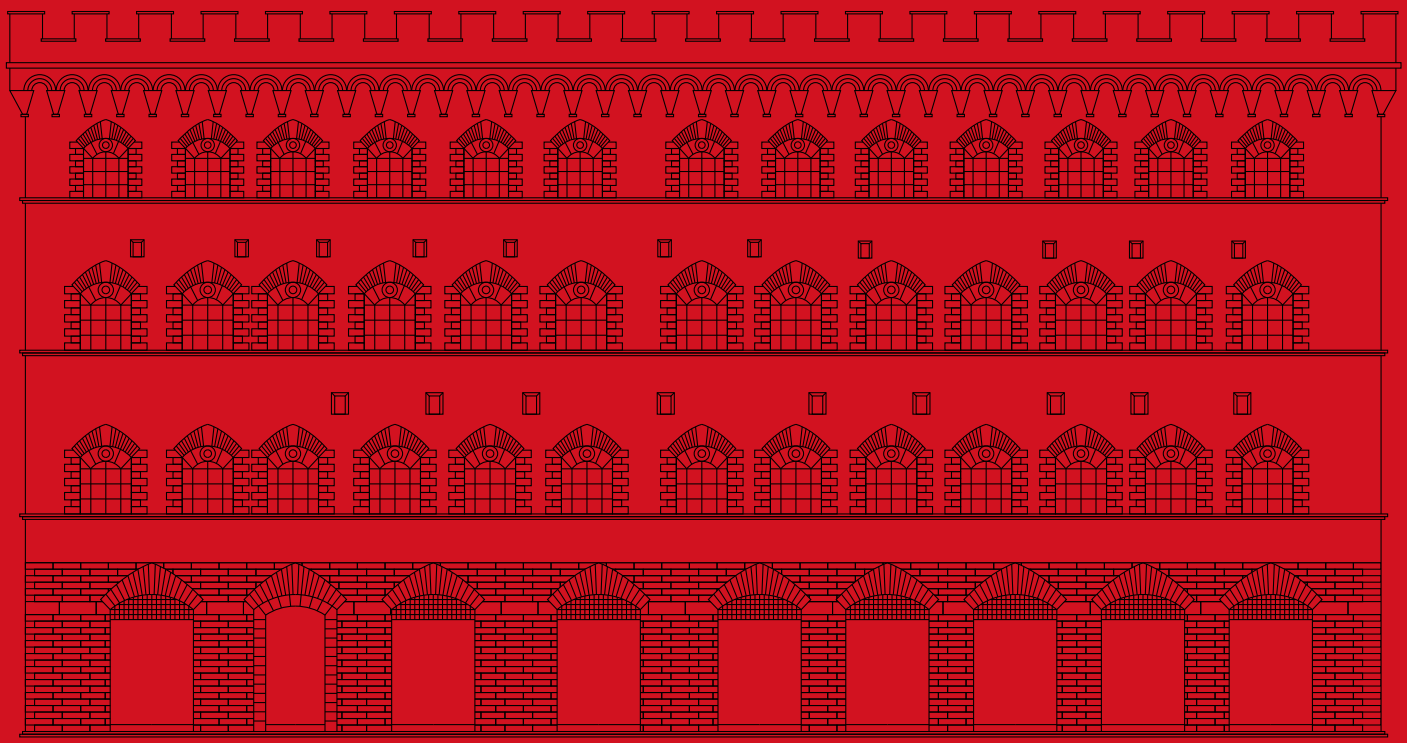

Annual Report 2025

FERRAGAMO

Salvatore Ferragamo Group Annual Report as at 31 December 2025

Salvatore Ferragamo S.p.A.
Florence

General information
Registered office Salvatore Ferragamo S.p.A. Via Tornabuoni, 2 - 50123 Florence, Italy
Legal information Authorized, subscribed and paid-up share capital 16,879,000 Euro
Tax code and Florence Company Register no.: 02175200480
Registered with the Florence Chamber of Commerce under REA (Economic and Administrative Register) no. 464724
Corporate websit *https://group.ferragamo.com*

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This document has been translated into English solely for the convenience of international readers.

Letter from the Chair

Dear Shareholders,

2025 was a particularly challenging year for the luxury sector; ongoing geopolitical tensions and macroeconomic uncertainties had a negative impact on consumer confidence and people's willingness to spend.

This market environment, characterized by a particularly negative first half of the year, adversely affected the Group's financial results in terms of both sales and profit.

From the second quarter of 2025, we embarked on a process of rapidly evolving the brand's positioning with the aim of ensuring complete consistency across design, product range, communication and distribution, all in line with changing consumer expectations and in keeping with the values of our legacy. This in-depth analysis enabled us to refine our strategic priorities, focusing them on our core leather business and translating them into a comprehensive action plan aimed at strengthening consistency across the entire value chain. As regards our core range of footwear for men and women, we have continued to highlight both our most iconic models and our specialist methods of manufacturing, ensuring the ongoing evolution of our entire product portfolio. Our focus has been on maintaining a clear and distinctive range, promoting our footwear families that best represent our brand in keeping with the Founder's innovative spirit: on the one hand, by building on timeless and ever-relevant styles, and on the other, with fresher offerings linked to the seasonal collections. In the bag segment, we have further expanded and refined our collection by strengthening and developing the products that have already proven highly successful, broadening the range with new styles and paying close attention to detail, with the aim of making them more appealing to customers and drawing out their full potential.

We have also intensified our focus on other accessories and silk products to enhance the brand's image, drive in-store footfall and strengthen customer engagement, whilst seizing opportunities for in-store cross-selling. We have also continued, with excellent results, to strengthen the brand's appeal through key strategic product areas, leveraging the potential of complementary categories to make the in-store range even more effective and coherent. On the communication front, we have enhanced our storytelling by integrating artificial intelligence technologies to optimize targeting and operational efficiency; furthermore, we have adopted a digital-first approach across all touchpoints, continuing to evolve our narrative, celebrating the brand's heritage with a contemporary twist and introducing new tools to broaden our reach and impact.

We have also paid particular attention to optimizing our retail network, enhancing boutiques with curated visual displays and distinctive styling, whilst leveraging data and artificial intelligence technologies to consolidate and deepen customer relationships. Our aim has been to improve store efficiency through a careful review of the network and the enhancement of strategic, high-productivity stores.

We have enhanced our e-commerce platform to ensure a high-quality digital service, recording a solid growth trajectory. In parallel, we have adopted a more selective wholesale approach, focusing on targeted customers in line with the brand's positioning.

Furthermore, we have continued to refine operational processes, streamlined the organizational structure and strengthened managerial capabilities of certain key functions.
In a geopolitical and macroeconomic context characterized by volatility and in light of a selective approach to the wholesale channel, our strategy is focused on consolidating the initial success of the actions undertaken, as confirmed by the solid performance of the DTC channel. Leveraging the value of the brand and our creative resources, we will continue to pursue the corporate vision, ensuring an effective product offering, structural alignment across all commercial and communication channels, with the aim of enhancing the brand's desirability and sustaining revenues and profitability.

FY 2025 PERFORMANCE

- Revenues amounted to 977 million Euro, down 5.7% at current exchange rates (-3.8% at constant exchange rates) compared with the 2024 financial year, with DTC up 0.4% at constant exchange rates compared with the 2024 financial year. Revenues for the second half of 2025 stood at 503 million Euro (-0.4% at constant exchange rates compared to the second half of 2024), with a DTC performance up 5.5% at constant exchange rates compared to the second half of 2024;
- Gross profit amounted to 665 million Euro, with a lower margin on revenues, decreasing from 71.5% in 2024 to 68.1% in 2025. During 2025, gross profit was adversely affected by the negative impact of exchange rates and the reduction in inventory levels of previous collections;

- Operating costs, net of the impact of impairment test, amounted to 641 million Euro, down 9.2% at current exchange rates compared with the 2024 financial year, thanks to a cost efficiency program. Indeed, operating costs, including impairment, amounted to 686 million Euro, down 13.0% at current exchange rates;
- Adjusted operating profit (EBIT), excluding the impact of impairment test, was 24 million Euro, compared with 35 million Euro in 2024.
- Adjusted net profit for the 2025 financial year, including minority interest and excluding the negative impact of impairment test, was a loss of 3 million Euro, compared with a profit of 16 million Euro in 2024. Including the negative impact of impairment test, net profit for 2025, including minority interest, was a loss of 49 million Euro, compared with a loss of 68 million Euro in 2024;
- The adjusted net financial position was a positive 144 million Euro (compared to 119 million Euro as at 30 June 2025 and 173 million Euro as at 31 December 2024).

2025 also proved to be a year of acceleration in our sustainability roadmap, with key targets achieved across all five of its constituent pillars. To cite just a few examples, we have reduced our carbon emissions by over 3% compared with the previous year and significantly increased our use of strategic raw materials sourced from certified supply chains, which now account for 81% of the total by weight. At the same time, we have strengthened our research and development projects, with the aim of further innovating both our products and processes. Our commitment to offering customers products that are not only of excellent quality but also innovative, carefully monitored and increasingly traceable has taken shape in the Back to Earth capsule collection, which features cotton sourced from entirely Italian supply chains, vegetable-tanned leather, and dyes and prints created using mineral powders, dyeing earths and vegetable charcoal. Launched on 22 April to mark World Earth Day, this initiative represents a further step on a path increasingly focused on the selection of materials and processes of natural origin. I am particularly proud to see how the concrete nature of our sustainability strategy and the robustness of the ESG indicators through which we measure our progress have been recognized at various levels: from the results achieved in some of the leading international ESG rankings, to the honor of hosting the annual Steering Committee of The Fashion Pact, during which, together with other fashion leaders, we strengthened our collective action to address the significant environmental and social challenges that this sector will face in the coming years.

It is with this awareness, and drawing strength from our values, our authenticity and our renewed ability to engage with our community of customers and stakeholders, that in 2026 we will continue our transformation journey with absolute determination, committed to turning opportunities into lasting value.

I would like to thank the Board of Directors for their ongoing support, as well as all our partners and treasured colleagues around the world for the work they carry out with passion and dedication, and for the valuable contribution I am sure they will continue to make in 2026.

We look forward to the new financial year with confidence, focus and passionate determination, aware of the significant opportunities that lie ahead and ready to seize them along a transformation journey that is already clearly mapped out.

Our vision remains clear and ambitious: to create truly authentic luxury that continues to embody the core values of our brand, across the globe, by combining timeless craftsmanship with forward-thinking innovation, while always placing the well-being of our people and our customers, wherever they may be, at the heart of everything we do.

Thank you for your trust and for being part of this extraordinary journey.

The Chair
Leonardo Ferragamo

BOARD OF DIRECTORS' REPORT ON OPERATIONS

AS AT 31 DECEMBER 2025

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Corporate boards

Board of Directors[1]	Leonardo Ferragamo[7][10]	Executive Chair
	Angelica Visconti[8][11]	Deputy Chair
	Marco Gobbetti[9]	
	Giacomo Ferragamo[10]	Director with delegated powers
	Niccolò Ferragamo[11]	
	Patrizia Michela Giangualano[11][12][13]	
	Ernesto Greco[10]	Director with delegated powers
	Umberto Tombari[11]	
	Laura Donnini[11][12]	
	Sara Ferrero[11][12]	
Control and Risks Committee[2] *(responsible for Transactions with Related Parties and for Sustainability*	Patrizia Michela Giangualano	Chair
	Sara Ferrero	
	Laura Donnini	
Nomination and Remuneration Committee[3]	Patrizia Michela Giangualano	Chair
	Sara Ferrero	
	Laura Donnini	
Board of Statutory Auditors[4]	Andrea Balelli	Chair
	Paola Caramella	Acting Statutory Auditor
	Giovanni Crostarosa Guicciardi	Acting Statutory Auditor
	Roberto Coccia	Substitute Statutory Auditor
	Antonietta Donato	Substitute Statutory Auditor

Independent Auditors[5]	KPMG S.p.A.
Manager charged with preparing Company's Financial Reports and for the certification of the Sustainability Report[6]	Paolo La Morgia

(1) The members of the Board of Directors were appointed for a three-year period by resolution of the Shareholders' Meeting on 23 April 2024, with the exception of the Director Ernesto Greco, who was co-opted to replace the Director Fabio Gallia by resolution of the Board adopted pursuant to Article 2386, paragraph 1, of the Italian Civil Code on 15 October 2024 and subsequently appointed by resolution of the Shareholders' Meeting on 26 November 2024. However, it should be noted that on 3 February 2025, the Company and Marco Gobbetti reached a mutual agreement on the termination of employment and administrative relationship, effective from the date of approval of the draft financial statements for FY2024, i.e. 6 March 2025. On that date, following the resignation tendered by Marco Gobbetti in accordance with the agreement reached with the Company, the Board of Directors resolved not to proceed with a co-optation but to refer any decision regarding the appointment of a new member to the Board or the reduction of the number of its members from 10 (ten) to 9 (nine) to the Shareholders' Meeting. On 16 April 2025, the Shareholders' Meeting, upon a proposal by the controlling shareholder Ferragamo Finanziaria S.p.A., amending the resolution passed by the Shareholders' Meeting of 23 April 2024, re-established the number of serving members of the Board of Directors at 9 (nine) (compared to the previous 10).

(2) On 9 May 2024, the Board of Directors, following its renewal, resolved on the new composition of the Control and Risks Committee, appointing as members Directors Patrizia Michela Giangualano (as Chair), Laura Donnini and Sara Ferrero.

(3) On 9 May 2024, the Board of Directors, following its renewal, resolved on the new composition of the Nomination and Remuneration Committee, appointing as members Directors Patrizia Michela Giangualano (as Chair), Laura Donnini and Sara Ferrero.

(4) Appointed by the Shareholders' Meeting on 26 April 2023 and serving until the date of approval of the financial statements as at 31 December 2025.

(5) Appointed by the Shareholders' Meeting on 18 April 2019 for the nine years from 2020 through 2028.

(6) Appointed as Group Chief Financial Officer and Officer responsible for the preparation of the company's financial statements and sustainability reporting on an interim basis, in accordance with the provisions of Article 154-bis, paragraph 5-ter, of the Consolidated Law on Finance, with effect from 29 September 2025, by resolution of the Board of Directors dated 11 September 2025, following the resignation of Pierre Giorgio Sallier de La Tour, effective from 26 September 2025.

(7) Appointed as Chair by the Shareholders' Meeting on 23 April 2024.

(8) Appointed as Deputy Chair by the Shareholders' Meeting on 23 April 2024.

(9) Marco Gobbetti resigned from his current roles with the Company with effect from 6 March 2025, in accordance with the mutual termination agreement reached between him and the Company on 3 February 2025 (and announced to the market on the same date). At the same time, Marco Gobbetti's duties and responsibilities towards the Company ended in accordance with the same mutual termination agreement.

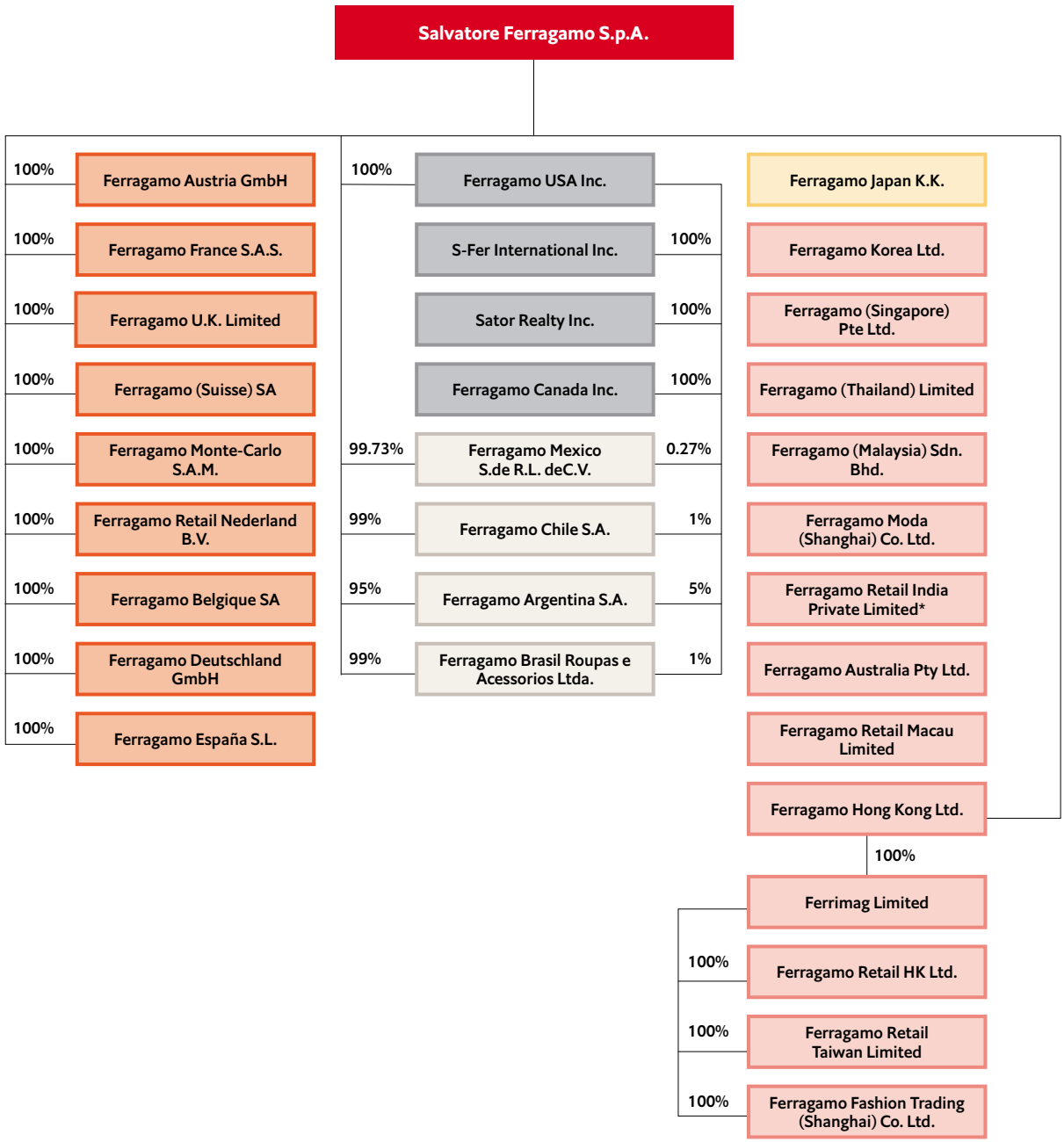
(10) Director with delegated powers. On 6 March 2025, the Board of Directors redistributed its powers, with this arrangement remaining in force until a new Chief Executive Officer is appointed, conferring management powers on the Executive Chairman, Leonardo Ferragamo, as well as on Directors Giacomo (James) Ferragamo and Ernesto Greco.

(11) Non-executive director.

(12) Independent director pursuant to Article 147-ter, paragraph 4 and Article 148, paragraph 3 of Italian Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Finance, "TUF") and the Corporate Governance Code for listed companies.

(13) *Lead Independent Director*, appointed on 6 March 2025 by the Board of Directors in accordance with Recommendation No. 13 of the Corporate Governance Code and Article 5 of the Board of Directors' Regulations.

Group structure



Notes

European companies
North America companies
Centre and South America companies
Asia Pacific companies
Japanese companies

* Non operating company

Composition of the Salvatore Ferragamo Group

As at 31 December 2025, the Salvatore Ferragamo Group consists of Salvatore Ferragamo S.p.A. (the "Parent company" and the "Company") and the following subsidiaries – consolidated on a line-by-line basis – in which the Parent company holds majority stakes, both directly or indirectly, and which it controls.

Salvatore Ferragamo S.p.A.	Parent company, owner of the "Ferragamo" and "Salvatore Ferragamo" brands, as well as of numerous other figurative and shape trademarks; it undertakes production activities and distributes products through DTC channels in Italy and wholesale channels in Italy and abroad, as well as real estate activities and acts as a holding company
Europe	
Ferragamo Retail Nederland B.V.	It manages directly operated stores (DOS) in the Netherlands
Ferragamo France S.A.S.	It manages directly operated stores (DOS) in France
Ferragamo Deutschland GmbH	It manages directly operated stores (DOS) in Germany
Ferragamo Austria GmbH	It manages directly operated stores (DOS) in Austria
Ferragamo U.K. Limited	It manages directly operated stores (DOS) in the United Kingdom
Ferragamo (Suisse) SA	It manages directly operated stores (DOS) in Switzerland
Ferragamo Belgique SA	It manages directly operated stores (DOS) in Belgium
Ferragamo Monte-Carlo S.A.M.	It manages directly operated stores (DOS) in the Principality of Monaco
Ferragamo Espana S.L.	It manages directly operated stores (DOS) in Spain
North America	
Ferragamo USA Inc.	It distributes and promotes products in the USA and acts as a sub-holding for North America (USA and Canada)
Ferragamo Canada Inc.	It manages directly operated stores (DOS) and the wholesale channel in Canada
S-Fer International Inc.	It manages directly operated stores (DOS) in the USA
Sator Realty Inc.	It manages directly operated stores (DOS) in the USA and real estate assets
Central and South America	
Ferragamo Mexico S. de R.L. de C.V.	It manages directly operated stores (DOS) and the wholesale channel in Mexico
Ferragamo Chile S.A.	It manages directly operated stores (DOS) in Chile
Ferragamo Argentina S.A.	It manages directly operated stores (DOS) in Argentina
Ferragamo Brasil Roupas e Acessorios Ltda.	It manages directly operated stores (DOS) in Brazil
Asia Pacific	
Ferragamo Hong Kong Ltd.	It distributes and promotes products in Asia and acts as a sub-holding for the Chinese area (Hong Kong)
Ferragamo Australia Pty Ltd.	It manages directly operated stores (DOS) in Australia
Ferrimag Limited	Sub-holding company for the Chinese area (Hong Kong, Taiwan, PRC)
Ferragamo Fashion Trading (Shanghai) Co. Ltd.	It manages directly operated stores (DOS) and the wholesale channel in the People's Republic of China
Ferragamo Moda (Shanghai) Co. Ltd.	It manages directly operated stores (DOS) in the People's Republic of China
Ferragamo Retail HK Limited	It manages directly operated stores (DOS) in Hong Kong
Ferragamo Retail Taiwan Limited	It manages directly operated stores (DOS) in Taiwan
Ferragamo Retail Macau Limited	It manages directly operated stores (DOS) in Macau
Ferragamo Retail India Private Limited	Non-operating company
Ferragamo Korea Ltd.	It manages directly operated stores (DOS) and the wholesale channel in South Korea
Ferragamo (Singapore) Pte Ltd	It manages directly operated stores (DOS) in Singapore
Ferragamo (Thailand) Limited	It manages directly operated stores (DOS) in Thailand
Ferragamo (Malaysia) Sdn. Bhd.	It manages directly operated stores (DOS) in Malaysia
Japan	
Ferragamo Japan K.K.	It manages directly operated stores (DOS) and the wholesale channel in Japan

Main Stock Market indicators – Salvatore Ferragamo S.p.A.

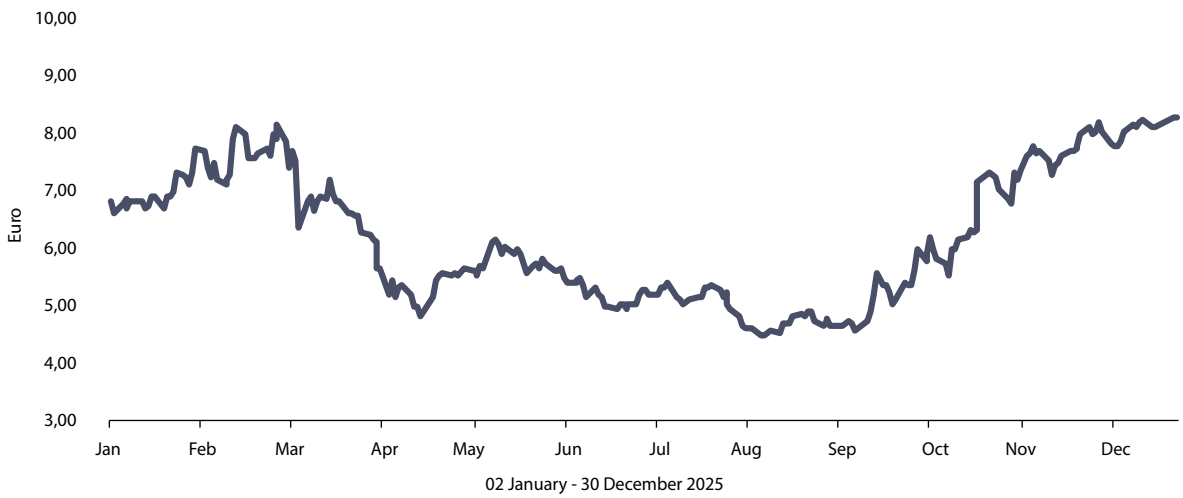
Official price as at 31 December 2025 in Euro	8.23
Minimum price as at 11 August 2025 in Euro**	4.44
Maximum price as at 30 December 2025 in Euro**	8.23
Stock Market capitalization as at 31 December 2025 in Euro	1,389,141,700
Number of shares making up the share capital as at 31 December 2025	168,790,000
Number of outstanding shares (free float)* as at 31 December 2025	63,960,288

* Determined as the number of shares that make up the share capital, excluding treasury shares and the shares held by the Holding company Ferragamo Finanziaria S.p.A. and by Majestic Honour Limited.

** Minimum and maximum prices recorded during the day's trading session and, therefore, not coinciding with official and reference prices on the same date.

Here below is the trend in Salvatore Ferragamo's share price during 2025.

Share price (Official price)



Alternative performance measures

To better assess its performance, the Salvatore Ferragamo Group makes use of some alternative performance measures which are not identified as accounting measures under IFRS. Therefore, the measurement basis applied by the Group may differ from that adopted by other groups, and the balance may not be comparable.

These alternative performance measures are derived exclusively from historical financial data and are determined in accordance with the Guidelines on Alternative Performance Measures issued by ESMA/2015/1415 and adopted by CONSOB with communication no. 92543 of 3 December 2015. They refer exclusively to the performance for the reporting period of this Annual Report as well as the comparative periods, and not to the Group's expected performance and are not to be considered as substitutes for IFRS measures.
The definitions of the alternative performance measures adopted in this report are provided below:

Net sales: it consists of revenues from the sale of products; it is therefore determined by excluding the following items from *Revenues*: *Rental income investment properties, Licenses and services* and the effect of hedging against exchange rate risk on Revenues (*Cash flow hedging effect on Revenues*).

DTC (Direct-to-Consumer): the DTC channel consists of single-brand directly operated stores (DOS) as well as e-commerce platforms for direct-to-consumer online sales.

Operating profit/(loss): it is the difference between *Revenues, Cost of goods sold*, and *Operating costs* net of *Other income*.

Adjusted operating profit/(loss): it is Operating profit/(loss) before Write-downs of tangible/intangible assets, Investment property and Right-of-use assets resulting from impairment recognized in accordance with IAS 36 and IAS 40.

Adjusted net profit/(loss) for the period: it is Net profit/(loss) for the period before Write-downs of tangible/intangible assets, Investment property and Right-of-use assets resulting from impairment recognized in accordance with IAS 36 and IAS 40.

EBITDA: it is *Operating profit/(loss) before Amortization and depreciation and Write-downs of tangible/intangible assets, Investment property and Right-of-use assets.*

Net working capital: it is *Inventories*, plus *Right of return assets* and *Trade receivables* net of *Trade payables* and *Refund liabilities*.

Net invested capital: it is the total amount of *Non-current assets*, *Current assets* and *Assets held for sale*, excluding financial assets (*Other current financial assets* and *Cash and cash equivalents*) net of *Non-current liabilities, Current liabilities* and *Liabilities held for sale*, excluding financial liabilities (*Current and non-current interest-bearing loans & borrowings*, *Other current and non-current financial liabilities, and Current and non-current lease liabilities*).

Adjusted net invested capital: it is *Net invested capital* excluding *Right-of-use assets* and *Right-of-use assets* classified as *Investment property*.

Net financial debt/(surplus): it is calculated as *Current and non-current interest-bearing loans & borrowings* plus *Current and non-current lease liabilities* and *Other current and non-current financial liabilities* including the negative fair value of derivatives (non-hedging component), net of *Cash and cash equivalents* and *Other current financial assets*, including the positive fair value of derivatives (non-hedging component).

Adjusted net financial debt/(surplus): it is *Net financial debt/(surplus)* excluding *Current and non-current lease liabilities.*

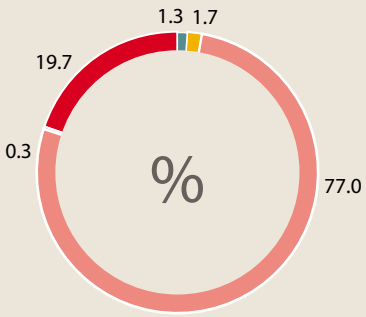
Adjusted cash flow from (used in) operating activities*:* it is *Net cash from (used in) operating activities* net of *Repayment of lease liabilities* (classified as *Cash flow from financing activities*).

Investments in tangible and intangible assets: include i) the increases in the historical cost of *Property, plant and equipment*, *Investment property* (excluding those relating to *Right-of-use assets*) and *Intangible assets with a finite useful life*, net of decreases in tangible assets and intangible assets in progress and the costs of restoring the premises rented from third parties; ii) the increases in the historical cost of *Right-of-use assets* relating to the direct initial costs incurred to rent the premises from third parties.

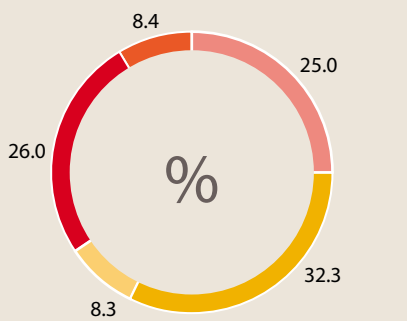
1. The Group's main income and financial results for the year 2025

(In millions of Euro)	2025	2024	% change 2025 vs 2024
Revenues	976.5	1,035.1	(5.7%)
Gross profit	665.0	740.0	(10.1%)
Gross profit %	68.1%	71.5%	
EBITDA	165.7	215.2	(23.0%)
Operating profit/(loss)	(21.4)	(49.0)	(56.3%)
Operating profit/(loss) %	(2.2%)	(4.7%)	
Adjusted operating profit/(loss)	24.3	34.6	<100%
Adjusted operating profit/(loss) %	2.5%	3.3%	
Net profit/(loss) for the period	(49.2)	(68.1)	(27.8%)
Adjusted net profit/(loss) for the period	(3.4)	15.5	<100%
Net profit/(loss) – Group	*(49.4)*	*(68.1)*	*(27.4%)*
Net profit/(loss) – minority interests	*0.3*	*0.0*	

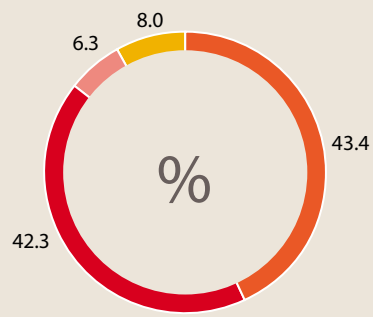
Revenue by distribution channel as at 31 December 2025



Net Sales by geographic area as at 31 December 2025



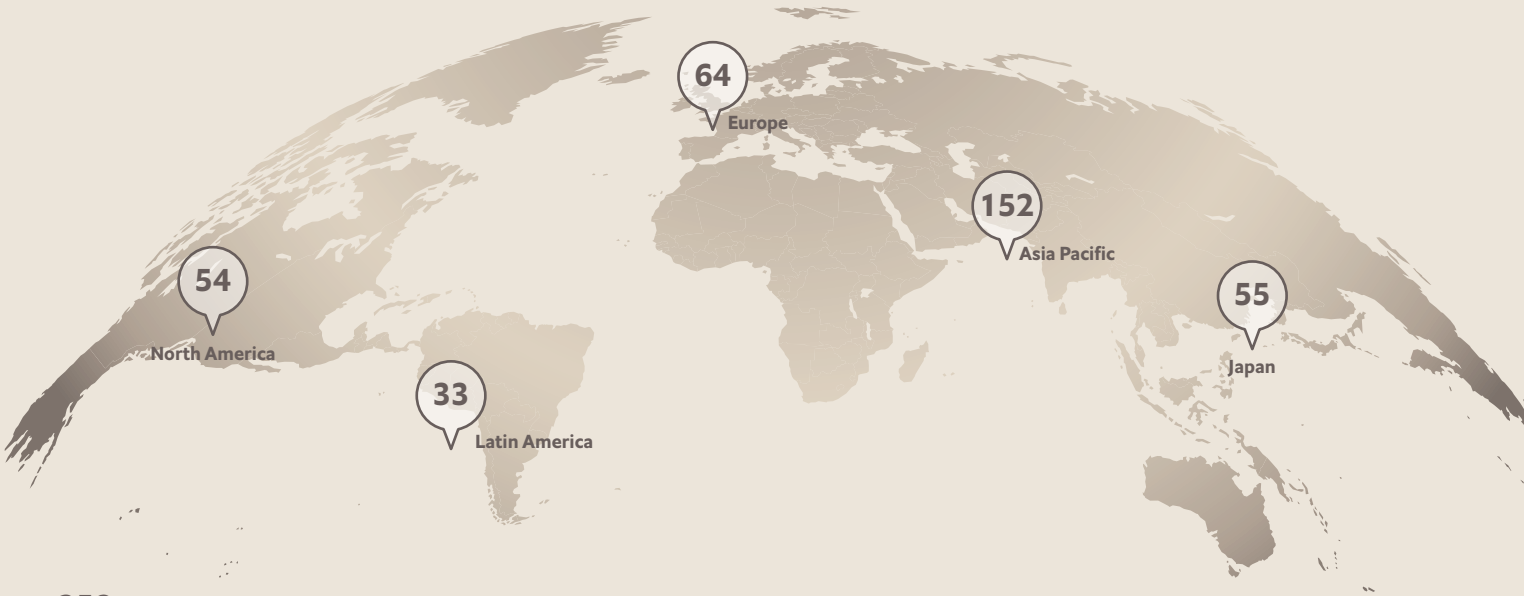
Net Sales by product category as at 31 December 2025



(In millions of Euro)	31 December 2025	31 December 2024
Investments in tangible/intangible assets	45.6	70.7
Net working capital	208.5	222.5
Shareholders' equity	592.4	620.1
Adjusted net financial debt/(surplus)	(143.9)	(172.8)
Adjusted cash flow from/(used in) operating activities	(13.5)	45.7

	31 December 2025	31 December 2024
Staff as at the reporting date	3,357	3,585
Number of DOS	358	367

Geographical distribution of DOS (31 December 2025)
No. of stores:



358 Ferragamo monobrand stores managed directly

Disclaimer

This document contains forward-looking statements, in particular in the sections headed "Macroeconomic situation and outlook", "Significant events occurred after the end of the financial year" and "Consolidated Sustainability Reporting pursuant to Italian Legislative Decree no. 125 of 6 September 2024 implementing Directive (EU) 2022/2464", relating to future events and the operating, income, financial social and environmental performance of the Salvatore Ferragamo Group. These statements are based on the Salvatore Ferragamo Group's current expectations and forecasts regarding future events and, by their nature, involve risks and uncertainties, since they refer to events and depend on circumstances which may, or may not, happen or occur in the future. As such, they must not be unduly relied upon. The actual results could differ significantly from those contained in these statements due to a variety of factors, including the volatility and deterioration in the performance of securities and financial markets, changes in raw material prices, changes in macroeconomic conditions and in economic growth, and other changes in business conditions, in the legal and institutional framework (both in Italy and abroad), and many other factors, most of which are beyond the Group's control.

2. Introduction

The Parent company Salvatore Ferragamo S.p.A. is a legal entity set up under Italian law and, pursuant to Article 40, paragraph 2-bis, of Italian Legislative Decree 127/91, it prepares the Directors' Report on Operations of both the Separate Financial Statements and the Consolidated Financial Statements in a single document.
The Directors' Report on Operations, in addition to the indicators required for financial statements, in compliance with International Financial Reporting Standards (IFRS), also includes some alternative performance measures used by management to monitor and assess the Group's performance, as detailed in a specific section. It should also be noted that this Directors' Report on Operations includes the Sustainability Report prepared in accordance with the provisions of Legislative Decree No. 125 of 6 September 2024, implementing Directive 2022/2464/EU of the European Parliament and Council of 14 December 2022 ("Corporate Sustainability Reporting Directive" or "CSRD") and the European Sustainability Reporting Standards ("ESRS") (drafted by EFRAG and issued by the European Commission via Delegated Regulation (EU) 2023/2772, applicable from 1 January 2024 for financial years beginning on that date), together with the specifications adopted pursuant to Regulation (EU) 2020/852 ("Taxonomy Regulation") and related delegated acts.

3. The Salvatore Ferragamo Group's business

The Salvatore Ferragamo Group is active in the creation, production and sale of luxury goods for men and women: footwear, leather goods, apparel, silk goods, jewels, and other accessories. The product range also includes fragrances, eyewear, and watches manufactured under license by third parties. The product range stands out for its uniqueness, which is the result of the combination of creative and innovative style with the quality and craftsmanship that are the hallmark of luxury goods made in Italy.

The Salvatore Ferragamo Group is present in more than 90 countries around the world, directly through subsidiaries in 26 countries, and sells its products primarily through a network of Salvatore Ferragamo single-brand stores, either directly operated (DOS) or operated through third parties, as well as through a significant and well-established presence in department stores and multi-brand specialty stores, and through the e-commerce channel.

The Group is also active in the licensing of the Ferragamo trademark and in real estate management.

History of the Group

1898

Salvatore Ferragamo was born in Bonito, in the province of Avellino

1923

After joining his siblings in the United States, Salvatore Ferragamo opens the Hollywood Boot Shop, confirming the beginning of a career that would establish him as the "shoemaker to the stars""

1927

Salvatore Ferragamo Italia is set up, producing women's shoes. The first laboratory is opened in Florence.

1936

Salvatore Ferragamo transfers the shoe laboratory to Palazzo Spini Feroni, which he then bought in 1938 and is still the registered office of the Group

1938

Salvatore Ferragamo makes the famous Rainbow model for Judy Garland, the year after having patented the cork wedge heel

1947

In Dallas, Salvatore Ferragamo receives the Neiman Marcus Prize for his "Invisible" sandal

1950s

In 1958 the women's Ready-to-Wear collection was presented. The success is now international and the shop in Florence is visited by celebrities such as Audrey Hepburn and the Dukes of Windsor

1960s

After the death of the Founder, his widow Wanda took over the reins of the Company
In 1965 the production of bags and women's leather goods starts

1970s

Launch of the first men's Ready-To-Wear collections, men's footwear, silk and accessories

2022
Appointment of Maximilian Davis as Salvatore Ferragamo S.p.A.'s Creative Director

2021
Licensing of the Salvatore Ferragamo trademark for the production and distribution of the Fragrances line

2011
Salvatore Ferragamo S.p.A. is listed on the Mercato Telematico Azionario (screen-based stock exchange, currently known as Euronext Milan) organized and operated by Borsa Italiana S.p.A.

2003
Realization of the first Salvatore Ferragamo watches

1998
Launch of the Salvatore Ferragamo Fragrances and Eyewear lines

1995
Inauguration of the Ferragamo Museum at Palazzo Spini Feroni, dedicated to the shoes and history of the Company

1990s
Creation of the bag with the famous Gancini decorative symbol

1978
Creation of the Vara model, one of the most famous shoes by Salvatore Ferragamo

1986
Opening of the first DOS in Asia (Hong Kong) and entry into the Asian market

Distinctive features of the Parent company and the Group

The main factors which have enabled the development and consolidation of the Group's competitive positioning can be summarized as follows:

Brand heritage as a synonym of glamour, elegance, craftsmanship, creativity and innovation

- the legendary status of the founder Salvatore Ferragamo which is inseparably linked to the world of luxury footwear;
- over 90 years' history associated with high quality, luxury products which have always been known for their "Made in Italy" excellence;
- continuous product innovation with a high level of customization and use of rare and high-quality materials;
- abundant archive of designs and models to draw on as inspiration for new collections;
- use of Ferragamo products by leading personalities from the world of cinema, theatre and entertainment.

Global brand awareness

- high and consolidated level of brand awareness;
- worldwide distribution of products and presence, through tailored single brand stores, in the key shopping streets and prestigious locations for the luxury sector;
- significant and consolidated presence in Europe, America and Asia.

Sustainable Thinking

- incorporation of sustainability throughout the value chain, in keeping with the core values of creativity, innovation, and world-class craftsmanship, through stakeholder engagement and the promotion of partnerships;
- a governance model that takes into account the context of reference and the balance/mitigation of environmental, social and governance ("ESG") risks, with responsibility for sustainability assigned to the Control and Risks Committee – composed entirely of independent directors – and to the Board of Directors; the creation of the corporate Transformation & Sustainability function; and the establishment of an ESG Steering Committee to provide in-depth oversight of the progress of the Sustainability Plan;
- review and approval of the Salvatore Ferragamo Group Sustainability Plan by the Board of Directors. The Plan, whose targets were last updated by the Board of Directors at its meeting on 18 December 2025 for the 2026-2027 two-year period, is based on the following five new pillars: (i) *Moving towards net zero emissions;* (ii) *Fostering materials innovation*; (iii) *Leading a responsible value chain;* (iv) *Empowering our people;* (v) *Creating value for global communities*;
- alignment of the Remuneration Policy with the Strategic Plan and the Sustainability Plan.

Ongoing search for quality applied to the whole "Made in Italy" product range

- "Made in Italy" production process realized through a number of expert and carefully selected suppliers which have been working with the Group for several years;
- particular attention to quality control, both in choosing and processing materials, and on the finished product;
- granting of a limited number of licenses solely to highly qualified and prestigious companies.

Consolidated, extended distribution network that is diversified across different channels (DOS-TPOS-multi-brand channel)

- consolidated presence of single-brand stores (mainly DOS) in the world's main luxury locations, with a balanced geographical exposure in both developed and emerging markets;
- presence in department stores and luxury specialist retailers, in order to strengthen the presence in countries where the Salvatore Ferragamo Group has its own network of directly operated stores; the business in the United States is of particular importance;
- presence (mainly TPOS) in the travel DTC channel with Ferragamo single-brand stores in the main airports around the globe;
- presence in the digital channel (Internet) with a website (www.ferragamo.com) in seven languages (Italian, French, Spanish, English, Chinese, Korean and Japanese) with e-commerce functions for various European countries (Eurozone, Swiss and United Kingdom), United States, Canada, South Korea, Japan, Mexico, People's Republic of China and Australia.

Strategy

The Group's strategy is to reaffirm its competitive position among the leaders in the global luxury market, to respond to the ever-changing and challenging environment in which it operates and to create value for its shareholders through sustainable and profitable growth.
The main strategic guidelines can be summarized as follows:

- the product remains at the heart of everything, with a renewed focus on leather goods and, in particular, footwear;
- a fresh lease of life for the brand, thanks to a more distinctive narrative and a more effective marketing approach;
- enhancing the customer experience across the physical network, in our customer relations and on digital channels;
- strengthening of operational discipline through cost and investment control and inventory efficiency.

Product at the heart of the strategy

The Group aims to maintain and strengthen its position in the global luxury segment by placing the product at the heart of its strategy, through an evolution of its offering towards greater desirability and alignment with consumer demand:

- increasing the focus on the product categories that form the core of the Group's offering (footwear, leather goods), partly by strengthening its iconic products and streamlining styles to ensure greater clarity and distinctiveness;
- integrating the collections to cater for new purchasing occasions and cover the brand's key functions;
- leveraging other categories to attract different customer segments, from leather and silk accessories to support cross-selling and customer acquisition, to clothing to satisfy high-end customers.

New energy for the brand

The Group intends to continue with its strategy to revitalize and enhance the brand, aimed at improving its relevance and perception among its target customers through more effective communication:

- by reworking the brand narrative and the approach to content development, to interpret the brand's essence and distinctive elements in a more contemporary and impactful way;
- through a more agile approach to the planning and execution of marketing activities, increasing their frequency and improving the coordination of go-to-market strategies across the various touchpoints;
- prioritizing digital communication, balancing efforts across the funnel and pursuing targeted improvements to maximize efficiency and return on investment.

Enhancing the customer experience

The Group is continuing its efforts to enhance the customer experience across its various physical outlets, whilst simultaneously working to strengthen clienteling and its omnichannel presence:

- enhancing the image of physical stores by improving staff interpersonal skills, enhancing visual merchandising and progressively refurbishing retail outlets;
- the evolution of clienteling activities through a data-driven approach, using technologies aimed at increasing the personalization of interactions and the effectiveness of segmentation;
- strengthening the online presence through a more effective experience that fully complements physical channels, both direct and indirect, where a quality-focused strategy continues, prioritizing key customers in line with the brand's positioning.

Strengthening of operational discipline

The Group is pressing ahead with its objective of revitalizing the brand's appeal and restoring a path to sustainable growth, whilst adopting an operational approach aimed at improving the efficiency of resource utilization and processes across various areas:

- effective cost control, with a particular focus on discretionary expenditure and the optimization of the organizational structure;
- improving the efficiency of inventory and related processes, from the development of more targeted and high-performing collections, to a more balanced buying approach, to more effective management of leftovers;
- investment discipline, prioritizing initiatives with the highest business return.

The strategic/organizational model

The success of the Salvatore Ferragamo Group is based on pursuing a long-term value creation strategy, centered on constant monitoring of the value chain through the adoption of a shared Group organizational model for the various product categories. In particular, the Salvatore Ferragamo Group has always operated with the aim of offering its customers products that are characterized by a high-quality level, based on a solid tradition of craftsmanship, exclusive design and a style aimed at preserving the brand's strong identity. This approach has been applied in the choice of materials, in the design phase, in production processes and in the design and architecture of stores.

The production system

The organizational model adopted by the Group entrusts the production process almost entirely to specialized Italian production facilities, while keeping the management and organization of the main stages of the value chain in-house.
The Group's operating model ensures flexibility and efficiency in the production cycle through the use of a broad network of selected and expert Italian manufacturers which have been working with the Group for many years.
With reference to production, the Group directly manages the product development and industrialization stage and undertakes quality controls, both during the production process and on almost all finished products in the footwear and leather goods categories.

The distribution system

The organization of distribution and sales is one of the Group's strengths, thanks to its extensive and consolidated presence both in so-called traditional markets (Europe, United States and Japan) and in emerging markets (such as Asia Pacific and Latin America), as well as thanks to its store locations.
The Group attributes great importance to monitoring distribution, which is done through: a network of single-brand directly operated stores (DOS), which as at 31 December 2025 numbered 358 (the so-called DTC channel), and a network of tailored single-brand stores and/or stores-in-stores operated by third parties (TPOS), as well as through a multi-brand channel (taken as a whole, the so-called wholesale channel).

Through the DTC channel, the Group directly markets all product lines to end customers. Directly operated stores (DOS) are located across all the main markets served by the Group in exclusive and strategic locations, both from a reputational and commercial point of view.

Wholesale sales are targeted exclusively at retailers and, to a lesser extent, distributors. Wholesale customers consist of:

- department stores and luxury specialist retailers, in order to strengthen the presence in countries where the Group has its own network of directly operated stores. The business in the United States is of particular importance;
- franchisees, ensuring a foothold in markets for which a direct retail presence is currently not possible or not deemed necessary, such as the Middle East, some areas of Africa, and some areas of the People's Republic of China;
- travel retail/duty free stores opened inside airports and other "duty free" locations.

Stores are selected on the basis of their consistency with the positioning of the "Ferragamo" brand, their location, and the visibility which they can guarantee to the brand.

Changes to the Group structure

During 2025 the Group structure underwent no changes.

Effect of exchange rate changes on operations

The Ferragamo Group has a strong presence in international markets, including through commercial companies located in countries with currencies other than the Euro, mainly the US dollar, the Chinese renminbi, the Japanese yen, the South Korean won, and the Mexican peso. Therefore, the Group is exposed to both settlement and translation risk.

The early months of 2025 were marked by a climate of international uncertainty, primarily due to US economic policies, which led to trade tensions and significant volatility in global financial markets.
In the first half of the year, the Federal Reserve left interest rates unchanged at 4.25%–4.50%, whilst the European Central Bank cut its key monetary policy rates four times, bringing them down from 3.15% to 2.15%. During the summer months, the US administration defined and introduced import tariffs. Between September and December, following a long period of stable interest rates, the Federal Reserve decided to intervene on the cost of borrowing with two cuts of 25 basis points, bringing the reference range to 3.75%–4.00%, whilst the European Central Bank left rates unchanged.

Over the course of the year, the US dollar weakened significantly following the US announcements of tariffs and the resulting market uncertainty: the euro/dollar exchange rate rose from 1.04 to 1.17. The weakening of the dollar led to a gradual strengthening of the renminbi against the dollar, which went from 7.3 to 7.0. Against the euro, however, the renminbi weakened, going from 7.6 to 8.2. Similarly, the South Korean won – linked to the economic cycle and the trade balance – strengthened slightly against the dollar, going from 1,475 to 1,444, whilst it weakened against the euro, going from 1,532 to 1,697. In the first half of the year, the yen, starting at 157, strengthened against the dollar, reaching a level of 142 due to the prospect of interest rate hikes by the Bank of Japan and increased risk aversion; in the second half of the year, political factors influenced the performance of the Japanese currency, which depreciated, returning to a level of 157. Against the euro, the yen weakened progressively over the course of the year, going from 163 to 184. The Mexican peso strengthened against both the dollar and the euro, going from 20.7 to 18.0 and from 21.6 to 21.1 respectively

The exchange risk management policy and the hedging arrangements put in place by the Ferragamo Group mitigated the impact of the above fluctuations on the expected industrial margin.

4. The Group's operating performance

The Salvatore Ferragamo Group's results for 2025 show a 5.7% decline in revenues compared with 2024 at current exchange rates (3.8% at constant exchange rates), driven by the continuing uncertainty in the geopolitical and macroeconomic environment and by the wholesale channel, which recorded a decline of 17.5% at current exchange rates (-17.1% at constant exchange rates), reflecting the renewed focus on controlled distribution and key customers, in line with the brand image. The operating result remained negative, improving from 49.0 million Euro in 2024 to 21.4 million Euro in 2025.

Write-downs arising from impairment tests – relating to tangible and intangible assets and right-of-use assets – recorded between June and December 2025 amounted to 45.7 million Euro, compared with 83.6 million Euro in the previous financial year. Excluding these write-downs, the adjusted operating profit would have been positive at 24.3 million Euro in 2025, compared with 34.6 million Euro in 2024. There was also a decline in the gross profit, which stood at 68.1% of revenues in 2025, compared with 71.5% in 2024. Finally, the net result showed a loss of 49.2 million Euro, an improvement on the loss of 68.1 million Euro in the previous year, whilst the adjusted net result showed a loss of 3.4 million Euro in 2025 (compared with a profit of 15.5 million Euro in 2024).

The Group's adjusted net financial position (surplus), amounting to 143.9 million Euro, remains solid and positive, albeit down from 172.8 million Euro recorded as at 31 December 2024, as a result of the period's net income and capital expenditures of €45.6 million incurred during the year.

The following table shows the main income statement data.

(In thousands of Euro)	2025	% of Revenues	2024	% of Revenues	% change
Revenues	**976,531**	**100.0%**	**1,035,106**	**100.0%**	**(5.7%)**
Gross profit	**665,000**	**68.1%**	**740,008**	**71.5%**	**(10.1%)**
Style, product development and logistics costs	(42,000)	(4.3%)	(47,038)	(4.5%)	(10.7%)
Sales & distribution costs	(427,342)	(43.8%)	(496,519)	(48.0%)	(13.9%)
Communication and marketing costs	(80,868)	(8.3%)	(86,661)	(8.4%)	(6.7%)
General and administrative costs	(124,815)	(12.8%)	(157,093)	(15.2%)	(20.5%)
Other operating costs	(29,675)	(3.0%)	(25,703)	(2.5%)	15.5%
Other income	18,273	1.9%	24,005	2.3%	(23.9%)
Total operating costs (net of other income)	**(686,427)**	**(70.3%)**	**(789,009)**	**(76.2%)**	**(13.0%)**
Operating profit/(loss)	**(21,427)**	**(2.2%)**	**(49,001)**	**(4.7%)**	**(56.3%)**
Net financial income and charges	(31,073)	(3.2%)	(26,576)	(2.6%)	16.9%
Profit/(loss) before taxes	**(52,500)**	**(5.4%)**	**(75,577)**	**(7.3%)**	**(30.5%)**
Income taxes	3,347	0.3%	7,508	0.7%	(55.4%)
Net profit/(loss) for the period	**(49,153)**	**(5.0%)**	**(68,069)**	**(6.6%)**	**(27.8%)**
Net profit/(loss) – Group	(49,431)	(5.1%)	(68,087)	(6.6%)	(27.4%)
Net profit/(loss) – minority interests	278	0.0%	18	0.0%	>100%
Amortization, depreciation and write-downs	187,140	19.2%	264,219	25.5%	(29.2%)
EBITDA	**165,713**	**17.0%**	**215,218**	**20.8%**	**(23.0%)**
Write-down of assets resulting from impairment tests	45,743	4.7%	83,606	8.1%	(45.3%)
Adjusted operating profit/(loss)	24,316	2.5%	34,605	3.3%	(29.7%)
Adjusted net profit/(loss)*for the period*	**(3,410)**	**(0.3%)**	**15,537**	**1.5%**	**na**

Revenues for the 2025 financial year amounted to 976,531 thousand Euro, compared with 1,035,106 thousand Euro in the 2024 financial year, a decrease of 5.7% at current exchange rates, with the DTC distribution channel growing by 0.4% at constant exchange rates and the wholesale channel falling by 17.1% at constant exchange rates, compared with the 2024 financial year. The five main currencies other than the Euro in which the Group generates most of its revenues, i.e., US Dollar, Chinese Renminbi, Japanese Yen, Mexican Peso and South-Korean Won, performed as follows in 2025 compared to the previous year: the US Dollar depreciated by 4.4% [1], the Chinese Renminbi depreciated by 4.3% [2], the Japanese Yen depreciated by 3.2% [3], the South-Korean Won depreciated by 8.8% [4], and the Mexican Peso depreciated by 9.3%[5] against the Euro, the currency in which the amounts in the consolidated financial statements are expressed. Revenues were down 3.8% at constant exchange rates (applying the average exchange rate for 2025 to the revenues for 2024 – net of the hedging impact). With reference to the fourth quarter of 2025 only, revenues amounted to 281,936 thousand Euro, down 3.2% compared to the same quarter of the previous year (down 2.0% at constant exchange rates). Currency hedges of revenues resulted in a positive 12,982 thousand Euro adjustment to revenues in 2025, compared to a positive 4,842 thousand Euro adjustment in 2024.

The **gross profit** for 2025 stood at 665,000 thousand Euro, compared with 740,008 thousand Euro in the previous financial year, representing 68.1% of revenues compared with 71.5% in 2024.

Total **operating costs** (net of other income) amounted to 686,427 thousand Euro for 2025, representing a 13.0% reduction compared to 789,009 thousand Euro in 2024, representing 70.3% of revenues. The process of optimizing the cost structure continues, thanks to the streamlining and rationalization of processes and ongoing cost control, resulting in a decrease in both selling and distribution costs and general and administrative costs (down 13.9% and 20.5% respectively). These items were impacted by asset impairments, amounting to 45,743 thousand Euro in 2025 compared with 83,606 thousand Euro in 2024. Net of these write-downs, the items would have recorded a decrease of 11.6% and 9.8%, respectively. Total **operating costs**, excluding the effects of impairment losses (amounting to 45,743 thousand Euro in 2025, as detailed in notes 6 and 10 to the Consolidated Financial Statements), show a decrease of 64,718 thousand Euro (-9.2% compared with the previous financial year). This trend therefore highlights the Group's swift responsiveness in adapting its operational structure, implementing targeted efficiency measures that have mitigated the effects of the decline in revenues.

Following the contraction in revenues, the containment of operating costs and the reduction in depreciation and amortization linked to the write-downs carried out, **EBITDA** stood at 165,713 thousand Euro in 2025 compared to 215,218 thousand Euro in 2024, representing a decrease of 23.0% and 17.0% as a percentage of revenues.

The **operating loss** was 21,427 thousand Euro, an improvement compared to the operating loss of 49,001 thousand Euro recorded in 2024.
Adjusted operating profit fell from 34,605 thousand Euro in 2024 to 24,316 thousand Euro in 2025.

Net financial income and charges showed a negative balance of 31,073 thousand Euro, compared with a negative balance of 26,576 thousand Euro in 2024.
For ease of reference, financial income and charges are shown net; reference should be made to the Explanatory notes to the consolidated financial statements for separate and detailed information on charges and income.

[1] With reference to the average EUR/USD exchange rate in 2025	1.1300;	2024	1.0824
[2] With reference to the average EUR/CNY exchange rate in 2025	8.1185;	2024	7.7875
[3] With reference to the average EUR/JPY exchange rate in 2025	169.0454;	2024	163.8520
[4] With reference to the average EUR/KRW exchange rate in 2025	1605.4457;	2024	1475.4050
[5] With reference to the average EUR/MXN exchange rate in 2025	21.6708;	2024	19.8314

(In thousands of Euro)	2025	2024	Change 2025 vs. 2024
Net interest	1,988	2,954	(966)
Other net income/(charges)	(1,469)	402	(1,871)
Net interest and expenses on lease liabilities	(20,069)	(22,293)	2,224
Net gains/(losses) on exchange rate differences	(29,254)	5,439	(34,693)
Net financial income/(charges) for fair value adjustment of derivatives	17,731	(13,078)	30,809
Total	**(31,073)**	**(26,576)**	**(4,497)**

Net interest income decreased by 966,000 Euro compared with the 2024 financial year, mainly due to lower returns on invested cash, as a result of the general fall in interest rates and reduced credit exposure, partially offset by lower interest expenses on loans received from some Group companies.

Net gains and losses on exchange rate differences mainly reflect the impact of commercial transactions in foreign currency. Changes in net gains and losses on exchange rate differences should be correlated with the item "Net financial income/(charges) for fair value adjustment of derivatives", which refers to the premium or discount on transactions to hedge the exchange rate risk undertaken by the Parent company, and the changes in the fair value of non-hedging derivatives. The net impact of these two items, Net gains/(losses) on exchange rate differences and Net financial income/(charges) for fair value adjustment of derivatives, shifted from a negative 7,639 thousand Euro in 2024 to a negative 11,523 thousand Euro in 2025.

Net interest and expenses on lease liabilities were up from 22,293 thousand Euro in 2024 to 20,069 thousand Euro in 2025, as a result of the renewal or signing of leases.

The 52,500 thousand Euro loss before taxes gave rise to 3,347 thousand Euro in **income taxes**. The taxes recorded in the income statement were as follows:

(In thousands of Euro)	2025	2024	Change 2025 vs. 2024
Profit/(loss) before taxes	**(52,500)**	**(75,577)**	**23,077**
Current and deferred taxes	3,329	8,617	(5,288)
Use/(provision) for taxes from previous years	18	(1,109)	1,127
Tax rate	**na**	**na**	

It should be noted that, as of 1 January 2024, the Salvatore Ferragamo Group, as a multinational group exceeding the revenue threshold of 750 million Euro for two out of the previous four financial years, falls within the scope of the Pillar Two income taxes provided for by Directive (EU) 2022/2523, adopted in Italy by Italian Legislative Decree no. 209 of 27 December 2023, which aims to ensure a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union (known as global minimum tax). On the basis of the available information and the analyses undertaken, it is believed that, as happened at 31 December 2024, also at 31 December 2025 the Group will find transitional simplifications, so-called "Transitional safe harbors" in the jurisdictions in which it operates. Based on further detailed analysis, it is expected that no additional Top-up tax will need to be recognized in 2025.

The Group reported a 49,153 thousand Euro consolidated **net loss** for 2025, compared to a 68,069 thousand Euro net loss for 2024. The Group share amounted to a consolidated loss of 49,431 thousand Euro, compared to a loss of 68,087 thousand Euro in the previous year. The **adjusted net loss** was 3,410 thousand Euro.

The adjusted net financial position (surplus), at 143,868 thousand Euro, remained solid and positive, although down on 31 December 2024 (when it stood at 172,780 thousand Euro), following capital expenditure of 45,583 thousand Euro.

Revenues

For a more detailed performance analysis, the representation of Net sales by distribution channel, geographic area and product category is shown below, excluding the effect of hedging against exchange rate risk on Revenues (Cash flow hedging effect on revenues).

The breakdown of revenues by **distribution channel** was as follows:

(In thousands of Euro)	2025	% of Revenues	2024	% of Revenues	% change	at constant exchange rates % change
DTC	752,302	77.0%	776,700	75.0%	(3.1%)	0.4%
Wholesale	191,917	19.7%	232,579	22.5%	(17.5%)	(17.1%)
Net sales	**944,219**	**96.7%**	**1,009,279**	**97.5%**	**(6.4%)**	**(3.7%)**
Cash flow hedging effect on revenues	12,982	1.3%	4,842	0.5%	168.1%	na
Licenses and services	16,267	1.7%	17,530	1.7%	(7.2%)	(7.2%)
Rental income investment properties	3,063	0.3%	3,455	0.3%	(11.3%)	(7.4%)
Total	**976,531**	**100.0%**	**1,035,106**	**100.0%**	**(5.7%)**	**(3.8%)**

In 2025, DTC sales rose by 0.4% at constant exchange rates, with positive results in the United States, Europe and Latin America, offsetting the negative results in Asia-Pacific and Japan. The DTC channel accounted for 75.0% of total revenues in 2024 and 77.0% in 2025; the process of optimizing the Group's distribution network continued in 2025, with a net reduction of 9 directly operated stores (DOSs) compared to 31 December 2024, from 367 to 358.

The wholesale channel recorded a 17.5% decline in sales at current exchange rates and a 17.1% decline at constant exchange rates, reflecting a renewed focus on controlled, high-quality distribution to key customers.

The item "Cash flow hedging effect on revenues" reflects the impact of the policy for hedging revenues from the risk of exchange rate fluctuations and resulted in a positive adjustment on revenues in 2025 amounting to 12,982 thousand Euro, compared to a positive adjustment of 4,842 thousand Euro in 2024.

In 2025, revenues from licenses and services decreased by 7.2% at both current and constant exchange rates; this item mainly consists of royalties for the licensing of the Salvatore Ferragamo trademark to the Marchon group in the eyewear industry, the Timex group in the watch industry, and the Inter Parfums group in the fragrances industry.
Revenues from rental income investment properties refer solely to the management of property located in the United States and leased/sub-leased to third parties; the item decreased by 11.3% at current exchange rates and 7.4% at constant exchange rates.

The following table shows Net sales by **geographic area** and the change over the previous year:

(In thousands of Euro)	2025	% of Net sales	2024	% of Net sales	% change	at constant exchange rates % change
Europe	235,601	25.0%	246,472	24.4%	(4.4%)	(6.5%)
North America	304,846	32.3%	307,591	30.5%	(0.9%)	3.1%
Japan	77,970	8.3%	82,918	8.2%	(6.0%)	(3.0%)
Asia Pacific	246,014	26.0%	291,385	28.9%	(15.6%)	(11.5%)
Central and South America	79,788	8.4%	80,913	8.0%	(1.4%)	7.9%
Net sales	**944,219**	**100.0%**	**1,009,279**	**100.0%**	**(6.4%)**	**(3.7%)**

The Europe region recorded a 4.4% decline in net sales at current exchange rates (-6.5% at constant exchange rates) compared with the previous financial year, with a positive performance in the DTC channel offset by a negative trend in the wholesale channel.

The North American market recorded a 3.1% increase at constant exchange rates, driven by the positive performance of the DTC channel (+2.0% at constant exchange rates).

Japan recorded a 3.0% decrease in revenues at constant exchange rates, and a 6.0% decrease at current exchange rates.

Due to the slowdown in consumption recorded during 2025, the Asia-Pacific region was significantly impacted compared to the previous year, with a 15.6% decrease in revenues at current exchange rates (-11.5% at constant exchange rates), and was affected by the wholesale business and the persistence of a particularly weak consumer environment that significantly impacted traffic.

The Central and South American market showed a 1.4% decrease in 2025 at current exchange rates and a 7.9% increase at constant exchange rates, with double-digit growth at constant exchange rates in the DTC channel, offset by the negative performance of the wholesale channel and currency movements.

The revenues generated in 2025 and 2024 by Ferragamo Argentina S.A. (which operates in a country classified as a hyperinflationary economy since 1 July 2018) were adjusted in accordance with the relevant international accounting standards (see note 2 "Basis of presentation" in the Explanatory Notes to the Consolidated Financial Statements), resulting in a positive impact of 180 thousand Euro in 2025 and 310 thousand Euro in 2024.

The following table shows Net sales by **product category** and the change over the previous year:

(In thousands of Euro)	2025	% of Net sales	2024	% of Net sales	% change	at constant exchange rates % change
Footwear	409,601	43.4%	461,001	45.7%	(11.1%)	(8.1%)
Leather goods	399,590	42.3%	412,841	40.9%	(3.2%)	(0.6%)
Apparel	59,020	6.3%	60,459	6.0%	(2.4%)	0.2%
Silk and Other	76,008	8.0%	74,978	7.4%	1.4%	3.2%
Net sales	**944,219**	**100.0%**	**1,009,279**	**100.0%**	**(6.4%)**	**(3.7%)**

All the main product categories recorded a decline in turnover compared with the 2024 financial year at current exchange rates, with the sole exception of Silk and other items; at constant exchange rates, however, the clothing segment also performed well. Footwear and leather goods accounted for 43.4% and 42.3% respectively of turnover in the 2025 financial year.

Cost of goods sold and gross profit

(In thousands of Euro)	2025	% of Revenues	2024	% of Revenues	% change
Consumables	(179,666)	(18.4%)	(159,311)	(15.4%)	12.8%
Services	(124,952)	(12.8%)	(130,431)	(12.6%)	(4.2%)
Personnel	(6,829)	(0.7%)	(5,354)	(0.5%)	27.5%
Amortization	(84)	(0.0%)	(2)	(0.0%)	>100%
Cost of goods sold	**(311,531)**	**(31.9%)**	**(295,098)**	**(28.5%)**	**5.6%**
Gross profit	**665,000**	**68.1%**	**740,008**	**71.5%**	**(10.1%)**

In 2025, the **cost of goods sold** amounted to 311,531 thousand Euro, up 5.6% compared to 2024. The gross profit as a percentage of revenues stood at 68.1% in 2025, compared with 71.5% in the previous financial year, representing a decrease of 10.1%. During the 2025 financial year, the gross profit was adversely affected by the negative impact of exchange rates and the reduction in inventories relating to previous collections.

Statement of financial position and Investments

Below is the statement of financial position as at 31 December 2025 reclassified by sources and uses, compared to the position as at 31 December 2024.

(In thousands of Euro)	31 December 2025	31 December 2024	% change
Property, plant and equipment, investment property, intangible assets with a finite useful life and goodwill	221,563	250,574	(11.6%)
Right-of-use assets	453,506	528,627	(14.2%)
Net working capital	208,459	222,452	(6.3%)
Other non-current assets/(liabilities), net	112,192	113,492	(1.1%)
Other current assets/(liabilities), net	36,099	8,440	>100%
Assets/(liabilities) held for sale, net	59	67	(11.9%)
Net invested capital	**1,031,878**	**1,123,652**	**(8.2%)**
Group shareholders' equity	591,270	619,091	(4.5%)
Minority interests	1,135	995	14.1%
Shareholders' equity (A)	**592,405**	**620,086**	**(4.5%)**
Net financial debt/(surplus) (B)	**439,473**	**503,566**	**(12.7%)**
Total sources of financing (A+B)	**1,031,878**	**1,123,652**	**(8.2%)**
Net financial debt/(surplus) (B)	**439,473**	**503,566**	**(12.7%)**
Lease liabilities (C)	583,341	676,346	(13.8%)
Adjusted net financial debt/(surplus) (B-C)	**(143,868)**	**(172,780)**	**(16.7%)**
Adjusted net financial debt/(surplus)/ Shareholders' equity	**(24.3%)**	**(27.9%)**	

(In thousands of Euro)	31 December 2025	31 December 2024	% change
Net invested capital (a)	**1,031,878**	**1,123,652**	**(8.2%)**
Right-of-use assets recognized under Investment property (b)	-	-	-
Right-of-use assets (c)	453,506	528,627	(14.2%)
Adjusted net invested capital (a-b-c)	**578,372**	**595,025**	**(2.8%)**

Property, plant and equipment, Investment property, Goodwill, and Intangible assets with a finite useful life

(In thousands of Euro)	31 December 2025	31 December 2024	% change
Property, plant and equipment	181,755	205,560	(11.6%)
Investment property	5,804	6,463	(10.2%)
Goodwill	6,679	6,679	-
Intangible assets with a finite useful life	27,325	31,872	(14.3%)
Total	**221,563**	**250,574**	**(11.6%)**

The item Property, plant and equipment as at 31 December 2025 consisted of:

- the Sesto Fiorentino industrial complex, the portions of the US properties used in operating activities, and the property owned in Seoul, for a total net value of 77,879 thousand Euro;
- furnishings and renovation work for the chain of directly operated stores, totaling 77,462 thousand Euro;
- other assets, mainly for IT equipment, plant and machinery and tangible assets in progress, for a total net value of 26,414 thousand Euro.

Investment property primarily represents the portion of American properties not used in operating activities, which generates income through leases. This item also includes Right-of-use assets relating to leases of properties held for rental purposes in the United States, fully written down as at 31 December 2024.

The amount of Goodwill was entirely acquired in 2020 through the business combination of Arts S.r.l. and Aura 1 S.r.l. and is attributable to the synergies and other economic benefits arising from the combination of the assets of the acquirees with those of Salvatore Ferragamo S.p.A., with respect to the design and manufacturing of men's footwear.

Intangible assets with a finite useful life largely consist of capitalized costs for the development of business software applications (SAP, ERP, reporting systems, shipping system, e-commerce platform), the know-how acquired in the business combination with Arts S.r.l. and Aura1 S.r.l., finalized in 2020 (for a net residual value of 1,794 thousand Euro as at 31 December 2025), and the costs incurred to acquire the right to enter into store lease contracts (the so-called "key money", for a net residual value of 434 thousand Euro as at 31 December 2025). The remainder refers to registration expenses for trademarks, industrial patents and intellectual property rights (software licenses) and intangible assets with a finite useful life in progress.

During the 2025 financial year, impairment losses totaling 20,369 thousand Euro were recognized on tangible and intangible assets, compared with 30,939 thousand Euro recognized in 2024.

Investments in fixed assets

During 2025, the Group made investments in tangible and intangible assets for a total amount of 45,583 thousand Euro, of which 39,582 thousand Euro in tangible assets and 6,001 thousand Euro in intangible assets, compared to a total of 70,738 thousand Euro in the previous year.

The most important investments in tangible assets were made in the opening and refurbishment of stores (30.4 million Euro, approximately 66% of total investments in tangible assets). The main investments in intangible assets refer to the development of software to support business processes (totaling 5.5 million Euro, approximately 91% of total investments in intangible assets), including the developments related to the e-commerce platform, the "New Pos Solution" project aimed at implementing the new cash and back-office system, "Oracle Xstore" for the Group's DTC channel, as well as the purchase of software licenses.

Investments in tangible assets under construction, amounting to 10.5 million Euro, mainly concerned the investments made for the refurbishment and opening of new stores which were not yet operational as at the reporting date.

Investments in intangible assets in progress, amounting to 2.3 million Euro, are mainly represented by the investment in software development to support business processes.

During 2025, the Group did not make any investments in financial assets, except as noted below under Net financial debt.

Depreciation and amortization (excluding amortization of right-of-use assets) amounted to 45,143 thousand Euro as at 31 December 2025, down 13.2% compared with 2024, when it stood at 52,017 thousand Euro.

Right-of-use assets

The item, totaling 453,506 thousand Euro as at 31 December 2025, refers to the "Right-of-use assets" recognized against "Lease liabilities" following the application of the IFRS 16 accounting standard.

The portion of "Right-of-use assets" relating to leases of properties held for rental purposes in the United States is included under "Investment property" and was fully written down as at 31 December 2024.

During the 2025 financial year, impairment losses on right-of-use assets amounted to 25,374 thousand Euro, compared with 52,667 thousand Euro in the 2024 financial year.

Net working capital

Below is the breakdown and change in net working capital as at 31 December 2025 compared to the figure as at 31 December 2024.

(In thousands of Euro)	31 December 2025	31 December 2024	% change
Inventories and Right of return assets	282,074	313,799	(10.1%)
Trade receivables	59,426	84,580	(29.7%)
Trade payables and Refund liabilities	(133,041)	(175,927)	(24.4%)
Total	**208,459**	**222,452**	**(6.3%)**

Net working capital decreased by 6.3% compared to 31 December 2024, due to the combined effect of decreases in inventories and receivables from customer returns, as well as trade receivables, partially offset by decreases in trade payables and liabilities for returns.

Specifically, finished goods inventories decreased by 26,321 thousand Euro compared to 31 December 2024 (-9.3%), while raw materials for production decreased by 12.4%, or 2,941 thousand Euro, compared to 31 December 2024.

Trade receivables decreased by 25,154 thousand Euro from 31 December 2024 (- 29.7%) and essentially referred to sales in the wholesale channel and, to a lesser extent, to e-commerce or DTC sales in department stores.

Trade payables declined in line with the reduction in operating costs, which were influenced by a broader cost-optimization initiative. This item primarily relates to purchases of production materials (raw materials and supplies), finished goods, and costs for outsourced manufacturing, as well as lower capital expenditures.

Shareholders' equity

(In thousands of Euro)	31 December 2025	31 December 2024	% change
Group shareholders' equity	591,270	619,091	(4.5%)
Minority interests	1,135	995	14.1%
Total	**592,405**	**620,086**	**(4.5%)**

The changes in the Group's share of shareholders' equity are due to the combined effect of the following:

- decrease of 49,431 thousand Euro in profit/(loss) for the period;
- increase of 14,922 thousand Euro attributable to the translation into Euro of the financial statements of subsidiaries
- denominated in other currencies, and increase of 145 thousand Euro resulting from other translation effects;
- decrease of 2,126 thousand Euro in the Stock Grant reserve;
- increase of 8,445 thousand Euro resulting from the measurement of hedging derivatives net of the relevant tax effect;
- decrease of 14 thousand Euro due to the accounting of the put option on the minority interests of the Japanese company;
- increase of 238 thousand Euro due to the actuarial valuation of outstanding defined-benefit plans at some of the Group's companies.

Net financial debt

Net financial debt as at 31 December 2025 and 31 December 2024 was as follows:

(In thousands of Euro)	31 December 2025	31 December 2024	% change
Cash and cash equivalents (A)	207,439	238,194	(12.9%)
Other current financial assets (B)	42,047	50,721	(17.1%)
Interest-bearing loans & borrowings (C)	104,301	113,291	(7.9%)
Other financial liabilities (D)	1,317	2,844	(53.7%)
Lease liabilities (E)	583,341	676,346	(13.8%)
Net financial debt/(surplus) (C + D + E – A – B)	**439,473**	**503,566**	**(12.7%)**

Net financial debt as at 31 December 2025, which also includes leasing liabilities, decreased from 503,566 thousand Euro as at 31 December 2024, to 439,473 thousand Euro as at 31 December 2025, primarily due to the repayment of leasing liabilities. During the 2025 financial year, Salvatore Ferragamo S.p.A., also in light of the fall in interest rates during the year, continued the process of diversifying its liquidity, which began in 2022, maintaining its insurance investment in readily liquidated multi-branch policies totaling 40,885 thousand Euro.

Net financial debt, excluding lease liabilities, as at 31 December 2025 and 2024 was restated as follows:

(In thousands of Euro)	31 December 2025	31 December 2024	% change
Net financial debt/(surplus) (a)	439,473	503,566	(12.7%)
Non-current lease liabilities	465,583	552,344	(15.7%)
Current lease liabilities	117,758	124,002	(5.0%)
Lease liabilities (b)	583,341	676,346	(13.8%)
Adjusted net financial debt/(surplus) (a-b)	**(143,868)**	**(172,780)**	**(16.7%)**

The 2025 financial year ended with a positive adjusted net financial position (surplus) of 143,868 thousand Euro, down 28,912 thousand Euro from the previous financial year, but an improvement compared to 30 June 2025, when it stood at 119,403 thousand Euro. The change was primarily driven by cash flow absorbed by adjusted operating activities, amounting to 13,477 thousand Euro, and by investments in tangible and intangible assets made during the 2025 financial year (45,583 thousand Euro).

Income and financial indicators

The tables below show the trend in the main income and financial indicators for the years ended 31 December 2025 and 2024.
These indicators are based on the data from the consolidated financial statements. To better understand them, they should be read in conjunction with the alternative performance measures and financial statements prepared in accordance with the relevant accounting standards (IFRS) described in this document.

Profitability ratios	**2025**	**2024**
ROE *(Group net profit/(loss) for the period/Average Group shareholders' equity)*	(8.2%)	(10.2%)
ROI *(Operating profit/(loss)/Net average invested capital)*	(2.0%)	(4.2%)
ROIC *(Net profit/(loss)/Average adjusted net invested capital)*	(8.4%)	(11.6%)
ROS *(Operating profit/(loss)/Revenues)*	(2.2%)	(4.7%)

Financial ratios	**2025**	**2024**
Coverage of shareholders' equity ratio *(Shareholders' equity/Non-current assets)*	71.0%	65.9%
Liquidity ratio *(Current assets excluding Inventories/Current liabilities)*	98.0%	94.1%

Turnover ratios expressed in days	**2025**	**2024**
Turnover of Trade receivables *(Average value of Trade receivables in the period/Revenues x days)*	27	34
Turnover of Trade payables *(Average value of Trade payables in the period/Purchases of goods and services x days)*	91	105
Inventory turnover *(Average value of Inventories in the period/Cost of goods sold x days)*	344	375
Turnover of Average invested capital *(Average value of Net invested capital/Revenues x days)*	403	411

Average value means the simple arithmetic average of the closing balances of the period and of the previous period.

5. Operating performance of the Parent company Salvatore Ferragamo S.p.A.

The tables below and the relevant comments have been prepared on the basis of the separate financial statements as at 31 December 2025, to which reference should be made. They have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) and endorsed by the European Union, as well as in compliance with the provisions issued in implementation of Article 9 of Italian Legislative Decree no. 38/2005.

The following table shows the main income statement indicators:

(In thousands of Euro)	2025	% of Revenues	2024	% of Revenues	% change
Revenues	**593,580**	**100.0%**	**630,795**	**100.0%**	**(5.9%)**
Change in inventories of finished products	(4,816)	(0.8%)	178	0.0%	na
Costs for raw materials, goods and consumables	(150,219)	(25.3%)	(166,075)	(26.3%)	(9.5%)
Costs for services	(223,176)	(37.6%)	(244,177)	(38.7%)	(8.6%)
Personnel costs	(75,851)	(12.8%)	(80,901)	(12.8%)	(6.2%)
Amortization, depreciation and write-downs	(44,690)	(7.5%)	(48,984)	(7.8%)	(8.8%)
Other operating costs	(106,658)	(18.0%)	(149,078)	(23.6%)	(28.5%)
Other income	12,390	2.1%	19,683	3.1%	(37.1%)
Total costs (net of other income)	**(593,020)**	**(99.9%)**	**(669,354)**	**(106.1%)**	**(11.4%)**
Operating profit/(loss)	**560**	**0.1%**	**(38,559)**	**(6.1%)**	**na**
Net financial (charges)/income	4,918	0.8%	(38,517)	(6.1%)	na
Profit/(loss) before taxes	**5,478**	**0.9%**	**(77,076)**	**(12.2%)**	**na**
Income taxes	888	0.1%	6,541	1.0%	na
Tax rate	*na*		*na*		
Net profit/(loss) for the period	**6,366**	**1.1%**	**(70,535)**	**(11.2%)**	**na**
EBITDA	**45,250**	**7.6%**	**10,425**	**1.7%**	**334.1%**

The Company's **revenues** totaled 593,580 thousand Euro, down 5.9% from 630,795 thousand Euro in 2024.

The decrease in **operating costs (net of other income)** was due to the reduced negative impact from application of the Advance Pricing Agreement for EBIT adjustments by Salvatore Ferragamo S.p.A. to its foreign subsidiaries which perform distribution operations (net negative contribution of 81,342 thousand Euro in 2025 compared to 138,377 thousand Euro in 2024), partly offset by the greater adjustment applied in 2025 to the Chinese subsidiary in compliance with the Group transfer pricing policy, in order to record profits in line with those of independent subjects (21,367 thousand Euro in 2025 compared to 6,754 thousand Euro in 2024). Together with the containment of operating costs, this caused an improvement in the **operating profit/(loss)** by 39,119 thousand Euro, notwithstanding the fall in revenues.

In 2024, **EBITDA** fell from 10,425 thousand Euro to 45,250 thousand Euro, and from 1.7% in 2024 to 7.6% as a proportion of revenues.

The following table shows **net financial income and charges** and the change compared to 2024. For ease of reference, financial income and charges are shown net; reference should be made to the Explanatory notes to the separate financial statements for separate and detailed information on charges and income.

(In thousands of Euro)	2025	2024	Change 2025 vs 2024
Financial income/(charges) for fair value adjustment of derivatives	17,734	(13,351)	31,085
Restatement value/(write-downs) of equity investments	13,770	(41,120)	54,890
Net gains/(losses) on exchange rate differences	(30,883)	7,620	(38,503)
Net interest on lease liabilities	(5,972)	(5,753)	(219)
Other net income/(charges)	(1,390)	(1,555)	165
Net interest	11,659	15,642	(3,983)
Total	**4,918**	**(38,517)**	**43,435**

Total net financial income and charges improved compared with 2024, with a positive impact of 4,918 thousand Euro compared with a negative impact of 38,517 thousand Euro in the previous financial year, primarily due to a net positive impact from revaluations/(write-downs) recorded on equity investments. Net gains and losses on exchange rate differences mainly reflect the impact of commercial transactions in foreign currency. Changes in net gains and losses on exchange rate differences should be correlated with the item "Net financial income/(charges) for fair value adjustment of derivatives", which refers to the premium or discount on transactions to hedge the exchange rate risk undertaken by the Company, and the changes in the fair value of non-hedging derivatives.

The 5,478 thousand Euro **profit before taxes** caused the Company to recognize 888 thousand Euro in taxes, whereas in 2024 the Company had posted a 77,076 thousand Euro profit before taxes, recognizing 6,541 thousand Euro in taxes.

The Company reported a **net profit for the period** of 6,366 thousand Euro, compared to the loss of 70,535 thousand Euro in 2024. Net of (i) impairments and revaluations on equity investments and non-current assets, (ii) net EBIT-related adjustments for subsidiaries, and (iii) the offsetting adjustment related to the Chinese subsidiary (amounting in total to 69,455 thousand Euro in 2025 and 184,591 thousand Euro in 2024), the net result for 2025 would have been a net profit of 97,188 thousand Euro compared to a net profit of 120,810 thousand Euro in the previous year.

Revenues

For a more detailed performance analysis, the representation of Net sales by distribution channel, geographic area and product category is shown below, excluding the effect of hedging against exchange rate risk on Revenues (Cash flow hedging effect on revenues).

The following table shows revenues by **distribution channel** and the change over the previous year:

(In thousands of Euro)	2025	% of Revenues	2024	% of Revenues	% change
Wholesale	474,690	80.0%	518,588	82.2%	(8.5%)
DTC	74,265	12.5%	73,338	11.6%	1.3%
Net sales	**548,955**	**92.5%**	**591,926**	**93.8%**	**(7.3%)**
Cash flow hedging effect on revenues	12,982	2.2%	4,842	0.8%	168.1%
Revenues from royalties	12,379	2.1%	13,845	2.2%	(10.6%)
Other income and services	19,264	3.2%	20,182	3.2%	(4.5%)
Revenues	**593,580**	**100.0%**	**630,795**	**100.0%**	**(5.9%)**

Wholesale revenues relate primarily to sales to Group companies and, to a lesser extent, to sales to retail operators, and decreased by 8.5% compared with the previous year, reflecting a renewed focus on controlled distribution and key customers, in line with the brand image. DTC sales, which refer to the revenues generated by directly operated stores (DOS) in Italy and e-commerce sales in Europe, were up 1.3% from 2024.

"Revenues from royalties" refer mainly to revenues from the licensing of the Ferragamo trademark with reference to the eyewear, watches, and fragrances product categories.

The item "Other income and services" mainly includes other revenues from Group companies and the recovery of freight and packaging costs.

The following table shows Net sales by **geographic area** and the change over the previous year.

(In thousands of Euro)	2025	% of Net sales	2024	% of Net sales	% change
Italy	105,011	19.1%	113,937	19.2%	(7.8%)
Europe (excluding Italy)	83,502	15.2%	93,760	15.8%	(10.9%)
North America	168,121	30.6%	151,431	25.6%	11.0%
Asia Pacific	122,724	22.3%	158,077	26.7%	(22.4%)
Japan	26,368	4.9%	34,468	5.9%	(23.5%)
Central and South America	43,229	7.9%	40,253	6.8%	7.4%
Net sales	**548,955**	**100.0%**	**591,926**	**100.0%**	**(7.3%)**

It is worth noting the positive performance of the North American market, which grew by 11.0% and has become the market that contributes most to the Company's sales, accounting for 30.6% of the total.

The following table shows Net sales broken down by **product category** and the change over the previous year.

(In thousands of Euro)	2025	% of Net sales	2024	% of Net sales	% change
Footwear	246,557	44.9%	264,116	44.6%	(6.6%)
Leather goods	225,721	41.1%	242,956	41.0%	(7.1%)
Apparel	41,719	7.6%	46,389	7.8%	(10.1%)
Silk and Other	34,958	6.4%	38,465	6.6%	(9.1%)
Net sales	**548,955**	**100.0%**	**591,926**	**100.0%**	**(7.3%)**

All product categories recorded a decrease compared to 2024.

Statement of financial position and Investments

Below is the statement of financial position as at 31 December 2025 reclassified by sources and uses, compared to the position as at 31 December 2024.

(In thousands of Euro)	31 December 2025	31 December 2024	% change
Property, plant and equipment, intangible assets with a finite useful life, goodwill, and investment property	119,581	134,265	(10.9%)
Right-of-use assets	132,818	149,634	(11.2%)
Net working capital	54,190	(19,994)	na
Other non-current assets/(liabilities), net	128,800	106,043	21.5%
Other current assets/(liabilities), net	28,942	11,568	>100.0%
Net invested capital	**464,331**	**381,516**	**21.7%**
Shareholders' equity (A)	**636,694**	**623,869**	**2.1%**
Net financial debt/(surplus) (B)	**(172,363)**	**(242,353)**	**(28.9%)**
Total sources of financing (A+B)	**464,331**	**381,516**	**21.7%**
Net financial debt/(surplus) (B)	**(172,363)**	**(242,353)**	**(28.9%)**
Lease liabilities (C)	152,110	166,225	(8.5%)
Adjusted net financial debt/(surplus) (B-C)	**(324,473)**	**(408,578)**	**(20.6%)**
Adjusted net financial debt/Shareholders' equity	**(51.0%)**	**(65.5%)**	

Investments in fixed assets

During 2025, the Company made investments in tangible and intangible assets for a total amount of 7,973 thousand Euro, of which 3,080 thousand Euro in tangible assets and 4,893 thousand Euro in intangible assets, compared to a total of 19,470 thousand Euro in the previous year.

The most important investments in tangible assets during the year referred to the works carried out at the Osmannoro-Sesto Fiorentino facility and the purchase of IT equipment as well as the refurbishment of stores of the Italian chain.

The main investments in intangible assets refer to the development of software to support business processes, including the developments related to the e-commerce platform, the "New Pos Solution" project aimed at implementing the new cash and back-office system, "Oracle Xstore" for the Group's DTC channel, as well as the purchase of software licenses.

Current investments in tangible assets totaling 0.4 million Euro primarily consist of expenses incurred and advance payments made in connection with certain projects that have not yet been completed, mainly at the Osmannoro-Sesto Fiorentino plant.

Investments in intangible assets in progress, amounting to some 2.2 million Euro, are mainly represented by the investment in software development to support business processes.

Amortization and depreciation (excluding depreciation of Right-of-use assets) totaled 20.7 million Euro as at 31 December 2025, compared to 22.4 million Euro as at 31 December 2024.

On 3 September 2025, Ferragamo Singapore Pte Ltd SA issued new shares with a total value of 10.1 million Singapore dollars, which were fully subscribed by Salvatore Ferragamo S.p.A. through a cash payment.

On 11 September 2025, Ferragamo (Thailand) Ltd issued new shares for a total of 75 million Bath, fully subscribed by Salvatore Ferragamo S.p.A. through cash payment.

For further information on investments in financial assets, please refer to the following comments under "Net financial debt/(surplus)".

Net working capital

Below is the breakdown and change in **net working capital** as at 31 December 2025 compared to the figure as at 31 December 2024.

(In thousands of Euro)	31 December 2025	31 December 2024	% change
Inventories and Right of return assets	79,042	86,799	(8.9%)
Trade receivables	195,302	173,040	12.9%
Trade payables and Refund liabilities	(220,154)	(279,833)	(21.3%)
Total	**54,190**	**(19,994)**	**na**

Inventories and right of return assets were down 7,757 thousand Euro overall, i.e. 8.9%, as a result of the net decrease in inventories of raw materials used in production amounting to 2,941 thousand Euro, together with a decrease in inventories of finished goods amounting to 5,296 Euro thousand; finally, right of return assets decreased 480 thousand Euro (the item amounted to 10,500 thousand Euro as at 31 December 2024).

Trade receivables totaled 195,302 thousand Euro, showing an increase of 12.9% over 2024, and included 178,270 thousand Euro in receivables from subsidiaries (148,684 thousand Euro in 2024) and 17,032 thousand Euro in receivables from third parties (24,356 thousand Euro in 2024).

Trade payables and Refund liabilities amounted to 220,154 thousand Euro (including 20,007 thousand Euro in refund liabilities). They largely referred to purchases of production materials, outsourcing costs, and purchases of finished goods. The decrease is primarily attributable to the lower negative adjustment related to the Advance Pricing Agreement for subsidiaries compared to 2024, recorded under Other operating expenses.

Net financial debt/(surplus)

Net financial debt/(surplus) as at 31 December 2025 compared to 31 December 2024 was as follows:

(In thousands of Euro)	31 December 2025	31 December 2024	% change
Cash and cash equivalents (A)	132,723	172,324	(23.0%)
Other current financial assets (B)	197,969	243,540	(18.7%)
Interest-bearing loans & borrowings (C)	6,050	5,575	8.5%
Other current financial liabilities (D)	169	1,711	na
Lease liabilities (E)	152,110	166,225	(8.5%)
Net financial debt/(surplus) (C+D+E–A–B)	**(172,363)**	**(242,353)**	**(28.9%)**

The net financial surplus increased from 242,353 thousand Euro as at 31 December 2024 to 172,363 thousand Euro as at 31 December 2025. During the 2025 financial year, the Company—partly in light of the fall in interest rates during the year—continued the process of diversifying its liquidity, which began in 2022, maintaining its insurance investment in readily liquidated multi-branch policies totaling 40,885 thousand Euro.

Net financial debt/(surplus), excluding lease liabilities, as at 31 December 2025 and 31 December 2024 was restated as follows:

(In thousands of Euro)	31 December 2025	31 December 2024	% change
Net financial debt/(surplus) (a)	**(172,363)**	**(242,353)**	**(28.9%)**
Non-current lease liabilities	129,830	145,809	(11.0%)
Current lease liabilities	22,280	20,416	9.1%
Lease liabilities (b)	**152,110**	**166,225**	**(8.5%)**
Adjusted net financial debt/(surplus) (a-b)	**(324,473)**	**(408,578)**	**(20.6%)**

2025 ended with a positive adjusted net financial position (surplus) of 324,473 thousand Euro, down from 408,578 thousand Euro as at 31 December 2024. Despite the decrease, the Company's net financial position remains very strong; the change was primarily driven by cash outflows resulting from (i) adjusted operating activities of 69,810 thousand Euro, (ii) investments in tangible and intangible assets made during the 2025 financial year (amounting to 7,973 thousand Euro), and finally (iii) the subscription of new shares in certain subsidiaries for a total of 8,720 thousand Euro.

Income and financial indicators

The tables below set out the trend in the main income and financial indicators of the Parent company for the years ended 31 December 2025 and 2024.

These indicators are based on the data from the separate financial statements. To better understand them, they should be read in conjunction with the alternative performance measures and financial statements prepared in accordance with the relevant accounting standards (IFRS) described in this document.

Profitability ratios	**2025**	**2024**
ROE *(Net profit for the period/Average shareholders' equity)*	1.0%	(10.5%)
ROI *(Operating profit/Net average invested capital)*	0.1%	(8.9%)
ROS *(Operating profit/Revenues from sales and services)*	0.1%	(6.1%)

Financial ratios	**2025**	**2024**
Coverage of shareholders' equity ratio *(Shareholders' equity/Non-current assets)*	150.1%	141.6%
Liquidity ratio *(Current assets excluding inventories/Current liabilities)*	220.6%	190.8%

Turnover ratios expressed in days	**2025**	**2024**
Turnover of trade receivables *(Average value of Trade receivables in the period/Revenues from sales and services x days)*	113	103
Turnover of trade payables *(Average value of Trade payables in the period/Costs for raw materials, goods and consumables and Costs for services x days)*	225	194
Inventory turnover *(Average value of Inventories in the period/cost of goods sold x days)*	98	99
Turnover of average invested capital *(Average value of invested capital/Revenues from sales and services x days)*	260	252

Average value means the simple arithmetic average of the closing balances of the period and of the previous period.

6. Reconciliation between the Parent company's net profit/(loss) for the period and shareholders' equity and the Group's figures

The reconciliation statement between the Parent company's net profit/(loss) for the period and shareholders' equity, and the corresponding consolidated figures, is provided below:

(In thousands of Euro)	31 December 2025	
	Shareholders' equity	Net profit/(loss) for the period
Parent company Salvatore Ferragamo S.p.A. figures	**636,694**	**6,366**
Elimination of equity investments and subsidiaries' contribution to Consolidated Shareholder's Equity	57,418	(58,919)
Elimination of unrealized profits, deriving from transactions between Group companies, relating to inventories, net of the deferred tax effect	(118,707)	5,037
Other consolidation adjustments	17,000	(1,637)
Total shareholders' equity and net profit/(loss)	**592,405**	**(49,153)**
Minority interests – shareholders' equity and net profit/(loss)	1,135	278
Group – shareholders' equity and net profit/(loss)	**591,270**	**(49,431)**

7. Results of Group companies

The main highlights of subsidiaries are shown in the table below.

(In thousands)		2025		2024	
Company	**Currency**	**Revenues**	**Shareholders' equity**	**Revenues**	**Shareholders' equity**
Ferragamo Australia Pty Ltd.	AUD	20,993	23,304	20,873	23,099
Ferragamo Japan K.K.	JPY	13,197,041	1,916,909	13,592,373	1,487,800
Ferragamo Korea Ltd.	KRW	82,849,728	77,500,466	85,877,141	84,020,923
Ferragamo Espana S.L.	EUR	22,000	4,768	20,207	4,475
Ferrimag Limited	HKD	-	44,308	-	44,013
Ferragamo Retail HK Limited	HKD	140,085	(398,304)	156,673	(377,938)
Ferragamo Retail Taiwan Limited	TWD	440,941	476,069	516,820	439,591
Ferragamo Mexico S. de R.L. de C.V.	MXN	1,194,924	899,690	1,165,496	874,011
Ferragamo Retail Nederland B.V.	EUR	2,933	1,595	2,640	1,479
Ferragamo Fashion Trading (Shanghai) Co. Ltd.	CNY	855,450	433,608	919,687	685,522
Ferragamo (Singapore) Pte. Ltd.	SGD	16,376	(454)	16,805	(9,983)
Ferragamo (Thailand) Limited	THB	183,715	(56,419)	207,990	(119,862)
Ferragamo (Malaysia) Sdn Bhd	MYR	36,473	13,959	38,304	13,636
Ferragamo Hong Kong Ltd.	USD	61,162	43,891	120,671	90,248
Gruppo Ferragamo USA	USD	348,292	54,023	336,971	63,193
Ferragamo Deutschland GmbH	EUR	8,454	1,394	8,184	507
Ferragamo Belgique SA	EUR	1,361	598	1,274	667
Ferragamo Monte-Carlo S.A.M.	EUR	994	(3,693)	872	(3,537)
Ferragamo (Suisse) SA	CHF	5,425	(1,233)	6,672	(1,748)
Ferragamo U.K. Limited	GBP	14,212	3,033	15,187	1,483
Ferragamo France S.A.S.	EUR	18,863	7,760	18,182	7,562
Ferragamo Chile S.A.	CLP	1,701,915	673,960	1,410,076	712,669
Ferragamo Austria GmbH	EUR	5,618	2,979	3,487	3,233
Ferragamo Retail India Private Limited	INR	-	(492,796)	-	(474,058)
Ferragamo Retail Macau Limited	MOP	55,426	4,771	68,487	(10,315)
Ferragamo Moda (Shanghai) Co.Ltd.	CNY	85,126	(210,241)	143,078	(182,660)
Ferragamo Brasil Roupas e Acessorios Ltda.	BRL	94,675	23,481	77,316	21,898
Ferragamo Argentina S.A.	ARS	2,735,817	(1,970,293)	2,261,441	(34,823)

8. Significant events occurred during the year

Shareholders' Meetings

The Ordinary Shareholders' Meeting of Salvatore Ferragamo S.p.A. held on 16 April 2025:

- approved the separate financial statements of Salvatore Ferragamo S.p.A. as at 31 December 2024, accompanied by the Directors' Report on Operations for the 2024 financial year, including the Sustainability Report for the 2024 financial year prepared in accordance with Legislative Decree 125/2024, and also resolved to fully cover the net loss for the year resulting therefrom by utilizing an equal amount from the Extraordinary Reserve;

- re-established—upon the proposal of the controlling shareholder Ferragamo Finanziaria S.p.A., following the resignation of Chief Executive Officer Marco Gobbetti who resigned pursuant to a mutual termination agreement of the management and employment relationships signed with the Company and effective 6 March 2025, and amending the resolution of the Shareholders' Meeting of 23 April 2024—to 9 (nine) the number of serving members of the Board of Directors (compared to the previous 10);

- approved the policy regarding the remuneration of members of the governing body, managers with strategic responsibilities, and members of the control body for the year 2025 as set forth in Section 1 of the Remuneration Policy Report and Fees Paid, and voted in favor of Section 2 of said Report, which includes, inter alia, a list of the fees paid to said individuals in any capacity and in any form for the year ended 31 December 2024;

- resolved, pursuant to Article 27, paragraph 2 of the Bylaws, regarding the maximum limit on the remuneration payable to directors entrusted with specific duties pursuant to Article 2389, paragraph 3, of the Italian Civil Code.

On the same date, an Extraordinary Shareholders' Meeting was also held, which resolved to amend:

- Article 21 of the Bylaws in order to: i) introduce the possibility for the Board of Directors to appoint more than one Deputy Chair; and ii) establish the criteria for precedence should more than one Deputy Chair be appointed;

- Article 22 of the Bylaws, in order to align its text with the new text of Article 21 as approved above, and to that end also include in Article 22 of the Bylaws the criteria of precedence to be applied for the assignment of the chairmanship of Board meetings, in the event of the Chairman's impediment or absence, should multiple Deputy Chairs have been appointed;

- Article 32 of the Bylaws, in order to align its provision with the requirement set forth in Article 154-bis, paragraph 5-ter of the Consolidated Law on Finance (TUF), introduced by Legislative Decree No. 125 of 6 September 2024, implementing Directive 2022/2464/EU of the European Parliament and Council of 14 December 2022 ("CSRD"), introducing into the Bylaws the power for the Board of Directors, subject to the mandatory but non-binding opinion of the Board of Statutory Auditors, to appoint in the future an executive, other than the executive responsible for preparing the company's financial statements, to certify the sustainability reporting.

Board of Directors

On 3 February 2025, the Company and Marco Gobbetti reached a mutual agreement on the termination of employment and administrative relationship, effective from the date of approval of the draft financial statements for FY2024, i.e. 6 March 2025, as announced to the market on the same date.

In addition, it was announced that: (i) Marco Gobbetti would have been entitled to receive his salary and fixed remuneration until the date of termination, and to maintain certain fringe benefits until 31 December 2025, (ii) Marco Gobbetti would have been paid, within 30 days of termination of the relationships, a total gross amount of 4,450 thousand Euro for the termination of employment relationship and a gross amount of 50 thousand Euro for the waivers granted in relation to the execution and termination of the relationships, including, in particular, the waiver of the 2024 STI and Restricted Shares 2024 LTI (Special Award 2022-2026) bonuses; (iii) with reference to the governance of the Company for the period between 6 March 2025, and the date of appointment of the new Chief Executive Officer, the executive powers would have been conferred on the Chair, who would have proposed a distribution of delegated powers and would have been supported in the transition by an advisory committee composed of experts with consolidated experience in the sector and who have already worked in top management positions within the Company – namely, James Ferragamo, Ernesto Greco and Michele Norsa (who will take on the role of Chairman Special Advisor) – to consolidate the new phase of sustainable development of the brand's founding values, building on the work done so far with the aim of entering a new phase in the renewal process, accelerating its implementation and strengthening its fundamental link with the brand's heritage.

Consequently, Marco Gobbetti officially resigned from his administrative positions with the Company, effective 6 March 2025, in accordance with the mutual termination agreement reached between the parties. At the same time, Marco Gobbetti's duties and responsibilities towards the Company ended in accordance with the same mutual termination agreement.

The Board of Directors, which met on the same date (i.e. 6 March 2025), decided not to proceed with the co-optation of a new member, leaving it to the Shareholders' Meeting scheduled for 16 April 2025, to adopt resolutions on the matter.

Furthermore, during the same meeting, upon the proposal of the Chairman and with the favorable opinion of the Nomination and Remuneration Committee, the Board of Directors adopted certain resolutions regarding corporate offices, redistributing responsibilities and conferring management powers on Executive Chairman Leonardo Ferragamo, as well as on Directors James Ferragamo and Ernesto Greco.

The support of the Chair Advisory Committee, composed of the Directors with delegated powers and the Chairman Special Advisor, Michele Norsa, has been confirmed, as communicated on 3 February 2025.

In the light of the new structure, in accordance with Recommendation no. 13 of the Corporate Governance Code and Article 5 of the Board of Directors Regulation, Patrizia Michela Giangualano was appointed as Lead Independent Director.

At the meeting held on 6 March 2025, the Board of Directors, *inter alia*: (i) approved the draft Separate Financial Statements as at 31 December 2024, the Consolidated Financial Statements as at 31 December 2024, and the Directors' Report on Operations for 2024, containing the Ferragamo Group's Sustainability Report prepared in accordance with the new provisions introduced by the Corporate Sustainability Reporting Directive ("CSRD"), implemented by Italian Legislative Decree 125/2024, and with the European Sustainability Reporting Standards ("ESRS") prepared by EFRAG and issued by the European Commission through Delegated Regulation (EU) 2023/2772; (ii) approved the

Corporate Governance Report for 2024, prepared by the Company pursuant to Article 123-bis of the Consolidated Law on Finance; (iii) approved, with the favorable opinion of the Nomination and Remuneration Committee, the Remuneration Policy Report 2025 and Fees Paid 2024, prepared pursuant to Article 123-ter of the Consolidated Law on Finance, Article 84-quater and Annex 3A, Scheme 7-bis of CONSOB Regulation no. 11971/1999 as amended, and Article 5 of the Corporate Governance Code for listed companies; for approval by the next Shareholders' Meeting. For further details, please refer to the documentation made available on the Company's website *https://group.ferragamo.com/en*, section *governance/shareholders-meetings/2025*; (iv) resolved to call the Ordinary and Extraordinary Shareholders' Meeting of Salvatore Ferragamo S.p.A. for 16 April 2025; and (v) confirmed the appointment of the CFO and Financial Reporting Manager for the Sustainability Reporting for 2025.

On 15 April 2025, Andrea Balelli notified the Company's Board of Directors of his resignation from his position as a member and Chairman of the Supervisory Body, effective 16 April 2025. For this reason, on the same date, the Board of Directors appointed Carlo Longari, who meets the requirements of integrity, professionalism, and independence, to replace him, also appointing him as Chairman of the Supervisory Body. In order to ensure coordination among the various parties involved in the internal control and risk management system, the Board of Directors confirmed the appointment of Paola Caramella and Giovanni Crostarosa Guicciardi as members of the Supervisory Body; both also serve as acting statutory auditors on the Company's Board of Statutory Auditors.

Therefore, effective 16 April 2025, the Company's Supervisory Body is composed as follows: Carlo Longari (Chair), Paola Caramella (member), and Giovanni Crostarosa Guicciardi (member).

On 31 July 2025, the Board of Directors approved the establishment of a Supplier Qualification Compliance Department within the Legal and Compliance Function to strengthen oversight of the production chain.

On 11 September 2025, the Board of Directors, following the resignation submitted on the same date by Pierre La Tour from his role as the Company's CFO and Officer responsible for the preparation of corporate financial reports and sustainability, effective 26 September 2025, appointed Paolo La Morgia as interim Chief Financial Officer (CFO), effective 29 September 2025. The same individual was also assigned, again on an interim basis and effective as of the same date—pursuant to Article 154-bis of Legislative Decree No. 58 of 24 February 1998, and Article 32 of the Bylaws—subject to the favorable opinion of the Board of Statutory Auditors, the role of Manager responsible for the preparation of corporate financial reports and sustainability.

It should also be noted that on 23 October 2025, the Board of Directors, following a favorable opinion from the Control and Risks Committee acting as the Related Party Transactions Committee, the Nomination and Remuneration Committee, and the Board of Statutory Auditors, resolved to temporarily suspend the third cycle (2025–2027) of the LTI Plan "Performance and Restricted Shares 2023–2025" approved by the Shareholders' Meeting on 26 April 2023, and intended for the Company's managers, reserving the right to determine the actions to be taken at a later date.

Finally, on 18 December 2025, the Board of Directors resolved to assign to Executive Director and Chief Product Officer Giacomo Ferragamo the reporting line of the Creative Director, consistent with the responsibilities already assigned to him, also with a view to more effective coordination.

Shareholders' Agreement

As announced to the market on 27 December 2025, following the notice of non-renewal sent by Ferragamo Finanziaria S.p.A. to Majestic Honour Limited in compliance with the six-month notice period prior to the expiration of the Shareholders' Agreement in effect between the parties, the Agreement will not be renewed and will expire on 29 June 2026.

Direct exposure of the Salvatore Ferragamo Group to the Russia-Ukraine conflict

The conflict in Ukraine, which began in February 2022, has had limited direct impact on the majority of luxury brands, although it has important global implications.

It should be noted that the Group does not hold equity investments in companies located in the areas currently affected by the conflict, where it operated only through local distributors and with a turnover that did not represent a significant percentage at the Group level. In addition, the Group does not have any suppliers of raw materials in Russia or Ukraine, nor production sites located there. The Group has always complied with the requirements of the sanction packages adopted by the European Union against Russia.

The future evolution of the conflict and its effects in neighboring territories are not foreseeable at this time.

Conflict in the Middle East

The international landscape has recently seen a gradual escalation of geopolitical tensions, particularly with regard to the conflict in the Middle East.
These dynamics could negatively impact macroeconomic trends, with potential implications in terms of market volatility, a rise in oil prices, and a potential slowdown in air traffic and related tourist flows to and from Asia and the Middle East. The Group, which operates in the Middle East through indirectly managed stores, will closely monitor the evolution of the recent new conflict scenario in the Middle East.

US Tariffs

With the executive order of 2 April 2025, US President Donald Trump announced the introduction of new tariffs on imports of goods from around the world.

On 20 February 2026, the US Supreme Court (Learning Resources Inc. et al. v. Trump, No. 24-1287) ruled that President Trump lacked the authority to impose tariffs under the International Emergency Economic Powers Act (IEEPA). The Court also established the jurisdiction of the Court of International Trade for actions seeking reimbursement of tariffs.

The President responded the same day with an Executive Order that eliminated the tariffs imposed under the IEEPA, and with a further Executive Order that imposed an additional 10% tariff on goods imported from all countries, with certain exceptions (such as goods of preferential origin from Canada or Mexico under the United States, Mexico, and Canada Free Trade Agreement "USMCA"). The new tariff takes effect on 24 February 2026, and is imposed under Section 122 of the Trade Act of 1974, which grants the President the authority to impose additional tariffs in the event of international balance of payments problems and/or a significant devaluation of the dollar, with a maximum duration of 150 days, unless extended by Congress at the end of the period. There are also doubts regarding the President's legitimate use of this legislation.

On 9 January 2026, the Group had already filed a petition with the Court of International Trade seeking reimbursement of the additional duties paid under the IEEPA, as have hundreds of other operators. The appeal is pending, and at this time it is not possible to predict when the refund will be paid.

The Group is closely monitoring developments and is ready to respond promptly to any further changes.

Tax and customs audits and disputes

Tax and customs audits concluded during the period

- On 27 November 2023, the Tokyo Metropolitan Government Bureau of Taxation initiated a general audit of Ferragamo Japan K.K. for the years 2019 to 2023. The audit focused on transfer pricing findings for the years 2019 through 2021, when Ferragamo Japan K.K. reported a tax loss. Following discussions with the Japanese tax authorities, an agreement was reached regarding the assessment of additional taxes for the year 2019 only. On 15 May 2025, a closing meeting was held with the Japanese tax authorities, following which Ferragamo Japan filed an amended tax return for the year 2019 and paid the additional taxes due, amounting to approximately 850 thousand Euro at the average annual exchange rate as at 31 December 2025. In the following months, the Japanese tax authorities notified Ferragamo Japan of the amounts to be paid in penalties and interest, totaling approximately 108 thousand Euro at the average annual exchange rate as at 31 December 2025.

Tax and customs audits commenced during the period

- On 11 august 2025, the Seoul Customs Office commenced a customs audit of Ferragamo Korea Ltd. with respect to duties, VAT, and other local taxes for the period from 11 august 2020 through 10 august 2025. The routine audit at the headquarters of Ferragamo Korea Ltd. was completed in October 2025, with no issues raised regarding compliance. The preliminary phase of the audit continues with an examination of the Group's transfer pricing policy, the application of the Italian Advance Pricing Agreement ("APA"), and other intercompany transactions, with the exchange of information and documents having been suspended by the Tax Office from 21 January 2026 until 21 March 2026, and expected to conclude in May 2026.

- On 11 December 2025, a general audit was initiated at Ferragamo France Sas regarding the 2023 and 2024 tax periods, which was subsequently extended to include the years 2021 and 2022.

- Discussions with the auditors continue today.

In addition to the above, the Group believes that, with respect to such disputes and audits, at present the risk of defeat is no more than possible.

Patent Box and Research and Development, Design, and Innovation Credits (update)

With regard to the three different tax credits for R&D, design and aesthetic conception, and technological innovation, introduced by Article 1, paragraphs 198–209, of Law No. 160 of 27 December 2019 (the 2020 Budget Law) and amended by Article 1, paragraph 1064, of Law No. 178 of 30 December 2020 (the 2021 Budget Law), during 2025 Salvatore Ferragamo S.p.A. finalized the calculation of the credits due for 2024, totaling 710 thousand Euro.

Salvatore Ferragamo S.p.A. estimates 679 thousand Euro in credits for 2025.

As already explained in the 2022 Annual Financial Report, following the changes introduced by Article 6 of Decree Law No. 146 of 21 October 2021, converted, with amendments, by Law No. 215 of 17 December 2021 (the 2021 Tax Decree), subsequently amended by Law No. 234 of 30 December 2021 (the 2022 Budget Law), the Company has decided to take advantage of the new Patent Box regime, which provides for a 110% increase, for the purposes of deduction from IRES and IRAP, of research and development costs incurred in relation to copyright-protected software, industrial patents, designs, and models (excluding trademarks), used directly or indirectly in the conduct of business activities. Therefore, starting from the tax year 2021, Salvatore Ferragamo S.p.A. can benefit from the Patent Box only with respect to designs and models and potentially other intangible assets referred to in the relevant regulation. During 2025, Salvatore Ferragamo S.p.A. finalized the calculation of the tax credit for the 2024 tax year, resulting in a total IRES benefit of 1,067 thousand Euro.

For 2025, the tax benefit is estimated at a total amount of 993 thousand Euro.

Advance Pricing Agreements (update)

- As already stated in the 2022 Annual Reports, it should be noted that, on 20 December 2022, the Company and the Inland Revenue Office – Large Taxpayers and International Central Department, Control Sector, Office for Advance Agreements, signed the renewal of the Advance Pricing Agreement (or "APA" for short), which is effective for the five-year period from 2022 to 2026 and is substantially in line with the agreement in force for the previous five-year period from 2017 to 2021.

- With regard to the relationship between Salvatore Ferragamo S.p.A. and its subsidiary Ferragamo USA Inc., it should be noted that in recent years the two companies have filed a request for a bilateral advance pricing agreement with the two relevant tax authorities, which reached an agreement on the transfer pricing method and the relevant values as early as June 2022. On 16 April 2023, the US tax authorities and Ferragamo USA Inc. signed the advance pricing agreement for the years 2019-2023, while Salvatore Ferragamo S.p.A. signed the corresponding agreement with the Italian tax authorities on 6 June 2024. Salvatore Ferragamo S.p.A. applied for an extension for the 2024-2028 five-year period on 4 September 2024 (and the request was accepted on 25 September 2024), while Ferragamo USA Inc. applied for the corresponding extension on 30 December 2024. The preliminary investigations by the two relevant tax authorities are still ongoing; these authorities typically meet once a year and maintain regular communication.

Other information

Tax consolidation regime

Salvatore Ferragamo S.p.A. adopted the domestic tax consolidation regime provided for by Articles 117 et seq. of Italian Presidential Decree no. 917 of 22 December 1986 ("TUIR", i.e. consolidated law on income taxes) and the Ministerial Decree of 1 March 2018, with the holding company Ferragamo Finanziaria S.p.A. as the consolidating company. The domestic fiscal unity continues uninterrupted for the 2025-2027 three-year period, as it was tacitly renewed under art. 14, paragraph 1, of the Ministerial Decree of 1 March 2018.

Joining the Cooperative Compliance Scheme

On 31 May 2022, Salvatore Ferragamo S.p.A. submitted a request to join the Cooperative Compliance Scheme "Adempimento collaborativo" (as referred to in Legislative Decree No. 128 of 5 August 2015), which allows for the establishment of direct, ongoing, and proactive communication with the Revenue Office (hereinafter: "the Office"), with the possibility of reaching a joint assessment of situations likely to generate tax risks and with the aim of agreeing on the positions to be taken.

Joining this Scheme is part of the Group's broader tax strategy, which has always been based on the preventive management of tax risk, in the belief that tax compliance is a fundamental value of sustainable and ethical business.

For the purposes of accessing the Regime, the Company has established a Tax Control Framework (hereinafter: "TCF"), which is a set of tools, organizational structures, and corporate policies and procedures designed to ensure, through an appropriate process of identifying, measuring, managing, and monitoring key tax risks, to conduct business in a manner that minimizes the risk of operating in violation of tax laws, or in conflict with the principles or objectives of the legal system, and which meets the requirements set forth in the relevant OECD recommendations and the guidelines of the Italian Revenue Office.

Salvatore Ferragamo S.p.A.'s Tax Control Framework is structurally integrated with the Company's other internal control systems, in order to create synergies in mitigating tax risk and monitoring activities.

In particular, the Tax Control Framework is integrated with:

- the system of controls over financial reporting risks pursuant to Italian Law No. 262 of 28 December 2005, identifying the controls that mitigate both administrative and accounting risks as well as tax risks;
- the Organization, Management and Control Model pursuant to Legislative Decree No. 231 of 8 June 2001, identifying the tax controls designed to help mitigate the risk of tax fraud.

Within the context of the TCF, Salvatore Ferragamo S.p.A. has adopted the following measures:

- preparation of a Global Tax Strategy applicable to all entities of the Ferragamo Group and a Tax Strategy, both approved by the Board of Directors of Salvatore Ferragamo S.p.A. on 7 September 2021, and published on the corporate website of Salvatore Ferragamo S.p.A.;
- appointment by the Board of Directors on 8 March 2022, of a Tax Risk Officer (TRO), responsible for monitoring and updating the TCF and tasked with preparing an annual report for the Company's Board of Directors on the status of the TCF, in accordance with the tone at the top principle;

- preparation of the Tax Compliance Model, a document defining roles and responsibilities within the corporate organization regarding tax risk management and oversight (initially approved by the Board of Directors on 1 August 2024, and subsequently updated and approved by the Board of Directors on 13 November 2025);
- preparation of a Policy for the management of interpretative risk, with the aim of defining the specific procedures for managing tax issues of a purely interpretative nature and regarding which it is necessary to initiate discussions with the Revenue Office, in compliance with the duties of transparency and cooperation (approved by the Board of Directors on 1 August 2024, and subsequently updated and approved by the Board of Directors on 13 November 2025);
- formalization of a Tax Risk Map covering risks relevant to Salvatore Ferragamo S.p.A. and the related mitigation measures, including those arising from the accounting standards adopted by the Company;
- definition of a methodological manual for the updating and monitoring activities under the responsibility of the Tax Risk Officer, known as the Operational Manual for Monitoring Activities.

An annual reporting flow is planned, which, for the first year of adoption of the scheme, represented the main activities carried out to implement the TCF and to be admitted to the scheme, and ended with the presentation of the report to the Board of Directors on 6 March 2024, after examination by the Control and Risks Committee (CRC).

Please also note that:

- starting with the 2024 Compliance Year, the TRO has prepared the Annual Report, which outlines: (i) the significant impacts of the tax reform; (ii) the timeline and details of the main activities carried out to ensure the updating and monitoring of the tax risk management and control system; (iii) the monitoring activity plan; (iv) the status of tax risk management and the main interactions with the Cooperative Compliance Office (CCO). The Annual Report is submitted to the Board of Directors, following review by the CRC, and is subsequently shared with the Italian Revenue Office.;
- in light of the changes envisaged as part of the tax reform and, in particular, the issuance of guidelines by the Italian Revenue Office (see the provision of 10 January 2025), the Company has initiated an analysis to assess the main impacts, also in light of the upcoming issuance of the certification of the Tax Risk Management and Control System required by Article 1, paragraph 3, of Legislative Decree No. 221 of 30 December 2023, and by the Ministerial Decree of 21 November 2024.
- effective September 2025, the role of the TRO is assigned to the interim Chief Financial Officer, who operates in coordination with the other functions responsible for the Company's internal control system, as well as with the Tax Management Function, reporting at least annually to the Control and Risks Committee, the Board of Statutory Auditors, and the Board of Directors. On 13 November 2025, the Board of Directors also approved an update to the Tax Compliance Model, in order to acknowledge the compensating controls implemented to ensure segregation of duties and the independence of the TRO.

Sustainable Growth Fund Incentives – Innovation Agreement

On 13 December 2019, Salvatore Ferragamo S.p.A. submitted a proposal for an Innovation Agreement pursuant to the Decree of the Ministry of Economic Development of 24 May 2017: the Agreement represents a public funding instrument to promote research and development projects of strategic importance for the competitiveness of the production system, with investments exceeding 5 million Euro. The Ministry of Economic Development (today MIMIT, Ministry of Business and Made in Italy) and the Region(s) in which the investment is made are parties to the Agreement.

The Company thus intended to partially finance the so-called Intelligent Supply Chain and Customer Experience from Extended Data ("I-SUCCEED") project, consisting of investments in innovation and development activities to be carried out at the Sesto Fiorentino site (Florence) in the 2019-2022 three-year period. The objective of I-SUCCEED is the implementation of the technical infrastructure of an integrated and evolved supply chain model that makes it possible to react, promptly and efficiently, to the changes and expectations of the market and of the reference context, through the adoption of a new distribution model.

On 12 January 2021, the Company, the Ministry of Economic Development and the Tuscany Region signed the Innovation Agreement, with effect until 16 December 2022, a term subsequently extended to 16 December 2023 due to the slowdown of investments on the project owing to the impact of the Covid-19 pandemic.

On 1 June 2022, the relative Concession Decree was issued, which assigns Salvatore Ferragamo S.p.A. a non-repayable grant. The subsidies will be provided by the Ministry of Enterprise and Made in Italy (MIMIT – *Ministero delle Imprese e del Made in Italy*) and the Tuscany Region in the form of a direct contribution to the expenditure for approximately 27% of the expenses actually incurred and reported. In view of the costs already incurred, Salvatore Ferragamo S.p.A. recognized a grant of 2.3 million Euro in 2022 and an additional 1.2 million Euro in 2023 under "Other income". In January 2023, the Company received 2.1 million Euro as an advance on the grant.

The reporting activity ended in March 2024 with the final filing of the documentation. In November 2024, the project was positively evaluated by the technical and scientific experts of the CNR (National Research Council) and Banca Intesa Sanpaolo, and the preliminary investigation procedure was completed. The total contribution of 3.6 million Euro was confirmed and Salvatore Ferragamo S.p.A., upon completion of the reporting, recognized the adjustment to the contribution, equal to 0.1 million Euro in 2024, under the item "Other income".

In March 2025 the balance of 1.4 million Euro was paid by Medio Credito Centrale, for a total project contribution of 3,576 thousand Euro.

Between May and October 2025, the first- and second-level administrative and accounting checks were completed, including a site visit, by the technical staff of the Ministry of Enterprise and Made in Italy (MIMIT) and by the Tuscany Region. Following these checks, in November 2025 the final concession decree was issued and the contribution due to the company at the end of all the control activities was determined. The total final contribution is 3,538 thousand Euro.

9. Information on corporate governance and ownership structure

Disclosure pursuant to Article 123-bis of Italian Legislative Decree no. 58/1998 (TUF)

On 11 March 2026, the Company's Board of Directors approved the report on corporate governance and ownership structure (Corporate Governance Report) for the year ended 31 December 2025, prepared also pursuant to Article 123-bis of the Consolidated Law on Finance (TUF).

The Corporate Governance Report includes a description of the corporate governance system adopted by the Company in 2025, information on the ownership structure and the adoption of the Corporate Governance Code as at the date of the Corporate Governance Report, the Company's main governance practices, and the characteristics of the risk management and internal control system with respect to the financial reporting process. It should also be noted that, effective January 2024, the Company is subject to sustainability reporting obligations pursuant to Directive 2022/2464/EU of the European Parliament and Council of 14 December 2022, on corporate sustainability reporting ("CSRD"), transposed into Italian law by Legislative Decree No. 125 of 6 September 2024 ("Legislative Decree 125/2024"). The content of the reporting obligations is governed by the European Sustainability Reporting Standards ("ESRS") defined by the European Financial Reporting Advisory Group ("EFRAG") pursuant to Delegated Regulation (EU) 2023/277 of 31 July 2023, which specify the information that a company must disclose regarding its material impacts, risks, and opportunities in relation to environmental, social, and governance sustainability issues. The format for the report on corporate governance and ownership structure published in 2024 ("2024 Format") has been updated to align the disclosures regarding corporate governance with those included in the sustainability reporting referred to in Article 4 of Legislative Decree 125/2024. Therefore, in accordance with the guidelines of the 2024 Format, the Corporate Governance Report (in the paragraphs marked with the number "bis") refers, by way of incorporation by reference, to the sections of the Company's Sustainability Report contained in the specific section of the Directors' report as at 31 December 2025, which contains the information necessary to understand the Ferragamo Group's impact on sustainability issues as well as the information necessary to understand how sustainability issues affect the Group's performance, results, and financial position.

Corporate Governance

For more information on the Company's corporate governance structure, adopted also in accordance with the principles in the Corporate Governance Code, see the document "Corporate Governance Report", published on the Company's website *group.ferragamo.com/en*, section *governance/corporate-governance/corporate-governance-reports*. Below is a summary of key information on the Company's corporate governance.

Issuer profile

The Company is structured according to the traditional management and control model, with the Shareholders' Meeting, the Board of Directors, and the Board of Statutory Auditors.

The Company's Bylaws in force were last approved by the Extraordinary Shareholders' Meeting on 16 April 2025. The Bylaws establish the essential features of the Company and set the main rules for its management and operation, as

well as provide a description of the membership of corporate bodies, their powers, and their relationships. The Bylaws also include a description of shareholders' rights and how to exercise them.

The Company abides by the Corporate Governance Code, in force as of 1 January 2021. Previously, the Company abode by the Corporate Governance Code adopted by the Italian Committee for the Corporate Governance of listed companies.

Board of Directors
The main corporate governance body is the Board of Directors (the "Board"), which has the power and the duty to direct the Company's operations, pursuing the goal of creating value for shareholders. Pursuant to the Bylaws, the Board runs business operations and is vested with all the powers of ordinary and extraordinary administration, except for those reserved to the Shareholders' Meeting under the law and the Bylaws.
The Board of Directors leads the Company by pursuing its sustainable success*, defines the strategies of the Company and the Group in accordance with said goal, monitors their implementation, defines the corporate governance system considered to be most appropriate to the Company's operations and the pursuit of its strategies, and promotes the engagement with shareholders and the Company's other significant stakeholders.

The Shareholders' Meeting of 23 April 2024 elected the Board in office as at the date of this Annual Report, setting the number of its members at ten and fixing their term of office at three years, until the Shareholders' Meeting convened to approve the financial statements as at 31 December 2026. On the same date, the Shareholders' Meeting also appointed Leonardo Ferragamo as Chair of the Board of Directors and Angelica Visconti as Deputy Chair. The Board of Directors, which met in full on 23 April 2024, following the Shareholders' Meeting, also confirmed the appointment of Marco Gobbetti as Chief Executive Officer of the Company, reaffirming the powers previously granted to him during his previous term, including his role as General Manager of the Company. It should be noted that on 3 February 2025, the Company and Marco Gobbetti reached a mutual agreement on the termination of employment and administrative relationship, effective from the date of approval of the draft financial statements for FY2024, i.e. 6 March 2025.

Marco Gobbetti formally resigned from his current administrative positions with the Company on 6 March 2025, in accordance with the aforementioned mutual termination agreement reached between the parties, during the Board of Directors meeting convened to approve, among other things, the draft financial statements for the 2024 financial year. At the same time, Marco Gobbetti's duties and responsibilities towards the Company ended in accordance with the same mutual termination agreement.

Following these resignations, the Board, during the same meeting, decided not to co-opt a new member, deferring any decision on the matter to the Shareholders' Meeting scheduled for 16 April 2025. Also on 6 March 2025, upon the proposal of the Chairman and with the favorable opinion of the Nomination and Remuneration Committee, the Board of Directors also adopted certain resolutions regarding corporate offices, providing for a redistribution of powers whereby management powers were conferred upon Executive Chairman Leonardo Ferragamo, as well as Directors Giacomo Ferragamo and Ernesto Greco. As announced in the press release issued on 3 February 2025, the support of the Chair's Advisory Committee—composed of the Directors with delegated powers and Chairman Special Advisor Michele Norsa—was also confirmed.

Finally, at the meeting held on 6 March 2025, the Board of Directors:

- in light of the new structure—pursuant to Recommendation No. 13 of the Corporate Governance Code and Article 5 of the Board of Directors' Regulations—appointed non-executive and independent Director Patrizia Michela Giangualano as Lead Independent Director;

* The objective that guides the actions of the governing body and that consists in the creation of long-term value for the benefit of shareholders, taking into account the interests of other stakeholders relevant to the Company.

- appointed Executive Director Ernesto Greco as the director responsible for establishing and maintaining the internal control and risk management system, with the duties and responsibilities set forth in the Corporate Governance Code.

Following the resignation of Chief Executive Officer Marco Gobbetti, upon the proposal of the controlling shareholder Ferragamo Finanziaria S.p.A., the Ordinary Shareholders' Meeting of Salvatore Ferragamo S.p.A., held on 16 April 2025, amending the resolution of the Shareholders' Meeting of 23 April 2024, re-established the number of serving members of the Board of Directors at nine (compared to the previous ten).

On 31 July 2025, in compliance with the Code's Recommendations, the Board conducted the annual verification of compliance with the independence requirements set forth in Article 148, paragraph 3 of Legislative Decree No. 58/1998 ("TUF"), as referred to in Article 147-ter, paragraph 4 of the TUF, and in the Corporate Governance Code, as incorporated and supplemented by Article 1 of the Board of Directors' Regulations, with respect to Directors Laura Donnini, Sara Ferrero, and Patrizia Michela Giangualano, appointed by the Shareholders' Meeting of 23 April 2024. In conducting the aforementioned assessment, the Board considered all available information (in particular that provided by the Directors subject to assessment, who made available all elements necessary or useful for the Board's review), evaluating all circumstances that appear to compromise independence as identified by the TUF and the Code, and to this end applied (among others) all criteria set forth in the Code itself with regard to the independence of Directors.

The Board of Statutory Auditors, which met on the same date, verified, in accordance with Article 4 of the Board of Directors Regulation, the proper application of the criteria and procedures adopted by the Board of Directors to assess the independence of the aforementioned Directors.

Therefore, as at the date of this Report, the Board of Directors consists of nine members: Leonardo Ferragamo (Executive Chairman), Angelica Visconti (Deputy Chair), Ernesto Greco (Director with delegated powers), Giacomo Ferragamo (Director with delegated powers), Niccolò Ferragamo, Umberto Tombari, Patrizia Michela Giangualano (Independent and Lead Independent Director), Sara Ferrero (Independent), and Laura Donnini (Independent).
Below is the composition of the Board of Directors as at 31 December 2025:

MEMBERS OF THE BOARD OF DIRECTORS OF THE PARENT COMPANY - 31 December 2025

	<30		30-50		>50		Tot	
	Men	Women	Men	Women	Men	Women	Men	Women
Members of the Board of Directors	-	-	11.11%	-	44.44%	44.44%	55.56%	44.44%
Of which executive*	-	-	-	-	-	-	33.33%	-
Of which independent	-	-	-	-	-	-	-	33.33%

* In accordance with the definitions in the Corporate Governance Code, also the directors vested with management powers and/or who hold executive positions in the company or a subsidiary with strategic importance, or in the holding company, should the position concern also the Company, were considered to be executive directors.

Moreover, taking into account the fact that the number of independent directors of the Company, although compliant with the provisions of the law and the Corporate Governance Code, does not allow the diversification of the composition between the Control and Risks Committee and the Nomination and Remuneration Committee, the Board of Directors – effective 9 May 2024 – resolved on the Board Committees as follows:

- Control and Risks Committee, responsible also for Transactions with Related Parties and Corporate Sustainability: Patrizia Michela Giangualano (Chair), Laura Donnini and Sara Ferrero;

• Nomination and Remuneration Committee: Patrizia Michela Giangualano (Chair), Laura Donnini and Sara Ferrero.

With regard to the Company's governance, the Board of Directors has also confirmed the duties and responsibilities of the various parties involved in the internal control and risk management system, as defined in Article 6 of the Corporate Governance Code, including specific reference to the role of the Board of Directors, the director responsible for establishing and maintaining the internal control and risk management system—with the duties and responsibilities set forth in the Corporate Governance Code—the Control and Risks Committee, as well as the heads of the internal audit function and other corporate functions involved in controls.

Control body and managers with strategic responsibilities

With respect to the control body and managers with strategic responsibilities, please note that:

- the current Board of Statutory Auditors was elected by the Shareholders' Meeting on 26 April 2023 for the 2020-2025 period based on a slate-voting system, and shall remain in office until the Meeting convened to approve the financial statements as at 31 December 2025. Currently, the members of the Board of Statutory Auditors are: Andrea Balelli, elected from the slate submitted by a group of minority shareholders in the Company and subsequently appointed as Chair of the Board; Paola Caramella and Giovanni Crostarosa Guicciardi, Acting Statutory Auditors elected from the majority slate submitted by Ferragamo Finanziaria S.p.A.; and Antonietta Donato and Roberto Coccia, Substitute Statutory Auditors elected from the majority and minority slates, respectively;
- on 23 April 2024, the Board of Directors appointed Pierre Giorgio Sallier de La Tour, former Group Chief Financial Officer and Manager with strategic responsibilities as of 18 March 2024, as Financial Reporting Manager pursuant to Article 154-bis of the Consolidated Law on Finance, effective 24 April 2024 and until the Meeting convened to approve the financial statements as at 31 December 2026.
- on 6 March 2025, the Board of Directors—in line with the resolution adopted on 28 October 2024, for the 2024 financial year—confirmed a single Designated Officer for 2025, appointing Pierre Giorgio Sallier de La Tour, formerly Group Chief Financial Officer and Financial Officer responsible for the preparation of corporate financial statements, as the Financial Officer responsible for certifying the Sustainability Report, in accordance with the provisions of Article 154-bis, paragraph 5-ter, of the Consolidated Law on Finance;
- on 11 September 2025, following the resignation of the Company's Chief Financial Officer and Financial Officer responsible for the preparation of corporate financial statements and sustainability reporting, effective 26 September 2025, the Board of Directors appointed Paolo La Morgia to the position of Chief Financial Officer ad interim, effective 29 September 2025. The same individual was also appointed, again ad interim and effective as of the same date—pursuant to Article 154-bis of Legislative Decree No. 58 of 24 February 1998, and Article 32 of the Bylaws—subject to the favorable opinion of the Board of Statutory Auditors, to the role of Manager responsible for the preparation of corporate financial reports ("Manager Responsible" or "MR") and sustainability reporting ("MSR"), given his relevant professional skills and experience, including in the field of sustainability reporting.

Therefore, as of the date of this Report, the Strategic Executives identified by the Board of Directors and currently employed by the Company are the Chief Product Officer Giacomo (James) Ferragamo and the Chief Financial Officer, Manager Responsible for the Preparation of Corporate Financial Statements and ad interim Manager Responsible for Sustainability Reporting Paolo La Morgia.

Change of Control Clauses

Credit Lines – During the year, the Group opened, renewed or maintained, as the case may be, medium/long-term committed, revolving credit lines in Euro with various counterparties. As at 31 December 2025, the outstanding lines totaled 250,000,000 Euro. Credit facilities can be used by the Company. In general, existing loan agreements provide that, in the event of a change in the Company's form or controlling ownership structure, the lending bank has the right to terminate the agreement early or request early repayment of the loan.

In addition, the Group uses credit lines made available in the currency and country of residence of the foreign companies in order to meet financial needs that are generally short-term and with fixed maturity or uncommitted. The relevant agreements generally contain clauses that, in the event of a change in the controlling shareholder, entitle the lending bank to demand the early repayment of the loan.

2022–2026 Special Award Plan - The medium- to long-term incentive plan named "Special Award 2022-2026," approved by the Shareholders' Meeting on 14 December 2021, pursuant to Article 114-bis of the Consolidated Law on Finance, concerning the allocation, upon the occurrence of certain conditions, of the Company's ordinary shares to the Chief Executive Officer and General Manager, included a change-of-control clause (defined as "the exercise of control, pursuant to Article 2359 of the Italian Civil Code, over the Company by a person other than Ferragamo Finanziaria S.p.A.") pursuant to which, should such a circumstance occur during the "Vesting Period," as defined in the aforementioned plan, the Chief Executive Officer and General Manager would be entitled to receive the "Special Award Bonus" in a single lump sum, calculated as 0.50% of the Company's equity value determined based on the valuation of the Company in the context of the transaction that resulted in the "Change of Control." For further information, please refer to the Explanatory Report on the second item on the agenda and to the information document "Special Award Plan 2022-2026," available respectively on the Company's website https://group.ferragamo.com, under the Governance/Shareholders' Meeting section (14 December 2021) and the Governance/Remuneration/Share-Based Incentive Plans section.

It should be noted, however, that following the agreement for the consensual termination of employment and board membership reached on 3 February 2025, effective 6 March 2025, between the Company and Marco Gobbetti, the latter waived, among other things, the 2022-2026 Special Award bonus.
For further details on this matter, please refer to the Report on the 2025 Remuneration Policy and Fees Paid in 2024 available on the website https://group.ferragamo.com, under Governance/Corporate Governance/2025 Shareholders' Meeting.

It should also be noted that the LTI Plan approved by the Shareholders' Meeting on 26 April 2023, and intended for the Company's managers—the second cycle of which is still in the vesting period—provides for the acceleration of the options under the Plan in the event of a change of control.
It should also be noted that on 23 October 2025—taking into account: i) the particular volatility of the market; ii) the difficulty in identifying, by 31 December 2025, reliable targets to which to correlate the performance objectives of the third cycle (2025–2027) of the "Performance and Restricted Shares 2023 - 2025" LTI Plan, with a consequent possible loss of effectiveness of the Plan and the associated costs relative to the objective of incentivizing and retaining managers to pursue the Company's sustainable success in the medium to long term;
and iii) the circumstance that the potential implementation of the third cycle of the Plan, as currently designed, could prevent the Company from launching a new medium- to long-term management incentive plan once the Group's new plan has been defined and approved, as it would overlap, in whole or in part, with a further incentive plan that could ensure greater alignment of top management with the new strategy - the Board of Directors, following a favorable opinion from the Control and Risks Committee acting as the Related Party Transactions Committee, the Nomination and Remuneration Committee, and the Board of Statutory Auditors, resolved to temporarily suspend the third cycle (2025–2027) of the "Performance and Restricted Shares 2023 - 2025" LTI Plan approved by the Shareholders' Meeting on 26 April 2023, and intended for the Company's managers, reserving the right to subsequently cancel the aforementioned third cycle of the Plan in the event that a new long-term variable incentive framework is established.

In implementation of the foregoing, on 11 March 2026, the Board of Directors resolved to permanently cancel the Third Cycle (2025–2027) of the "Performance and Restricted Shares 2023 –2025" LTI Plan, given the concurrent decision to submit a new "Performance and Restricted Shares" LTI Plan for the period 2026–2028 for approval to the Shareholders' Meeting convened for 23 April 2026.

Main features of the risk management and internal control systems

The Board of Directors, which is responsible for the internal control and risk management system as a whole – which is understood as the set of rules, organizational procedures and structures, and processes intended to monitor the efficiency of business operations, the reliability of the information provided to the corporate bodies and the market, compliance with laws and regulations, and the safeguarding of the Company's assets – defines, including through the support of the Control and Risks Committee, the guidelines for the internal control and risk management system, so that the main risks facing the Company and the Group – including risks that could become material in terms of the sustainability of the Group's operations over the medium/long term – are identified, measured, managed, and monitored in line with Italian and international reference models.

When defining the guidelines of the internal control and risk management system, the Board approved the organizational structure of the Company in order to support the Company's strategies and contribute to its sustainable success.
The Company adopt an integrated risk management model (ERM Model), in line with Enterprise Risk Management (ERM) standards and best practices, intended to help the Board of Directors and top management to identify the main business risks and how they can be managed, as well as define how to organize the system of measures safeguarding against such risks.

The ERM Model is based on the framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (known as "CoSO ERM 2017"), the principles of which are consistent with the Company's strategic guidelines. The identification of corporate risks (so-called Risk Universe) starts from the analysis of the main risk areas with a direct impact on the achievement of the company's strategic and sustainability goals, subsequently broken down in terms of specific risk scenarios and based on the geographical area of reference. The Group's risk rating is composed of two dimensions: the impact of the risk and the likelihood of the event occurring, the combination of which gives the final rating, which represents the overall value of the risk and is used to ranking the risks.

The methodological guidelines and principles for the governance of the Enterprise Risk Management system were formalized in the "ERM Framework" Policy, approved by the Board of Directors at its meeting on 30 January 2025, with a subsequent update approved by the Board of Directors at its meeting on 19 February 2026, to incorporate the "Risk Appetite Framework" Policy.

At its meeting on 11 March 2026, the Board of Directors approved the update to the ERM Model, which confirms the following types of risks: strategic, operational, financial, and compliance.

In accordance with current ESG regulations (i.e. the Corporate Sustainability Reporting Directive "CSRD"), the Company conducts a Double Materiality Analysis, a fundamental tool for understanding and managing the interconnections between sustainability and business performance. This analysis focuses on assessing and mapping the impacts, risks and opportunities relevant to the organization from an economic, environmental and social perspective. This process, as described in ESRS 1, Chapter 3, aims to define the content of the Sustainability Report to ensure that it reflects not only the Company's impact on society and the environment, but also the impact that sustainability factors may have on the Company's financial position and performance.

With a view to ensuring a uniform and consistent risk assessment process, during 2025 ESG sub-risks were incorporated into the broader risk categories mapped in the ERM risk register (known as the "*Risk Universe*"), resulting in a comprehensive and integrated mapping.

Furthermore, with regard to the Financial Materiality process, the Group Internal Control and Risk Management Function supported the Sustainability Function in assessing ESG risks and opportunities, taking into account positive or negative impacts on the development, performance, and positioning of the Company and its value chain, by applying the Group's Risk Assessment methodology. For further information on the Double Materiality analysis, please refer to the paragraph "Consolidated Sustainability Reporting pursuant to Italian Legislative Decree no. 125 of 6 September 2024, implementing Directive (EU) 2022/2464" in this document.

With regard to climate change, as part of the consolidation of its Enterprise Risk Management ("ERM") framework, in 2025 the Company revised and updated its analysis module dedicated to the key physical climate-related risks of interest to the Group. The activity involved strengthening the assessment of climate change risk in terms of its potential impact on the Group's assets and processes (for more details, please refer to the paragraph "Main risks and uncertainties" in this section).

The following are integral parts of the overall internal control system:

- the Code of Ethics, designed to promote and maintain an appropriate level of integrity, transparency, and ethical conduct in the Group's operations, last updated on 27 January 2026, to better align its content with ethical, social, and environmental responsibilities, as well as to ensure that the document is properly coordinated with company policies and procedures and with applicable laws;
- the internal control and risk management system in relation to the financial disclosure process adopted in compliance with the provisions of Article 154-bis of the Consolidated Law on Finance;
- the internal control and risk management system for sustainability reporting (known as Internal Control of Sustainability Reporting or ICSR), which implements the new provisions on sustainability and climate reporting, in line with the requirements of Directive (EU) 2022/2464 (Corporate Sustainability Reporting Directive - CSRD), transposed into Italian law by Legislative Decree No. 125 of 6 September 2024 ("Legislative Decree 125/2024").
- the organization, management and control model adopted for the purposes of preventing the crimes as set out in Italian Legislative Decree 231/2001, last updated on 23 October 2025, following the addition of a new Annex, designated Annex III, in which the association between the categories of offenses provided for by Legislative Decree 231/2001 and applicable to the Company and the related areas at risk of offense identified by the Company, according to its organizational and operational characteristics described in Special Part II of the Model, has been summarized in tabular form.;
- the system for managing and controlling tax risk, understood as the risk of operating in violation of tax regulations or in contrast with the principles or purposes of the tax system (known as the Tax Control Framework) implemented in accordance with the guidelines of the Inland Revenue Office as part of the "cooperative compliance scheme" regulated by Italian Legislative Decree 128/2015;
- the Anticorruption Policy;

- the Group's whistleblowing system, updated by the resolutions of the Board of Directors on 6 July 2023 and on 20 December 2023, to bring it into line with the provisions of Italian Legislative Decree no. 24 of 10 March 2023, implementing Directive (EU) 2019/1937 concerning the protection of individuals who, on well-founded grounds, report misconduct that violates European and national provisions and is detrimental to the public interest or the integrity of the entity to which they belong, of which they have become aware in the course of their work. In this regard, it should be noted that the Board of Directors appointed the Company's Ethics Committee as an autonomous internal office dedicated to receiving and processing reports sent through the whistleblowing channel.

The Company's internal control and risk management system is structured as follows:

Board of Statutory Auditors: i) informs the administrative body of the audited entity of the outcome of the statutory audit and, where applicable, of the outcome of the certification of the Sustainability Report; ii) oversees the financial reporting and sustainability reporting processes; iii) oversees the effectiveness of the entity's internal quality control and risk management systems and, where applicable, of the internal audit function, in relation to financial reporting and sustainability reporting; iv) oversees the statutory audit of the annual separate financial statements and the consolidated financial statements and the certification of compliance of the Sustainability Report; v) verifies and monitors the independence of statutory auditors, sustainability auditors or audit firms; vi) is responsible for the selection procedure for statutory auditors or audit firms and for recommending the statutory auditors or audit firms to be appointed pursuant to Article 16 of Regulation (EU) No. 537/2014.
All members of the control body regularly take part in the work of the Control and Risks Committee in order to always ensure a timely exchange of relevant information between the Board of Statutory Auditors and the Control and Risks Committee, so that they may perform their respective duties.

Director in charge of establishing and maintaining the internal control and risk management system: he/she has the duty of supervising the system, i.e., ensuring the identification of major business risks – presenting them to the Board for consideration on a regular basis – as well as designing, implementing, and managing the internal control system, in compliance with the Board of Directors' guidelines, continuously verifying its adequacy and effectiveness and adjusting it to changes in operating conditions and the legal and regulatory landscape.

Control and Risks Committee: It supports the assessments and decisions of the Board of Directors – in an advisory and consultative role – concerning the internal control and risk management system as well as the approval of periodic financial and sustainability reports, and, among other duties, expresses its views on its design, implementation, and management, as well as the adequacy of the internal control system, reporting on the work carried out to the Board of Directors every six months. Specifically, the Control and Risks Committee performs the following duties:

(i) supports the Board in performing the duties associated with the internal control and risk management system, and specifically:

a) in defining the guidelines of the internal control and risk management system, so that the main risks facing the Company and its subsidiaries are properly identified as well as adequately measured, managed, and monitored, assessing also the level of compatibility of such risks with business operations that are consistent with the identified strategic objectives;

b) in assessing, at least annually, the adequacy and effectiveness of the internal control and risk management system relative to the characteristics of the business and the risk profile assumed;

c) in describing, as part of the corporate governance report, the main features of the internal control and risk management system and the way in which it is coordinated between the parties involved in it, giving its opinion on the system's overall adequacy;

d) in the assessment, at least once a year, of the work plan drawn up by the Head of the Internal Audit function, after consulting the Supervisory Body and the Director responsible for establishing and maintaining the internal control and risk management system;

e) in assessing the findings of the auditor in the letter of recommendations, if any, and the additional report for the control body, after consulting with the latter;

f) in assessing the measures intended to ensure the corporate functions involved in controls use effective and impartial judgment, ensuring they have the required professional skills and resources, and

g) in assigning the supervisory functions as per art. 6, paragraph 1, lett. b) of Italian Leg. Decree no. 231/2001 to the Supervisory Body created specifically for this purpose;

(ii) after consulting with the Financial Reporting Manager, the independent auditors and the control body, assesses whether accounting standards are used properly and consistently for the purposes of preparing the consolidated financial statements;

(iii) assesses whether periodic financial and non-financial reporting is suited to presenting fairly the business model, the Company's strategies, the impact of its operations, and performance;

(iv) examines the content of periodic non-financial reporting relevant to the internal control and risk management system;

(v) gives opinions on specific aspects concerning the identification of the main business risks and supports the assessments and decisions of the governing body related to the management of risks arising from adverse events the latter has become aware of, including risks that may be relevant to the medium/long-term sustainability of the Company's operations, by conducting appropriate investigations;

(vi) examines the periodic reports on the assessment of the internal control and risk management system and the particularly relevant reports prepared by the Internal Audit Function;

(vii) monitors the autonomy, adequacy, effectiveness and efficiency of the Internal Audit Function;

(viii) may task the Internal Audit Function with auditing specific operational areas, notifying the Chair of the Board of Statutory Auditors;

(ix) reports to the Board of Directors on the activities undertaken as well as the adequacy of the internal control and risk management system at least at the time of the approval of the annual and half-year financial report; and

(x) gives the Board of Directors its opinion on the appointment, removal and remuneration of the Head of the Internal Audit function, as well as the resources made available to the latter to perform his/her duties.

Head of Internal Audit: he/she reports to the Board of Directors and is responsible for ensuring the internal control and risk management system is operational, adequate, and consistent with the guidelines defined by the Board of Directors, liaising with the Control and Risks Committee, the Board of Statutory Auditors and the Supervisory Body regarding the management of the system and its suitability in order to achieve an acceptable overall risk profile. The Head of Internal Audit is a permanent invitee to the Control and Risks Committee.

Tax Risk Officer: monitors the Tax Control Framework, ensuring that it is up to date and effective, by implementing forms of monitoring to ensure that the internal control system for tax risks is up to date and adequate for the mitigation purposes assigned to it. The role of Tax Risk Officer is assigned to the Acting Chief Financial Officer[6] and operates in coordination with the other functions responsible for the Company's internal control system, as well as with the Tax Management Function, reporting at least annually to the Control and Risks Committee, the Board of Statutory Auditors and the Board of Directors. Furthermore, in carrying out these activities, the TRO is supported operationally by the Group Internal Control and Risk Management Function.

Group Internal Control & Risk Management function: he/she coordinates the risk management process and provides systematic support to all management involved in the risk assessment process. In addition, the Function is responsible for the operational management of the implementation and updating of the following frameworks: the internal control system for financial reporting and administrative and accounting processes (pursuant to Law 262 of 2005); the internal control system for sustainability reporting (pursuant to the CSRD); and the Tax Control Framework (in accordance with the Cooperative Compliance Scheme). The Function reports to the Group Chief Financial Officer and operates in coordination with other stakeholders within the system, such as Internal Audit, the Sustainability Function, and the Legal and Compliance Function (within which two distinct functions have been established: Regulatory Compliance and Supplier Qualification Compliance, both reporting to the Group General Counsel), the Manager Responsible for Corporate Accounting Documents, the Manager Responsible for Sustainability Reporting, and all other parties who, in various capacities, contribute to the identification, assessment, management and monitoring of corporate risks.

Legal and Compliance Department: within which two distinct functions have been established – Regulatory Compliance and Supplier Qualification Compliance – reporting to the Group General Counsel. The Regulatory Compliance Function is responsible for managing the risk of non-compliance with regulations applicable to the Group and, therefore, assesses the requirements contained therein, verifying that internal procedures and processes are adapted to prevent potential breaches. The Supplier Qualification Compliance Function is designed to strengthen oversight

[6] *It should also be noted that on 13 November 2025 the Board of Directors approved an update to the Tax Compliance Model, in order to formally acknowledge the compensating controls implemented to ensure segregation of duties and the independence of the Tax Risk Officer (TRO), as defined and assessed in agreement with the Cooperative Compliance Office of the Italian Revenue Agency.*

of the supply chain. In these activities, the two Functions work in conjunction with the other functions that make up the Company's internal control system, namely with the Group Internal Control & Risk Management, and Internal Audit Functions, reporting to the Control and Risks Committee and reporting directly to the Board of Directors.

Financial Reporting Manager (in accordance with Article 154-bis of the Consolidated Law on Finance): he/she is responsible for defining, implementing and maintaining suitable and effective control procedures to safeguard against risks entailed in the financial reporting process, i.e., the activities undertaken to identify and assess the actions or events whose occurrence or absence may hinder, in part or in whole, the achievement of the goals of trustworthiness, accuracy, reliability, and timeliness of financial reporting.

Manager responsible for sustainability reporting (pursuant to Article 154-bis, paragraph 5-ter, of the Consolidated Law on Finance): he/she is responsible for designing, implementing and maintaining adequate and effective control procedures to manage risks in the process of preparing sustainability disclosures. This includes activities aimed at identifying and evaluating actions or events that, if taken or not taken, could partially or fully compromise the achievement of the objectives of transparency, accuracy, reliability and timeliness of information. He/She is also responsible for managing environmental, social and governance (ESG) risks and ensuring that information is collected, verified and communicated in accordance with applicable regulations and applied standards.

Supervisory Body pursuant to Italian Legislative Decree 231/2001: it is responsible for checking the effectiveness, adequacy and compliance of the Organization, Management and Control Model pursuant to Italian Legislative Decree 231/2001 and ensuring it is constantly updated. The Supervisory Body reports directly to the Company's Board of Directors, and all three members meet the eligibility requirements regarding integrity, professionalism and independence. The Supervisory Body in office at the date of this Report, which will conclude its term of office on the date of approval of the financial statements for the year ending 31 December 2025, is composed as follows: Carlo Longari (Chair); Paola Caramella (member) and Giovanni Crostarosa Guicciardi (member).

Ethics Committee: set up to manage reports referred to in Italian Legislative Decree 23/2024, its task is to manage reports concerning (i) violations of the laws applicable to Group Companies; (ii) violations of organizational models (including Ferragamo's Organizational Model), procedures, regulations, codes of conduct, codes of ethics and policies of Group Companies, acts or omissions that, even outside the provisions of the Organizational Model, Code of Ethics or internal policies and/or procedures of Group Companies, may result in the violation of human rights or damage and detrimental effects on health, the environment, security or fundamental rights and freedoms; (iii) any form, threat or attempt to retaliate against the whistleblower. At the date of this report, the Ethics Committee consists of the Chief People Officer, the General Counsel, the Chief Product Officer, and the Head of Internal Audit.

For further information on corporate governance and the main features of the risk management and internal control systems adopted, reference should be made to the Corporate Governance Report published on the Company's website *https://group.ferragamo.com/en*, section *governance/corporate-governance/corporate-governance-reports*.

Disclosure pursuant to Article 15 of Market Regulation

Salvatore Ferragamo S.p.A. has taken the steps required to comply with the provisions set out in Article 15 of Consob Regulation no. 20249 of 28 December 2017, which contains rules implementing the Consolidated Law on Finance with respect to markets (Market Regulation); this Regulation governs the requirements for listing shares of companies which control entities that have been set up under, and are governed by, the law of countries not belonging to the European Union and that are significant for the purposes of preparing the consolidated financial statements. As at 31 December 2025, the aforementioned regulatory provision applied to the following foreign non-EU subsidiaries: Ferragamo USA Inc., Ferragamo Hong Kong Ltd, Ferragamo Fashion Trading (Shanghai) Co Ltd, Ferragamo Korea Ltd, Ferragamo Japan KK, Ferragamo Mexico S. de R.L. de C.V., Ferragamo Retail HK Limited, Ferragamo Moda (Shanghai) Co. Ltd., Ferragamo UK Limited and Ferragamo Australia Pty Ltd.

In particular, Salvatore Ferragamo S.p.A.:

a) discloses, pursuant to the procedures and deadlines established by relevant regulations, the accounting records of the subsidiaries prepared for the purposes of drawing up the consolidated financial statements, including at least the statement of financial position and the income statement;

b) receives from the subsidiaries their bylaws and information about the structure and powers of the corporate bodies;

c) verifies that the subsidiaries:

- provide the Independent Auditors with the information they need to audit the annual and interim financial statements of the Holding company;
- adopt an administrative and accounting system suitable to regularly provide management and the Independent Auditors of the Parent company with the income, equity and financial data needed to prepare the consolidated financial statements.

In order to fulfill its own regulatory obligations, the control body of the Parent company Salvatore Ferragamo S.p.A. has verified the suitability of the administrative and accounting system to regularly provide management and the Independent Auditors of the Parent company Salvatore Ferragamo S.p.A. with the corporate income, equity and financial data needed to prepare the consolidated financial statements and ensure the effective flow of information through meetings with both the Independent Auditors and the Financial Reporting Manager.

10. Other information

Relations with shareholders and financial reporting

Salvatore Ferragamo S.p.A., in accordance with the recommendations in the Corporate Governance Code and in order to maintain a constant dialog with its Shareholders, potential investors and financial analysts, has set up the Investor Relators function as well as adopted a policy aimed at managing dialog with all shareholders. On 8 March 2022, the Board of Directors of Salvatore Ferragamo S.p.A. approved the Engagement Policy of the Company, considering, *inter alia*, the recommendations of the Corporate Governance Code and the engagement policies adopted by institutional investors; the engagement policy is available on the Company's website at *https://group.ferragamo.com/en/governance/corporate-governance/engagement-policy*. Financial data, corporate presentations, interim reports, official press releases, and real-time share price information are also available on the Group's website http://group.ferragamo.com*/en*.

Stakes in Salvatore Ferragamo S.p.A.

As at 31 December 2025, Ferragamo Finanziaria S.p.A. held a majority stake (54.276%) in the share capital of Salvatore Ferragamo S.p.A., as disclosed by Ferragamo Finanziaria S.p.A. pursuant to Article 120 of the Consolidated Law on Finance through form 120/A as per Attachment 4 to Consob Regulation no. 11971/1999 as amended and supplemented (the "Issuers' Regulation") corresponding to a number of shares equal to 91,611,810. Please note that Ferragamo Finanziaria S.p.A. has requested to register the Salvatore Ferragamo ordinary shares it owns in the Special

List set up by the Company pursuant to Article 127-quinquies, paragraph 2, of the Consolidated Law on Finance to benefit from increased voting rights, as described below:

- on 2 July 2018, 86,499,010 shares, accounting for 51.246% of the Company's share capital; and
- on 14 January 2019, 5,112,800 shares, accounting for 3.029% of the Company's share capital.

Pursuant to Article 6 of the Bylaws and Article 9 of the Company's Rules for Increased Voting Rights, the increased voting rights attached to the ordinary shares held by Ferragamo Finanziaria S.p.A. and included in the Special List on 2 July 2018 and 14 January 2019 became effective on 7 August 2020 and 5 February 2021, respectively, as they have met the requirements under applicable law for increasing voting rights.

Considering the above, as at the date of this Annual Report, Ferragamo Finanziaria S.p.A. owned 172,998,020 voting rights, accounting for 62.17% of the Company's share capital, attached to the mentioned 86,499,010 shares, and 10,225,600 voting rights, accounting for 3.68% of the Company's share capital, attached to the 5,112,800 shares. Therefore, as at the date of this Report, Ferragamo Finanziaria S.p.A. owned 183,223,620 voting rights overall, accounting for 66.009% of the total.

Management and coordination of Salvatore Ferragamo S.p.A.

Salvatore Ferragamo S.p.A. is subject to the management and coordination of Ferragamo Finanziaria S.p.A. pursuant to Article 2497 et seq. of the Italian Civil Code. The Company complies with the requirements as set out in article 16 of the Markets Regulation for the listing of subsidiaries which are subject to management and coordination. In particular, it should be noted that Salvatore Ferragamo S.p.A.:

(i) has fulfilled the disclosure obligations envisaged by Article 2497-bis of the Italian Civil Code;
(ii) has independent power to negotiate with customers and suppliers;
(iii) has no centralized cash management arrangement with Ferragamo Finanziaria S.p.A.;
(iv) has an internal control and risks committee consisting exclusively of independent directors, pursuant to Article 148, paragraph 3 of the Consolidated Law on Finance and the relevant provisions of the Corporate Governance Code;
(v) has a nomination and remuneration committee to appoint directors consisting exclusively of independent directors, pursuant to Article 148, paragraph 3 of the Consolidated Law on Finance and the relevant provisions of the Corporate Governance Code.

As from 14 December 2021, a set of Rules was signed between Ferragamo Finanziaria S.p.A. and Salvatore Ferragamo S.p.A., governing the exchange of information between the Company and the majority shareholder Ferragamo Finanziaria S.p.A., as part of management and coordination activities or in order for the Shareholder to meet its legal obligations, in particular with regard to information provided selectively and taking into account the need to maintain confidentiality and comply with applicable laws. The Rules were approved by the Board of Directors on 14 December 2021 and updated on 6 July 2023.

Tax consolidation regime

Salvatore Ferragamo S.p.A. adopted the domestic tax consolidation regime provided for by Articles 117 et seq. of Italian Presidential Decree no. 917 of 22 December 1986 ("TUIR", i.e. consolidated law on income taxes) and the Ministerial Decree of 1 March 2018, with the holding company Ferragamo Finanziaria S.p.A. as the consolidating company. The national tax consolidation scheme continued uninterrupted for the three-year period 2022–2024 and has been extended further for the three-year period 2025–2027.

Shares held by Directors, Statutory Auditors and Managers with strategic responsibilities

For information relating to the shares held by all Directors, Statutory Auditors, and Managers with strategic responsibilities, reference should be made to the Report on the remuneration policy and fees paid as per article 123-ter of the Consolidated Law on Finance, prepared in accordance with art. 84-quater and Annex 3A, Scheme 7-bis of the Issuers' Regulation and article 5 of the Corporate Governance Code, available on the Company's website *https://group.ferragamo.com/en*, section *governance/corporate-governance/remuneration/remuneration-report*.

Treasury shares and shares or stakes in parent companies

On 12 April 2022, the Shareholders' Meeting of Salvatore Ferragamo S.p.A. authorized the Board of Directors to purchase, pursuant to Article 2357 of the Italian Civil Code, including in multiple installments, ordinary shares in Salvatore Ferragamo S.p.A., up to a maximum amount that, considering the ordinary shares in Salvatore Ferragamo S.p.A. held from time to time by the Company or its subsidiaries, shall not exceed 2% of the Company's share capital for the time being, in accordance with specific terms and conditions. The Board of Directors could buy back shares, in one or multiple installments, for a period of 18 months from the date of the Meeting's resolution.

On 12 April 2022, the Meeting also authorized the Board of Directors, in accordance with Article 2357-ter of the Italian Civil Code, to sell, including in multiple installments, all or part of the ordinary shares bought, in accordance with specific terms and conditions. There is no time limit for selling ordinary treasury shares.

At the meeting held on 12 April 2022, the Board of Directors approved the launch of the ordinary treasury share repurchase program as authorized by the Ordinary Shareholders' Meeting on the same date. The authorization expired in October 2023.

As at 31 December 2025, the Company held 3,113,302 treasury shares, equal to 1.84% of the share capital, as a result of the purchases made in 2018, 2019, 2021 and 2022 (no. 14,000, no. 136,000, no. 624,163, and no. 2,601,637, respectively), also taking into account the free assignment of 114,766 shares and 147,732 shares related to the Restricted Shares plan for 2022 and 2023, respectively, which were transferred to the securities account in the name of the then CEO and General Manager Marco Gobbetti on 8 February 2023 and 26 April 2024, respectively. The outlay, including bank fees and incidental taxes and net of the free assignment of Restricted Shares, amounted to approximately 53,676 thousand Euro.

As at 31 December 2025 and as at the date of this Report, Salvatore Ferragamo S.p.A.'s subsidiaries did not hold any of its shares. The Group does not hold, directly or indirectly, shares in parent companies, and during the period it did not buy or sell shares in parent companies.

Transactions arising from atypical and/or unusual transactions

Salvatore Ferragamo S.p.A. and the companies belonging to its Group did not undertake atypical and/or unusual transactions, i.e. those transactions which, due to their importance and/or size, the counterparties involved, the subject of the transaction, the means of determining the transfer price, and the timing of the event, may give rise to doubts about the correctness/completeness of the information provided in the financial statements, conflicts of interest, the safeguarding of the company's equity, and the protection of minority interests.

11. Research and development

As part of its creative and production studies, the Group incurred costs for research and development for the study of new products and the use of new materials, which were wholly charged to the income statement under costs of production.

In 2025, they amounted to 25,077 thousand Euro (incurred entirely by the Parent company) compared to 29,339 thousand Euro in 2024 (incurred entirely by the Parent company).

12. Transactions with related parties

In accordance with the Regulation adopted by Consob with resolution no. 17221 of 12 March 2010 as amended and supplemented (the "Consob RPT Regulation"), Salvatore Ferragamo S.p.A. adopted a Related Party Transaction Procedure ("Related Party Procedure") aimed at identifying the principles adopted by the Company in order to guarantee the transparency and the actual and procedural fairness of transactions with related parties undertaken by the Company, either directly or through its subsidiaries.

The main body responsible for the correct application of Salvatore Ferragamo S.p.A.'s Related Party Procedure is the Company's Board of Directors.

The Board of Directors of the Company, with the favorable opinion of the Control and Risks Committee, which is also responsible for Transactions with Related Parties ("Related Party Transactions Committee"), reviewed and updated the Related Party Procedure, first on 31 July 2018 and subsequently on 11 May 2021, to take into account the new provisions introduced by Consob Resolution no. 21624 of 10 December 2020 in the Consob RPT Regulation, as well as the development of practices and internal application experience. The Procedure was last modified on 3 August 2023.

In particular, the main changes made in the update of 3 August 2023 concerned: (i) for Low-value Transactions, the introduction of the distinction of low-value thresholds in view of the nature of the counterparty, in line with Consob recommendations. Indeed, the following transactions are to be considered low-value: transactions with a value equal to or less than 100,000.00 Euro if the related party (counterparty to the transaction) is a natural person, or equal to or less than 250,000.00 Euro if the related party is a person other than a natural person or, again, with a value equal to or less than 100,000.00 Euro, on an annual basis, with reference to the allocation and increase – in favor of a member of a governing or control body or of other managers with strategic responsibilities – of remuneration and economic benefits, in any form whatsoever; and (ii) for framework resolutions, the elimination of the case records that allowed the use of a framework resolution only in mandatory cases.

The Related Party Procedure also defines: (i) the transactions of "greater significance" which must be approved in advance by the Board of Directors on the basis of the grounded and binding opinion of the Related Party Transactions Committee – which is identified in the Control and Risks Committee – and which entail the disclosure of an information document; and (ii) the other transactions that, as they do not fall under the residual category of low-value transactions, are defined as transactions of "lesser significance" and can be executed subject to a grounded and non-binding opinion of the Related Party Transactions Committee.

In addition to the cases for which the Consob Regulation itself excludes the application of the relevant rules, the Company uses the following exemptions, within the limits allowed under the Consob Regulation: (i) payment plans

based on financial instruments approved by the shareholders' meeting under article 114-bis of the Consolidated Law on Finance and related transactions; (ii) resolutions (other than those already outside the scope of the Consob Regulation, under Article 13, paragraph 1 of the latter) on the remuneration of directors holding specific positions, as well as other managers with strategic responsibilities, provided that: the Company has adopted a remuneration policy approved by the shareholders' meeting, a committee comprised exclusively of non-executive directors – most of them independent – was involved in defining the remuneration policy, and the assigned remuneration was identified in accordance with said policy and quantified based on criteria not involving discretionary assessments; (iii) ordinary transactions, carried out at arm's length or on standard terms; (iv) transactions with or between subsidiaries (including jointly) of the Company, as well as transactions with associates, as long as there are no interests classified as material of other parties related to the Company in the subsidiaries or associates that are party to the transaction; (v) urgent transactions, without prejudice to the disclosure requirements under Article 5 of the Consob Regulation and the powers reserved to the Board of Directors with respect to transactions of greater significance.

The Board of Statutory Auditors is responsible for overseeing the compliance of the Related Party Procedure with the principles indicated in the Consob RPT Regulation as well as the observance and correct application of the Procedure.

Transactions with related parties – as listed in the financial statements and set out in detail in the specific note 45 "Transactions with related parties" in the consolidated financial statements (to which reference should be made) – cannot be considered as atypical or unusual, since they form part of Group companies' regular business and are regulated at market conditions.

For more details on the Related Party Procedure, please refer to the relevant document available on the Company's website *https://group.ferragamo.com/en*, section *governance/corporate-governance/procedure*.

13. Main risks and uncertainties

The Corporate Governance Code places special emphasis on the correlation between risks, opportunities, and the organization's strategic objectives, stressing the need to consider all elements that could be potentially relevant to achieving sustainable success, defined as "the objective that guides the actions of the board of directors and consists in creating long-term value for the benefit of the shareholders, taking into account the interests of other stakeholders relevant to the company".

Specifically, under the Corporate Governance Code, the Board of Directors shall define "the nature and level of risk compatible with the company's strategic objectives, including all the elements that can be relevant for the company's sustainable success" (see Recommendation 1(c)).

Therefore, the Company has adopted an integrated risk management model (ERM Model), in line with Enterprise Risk Management (ERM) standards and best practices, intended to help the Board of Directors and top management identify the main business risks and how they can be managed, as well as define how to organize the system of measures safeguarding against such risks.

The ERM Model is based on the framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (known as "CoSO ERM 2017"), by aligning its principles with the Company's strategic guidelines. The identification of corporate risks (so-called Risk Universe) starts from the analysis of the main risk areas with a direct impact on the achievement of the company's strategic and sustainability goals, subsequently broken down in terms

of specific risk scenarios and based on the geographical area of reference. The Group's risk rating is composed of two dimensions: the impact of the risk and the likelihood of the event occurring, the combination of which gives the final rating, which represents the overall value of the risk and is used to ranking the risks.

The methodological references and guidelines for the governance of the Enterprise Risk Management system have been formalized in the "ERM Framework" Policy, updated in 2024 and approved by the Board of Directors at its meeting on 30 January 2025.

During 2025, the Company continued its ongoing process of improving and strengthening the framework, launching a project to define the Group Risk Appetite Framework (the "RAF"). The Risk Appetite Framework forms part of the broader Enterprise Risk Management Framework and is an integral part of the Internal Control and Risk Management System ("ICRMS"), serving as a governance tool designed to facilitate the informed management of key risk profiles and support senior management in making informed decisions.

The RAF is therefore formulated in line with strategic and sustainability objectives, which in turn contribute to the identification, assessment and management of risks. Specifically, this framework operates through the definition of specific tolerance thresholds, which determine the limits within which the Group operates and carries out its activities, in accordance with the risk profiles outlined and deemed acceptable for the pursuit of corporate objectives. The guidelines and operational instructions necessary for the effective and efficient application of the RAF have been formalized within a dedicated Policy, included as an Annex to the existing ERM Framework Policy, approved by the Board of Directors at its meeting on 19 February 2026.

In accordance with current ESG regulations (i.e. the Corporate Sustainability Reporting Directive "CSRD"), the Company has carried out a Double Materiality Analysis, a fundamental tool for understanding and managing the interconnections between sustainability and corporate performance. This analysis focuses on assessing and mapping the impacts, risks and opportunities relevant to the Organization from an economic, environmental and social perspective. This process, as described in ESRS 1, Chapter 3, aims to define the content of the Sustainability Report to ensure that it reflects not only the Company's impact on society and the environment, but also the impact that sustainability factors may have on the Company's financial position and performance.

With a view to ensuring a uniform and consistent risk assessment process, during 2025 ESG sub-risks were incorporated into the broader risk categories mapped in the ERM risk register (known as the "*Risk Universe*"), resulting in a comprehensive and integrated mapping.

Furthermore, with regard to the Financial Materiality process, the Group Internal Control and Risk Management Function supported the Sustainability Function in assessing ESG risks and opportunities, whereby the potential positive or negative impacts on the development, performance and positioning of the Company and its value chain were considered, applying the Group's Risk Assessment methodology.

For further information on the Double Materiality analysis, please refer to the paragraph "Consolidated Sustainability Reporting pursuant to Italian Legislative Decree no. 125 of 6 September 2024, implementing Directive (EU) 2022/2464" in this document.
With regard to climate change, as part of the consolidation of its Enterprise Risk Management ("ERM") framework, in 2025 the Company revised and updated its analysis module dedicated to the key physical climate-related risks of interest to the Group. The activity involved strengthening the assessment of climate change risk in terms of its potential impact on the Group's assets and processes (for more details, please refer to the paragraph "Climate Risks" in this section).

These initiatives helped to strengthen the level of awareness, understanding and monitoring, within the Group, of risks and opportunities in an integrated manner, consistent with the guidelines defined by the Corporate Governance Code and in line with the main regulatory and context-specific elements.

The main areas of risk and key issues of interest to the Group are described below. The Group has identified the following categories of risk: strategic, operational, financial and compliance risks.

Strategic risks

This category encompasses the most significant risk scenarios in terms of their potential direct and indirect impact on the achievement of the company's objectives, the primary aim of which is to ensure full consistency and alignment between design, product, communication and distribution channels, whilst showcasing the brand's strong heritage and creative capabilities, within a macroeconomic and geopolitical context that remains characterized by general instability.

Risks related to the slowdown in the luxury market

The general slowdown in the luxury market, which is widespread across all geographical areas and influenced by varying regional dynamics, represents a significant risk to the entire sector. The uncertainty of the geopolitical and macroeconomic environment may indeed affect demand for luxury goods, having a direct impact on sales and on the market's response to the Group's narrative and communication strategy, which aims to celebrate the brand's codes and artisanal excellence.

The uncertainty characterizing this context may also lead to increased complexity in the processes of planning and allocating resources across the various distribution channels.

The current situation is also capable of negatively affecting the performance of the wholesale channel, exacerbated by widespread difficulties among US department stores. This framework could have potentially negative consequences, such as the loss of strategic partnerships, an impact on the brand image, and reduced exclusivity and access to premium customers.

At the same time, sales in the retail channel continue to decline; in response, visual merchandising has been improved and the in-store experience enhanced, through targeted refurbishment of retail outlets and by strengthening customer engagement, including through a data-driven approach.

To address these challenges, the Company is implementing a series of strategic initiatives and targeted measures, with the aim of strengthening and enhancing the product offering, emphasizing storytelling in its narrative strategy, improving targeting and acquiring new customers.

Risks related to the Supply Chain

The production process is almost entirely outsourced to specialized external suppliers, although the management and organization of the most critical stages of the value chain remain within the Group. The current market slowdown and general decline in demand may lead to a reduction in work opportunities for the suppliers with whom the Group collaborates.

Moreover, given the ever-changing regulatory and industry environment, particularly with respect to sustainability issues, and the significant increase in consumer, investor and regulatory attention to compliance with applicable regulations (including those related to labor law and Health, Safety & Environment), the Company may be required to incur increased costs and make further investments to ensure and monitor compliance with these stringent regulatory standards.

Failure to comply with these regulatory and ESG requirements, as well as a lack of supplier transparency, can result in sanctions, litigation, and damage to group's brand reputation. In this context, the Company has strengthened its monitoring controls and internal procedures relating to its supply chain, in order to verify compliance and full adherence to the standards set by the Company and to applicable regulations. Furthermore, to provide additional oversight of the supply chain, a dedicated committee (the "Supply Chain Steering Committee") has been established: this is a collegial body comprising the Operations, Internal Audit, Chief Product Officer, Group General Counsel, Group Human Resources, Sustainability, Chief Financial Officer, Group Internal Control and Risk Management and Group Finance Director departments, as well as external legal advisers specializing in compliance issues relating to the supply chain. The Supply Chain Steering Committee is responsible for approving supplier qualification, ensuring compliance with the supplier qualification procedure and verifying that qualification requirements are maintained, as well as assessing the results of audits and/or inspections carried out on suppliers presenting medium-to-high risks following the analysis of reports by the Internal Audit department, and adopting the necessary measures.

It should also be noted that on 31 July 2025, the Board of Directors approved the establishment of a Supplier Qualification Compliance Department within the Legal and Compliance Division with a second-level control function, to strengthen oversight of the supply chain.

It should be noted that on 18 December 2025, the Board of Directors examined the Request for Production pursuant to Article 248 of the Code of Criminal Procedure. ("Request") served on Salvatore Ferragamo S.p.A. on 3 December 2025 by the Public Prosecutor's Office at the Court of Milan ("Judicial Authority") through the Carabinieri Command for the Protection of Labor – Labor Inspectorate Unit in Florence, concerning the acquisition of documentation relating to the Company's governance and internal control systems, which was delivered within the required timeframe, with particular regard to the management of its production supply chain.

Consequently, at subsequent meetings, the Board of Directors received regular updates from the relevant internal departments regarding the further strengthening measures undertaken by the Company to prevent risks associated with the supply chain, as well as on the ongoing discussions with the Judicial Authority.

For further details regarding the policies applied by the Group to its value chain, please refer to the section "Consolidated Sustainability Report pursuant to Italian Legislative Decree no. 125 of 6 September 2024, implementing Directive (EU) 2022/2464" in this document.

Risks of events with an impact on the image and reputation of the brand

The Group's success is closely linked to its brand image, which is influenced not only by internal factors relating to its business – such as the definition and implementation of communication strategies – but also by a variety of external dynamics that could undermine or damage the ethics and values associated with the brand image. Among the risk factors is the potential reputational damage linked to marketing campaigns or communication initiatives that are not aligned with the brand's image regarding ESG issues, which are receiving increasing attention from stakeholders.

In this scenario, characterized by rising expectations from customers, investors, suppliers, stakeholders and governments regarding ethical and sustainable aspects, failure to meet sustainability targets or a misalignment between the ESG initiatives undertaken could have a negative impact on the brand's image and the Company's competitive advantage.

To mitigate this risk, ESG monitoring and management plans have been defined and implemented, as well as strategies for ESG rating management and stakeholder communication and engagement.

Operational risks

This category includes risks related to processes that affect continuity, effectiveness, and efficiency of business activities. These risks include the loss of key resources and expertise, as well as external threats linked to potential cyber attacks, challenges arising from the implementation of Artificial Intelligence solutions, and risks associated with climate change. Effectively addressing these issues is essential for maintaining the company's standards of excellence in the industry, ensuring its competitiveness, sustainable success, and brand reputation.

IT risks related to cybersecurity, data management and dissemination (data governance and data privacy), including the implementation of artificial intelligence solutions

The rapid pace of change in the IT sector and the ongoing digitalization of all operational activities require companies to be highly responsive in updating and innovating their technological infrastructure. This context, which is constantly and rapidly evolving, generates business opportunities and potential competitive advantage on the one hand, whilst opening up new risk scenarios on the other.

Among the risk factors is the threat of potential cyber attacks, which could result in the unavailability of the IT systems used by the Company and a consequent disruption to business operations, including instances of data breaches relating to personal data transmitted, stored or processed by the Group.

Furthermore, with a view to limiting the vulnerability of technological infrastructure whilst ensuring its operational efficiency, the timely updating of IT systems is becoming increasingly important. This not only represents an opportunity to enhance operational efficiency but also enables the Group to adapt and align itself with customer expectations and emerging regulations.

This context also encompasses the issue of the proper management of the process of introducing and rolling out Artificial Intelligence ("AI") solutions, which, whilst representing an opportunity to digitize operational activities, also gives rise to further potential risk scenarios such as, for example, bias in decision-making, breaches of privacy and

data confidentiality, and compliance with the rules introduced by EU Regulation 1689 of 13 June 2024, which came into force on 1 August 2024 (hereinafter the "AI Act").

Furthermore, to provide additional safeguards against the risk associated with the introduction and dissemination of AI solutions, a dedicated committee (the "Artificial Intelligence Steering Committee") has been established, comprising the Director responsible for establishing and maintaining the internal control and risk management system, the Chief Information Officer, the Chief Information and Security Officer, the Chief Financial Officer, the Chief People Officer, the Head of Internal Audit, the Group General Counsel, the Senior Director of Strategy and Transformation, and external legal advisers specializing in AI matters. The Artificial Intelligence Steering Committee is responsible for assessing the adoption of AI tools. Furthermore, in 2025, the Company implemented a governance model for the processes of identifying, evaluating and adopting AI solutions. This model is governed by the "Responsible Artificial Intelligence" policy and the "Artificial Intelligence Demand Process" procedure, both approved by the Board of Directors on 31 July 2025, partly in response to the provisions of the AI Act.

The Group's cyber risk management strategy involves the implementation of specific activities aimed at strengthening its systems, enhancing awareness of the employees through dedicated training and awareness-raising activities (i.e., Cyber Awareness & Training), and minimizing the impact of any business disruption.

The Company also conducts an annual review of its Business Impact Analysis and Business Continuity Plan, carries out Disaster Recovery tests, constantly monitors the Cyber Threat Landscape, conducts an annual Cyber Maturity assessment, and completed the Third-Party Risk Management self-assessment in 2025.

The Company has adopted a "Security Incident Response Procedure" policy, approved by the Board of Directors, which defines the principles and guidelines to ensure the timely, effective and efficient handling of cyber incidents in order to prevent or limit any potential negative impact on the Group. However, the Company's diligence in addressing these issues remains high.

Risk of loss of key resources and critical know-how

Within the organization, the ability to ensure business continuity is of fundamental importance, including through the identification, development and retention of key personnel, whilst maintaining an efficient organizational structure. It is therefore necessary and essential to manage and govern staff turnover, a natural process that can expose the company to difficulties linked to the loss of critical know-how, as well as hinder the continuity of operations.

Furthermore, competitive advantage within the sector is strongly influenced by talent attraction, which translates into the Organization's ability to attract talent and specialized resources.
To this end, Talent Management processes are continuing, with the aim of promoting human resource development, improving performance, identifying specific career development paths and creating robust succession plans to ensure continuity in key roles. Furthermore, the Company is finalizing the mapping of 'key positions' and 'key talent', with the aim of ensuring robust monitoring of staff turnover and facilitating a targeted retention process, aimed at protecting and safeguarding human capital as a genuine strategic asset of the Organization.

Climate Risks

Climate change-related phenomena are becoming increasingly significant, with potential widespread impacts across all the geographical areas in which the Group operates. In order to understand, assess and manage these effects in a structured and effective manner, the Company has, starting in previous financial years, implemented a Climate Change Risk Management Framework ("CCRM" Framework), which is subject to periodic updates.

The CCRM Framework is designed to strengthen the ability to identify potential financial impacts and ensure proper management of and adaptation to the challenges associated with climate change. Among other benefits, this activity provides a concrete overview of the potential economic impact to the Group (in line with the ERM approach adopted by the Company) and the tangible and intangible mitigation measures implemented by the Organization. It also provides valuable guidance for prioritizing future investments in resilience measures while ensuring alignment with evolving regulatory requirements (e.g. CSRD / CDP).

The physical risk analyses cover the main extreme natural events (such as, for example, floods, tornadoes, hailstorms, etc.) and focus on a perimeter consisting of the most important assets which are considered representative of the business activities, i.e. Ferragamo-owned assets, directly operated stores (DOS) relevant to net sales, and key suppliers' assets in terms of the type and size of supply.

To identify the assets at material physical risk, using specific climate tools (e.g. IPCC WGI Interactive Atlas, Copernicus, etc.), first the exposure to physical climate risks in the short term is assessed, net of adaptation measures The exposure is then tested in the medium (2030) and long (2050) term, considering changes in the main climate variables in accordance with the scenario set out in RCP/SSP 8.5 of the IPCC – i.e. the worst case scenario. This scenario, which is characterized by high emissions and the absence of effective mitigation policies on the part of the various States at global level, enables a prudent evaluation of physical climate risks.

Overall, the results of the analyses of the Group's assets show a mature level of climate adaptation, above all thanks to extended insurance cover, which significantly reduces the potential financial impact from climate-related physical risks.

Financial risks

This category includes risks that directly impact the Company's economic performance and equity value, risks arising from liquidity management and transactions on the financial instruments market, as well as risks related to administrative and accounting aspects and resource allocation.
For information relating to the management of financial risks and for the other information provided by IFRS 7, reference should be made to the specific section in the explanatory notes to the consolidated and separate financial statements, at the end of the paragraph on accounting standards.

Exchange rate risk

The Group operates at the international level and is therefore exposed to risks deriving from exchange rate fluctuations, which affect the financial position and financial performance, due to the difference in the value of foreign currency costs and revenues compared to the moment in which pricing conditions were set, as well as because of the translation of trade or financial receivables and payables denominated in foreign currencies.

In keeping with the exchange rate risk management policy adopted in recent years, the Group manages exchange rate risk arising from its business, in line with the provisions of the exchange rate risk management policy and the risk management objectives that are periodically established at Corporate level, through the systematic hedging of commercial flows arising from sales forecast in currencies other than the Euro, with the aim of mitigating the expected risk of variability in margins arising from sales relating to future collections.

In addition, by virtue of the fact that the Company prepares its consolidated financial statements in Euro, fluctuations in the exchange rates used to translate the financial statement data of subsidiaries which were originally expressed in a foreign currency could have a significant impact on results, net financial debt, and consolidated shareholders' equity, expressed in Euro in the Group's financial statements, as well as financial ratios.

Credit risk

The Group's exposure to trade credit risk relates solely to wholesale sales and receivables arising from revenues generated by licensing and property leasing activities. The majority of revenues relate to retail sales with payment at the time of purchase, with the sole exception, to a lesser extent, of e-commerce and sales within department stores, which generally have a payment term of less than 90 days.

The credit risk connected to financing, investing and operating activities in derivatives to hedge the exchange rate risk is represented by the inability of the counterparty or the issuer of the instruments to meet their obligations. The credit risk regarding the Group's other financial assets, consisting of cash and cash equivalents, financial assets at amortized cost and some derivatives, has a risk equal to the book value of these assets in case of insolvency of the counterparty.

Liquidity risk

Liquidity risk represents the risk that the Group cannot meet its financial obligations due to problems in obtaining funds at current market price conditions or in liquidating assets on the market to find the necessary financial resources. The first consequence is a negative impact on the income statement, should the Group be forced to incur additional costs to meet its commitments. The factors which mainly influence the Group's liquidity are the resources generated or absorbed by current operating and investing activities, the possible distribution of dividends and the expiry and possibility of renewal of debt or the expiry and possibility of liquidation of financial investments of surplus cash.

To this end, the Company adopted a "Liquidity Investment" policy, approved by the Board of Directors. The purpose of the policy is to establish the principles and rules for managing the Company's liquidity and for managing and mitigating the related financial risk.

Interest rate risk

Movements in market interest rates affect the level of net financial charges and the market value of financial assets and liabilities. The Salvatore Ferragamo Group is mainly exposed to the risk of recording on the income statement an increase in financial charges due to an unfavorable change in interest rates. Group companies use third-party financial resources largely in the form of floating-rate bank debt and deploy the available liquidity mainly in money market instruments. Changes in market interest rates only affect the cost of loans and the yield on uses and thus the level of the Group's financial charges and income, and not their fair value.

Compliance risk and risk of failure to comply with legal and regulatory requirements

This category includes risks associated with non-compliance with laws and regulations applicable to the Group, which may result not only in potential penalties imposed by the relevant authorities and institutions, but also in reputational damage and, in the most serious cases, potential threats to the Organization's business continuity.

The Group is subject, in the various jurisdictions where it operates, to legal provisions – including tax provisions which are described separately – and to technical rules which are applicable to the products manufactured and their distribution.

Italian and European regulations that are applicable to the Parent company as an issuer of shares traded on Euronext Milan (formerly known as Mercato Telematico Azionario), organized and operated by Borsa Italiana S.p.A., since 29 June 2011, are especially relevant to this risk. These regulations include, for example, Regulation (EU) no. 56/2014 (MAR) concerning market abuse. There are also specific regulations in force, such as those relating to the protection of consumers, intellectual and industrial property rights, and competition; regulations on the health and safety of workers, the environment, and the protection of personal data; regulations on the administrative liability of legal entities pursuant to Italian Legislative Decree 231/2001, on liability pursuant to Law 262/2005 and, more generally, on industrial compliance with regard to the conformity of the finished products distributed and raw materials used with the standards provided for by the regulations in force, as well as those deriving from the evolution of ESG issues. Failure to comply, or any delays in complying, with new rules and regulations could expose the Group to the risk of administrative and/or criminal penalties.

The Group Legal and Compliance Department includes the Group Regulatory Compliance function, which is responsible for managing regulatory compliance risk.

Furthermore, on 31 July 2025, the Board of Directors approved the establishment of a Supplier Qualification Compliance Department within the Legal and Compliance Function, with the aim of strengthening control and compliance activities across the Company's supply chain.

Tax risk

The Salvatore Ferragamo Group has subsidiaries in over 26 countries worldwide and is therefore routinely subject to audits and inspections of its tax returns and compliance with tax obligations by the tax authorities of the various countries in which it operates, including in relation to the correct application of local and international transfer pricing regulations, given the high number and value of transactions between Group companies. The instruments adopted by management to limit tax risk for both tax compliance and transfer pricing cannot completely rule out the risk of tax assessments, especially taking into account the lack of clear and established regulation of transfer pricing in local laws and procedures.

In order to ensure a sound, timely and effective approach to tax risk management, the Company has adopted a Tax Control Framework (hereinafter: "TCF"), namely an integrated system for the identification, measurement, management and control of tax risk, defined as the risk of operating in breach of tax regulations, or in conflict with the principles or objectives of the tax system, in accordance with the OECD guidelines, as adopted by the Italian Revenue Office.

The Company's TCF is structurally integrated with the Organization's other internal control systems. In particular, the TCF is integrated into the control system for financial reporting risks pursuant to Italian Law no. 262/05, identifying the controls that mitigate both administrative and accounting risks and tax risks. Similarly, the TCF identifies the controls suitable for mitigating the risks of tax fraud, which are already governed by the Company in its Organization, Management and Control Model pursuant to Legislative Decree 231/2001.

In this regard, in October 2023, the Company was admitted to the cooperative compliance scheme (hereinafter: "Scheme") pursuant to Legislative Decree No. 128 of 5 August 2015, with effect from the 2022 tax year Admission to the Scheme was preceded by a preliminary investigation by the Italian Revenue Office, which focused on the adequacy of the tax governance adopted by the Company and the internal control system for the identification, measurement, management and control of tax risk.

Joining this Scheme is part of Ferragamo's broader tax strategy, which has always been based on the preventive management of tax risk, in the belief that tax compliance is a fundamental value of sustainable and ethical business.

The institution underwent a significant overhaul under the enabling act for tax reform (Law No. 111 of 9 August 2023), which provided, amongst other things, for the strengthening of the voluntary disclosure scheme, implemented by Legislative Decree No. 221 of 30 December 2023. The changes introduced as of 2024 include, on the one hand, an increase in the benefits of participation in the program (in terms of protection from administrative penalties, non-applicability of the offense of false tax return, reduction of the assessment periods) and, on the other hand, an increase in the requirements of the tax risk management and control system aimed at ensuring its suitability for the identification and preventive management of tax risks.

Within the context of the Tax Control Framework, the Company has formalized a Tax Strategy approved by the Board of Directors on 7 September 2021, which is consistent with the values and principles adopted by the Group; furthermore, at the Board of Directors' meeting on 8 March 2022, it appointed a Tax Risk Officer (hereinafter: "TRO"), who is responsible for the ongoing monitoring and updating of the TCF.

From September 2025, the role of the TRO is assigned to the interim Chief Financial Officer and operates in coordination with the other functions responsible for the Company's internal control system, as well as with the Tax Management Function, reporting at least annually to the Control and Risks Committee, the Board of Statutory Auditors, and the Board of Directors. On 13 November 2025, the Board of Directors approved an update to the Tax Compliance

Model, with the aim of acknowledging the compensating controls implemented to ensure the segregation of duties and the independence of the TRO.

The responsibilities of the Tax Risk Officer and the specific operational procedures for monitoring and updating activities have been formalized in the Operational Manual for Monitoring Activities (the "TRO Manual"), presented to the Board of Directors on 6 March 2024.

The governance of the TCF was defined within the scope of the Tax Compliance Model and the Policy for the management of interpretative risk, both documents approved at the Board of Directors' meeting on 1 August 2024, with a subsequent update approved by the Board of Directors on 13 November 2025. These documents define the roles and responsibilities within the company organization regarding the identification, measurement, management and control of tax risk, according to a three-line-of-defense model, integrated into the broader internal control system adopted by the Company, in accordance with international best practices and the guidelines of the Italian Revenue Office.

In line with the guidelines set out in the Tax Strategy and Tax Compliance Model, the Company's aim is to proactively manage tax risk by ensuring, through the TCF, its timely identification, proper measurement and control, in order to mitigate its impact.

Specifically, Salvatore Ferragamo S.p.A. identifies the following areas in which tax risk may arise:

a) Tax compliance risks (monitored by means of the Tax Risk Map), i.e. the risk of failing to properly comply with the tax obligations established by law. These are regulatory compliance risks, which are operational in nature and concern both business processes and specific stages of tax compliance, and are constantly updated and supplemented to implement the relevant regulatory changes;

b) Interpretation risks (controlled through the Interpretation Risk Policy, approved by the Board of Directors on 1 August 2024, and subsequently updated by the Board on 13 November 2025), i.e., risks related to the application of all tax provisions and arising from both uncertainty about abstract regulatory cases and uncertainty about the qualification of cases in relation to the regulatory requirements.

c) Tax fraud risks, i.e. the risk of committing an offense constituting tax fraud, with particular reference to the predicate offenses for determining the administrative liability of entities pursuant to Italian Legislative Decree no. 231 of 2001. In addition to the provisions of Model 231, the Compliance Tax Risk Map emphasizes the identification of tax risks related to sensitive areas with respect to the specific cases included in tax offenses.

Within the framework of the cooperative compliance scheme, the Company and the Cooperative Compliance Office have signed the minutes setting out the materiality threshold for the three-year period 2024–2026, above which the obligations of transparency and cooperation with the Cooperative Compliance Office are deemed to apply. On an annual basis, the TRO prepares, with the assistance of the Tax Management Function, the General Report on the Tax Control Framework (hereinafter: "TCF Report"), which includes the results of updating and monitoring activities and the interpretative tax risks that have arisen during the compliance year The TCF Report, prepared by the TRO with the support of the Tax Management Function, is submitted to the Control and Risks Committee and approved by the Board of Directors. Specifically, for FY2025, the tax risks presented in the tax compliance risk map and the related mitigation measures have been updated and the testing activities aimed at ensuring the adequacy and effectiveness of these measures according to a three-year plan have been completed. In addition:

- with particular reference to transfer pricing risks, a TP policy has been formalized and implemented in order to define the roles, responsibilities and methodologies applied in the management of transfer prices, starting with the flow of information when introducing or amending intercompany transactions;
- following the update of the Organizational Model pursuant to Legislative Decree 231/01 and its subsequent approval on 23 October 2025, the process of incorporating the relevant updates into the tax risk map has been finalized;
- in view of the publication of the Guidelines by the Revenue Office (see Provision of 10 January 2025) the Company has initiated an analysis of the main impacts, also in view of the forthcoming issue of the certification of the tax risk management and control system required by Article 1, paragraph 3, of Legislative Decree No. 221 of 30 December 2023 and by the Ministerial Decree of 21 November 2024.

Risks relating to the protection of intellectual property rights

The luxury market is characterized by an inherent risk associated with the counterfeiting of brands and products. This exposes the Company to potential infringement of intellectual property rights, given the illegal placing on the market of counterfeit products, with repercussions in terms of brand reputation and negative impacts on the brand's image.

The risk of third parties infringing the intellectual property rights relating to the products and brands held by the Group is amplified by the widespread use of digital platforms, which are often unregulated, where it is particularly easy to sell counterfeit products. This risk can take several forms: (i) e-commerce websites that sell counterfeit products; (ii) e-commerce websites that sell original products and use the Group's trademarks without authorization; (iii) misuse of websites containing the "Ferragamo" and/or "Salvatore Ferragamo" trademarks in the domain name.

The Company, in order to protect its intellectual property rights and to combat the aforementioned infringements, carries out proactive control and monitoring activities to check for the presence of counterfeit products both on digital platforms worldwide, through collaboration with external providers specialized in the e-commerce sector, and in the physical markets of interest, through in-court and out-of-court actions (both civil and criminal), in collaboration with specialized legal consultants and local and customs authorities that monitor and inspect the areas most affected by the counterfeiting phenomenon.

14. Significant events occurred after the end of the financial year

Further to the announcements already made to the market on 3 February and 6 March 2025, on 27 January 2026, as per the press release issued to the market, the Board of Directors expanded the membership of the Chairman's Advisory Committee supporting Executive Chairman Leonardo Ferragamo – established by the Board of Directors on 6 March 2025 and comprising Executive Directors Giacomo Ferragamo and Ernesto Greco and Chairman Special Advisor Michele Norsa – appointing the Company's Deputy Chair, Angelica Visconti, as a member with immediate effect.

At the meeting held on 11 March 2026, the Board of Directors, *inter alia*: (i) approved the draft Separate Financial Statements as at 31 December 2025, the Consolidated Financial Statements as at 31 December 2025, and the Directors' Report on Operations for 2025, containing the Ferragamo Group's Sustainability Report prepared in accordance with the new provisions introduced by the Corporate Sustainability Reporting Directive ("CSRD"), implemented by Italian Legislative Decree 125/2024, and with the European Sustainability Reporting Standards ("ESRS") prepared by EFRAG and issued by the European Commission through Delegated Regulation (EU) 2023/277; (ii) approved the Corporate Governance Report for 2025, prepared by the Company pursuant to Article 123-bis of the Consolidated Law on Finance; (iii) approved, with the favorable opinion of the Nomination and Remuneration Committee, the Remuneration Policy Report 2026 and Fees Paid 2024, prepared pursuant to Article 123-ter of the Consolidated Law on Finance, Article 84-quater and Annex 3A, Scheme 7-bis of CONSOB Regulation no. 11971/1999 as amended, and Article 5 of the Corporate Governance Code for listed companies; for approval by the next Shareholders' Meeting. For further details, please refer to the documentation available on the Company's website *https://group.ferragamo.com/it/governance/assemblea-degli-azionisti/2026*; and (iv) resolved to convene the Ordinary General Meeting of Shareholders of Salvatore Ferragamo S.p.A. on 23 April 2026.

15. Macroeconomic situation and outlook

The short-term economic outlook continues to be marked by significant uncertainty.
The latest economic forecasts released by the International Monetary Fund in January 2026 predict that the moderate GDP growth recorded in 2025 (3.3%) will continue in 2026 and 2027, with global growth expected to reach 3.3% and 3.2% respectively – a slight improvement on previous forecasts; as regards individual geographical areas, growth is expected to be 2.1% for the United States, 1.3% for the Eurozone and 4.5% for China in 2026, and 2% for the United States, 1.4% for the Eurozone and 4% for China in 2027.

The prospects for stable performance are linked to a combination of various factors, such as the evolution of trade tensions, adjustments in financial markets, the trend towards inflation normalization, ongoing investment across various sectors, and developments in the Russia-Ukraine and Middle East conflicts. Potential downside risks lie mainly in further escalations of the trade war and domestic and international political tensions, which could indeed further hamper both short- and long-term growth prospects, leading to a scaling back of international cooperation.

In a geopolitical and macroeconomic context characterized by volatility and in the presence of a selective approach for the wholesale channel, our strategy is focused on consolidating the initial successes of the action plan, confirmed by the solid performance of the DTC channel. Leveraging the value of the brand and our creative resources, we will continue to pursue the corporate vision, ensuring an effective product offering, structural alignment across all commercial and communication channels, and consolidating the results achieved, with the aim of enhancing the brand's desirability and sustaining revenues and profitability.

16. Separate Financial Statements as at 31 December 2025 of Salvatore Ferragamo S.p.A. – Proposal for approval

Dear Shareholders,
relying on your approval to the structure and basis of presentation of the separate financial statements for the year ended 31 December 2025, in relation to the results achieved we hereby propose you to:

1. approve the Separate Financial Statements for 2025;
2. approve the allocation of the profit for the year 2025, amounting to Euro 6,365,851, to the Extraordinary Reserve.

Florence, 11 March 2026

On behalf of the Board of Directors

The Chair
Leonardo Ferragamo

FERRAGAMO

CONSOLIDATED SUSTAINABILITY REPORTING

Consolidated Sustainability Reporting
PURSUANT TO ITALIAN LEGISLATIVE DECREE NO. 125 OF 6 SEPTEMBER 2024 IMPLEMENTING DIRECTIVE (EU) 2022/2464

OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT

"Creativity, innovation, and artisanal excellence have been—since the brand's inception—core values of the Salvatore Ferragamo Group and have been put into practice in the design and realization of every piece created. The deep connection with the local area, its culture, and its community has fostered within the Salvatore Ferragamo Group an ever-growing awareness of the need for a strong commitment to protecting the places where it operates and the people who work for the Group, going beyond what is required by national and international laws, standards, and regulations."
Salvatore Ferragamo's Commitment to Sustainability

Investing in sustainability was at the heart of Salvatore Ferragamo's evolution in 2025, while maintaining a constant commitment to creativity and excellence. In this phase, the Group strengthened its dedication to sustainability, seeking to pursue economic growth that takes into account the positive and negative impacts of its activities, with particular attention to social and environmental aspects.

Salvatore Ferragamo attributes a profound meaning to the concept of sustainable development, one that goes beyond the use of innovative materials, embracing the connection with community and the local area, and demonstrating respect for the environment and the people involved. These values, passed down by the Founder, not only form the foundation of the company's success but are crucial for all the stakeholders.

The commitment to sustainability has been built over the years as an uncompromising behavioral model, drawing inspiration from the values intrinsic to the history of Salvatore Ferragamo: the passion for artisanal excellence, creativity, and Made in Italy innovation. Understanding and respecting these principles translates into ethically sound conduct, in both internal and external relationships, contributing significantly to the Group's economic growth and credibility.

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GENERAL INFORMATION

Preparation criteria

BP-1: General criteria for preparing the Sustainability Statement

This section of the Directors' Report on Operations constitutes the Consolidated Sustainability Report (hereinafter also referred to as the "Sustainability Report" or "Sustainability Disclosure"), prepared in accordance with the provisions of Legislative Decree No. 125 of 6 September 2024, which transposes Directive 2022/2464/EU, concerning the companies making up the group consisting of Salvatore Ferragamo S.p.A. (hereinafter also the "Parent Company" and the "Company") and its subsidiaries (hereinafter also the "Group" or "Salvatore Ferragamo Group") and covers the period from 1 January to 31 December 2025. The scope of social, environmental, and governance data and information aligns with the scope of financial statement data and consists of the fully consolidated subsidiaries[1].

In preparing this document, all stakeholders in the value chain relevant to Salvatore Ferragamo S.p.A. (hereinafter also "Company" or "Parent Company") were considered. In fact, as reported in the chapter "*ESRS 2 SBM-3 Material Impacts, Risks, and Opportunities and Their Interaction with Strategy and the Business Model*," impacts, risks, and opportunities related to the Company's own operations and the value chain—both upstream and downstream—were analyzed for the update of the double materiality assessment. Furthermore, suppliers and third parties are identified as recipients of the Group's sustainability policies.

For the sake of transparency, it should be noted that data relating to the value chain is not currently available with the appropriate level of completeness and accuracy, with the exception of Scope 3 emissions data; however, the Group is committed to implementing the necessary measures to incorporate the required data in future years, making use of the phase-in period as provided for by the CSRD[2].

Finally, it is specified that the Group does not omit any information relating to intellectual property, know-how, or innovation outcomes, nor does it omit information concerning imminent developments or matters under negotiation, in accordance with Article 19 bis, paragraph 3 and Article 29 bis, paragraph 3 of Directive 2013/34/EU.

BP-2: Disclosure regarding specific circumstances

Any changes in the presentation of quantitative data compared to previous reports, attributable to specific circumstances, are explicitly indicated in specific notes. Furthermore, to ensure an accurate representation of performance and the reliability of the data, the use of estimates has been limited as much as possible; where estimates are used, they are based on the best available methodologies and are appropriately disclosed. Where possible, the information contained in this Sustainability Report has been compared with the data presented for fiscal year 2024, ensuring continuity and temporal consistency. In defining the time horizons, the Group does not deviate from those identified in ESRS 1, section 6.4.

[1] The following is a list of fully consolidated companies: Ferragamo France SAS, Ferragamo U.K. Limited Ltd, Ferragamo Suisse SA, Ferragamo Monte-Carlo SAM, Ferragamo Belgique SA, Ferragamo Deutschland GmbH, Ferragamo Espana SL, Ferragamo Retail Nederland BV, Ferragamo Austria GmbH, Ferragamo USA Inc, Ferragamo Canada Inc, S Fer International Inc, Sator Realty Inc, Ferragamo Mexico S. de R.L. de C.V., Ferragamo Chile SA, Ferragamo Argentina SA, Ferragamo Brasil Roupas e Acessórios Ltda, Ferragamo Japan KK, Ferragamo Hong Kong LTD, Ferragamo Australia Pty, Ferragamo Korea Ltd., Ferragamo (Singapore) PTE. LTD., Ferragamo Retail India Private LTD, Ferragamo (Thailand) LIMITED, Ferragamo (Malaysia) Sdn Bhd, Ferrimag Limited, Ferragamo Retail Macau Ltd., Ferragamo Retail HK Ltd, Ferragamo Retail Taiwan Ltd, Ferragamo Moda (Shanghai) Co. Ltd, Ferragamo Fashion Trading (Shanghai) Company LTD. Ferragamo Retail India Private LTD and Ferrimag Limited are fully consolidated but do not contribute to the figures in the Consolidated Sustainability Report as they are, respectively, a company that is no longer operational and a holding company.

[2] ESRS 1, Section 10.2 Transitional provision relating to Chapter 5 Value Chain.

Governance

GOV-1: Role of the administrative, management, and supervisory bodies

The administrative, management, and supervisory bodies play a crucial role in overseeing the procedures adopted for identifying, managing, and monitoring risks, as well as in assessing material impacts and opportunities. Their responsibility extends to ensuring effective strategies, the adequacy of control processes, and the promotion of transparent and accountable governance, thereby ensuring that business decisions are aligned with sustainability and growth objectives.

The following table shows the composition and diversity of the members of the Group's administrative, management, and supervisory bodies:

	Role
Board of Directors	
Leonardo Ferragamo	Executive Chairman
Angelica Visconti	Deputy Chair
Giacomo Ferragamo	Executive Director
Sara Ferrero	
Patrizia Michela Giangualano	
Ernesto Greco	Executive Director
Umberto Tombari	
Laura Donnini	
Nicolò Ferragamo	
Control and Risks Committee	
Patrizia Michela Giangualano	Chair
Sara Ferrero	
Laura Donnini	
Nomination and Remuneration Committee	
Patrizia Michela Giangualano	Chair
Sara Ferrero	
Laura Donnini	
Board of Statutory Auditors	
Andrea Balelli	Chair
Paola Caramella	Acting Statutory Auditor
Giovanni Crostarosa Guicciardi	Acting Statutory Auditor
Roberto Coccia	Substitute Statutory Auditor
Antonietta Donato	Substitute Statutory Auditor
Independent Auditors	
KPMG S.p.A.	
Manager responsible for the preparation of the corporate financial statements and the Sustainability Report	
Paolo La Morgia	

Gender diversity on the Company's Board of Directors (hereinafter also referred to as the "Board"):

Board	Men	Women	Total
Executive members	3	0	3
Non-executive members	2	4	6
Total	**5**	**4**	**9**
Percentage	**56%**	**44%**	**100%**

Independent members account for 30% of the Board of Directors.
All nine members of the Board have experience in the Company's sectors, products, and geographical areas.

For further details, please refer to the following link: https://group.ferragamo.com/it/governance/consiglio-di-amministrazione.

There are no Board members with a specific role representing employees or other workers; however, the Board is fully informed about the Company's situation and makes decisions aimed at ensuring the overall well-being of the people working for the Company.

The appointment of members of the Board of Directors is based on criteria of integrity, professionalism, and independence, taking into account their knowledge and experience in the sector.

With specific reference to the expertise in sustainability that the corporate bodies, as a whole, possess directly or can otherwise draw upon, it should be noted that three members of the Company's Board of Directors—namely Giacomo (James) Ferragamo, who also serves as Chief Product Officer within the Group, Umberto Tombari, and Patrizia Michela Giangualano (the latter being Chair of the Control and Risks Committee, which is also responsible for corporate sustainability), have experience in sustainability.

For further information, please refer to their résumés available on the Company's website at https://group.ferragamo.com/it/governance/consiglio-di-amministrazione/.

Furthermore, the Company has applied diversity criteria, including gender diversity, in the composition of the Board of Statutory Auditors to ensure the presence of adequate skills and professionalism, as well as compliance with current regulations regarding gender balance. To this end, the Company's Bylaws have been amended, and guidance is provided to Shareholders in the notices convening the Shareholders' Meeting. It should also be noted that the appointments of Paola Caramella as an acting statutory auditor and Antonietta Donato as a substitute statutory auditor ensure compliance with the regulations in force as of the end of the year regarding gender balance.

The composition of the Board of Statutory Auditors is also adequately diversified in terms of age, educational and professional background, and origin, as evidenced by the auditors' résumés, available on the Company's website in the Governance/Board of Statutory Auditors section; for further details, please refer to the following link: https://group.ferragamo.com/it/governance/collegio-sindacale.

The Company is organized according to the traditional management and control model with: *i)* a Shareholders' Meeting which, in matters within its competence, expresses the will of the Shareholders; *ii)* a Board of Directors, to which the guidance and management of the Company is entrusted through the performance of the operations necessary for the implementation of the corporate purpose. The Board of Directors, within the limits permitted by law and the Bylaws, may delegate all or part of its powers for the management of the Company to one or more executive directors, defining their powers; *iii)* a Board of Statutory Auditors responsible for

overseeing compliance with the law and the Bylaws, the principles of proper administration, and the adequacy of the organizational, administrative, and accounting structure adopted by the Company, as well as its actual functioning. The Board of Directors has also established two internal committees with investigative, propositional, and advisory functions regarding appointments, remuneration, and control and risks.

The statutory audit is entrusted to an independent audit firm, appointed by the Shareholders' Meeting upon the recommendation of the Board of Statutory Auditors from among firms registered in the relevant professional registry, which performs its duties independently and autonomously. The organizational chart is available in the Governance/Corporate Governance section of the Salvatore Ferragamo Group website.

With regard to business conduct, the Board is responsible for the management of the Company and the implementation of the corporate purpose. In particular, the Board guides the Group toward sustainable success by defining and monitoring corporate strategies and promoting constant dialogue with shareholders and stakeholders.
In particular, the Board of Directors has the power and duty to direct the Company's activities, pursuing the objective of creating value for shareholders.
Within the scope of the powers conferred upon it by the Bylaws and in accordance with the Recommendations of the Corporate Governance Code, the Board:

- exercises its management role over the Issuer's business, pursuing its sustainable success, including by defining the strategies of the Issuer and the Group and monitoring their implementation;
- defines the corporate governance system deemed most effective for conducting the Company's business and pursuing its strategies;
- promotes dialogue with Shareholders and other stakeholders relevant to the Issuer;
- reviews and approves the multi-year business plan of the Company and the Group, including based on an analysis of issues relevant to long-term value creation;
- periodically monitors the implementation of the multi-year business plan, as well as the assessment of overall operating performance, periodically comparing actual results with those budgeted;
- defines the nature and level of risk compatible with the Company's strategic objectives, including in its assessments all elements that may be relevant to the Company's sustainable success;
- defines the Company's governance system and the Group's structure;
- assesses the adequacy of the organizational, administrative, and accounting structure of the Company and its subsidiaries of strategic importance, with particular reference to the internal control and risk management systems;
- passes resolutions on transactions of the Company and its subsidiaries when they have a significant strategic, economic, equity, or financial impact on the Company itself, establishing the general criteria for identifying transactions of significant importance;
- adopts, upon the proposal of the Chairman in agreement with the Chief Executive Officer, a procedure for the internal management and external communication of documents and information concerning the Company, with particular reference to inside information.

The Board, which is responsible for the internal control and risk management system as a whole, is supported by the Control and Risks Committee, to which, by Board resolution, responsibility for corporate sustainability has also been assigned. The Committee performs investigative, propositional, and advisory functions vis-à-vis the Board, with the aim of promoting the integration of national and international best practices into the Company's governance and the incorporation of environmental, social, and governance factors into corporate strategies aimed at pursuing sustainable success, which is embodied in the creation of long-term value for the benefit of shareholders, while taking into account the interests of the other stakeholders relevant to the Company.

In line with the principles and application criteria of the Corporate Governance Code, the model adopted by the Company has identified and assigned specific roles for the various phases of design, implementation, governance, and monitoring of the risk management and internal control system as a whole.

In particular, the individuals involved in the internal control system, their main responsibilities, and the coordination and reporting procedures established to ensure efficiency and maximum mutual integration have been identified and appropriately communicated within the Group.

The Company's internal control and risk management system is structured as follows:

- **Board of Statutory Auditors:** (i) informs the Board of Directors of the audited entity of the results of the statutory audit and the results of the certification of the Sustainability Report; (ii) monitors the financial reporting and Sustainability Reporting processes; (iii) monitors the effectiveness of the entity's internal quality control and risk management systems and, where applicable, of internal audit, with respect to financial reporting and Sustainability Reporting; (iv) monitors the statutory audit of the separate financial statements and consolidated financial statements and the certification of the Sustainability Report's compliance; (v) verifies and monitors the independence of the statutory auditors, sustainability auditors, or independent auditors; (vi) is responsible for the procedure for selecting statutory auditors or independent auditors and for recommending the statutory auditors or independent auditors to be appointed pursuant to Article 16 of Regulation (EU) No. 537/2014[3] . All members of the control body regularly take part in the work of the Control and Risks Committee in order to always ensure a timely exchange of relevant information between the Board of Statutory Auditors and the Control and Risks Committee, so that they may perform their respective duties.
- **Director in charge of establishing and maintaining the internal control and risk management system**: they have the duty of supervising the system, i.e. identifying the main business risks – presenting them to the Board for consideration on a regular basis – as well as designing, implementing, and managing the internal control system, in compliance with the Board's guidelines, continuously verifying its adequacy and effectiveness and adjusting it to changes in operating conditions and the legal and regulatory landscape. In this regard, it should be noted that, effective 6 March 2025, Ernesto Greco, Executive Director, has assumed this role.
- **Control and Risks Committee**: it supports the assessments and decisions of the Board of Directors – in an investigative, advisory and consultative role – concerning the internal control and risk management system as well as the approval of periodic reports on financial and sustainability disclosures, and, among other duties, expresses its views on its design, implementation, and management, as well as the adequacy of the internal control system, reporting on the work carried out to the Board of Directors every six months. Specifically, it:

(i) supports the Board in performing the duties associated with the internal control and risk management system, and specifically:
  a) in defining the guidelines of the internal control and risk management system, so that the main risks facing the Company and its subsidiaries are properly identified as well as adequately measured, managed, and monitored, also assessing the level of compatibility of such risks with business operations that are consistent with the identified strategic objectives;
  b) in assessing, at least annually, the adequacy and effectiveness of the internal control and risk management system relative to the characteristics of the business and the risk profile assumed;
  c) in describing, as part of the corporate governance report, the main features of the internal control and risk management system and the way in which it is coordinated between the parties involved in it, giving its opinion on the system's overall adequacy;
  d) in assessing, at least annually, the work plan prepared by the Head of the Internal Audit function, after consulting with the control body and the Chief Executive Officer;
  e) in assessing the findings of the auditor in the letter of recommendations, if any, and the additional report for the control body, after consulting with the latter;
  f) in assessing the measures intended to ensure that corporate functions involved in controls use effective and impartial judgment, verifying that they have the required professional skills and resources, and
  g) in assigning the supervisory functions as per Article 6, paragraph 1, letter b) of Italian Legislative Decree 231/2001 to the Supervisory Body created specifically for this purpose;

[3] Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014, on specific requirements regarding the statutory audit of public-interest entities.

(ii) after consulting with the Manager charged with preparing the Company's Financial Reports, the independent auditors and the control body, assesses whether accounting standards are used properly and consistently for the purposes of preparing the consolidated financial statements;
(iii) assesses, after consulting with the Sustainability Reporting Manager and the statutory auditor, the proper application of the standards set forth in the CSRD regulations for the purpose of preparing the consolidated sustainability report;
(iv) assesses whether periodic financial and sustainability reporting is suited to presenting fairly the business model, the Company's strategies, the impact of its operations, and performance;
(v) examines the content of the sustainability reporting relevant to the internal control and risk management system;
(vi) gives opinions on specific aspects concerning the identification of the main business risks and supports the assessments and decisions of the governing body related to the management of risks arising from adverse events the latter has become aware of, including risks that may be relevant to the medium/long-term sustainability of the Company's operations, by conducting appropriate investigations;
(vii) examines the periodic reports on the assessment of the internal control and risk management system and the particularly relevant reports prepared by the Internal Audit Function;
(viii) monitors the autonomy, adequacy, effectiveness and efficiency of the Internal Audit Function;
(ix) may task the Internal Audit Function with auditing specific operational areas, notifying the Chair of the Board of Statutory Auditors;
(x) reports to the Board of Directors on the activities undertaken as well as the adequacy of the internal control and risk management system at least at the time of the approval of the annual and half-year financial report; and
(xi) gives the Board of Directors its opinion on the appointment, removal and remuneration of the Head of the Internal Audit function, as well as the resources made available to the latter to perform their duties.

- **Financial Reporting Manager (in accordance with Article 154-bis of the Consolidated Law on Finance)**: they are responsible for defining, implementing and maintaining suitable and effective control procedures to safeguard against risks entailed in the financial reporting process, i.e. the activities undertaken to identify and assess the actions or events whose occurrence or absence may hinder, in part or in whole, the achievement of the goals of trustworthiness, accuracy, reliability, and timeliness of financial reporting.
- **Sustainability Reporting Manager (pursuant *to* Article 154-*bis,* paragraph 5-ter, of the Consolidated Law on Finance**): they are responsible for designing, implementing, and maintaining adequate and effective control procedures to manage risks in the process of preparing sustainability disclosures. They carry out activities aimed at identifying and evaluating actions or events that, if taken or not taken, could partially or fully compromise the achievement of the objectives of transparency, accuracy, reliability and timeliness of information. They are also responsible for managing environmental, social and governance (ESG) risks and ensuring that information is collected, verified and communicated in accordance with applicable regulations and applied standards.

- **Supervisory Body pursuant to Legislative Decree No. 231/2001:** it is responsible for verifying the effectiveness, adequacy, and compliance with the 231 Model and for ensuring that it is kept up to date.
- **Head of Internal Audit**: they report to the Board and are responsible for ensuring the internal control and risk management system is operational, adequate, and consistent with the guidelines defined by the Board, liaising with the Control and Risks Committee, the Board of Statutory Auditors and the Supervisory Body regarding the management of the system and its suitability in order to achieve an acceptable overall risk profile. The Head of Internal Audit is a permanent invitee to the Control and Risks Committee.
- **Tax Risk Officer**: they monitor the Tax Control Framework, ensuring that it is up to date and effective to ensure that the internal control system for tax risks is up to date and adequate for the mitigation purposes assigned to it. The role of the Tax Risk Officer ("TRO") is assigned to the Group Interim Chief Financial Officer[4], who works in coordination with the other functions responsible for the Company's internal control system, as well as with the Tax Management Function, reporting at least annually to the Control and Risks Committee, the Board of Statutory Auditors, and the Board of Directors. Furthermore, in carrying out its activities, the TRO is supported operationally by the Group Internal Control & Risk Management Function.

Please note that on 13 November 2025, the Board of Directors approved an update to the Tax Compliance Model in order to acknowledge the compensating controls implemented to ensure the segregation of duties and the independence of the TRO.

- **Group Internal Control & Risk Management function:** it coordinates the risk management process and provides systematic support to all management involved in the risk assessment process. In addition, the Function is responsible for the operational management of the implementation and updating of the following frameworks: the internal control system for financial reporting and administrative-accounting processes (pursuant to Law 262/05); the internal control system for sustainability reporting; and the Tax Control Framework (in compliance with the Collaborative Compliance Regime). The Function reports to the Group Chief Financial Officer and operates in coordination with other stakeholders within the system, such as Internal Audit, the Sustainability Function, and the Legal & Compliance Function (within which two distinct functions have been established: Regulatory Compliance and Supplier Qualification Compliance, reporting to the Group General Counsel), the Manager Responsible for Corporate Financial Statements, the Manager Responsible for Sustainability Reporting, and all other parties who, in various capacities, contribute to the identification, assessment, management, and monitoring of corporate risks.
- **Department of Legal & Compliance:** within which two distinct functions have been established: Regulatory Compliance and Supplier Qualification Compliance, both reporting to the Group General Counsel. The Regulatory Compliance

[4] Please note that on 13 November 2025, the Board of Directors approved an update to the Tax Compliance Model in order to acknowledge the compensating controls implemented to ensure the segregation of duties and the independence of the TRO.

Function is responsible for managing the risk of non-compliance with regulations applicable to the Group and, therefore, assesses the requirements contained therein, verifying that internal procedures and processes are adequate to prevent potential violations. The Supplier Qualification Compliance Function is designed to strengthen oversight of the supply chain. In these activities, the two functions work in conjunction with the other functions that make up the Company's internal control system, namely the Heads of Risk Management and Internal Audit, reporting to the Control and Risks Committee and directly to the Board of Directors.

The internal control and risk management system also involves the following bodies and functions, each within their respective areas of responsibility:

- **Ethics Committee:** set up to manage reports referred to in Italian Legislative Decree 23/2024, its task is to manage reports concerning (i) violations of the laws applicable to Group companies; (ii) violations of organizational models (including the 231 Model), procedures, regulations, codes of conduct, codes of ethics and policies of Group companies, acts or omissions that, even outside the provisions of the 231 Model, Code of Ethics or internal policies and/or procedures of Group Companies, may result in the violation of human rights or damage and detrimental effects on health, the environment, security or fundamental rights and freedoms; (iii) any form, threat or attempt to retaliate against the whistleblower. At the date of this report, the Ethics Committee consists of the Chief People Officer, the General Counsel, the Chief Product Officer, and the Head of Internal Audit.
- **ESG Steering Committee:** its purpose is to ensure thorough oversight of the progress of the Sustainability Plan, providing constant monitoring and feedback to optimize performance in the area of corporate sustainability. The Committee is composed of executives involved in the Plan's implementation process and meets periodically to assess the progress of sustainability initiatives against the targets set out in the Plan.
- **Supply Chain Steering Committee:** a collegial body composed of the Operations, Internal Audit, Legal & Compliance, Group Human Resources, Sustainability, Administration Finance and Control, and Group Internal Control & Risk Management departments, as well as external legal counsel with expertise in supply chain compliance issues. The Supply Chain Steering Committee is responsible for evaluating supplier qualifications and verifying that qualification requirements are maintained, as well as assessing the results of audits and/or inspections conducted on suppliers and taking appropriate action.
- **Artificial Intelligence Committee ("AI Committee"):** i) proposes strategic priorities for the business regarding the implementation of artificial intelligence systems; ii) ensures a comprehensive and integrated view of all artificial intelligence initiatives, in line with the guidelines established by the Board of Directors; iii) approves the proper management of the governance of artificial intelligence systems and the implementation of the Responsible AI Policy. The AI Committee is composed of the Director responsible for establishing and maintaining the internal control and risk management system, the Chief Information Officer, the Chief Information & Security Officer, the Chief Financial Officer, the Chief People Officer, the Director of Internal Audit, the Group General Counsel, and the Senior Director of Strategy & Transformation.

- **Sustainability Department:** led by Chief Product Officer Giacomo Ferragamo, who oversees sustainability initiatives and also serves as an Executive Director. The Sustainability Department regularly updates the Control and Risks Committee on sustainability-related matters.

With regard to the **Nomination and Remuneration Committee**, it should be noted that: in its capacity as the Remuneration Committee, it ensures compliance with the provisions of remuneration regulations. In particular, it is responsible for: i) assisting the Board of Directors in developing the remuneration policy for directors, general managers, executives with strategic responsibilities, and the supervisory body; ii) submitting proposals and expressing opinions to the Board of Directors regarding the remuneration of executive directors and other directors holding specific positions, as well as regarding the setting of performance objectives linked to the variable component of such remuneration; iii) monitoring the actual implementation of the remuneration policy, verifying, in particular, the effective achievement of performance objectives; iv) periodically assessing the adequacy and overall consistency of the remuneration policy for directors and senior management; v) evaluating and making proposals to the Board of Directors regarding share-based compensation plans; vi) ensuring appropriate functional and operational links with the relevant corporate structures; vii) reporting to shareholders on how it performs its duties. In its capacity as the Nomination Committee, it is responsible for assisting the Board of Directors in the following activities: i) self-assessment of the Board of Directors and its committees; ii) defining the optimal composition of the Board of Directors and its committees; iii) preparing, updating, and implementing any succession plan for the Chief Executive Officer and other executive directors that identifies at least the procedures to be followed in the event of early termination of office; iv) identifying candidates for the position of director in cases of co-optation; as well as making recommendations regarding: i) the maximum number of director or statutory auditor positions compatible with the effective performance of duties; and ii) the Board's assessments pursuant to Article 2390 of the Italian Civil Code.

The Salvatore Ferragamo Group has made sustainability a behavioral model to follow and has achieved significant milestones in this area over the years. To further reinforce its commitment, the Group has established a path of continuous improvement through a Sustainability Plan and developed a Sustainability Policy in 2017, which was updated in 2024.

The Salvatore Ferragamo Group has established a path of continuous improvement, which is embodied in the Sustainability Plan—adopted in 2017 and updated annually—with the aim of creating a globally shared vision of the direction taken and promoting a culture of sustainability characterized by respect, protection, and the promotion of excellence. The Sustainability Plan guides the path toward overcoming future challenges, while at the same time ensuring the monitoring of activities and fostering the integration of new opportunities.

Following a review by the Control and Risks Committee on 18 December 2025, the Board of Directors, after examining the progress of the targets set out in the Sustainability Plan for the three-year period 2025 - 2027, approved the update of some targets for the 2026-2027 period, which, in line with previous years, is structured around the following five pillars: Moving Towards Net Zero, Fostering Materials Innovation, Leading a Responsible Value Chain, Empowering Our People, Creating Value for Global Communities; for further details, please refer to the chapter "*ESRS 2 SBM-1 Strategy, Business Model, and Value Chain*."

Finally, upon presentation of the materiality analysis—which is updated annually—the Board of Directors, following verification by the Control and Risks Committee regarding the adequacy of the approach adopted, approved the results. The list of impacts, risks, and opportunities analyzed during the materiality analysis and approved by the governing bodies is presented in the chapter "*ESRS 2 – SBM-3 Material Impacts, Risks, and Opportunities and Their Interaction with Strategy and the Business Model*".

GOV-2: Information provided to the company's administrative, management, and supervisory bodies, and sustainability issues addressed by them

The administrative, management, and supervisory bodies are regularly updated on material impacts, risks, and opportunities, as well as on the results and effectiveness of the policies, actions, metrics, and objectives adopted to address them. As noted above, the Chief Product Officer is a member of the Board of Directors and oversees sustainability matters.

The responsibilities of each body regarding impacts, risks, and opportunities are defined in the delegations of authority and mandates granted by the Board of Directors and in related policies.

The administrative, management, and supervisory bodies, along with senior management, oversee the definition of objectives regarding impacts, risks, and opportunities and monitor their progress through the governance system and periodic reports. Furthermore, to ensure the transparency, accuracy, and reliability of sustainability-related information, the Head of Internal Audit, the Manager Responsible for Financial and Corporate Documents and Sustainability Reporting, the Group Internal Control & Risk Management function, and the Group General Counsel report periodically to the Board of Directors and the Control and Risks Committee.

It should be noted that coordination among the parties involved in the internal control and risk management system is achieved through the exchange of information between departments and during regular meetings, with the aim of maximizing

the system's efficiency, reducing duplication of effort, and ensuring that tasks are carried out effectively. In particular:

- the Director responsible for establishing and maintaining the internal control and risk management system, the Control and Risks Committee, the Head of Internal Audit, the Manager Responsible for Accounting and Corporate Documents and Sustainability Reporting, the Supervisory Body, and the Ethics Committee, report periodically to the Board of Directors on the activities carried out, including through written reports, to assist in assessing the adequacy of the internal control and risk management system;
- the Board of Statutory Auditors participates in all meetings of the Board of Directors and the Control and Risks Committee and, within the framework of these holds joint meetings with the Independent Auditors and the Manager Responsible for Accounting and Corporate Documents and Sustainability Reporting. The Board of Statutory Auditors coordinates regularly with the Head of Internal Audit and, at each meeting, receives updates on the work carried out and on its findings; the Control and Risks Committee regularly invites the Board of Statutory Auditors, the Director responsible for establishing and maintaining the internal control and risk management system, the Head of Internal Audit, and the Chief Financial Officer to its meetings in order to facilitate a continuous and structured exchange of information on the relevant topics addressed;
- the Group Internal Control & Risk Management function coordinates the risk management process and provides systematic support to all management involved in the risk assessment process. In addition, it is responsible for the operational management of activities related to the implementation and updating of the following control frameworks, including that for sustainability reporting. The Function reports to the Group Chief Financial Officer and works in coordination with the other system players, such as Internal Audit, the Sustainability Function, the Legal & Compliance Function, the Financial Reporting Manager, the Sustainability Reporting Manager, and all the other subjects that, for different reasons, contribute to the identification, evaluation, management and monitoring of business risks.
- The Head of Internal Audit maintains regular communication channels with other corporate bodies and units responsible for overseeing or monitoring the internal control and risk management system, such as the Control and Risks Committee, the Board of Statutory Auditors, and the Supervisory Body, each within their respective areas of responsibility, as well as with the Chief Financial Officer and the Financial Reporting Manager, and with the Group Internal Control & Risk Management and Legal & Compliance functions.

The Board of Statutory Auditors and the Control and Risks Committee promptly exchange information relevant to the performance of their respective duties.

Development of an **ICSR**

With particular regard to the drafting, approval, publication, and filing of the Sustainability Disclosure, the Control and Risks Committee supports the Board of Directors through the following preparatory activities: a) reviewing and updating the relevant company procedure; b) reviewing the process and results of the Double Materiality Analysis presented by the Sustainability Function, by issuing a non-binding opinion; c) reviewing the content of the Sustainability Disclosure and its preparation in accordance with the ESRS, after consulting with the Sustainability Reporting Manager, the Group Chief Financial Officer, the Sustainability Function, and the supervisory body, and expressing a non-binding opinion.

With regard to the Internal Control and Risk Management System for Sustainability Reporting ("ICSR"), the Control and Risks Committee is specifically responsible for: a) supporting the Board of Directors in defining the guidelines for the ICSR; b) supporting the Board of Directors in assessing, at least annually, the adequacy and effectiveness of the ICSR; c) monitoring the independence, adequacy, effectiveness, and efficiency of the Internal Audit Function and other functions involved in controls; d) reporting to the Board of Directors, at least annually, on the activities carried out and on the adequacy of the ICSR.

The Control and Risks Committee, in its capacity as the Corporate Sustainability Committee, performs investigative, propositional, and advisory functions for the Board of Directors in order to promote the integration of national and international best practices into the governance of the Company and the Group, as well as environmental, social, and governance ("ESG") factors into corporate strategies aimed at pursuing sustainable success, which is embodied in the creation of long-term value for the benefit of shareholders, while taking into account the interests of other stakeholders relevant to the Company.

In particular, the Control and Risks Committee performs the following functions:

- supports the Board of Directors in analyzing issues relevant to long-term value creation, with a view to reviewing and approving the Company's and the Group's business plan;
- oversees the process for drafting the Sustainability Disclosure, compliance with reporting principles, methodologies, and procedures, as well as the consistency and adequacy of the organizational structure for the pursuit of strategic objectives in the social and environmental spheres;
- monitors the alignment of the corporate governance system with legal regulations, the Corporate Governance Code, the annual recommendations of the Corporate Governance Committee, and national and international best practices, making proposals to the Board of Directors;
- reviews the Company's policies regarding human rights, business ethics and integrity, diversity, and inclusion; and
- ensures, together with the Chairman of the Board of Directors, the cross-functional implementation of the Sustainability Policy, with the aim of fully integrating sustainability into the Group's corporate strategies.

The Control and Risks Committee reports to the Board at its first available meeting on the activities it has carried out and on the observations, recommendations, and opinions it has issued.

In carrying out its duties related to sustainability, the Control and Risks Committee relies on support provided by the Chief Product Officer, the Sustainability Director, the Group Chief Financial Officer and the Manager Responsible for Sustainability Reporting, and the Group Internal Control & Risk Management function.
The Committee receives regular updates from the Sustainability function, including regarding the adequacy of the function's structure in terms of capacity and expertise.

The following are integral parts of the overall internal control system:

- the Code of Ethics, intended to promote and maintain an appropriate level of fairness, transparency, and ethical conduct in the performance of the Group's operations;
- the risk management system in relation to the financial disclosure process adopted pursuant to Article 154-bis of the Consolidated Law on Finance;
- the internal control and risk management system for Sustainability Disclosure (Internal Control of Sustainability Reporting – ICSR), which complies with the provisions of the CSRD, transposed into Italian law by Legislative Decree 125/2024;
- the organization, management and control model adopted for the purposes of preventing the crimes as set out in Italian Legislative Decree 231/2001;
- the system for managing and controlling tax risk, understood as the risk of operating in violation of tax regulations or in contrast with the principles or purposes of the tax system (known as the Tax Control Framework) implemented in accordance with the guidelines of the Inland Revenue Office as part of the "cooperative compliance scheme" regulated by Italian Legislative Decree 128/2015;
- the Anticorruption Policy;
- the Group's whistleblowing system, updated by the resolutions of the Board of Directors on 6 July 2023 and on 20 December 2023, to bring it into line with the provisions of Italian Legislative Decree no. 24 of 10 March

2023, implementing Directive (EU) 2019/1937 concerning the protection of individuals who, on well-founded grounds, report misconduct that violates European and national provisions and is detrimental to the public interest or the integrity of the entity to which they belong, of which they have become aware in the course of their work. In this regard, it should be noted that the Board of Directors appointed the Company's Ethics Committee as an autonomous internal office dedicated to receiving and processing reports sent through the whistleblowing channel.

GOV-3: Incorporating sustainability performance into incentive systems

Starting in 2023, in line with the Corporate Governance Code and industry best practices, the Group has linked the achievement of certain targets in the Sustainability Plan to a portion of the short- and long-term variable compensation for managers and directors, as well as individual contributors, as detailed in the Remuneration Policy. This decision encourages accountability toward sustainability goals and the promotion of a culture of sustainability within the company. The incentive plans are as follows:

- Short-Term Incentive (STI): an annual bonus awarded to approximately 650 managers, based on financial performance at the regional and group levels, the group's ESG performance, strategic functional priorities, and individual strategic objectives;
- Bright Program: A performance-based incentive for retail positions, linked to in-store performance KPIs;
- Long-Term Incentive (LTI): Currently in the vesting phase for two cycles, the "2023-2025 Performance and Restricted Shares Plan" is based on the allocation of a predetermined number of initial rights that grant ownership of Company shares upon the achievement of objectives linked, in part, to the Group's financial and ESG performance (75% of the bonus), with the remaining 25% linked to the beneficiary maintaining their employment relationship until the end of the vesting period for the rights of each cycle (Restricted Shares). It should be noted that a new long-term incentive plan, which includes, among other things, an ESG target linked to carbon intensity, is subject to approval by the 2026 shareholders' meeting;
- Performance Bonus: for the Italian operations, the incentive is linked to the Company's collective performance and is intended for corporate employees.

Performance is evaluated against sustainability objectives:

- For the 2025 STI, the KPIs include the progressive increase in the use of certified materials within the collections; the development of strategic roadmaps and internal procedures aimed at reducing the destruction of finished products and raw materials, with the goal of moving toward zero in the short term; and the strengthening of the Group's performance in the main ESG ratings. The portion of variable compensation linked to sustainability objectives was 20% for the STI plan of the Executive Chairman, Deputy Chair, and Head of Support Functions, and 10% for other strategic executives.
- for the LTI currently vesting (2nd cycle of the 2023–2025 plan), metrics include increasing supply chain transparency by mapping 60% of leather suppliers (Tier 1 and Tier 2) and collecting ESG information, measuring employee engagement by 2024 and implementing an action plan by 2026, resulting in an improvement in the employee engagement score; and, finally, a metric on measuring the Adjusted Gender Pay Gap globally (100% coverage) and certifying the results, with the definition of a roadmap and the consequent reduction of the gender pay gap. For the LTI plan in question, 20% of variable compensation is linked to sustainability objectives for all beneficiaries. Please note that the third cycle of the plan has been canceled/suspended as described in the Remuneration Policy, and a new long-term incentive plan will be submitted for approval at the 2026 Shareholders' Meeting; please refer to that meeting for further details.

This structure ensures alignment between performance incentives and the company's long-term sustainability strategy. For further details, please refer to the Remuneration Policy, which is approved annually by the Board of Directors and available on the website https://group.ferragamo.com/en/governance/corporate-governance/remuneration/remuneration-report.

GOV-4: Statement on due diligence

Salvatore Ferragamo S.p.A. recognizes the importance of due diligence and is committed to achieving full compliance with applicable regulations in the coming years. The Group is implementing measures aimed at addressing any gaps that may arise. Among the initiatives undertaken are the adoption of new corporate policies, the updating of internal processes, and ongoing staff training to ensure greater awareness and expertise in compliance matters. The goal is to create a robust and sustainable due diligence process that not only complies with regulations but also represents added value for the Company and its stakeholders.

Core elements of sustainability due diligence		Paragraphs in the sustainability statement
a)	Embedding sustainability due diligence in governance, strategy and business model	GOV-1 Management responsibilities GOV-1 Supervision of sustainability by the IROs GOV-2 Sustainability matters addressed by management GOV-3 Incentive schemes SBM-3 Assessment of double materiality and due diligence governance for sustainability
b)	Engaging with affected stakeholders in all key steps of the sustainability due diligence	Overview of stakeholders GOV-2 Sustainability matters addressed by management IRO-1 Assessment process of double materiality MDR-P Overview of due diligence policies on sustainability
c)	Identifying and assessing adverse impacts	SBM-3 Assessment of double materiality SBM-3 Result of the double materiality assessment IRO-1 Assessment process of double materiality Due diligence on sustainability
d)	Taking actions to address those adverse impacts	E1-3 Climate action plans E3-2 Management of impacts on water E5-2 Management of impacts on resources and circularity S1-4 Management of impacts on our people S4-4 Management of impacts on consumers and end users Due diligence on sustainability
e)	Monitoring the effectiveness of these efforts and communicating the results	Due diligence on sustainability

GOV-5: Risk management and internal controls relating to sustainability reporting

During the 2025 fiscal year, the Salvatore Ferragamo Group continued its ongoing process of strengthening and consolidating its current **Internal Control and Risk Management System for Sustainability Reporting** (known as Internal Control of Sustainability Reporting "ICSR"), extending the mapping to additional Disclosure Requirements ("DR") beyond what was defined and implemented in 2024, with the aim of further strengthening the internal control framework and, consequently, reinforcing and consolidating existing reporting practices. This system, developed in response to ESRS requirements, represents the set of internal procedures and tools adopted to ensure the achievement of corporate objectives regarding the reliability, accuracy, and timeliness of reporting, as well as the proper application of sustainability standards for the purposes of Consolidated Sustainability Reporting (hereinafter also "Sustainability Reporting" and "Sustainability Disclosure").

The system, developed in accordance with the COSO SCIGR Framework[5]—which serves as the benchmark against which every component of the Group's internal control system is established, maintained, and evaluated—operates in compliance with applicable regulations and corporate governance principles, and is integrated into the Group's risk management and internal control system.

With regard to the risk management and internal control system related to the preparation of the Sustainability Disclosure, the Group, through the **Sustainability Reporting Manager**, has defined and implemented a system for the control and reporting of sustainability information ("ICSR"). During 2025, a continuous monitoring process was also implemented to assess the adequacy and effective application of the ICSR framework, through periodic verification of the design and operational effectiveness of the main controls in place. The results of the monitoring activities, including any corrective actions and/or improvement plans, are reported to the Sustainability Reporting Manager to support the related external certification process pursuant to Article 154-bis, paragraph 5-ter of Legislative Decree 58/1998. Furthermore, a structured reporting process to the Board of Directors has been established, ensuring adequate disclosure regarding the results of the monitoring activities carried out.

Specifically, the ICSR framework consists of the following main components:

- a process to identify the main risks associated with the Sustainability Disclosure reporting process and the controls in place to manage the identified risks, presented in dedicated control matrices ("Risk and Control Matrix" or "RCM") that outline, for each Disclosure Requirement deemed relevant, the associated ESG risks and control activities;
- a corporate procedure approved by the Company's Board of Directors for the preparation and dissemination of the Sustainability Disclosure;
- a process of continuous monitoring of the adequacy and effective implementation of relevant corporate procedures, through periodic verification of the design and actual operation of key controls (testing), leading to the identification of any necessary corrective and/or improvement actions;
- a structured process of reporting to the Board of Directors in order to provide full and timely disclosure of the results of the monitoring activities carried out;
- regulations issued by the Sustainability Reporting Manager and approved by the Company's Board of Directors;
- an internal certification process, which requires delegated administrative bodies and heads of organizational units to submit statements to the Sustainability Reporting Manager regarding the completeness and reliability of relevant information flows and the proper functioning of the internal control system for the purpose of preparing the Sustainability Disclosure;

[5] Committee of Sponsoring Organizations of the Treadway Commission. (2023) Achieving effective internal control over sustainability reporting (ICSR): Building trust and confidence through the COSO internal control—integrated framework.

- an external certification process based on the reports and statements of the Sustainability Reporting Manager pursuant to Article 154-bis, paragraph 5-ter, of Legislative Decree 58/1998.

The Group's sustainability information monitoring and reporting system is also subject to a continuous process of updating and maintenance to ensure that the preparation of the Sustainability Disclosure remains appropriate and consistent over time, in light of any changes to the Group's business, organization, and processes.

Through the analysis of data collection flows related to identified disclosure obligations, the Group has defined and formalized the types of risks and the corresponding control points for their mitigation, specifying their nature, frequency, and the parties responsible for their implementation.

As part of the process of drafting, approving, and publishing the Sustainability Disclosure, risks related to the failure to achieve control objectives are analyzed to ensure a representation that complies with the regulations and principles governing its preparation, as well as to minimize the likelihood and impact of any critical issues.

The system for controlling and reporting sustainability disclosure is, in fact, based on a thorough assessment of the risk of reporting errors, developed on the basis of qualitative and quantitative criteria[4].

Specifically, starting from the material sustainability issues identified through the Double Materiality analysis—which is coordinated annually by the Sustainability Function with the support of the Risk Management & Internal Control Function—materiality thresholds have been defined to determine the priority level for mapping the control system underlying "quantitatively material" DRs, taking into account the potential impact of the information.

Among the aspects considered are:

- the relevance of these issues in relation to the objectives of the Group Sustainability Plan and the KPIs already reported in the Sustainability Disclosure;
- the inclusion of data and KPIs already disclosed to financial institutions and in the Sustainability Disclosure, such as indicators included in ESG-linked loan agreements;
- the existence of MBOs linked to sustainability KPIs;
- additional qualitative assessments by the Sustainability Reporting Manager.

Among the main potential reporting risks identified are inaccuracies and incompleteness in the data collected, errors in the calculation of indicators, and a lack of alignment with ESRS requirements.
For the identified risks, the Risk Control Matrix defines mitigation strategies and related controls which, starting in 2025, have been subject to specific monitoring activities aimed at verifying the adequacy of the design and the operational effectiveness of the controls to mitigate and reduce the identified risks.

These checks allow for the identification of any remedial actions, such as the introduction of compensating controls or changes to operational processes, to ensure adequate oversight of areas deemed critical.

The results of the risk assessment and internal controls are integrated into business processes through a process of continuous monitoring and periodic verification of the proper functioning of the controls themselves, with the definition of any corrective actions and/or improvement plans. This process is carried out in collaboration with the Sustainability Function, under the supervision of the main corporate bodies, such as the Board of Directors, the Control and Risks Committee, and the Board of Statutory Auditors.

The Sustainability Reporting Manager interacts and collaborates with the administrative, management, and supervisory bodies and the company's organizational structures to ensure the proper and effective performance of the assigned duties.

Therefore, the Sustainability Reporting Manager reports to the Board of Directors and the Control and Risks Committee, in the presence of the Board of Statutory Auditors, through periodic reporting of the results—at least annually—regarding the performance of the activities for which they are responsible, highlighting any critical issues that have emerged during the period and the actions taken or planned to address them; furthermore, the Sustainability Reporting Manager informs the Director responsible for establishing and maintaining the internal control and risk management system regarding matters that, due to their critical nature or severity, may require urgent decisions by the Board of Directors. This reporting enables the monitoring of the effectiveness of the internal control system and ensures that the administrative, management, and supervisory bodies have timely and accurate information. This process not only ensures compliance with regulations and corporate governance principles but also supports alignment with sustainability objectives, providing a solid foundation for integrated risk management and transparency in reporting.

Strategy

SBM-1: Strategy, Business Model, and Value Chain

The Annual Report outlines the Group's overall strategy in Chapter "3. Activities of the Salvatore Ferragamo Group," detailing the business model adopted, the structure of the value chain, and a description of the factors of production, the results generated, and the ways in which sustainability considerations are integrated into the related strategic objectives. The section "*ESRS 2 – SBM-3 Material Impacts, Risks, and Opportunities and Their Interaction with Strategy and Business Model*" documents the ESRS topics that Ferragamo S.p.A. has identified as material. The distribution of the workforce by geographical area of operation is available in the chapter "*ESRS S1 – Own Workforce*." Information on how the business model is adapted to manage sustainability-related impacts, risks, and opportunities is presented alongside the information provided for each material sustainability topic. Finally, revenues from ordinary activities, broken down by business segment in accordance with IFRS 8, are presented in the chapter "44. Segment Reporting."

Sustainability Plan

Since 2016, Salvatore Ferragamo S.p.A. has embarked on a process to define sustainability objectives. Based on the United Nations Sustainable Development Goals (SDGs), the Company identified the main objectives to pursue and, with the adoption of the Group's first Sustainability Plan in 2017, outlined a series of actions to be implemented internally. In 2019, the Group further strengthened its environmental commitment by joining the Fashion Pact and integrating three new SDGs into the Sustainability Plan: "Climate Action," "Life Below Water," and "Life on Land." The Plan reflects the commitments expressed in the Group's Sustainability Policy and is updated annually to build and strengthen a shared vision at Group level in the environmental, social, and governance spheres, promoting a culture of sustainability based on respect, protection, and the promotion of excellence. It aims to integrate existing objectives with new challenges for future development and respond to the interests and opinions of stakeholders. The document is shared with senior management and the Control and Risks Committee, which oversees corporate sustainability issues. The ESG Steering Committee meets periodically to assess the progress of sustainability initiatives against the targets set in the Plan and is composed of executives involved in the Plan's implementation process. In the event of delays in completing the actions underlying the objectives, the ESG Steering Committee is tasked with devising solutions to achieve the target within the timeframe established by the Sustainability Plan. Starting in 2023, in line with the Corporate Governance Code and industry best practices, the Group has linked the achievement of some targets in the Sustainability Plan to a portion of the short- and long-term variable compensation of managers and directors, as detailed in the Remuneration Policy; further information is provided in the chapter "*ESRS 2 – GOV-3: Integration of sustainability performance into incentive systems*." This

The Fashion Pact
Members since 2019

approach encourages accountability toward sustainability goals and the promotion of a culture of sustainability within the company's operations. The Group's Sustainability Plan, with a three-year horizon (2025–2027), is structured around five pillars: Moving toward zero emissions, Fostering innovative materials, Leading a responsible value chain, Empowering our people, and Creating value for global communities.

The Plan identifies 16 specific targets, distributed across the various pillars, and defines the implementation period for each action. During the 2025 update, priorities from previous years were considered, such as those arising from the adoption of the SDGs, the signing of The Fashion Pact, the definition of Science-Based Targets, and regulatory requirements. Monitoring the progress of the activities outlined in the Sustainability Plan revealed the need to review the effort required and/or the timelines associated with some of the planned actions. The targets listed below apply to the entire Group, across all regions where it operates, and extend to its value chain as well. Specifically, the first pillar, "Moving toward zero emissions," aims to ensure the continuity of the Group's internal environmental initiatives. The "Foster innovative materials" pillar pertains to Ferragamo products, with the goal of providing customers and end-users not only with quality but also with a commitment to the environment and people through the Group's conscious choices. The "Leading a Responsible Value Chain" pillar, on the other hand, aims to implement strategies that enable business partners and collaborators to foster a virtuous environmental cycle. The final two pillars, "Empowering Our People" and "Creating Value for Global Communities," focus on people and Ferragamo's social responsibility to promote fair and inclusive practices both within the Company and externally in the communities it engages with.

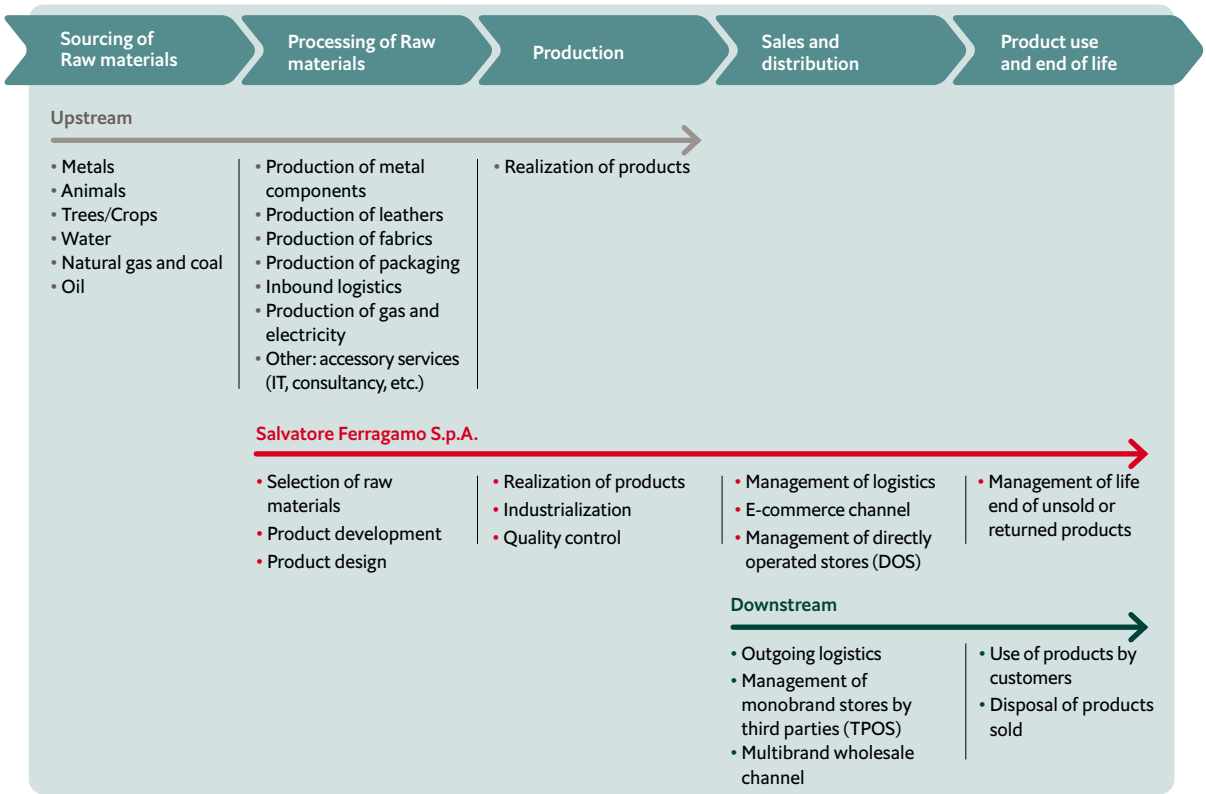
ESG BUILDING BLOCK	Id	Target	Timing
MOVING TOWARDS ZERO EMISSIONS	0	Achieving net-zero by 2050	2050
	1	A 42% reduction in absolute Scope 1 and Scope 2 GHG emissions by 2030 compared to 2023 (Science-Based Target)	2030
	2	A 42% reduction in absolute Scope 3 GHG emissions arising from the procurement of goods and services and from downstream transport and distribution by 2030 compared to 2023 (Science-Based Target)	2030
	3	100% renewable energy across all our sites	2030
	4	A 30.3% reduction in FLAG absolute Scope 3 GHG emissions by 2030 compared with the 2023 baseline	2030
FOSTERING MATERIALS INNOVATION	5	Achieving 80% of strategic raw materials* certified in accordance with the Group's raw materials guidelines (*leather, silk, cotton, wool, viscose, synthetics)	2027
	6	Eliminating single-use plastic from packaging through the introduction of innovative materials	2027
	7	Design for disassembly, repairability and material recovery	2027
LEADING A RESPONSIBLE VALUE CHAIN	8	Promoting transparency throughout the value chain and fostering collaboration with suppliers to develop joint ESG projects	2027
	9	Establishment of a strategy on the responsible use of chemicals (ZDHC) for a gradual phase-out, including aspects relating to water resources	2027
	10	Supporting the protection of biodiversity, zero deforestation and sustainable forest management	2027
EMPOWERING OUR PEOPLE	11	Attracting, developing and encouraging people through a fair pathway for talent	2027
	12	Promoting and embedding a culture of diversity, inclusion and equal opportunities	2027
	13	Promoting welfare and engagement initiatives for the wellbeing and health of employees	2027
CREATING VALUE FOR GLOBAL COMMUNITIES	14	Strengthening our positive impact on communities	2027
	15	Improving customer information and engagement, while raising awareness of Ferragamo's ESG performance	2027

The Group's strategy[6] is to reaffirm its competitive position among the leaders in the global luxury market, to respond to the ever-changing and challenging environment in which it operates and to create value for its shareholders through sustainable and profitable growth.

The main strategic guidelines can be summarized as follows:

- the product always at the center, with a renewed focus on leather goods and, in particular, footwear;
- new energy for the brand, thanks to a more distinctive narrative and a more effective marketing approach;
- enhancement of the customer experience both in physical stores and in customer relations and digital channels;
- strengthening of operational discipline through cost and investment control and inventory efficiency.

Business Model and Value Chain[7]



[6] For further details, refer to chapter 3. of the Directors' Report on Operations.
[7] For further details, refer to chapter 3. of the Directors' Report on Operations.

The Group's success is rooted in its commitment to a long-term value creation strategy centered on promoting Italian manufacturing. Consequently, the Group has always been dedicated to contributing to local development by showcasing Italian manufacturing excellence and carefully selecting services and products supplied almost exclusively by Italian vendors, both direct and indirect. The Founder's philosophy, deeply rooted in Italian heritage, continues to guide the Group's strategy today, which relies on a broad network of partners possessing exceptional craftsmanship and often built on years of collaboration.

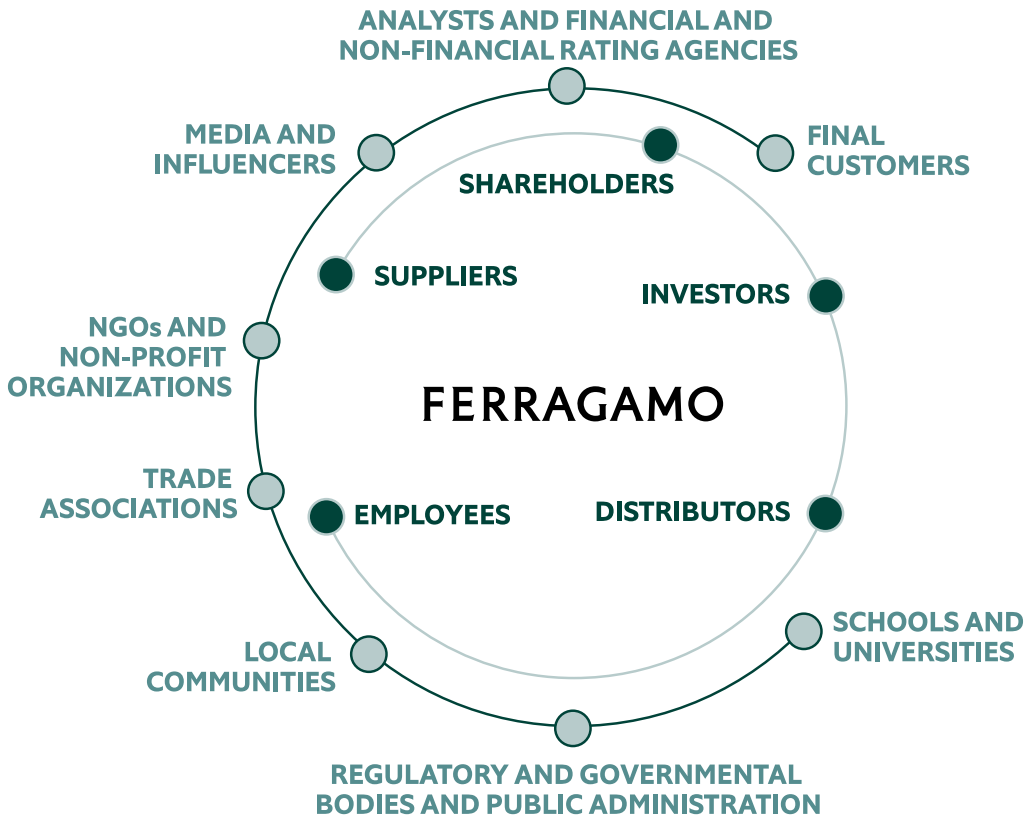
Specifically, direct suppliers (both Italian and foreign) are defined as:

- suppliers of raw materials (tanneries, etc.)
- suppliers of finished products (shoe manufacturers, leather goods manufacturers, etc.)
- suppliers of components and/or machining services used in the manufacture of the finished product (fittings, etc.)
- suppliers of so-called "components" (heels, soles and bases) or other components or raw materials, which are not purchased directly by the Company but by the aforementioned suppliers on the Company's instructions, and which are intended to be incorporated into finished products and/or included in the cost of production.

In order to ensure product quality, while making production and distribution cycles more efficient and flexible, and to verify compliance with policies and procedures, the Group pays close attention to its supply chain, requiring its direct suppliers to use only one tier of subcontractors. Similarly, the Group directly oversees the product development and industrialization phases, carrying out quality and safety checks at every stage of the production process.

The distribution system comprises a network of directly operated monobrand stores (DOS), a network of third-party operated monobrand stores (TPOS) and the multibrand channel (wholesale).

SBM-2: Stakeholders' interests and views



For many years, the Group has identified and selected its stakeholders with the aim of understanding their expectations and translating them into concrete objectives to be achieved. Every year, in fact, the Group promotes activities to engage its stakeholders, involving them in defining economic, social and environmental issues, in accordance with the principles of transparency, integrity and professionalism. These initiatives are not limited to an external audience, but also include the integration of a culture of sustainability into the company's daily operations and strategy.

Internal stakeholders include employees, shareholders, investors, distributors, suppliers, while external stakeholders comprise end customers, schools and universities, regulatory bodies, government and public administration, local communities, non-governmental organizations (NGOs) and non-profit organizations, the media and influencers, trade associations, analysts, and financial and non-financial rating agencies.

The Group carries out a series of activities, through consultations, regular meetings, partnerships and collaborations on specific projects, designed to engage stakeholders by aligning these initiatives with the corporate commitments. The main objective of these activities is to ensure that stakeholders' expectations are taken into account in the Company's decision-making process, thereby helping to improve the Group's sustainability and social responsibility and to promote a constructive and ongoing dialogue.

The table below summarizes the engagement activities, broken down by stakeholder category.

Stakeholder	Summary of commitments and activities	Summary of engagement efforts	Summary of stakeholder expectations
Final customers	The Group pursues numerous initiatives aimed at customer satisfaction, adopting a customer-centric strategy that enables it to anticipate the needs of both current and prospective customers, with the aim of creating value in the short, medium and long term. Among its many commitments, particular mention should be made of the Group's strategic approach and its work in the field of anti-counterfeiting.	- Business initiatives aimed at improving customer understanding and engagement (Virtual Showroom, ClientiAmo app); - Activities related to the sales process (stores and e-commerce).	• Quality, safety, traceability and sustainability of products and materials; - A high-quality, personalized shopping experience; • Ongoing support and advice; - Information on the correct use and storage of products.
Analysts and financial and non-financial rating agencies	The Group is committed to communicating financial and non-financial information transparently and in a timely manner, in line with best practices and the best methodologies available.	- Structured reporting as part of requests for financial and nonfinancial information.	- Transparency, timeliness and reliability of financial and non-financial information.
Trade associations	The Group maintains constructive relationships with trade associations, including to promote an understanding of the needs and trends of the Fashion & Luxury markets, facilitate dialogue, and contribute to the sustainable development of the sector and of Made in Italy.	- Contribution to events and activities; - Specific meetings and conferences, including in the area of sustainability.	• Compliance with the requirements for participation and active involvement of the Group in the dialogue and in the events and/or activities promoted; • Sharing of relevant industry insights (e.g. sustainability trends, global initiatives, sales trends for specific products); • National and international collaborations and initiatives aimed at promoting Made-in-Italy products throughout the world.

Stakeholder	Summary of commitments and activities	Summary of engagement efforts	Summary of stakeholder expectations
Media and influencers	The Group maintains ongoing collaboration with the media and influencers, including through interviews, presentations and dedicated events, committing to contribute to the promotion of information campaigns relating to sustainable innovations, new circular trends, industry developments or any actions undertaken in support of the community and the environment.	- Interviews; - Company events; - Press conferences.	• Accurate and truthful communication of the Group's performance and the main market innovations introduced; • Presentation of the social, cultural and environmental initiatives undertaken; • Presentation of developed innovationsand sustainability trends.
NGOs and non-profit organizations	The Group engages in constant dialogue with NGOs and the third sector, contributing to specific projects: for years it has been involved in initiatives and collaborations dedicated to the wellbeing and health of women and children. To this end, it pays close attention to the requests and expectations of numerous non-profit organizations, maintaining a strong partnership with them dedicated to supporting local communities.	- Dialogue and collaboration with non-profit organizations, including through the provision of donations, contributions and sponsorships.	- Group's participation in and support of cultural development and social inclusion projects.
Local communities	The Group conducts its business with full consideration for the needs of the regions in which it operates, with the aim of extending the positive externalities of its activities to local communities.	- Initiatives to engage local communities; - Ongoing relationships with the main organizations in the area.	• Implementation of business practices that protect the territory; • Promotion of local development. • Company volunteering
Regulatory and Governmental bodies and public administration	The Group interacts with the utmost integrity and fairness towards regulatory bodies, government agencies and public administrations, based on the principles, roles and responsibilities identified under current legislation, to maintain a constructive collaborative relationship that serves the interests of the community.	- Formal communications, in the various areas of reference (e.g. Governance, Tax).	- Compliance with the regulations in force; - Combating corruption and bribery; - Prevention of crimes pursuant to Italian Legislative Decree 231/2001; - Reliability and transparency towards the needs of the public administration.
Schools and universities	The Group promotes a participatory dialogue with universities, training institutions and national and international research centers, also with the aim of sharing its passion and expertise in the Fashion & Luxury sector with the younger generation.	- Training activities and initiatives; - Collaborations with universities and research centers.	• Promoting youth employment and research and development, including in sustainability; - Developing activities of interest with the active participation of students.
Employees	The Group has always been committed to fostering the development and growth of its employees, including by offering a stimulating work environment, with a focus on corporate welfare and a wide range of training opportunities.	- Training; - Knowledge sharing sessions.	• Safe and fair workplaces; • Compliance with the principles of diversity, equity and inclusion; • Occupational stability and company welfare; • Opportunities for personal and professional growth; • Fair remuneration policies and merit-based systems; • Compliance with labor laws.

Stakeholder	Summary of commitments and activities	Summary of engagement efforts	Summary of stakeholder expectations
Distributors	The Group has always promoted dialogue aimed at creating and maintaining stable, long-lasting collaborative relationships with its distributors.	- Online questionnaires; - Normal commercial relations.	• Compliance with contractual conditions; • Fair and non-discriminatory treatment.
Investors	The Group maintains constant contact with investors, ensuring transparent, consistent, clear, accurate and timely communication.	- Structured reporting in response to requests for financial and non-financial information.	• Transparency in relation to its financial and non-financial performance; • Continuous improvement in the ESG field.
Shareholders	One of the Group's main objectives is to ensure the sustainable success of the business, including with a view to creating added value for its shareholders. In this context, the Group maintains ongoing engagement with its shareholders by adopting best practices in investor relations.	- Contributions to events and activities; - Specific meetings and conferences, including those relating to sustainability	• Share value growth; • Transparency in relation to its financial and non-financial performance; • Continuous improvement in the ESG field.
Suppliers	The Group encourages dialogue aimed at establishing and maintaining stable, long-term collaborative relationships, and promotes the adoption of ethical, socially responsible and environmentally responsible practices among its suppliers.	- Online questionnaires on sustainability; - Use of the FerragamoLink internal platform; - Engagement through the Process Factory project; - Normal procurement relations.	• Compliance with contractual conditions; • Continuity in supply demand; • Fair and non-discriminatory treatment.

In 2025, the Group involved its key stakeholders – namely suppliers, the Unified Trade Union Representative Body (RSU) and store managers – in the process of updating its materiality analysis. Specifically, the analysis covered a representative sample of the supply chain, comprising 59% raw materials, 27% finished products and 14% packaging. In addition, the Unitary Trade Union Representation (RSU) and a number of store managers were involved. These engagement initiatives represent a significant opportunity for dialogue and raising awareness regarding the sustainability issues that characterize the Group's business activities. The interests, opinions and rights of employees, workers along the value chain, affected communities, and consumers and end-users are taken into account by the Group when defining its corporate strategy. The engagement activities listed above describe the tools through which Salvatore Ferragamo S.p.A. ensures that dialogue with its stakeholders is ongoing and constructive for all parties.

In this regard, the administrative, management, and supervisory bodies are informed of the views and interests of stakeholders in the field of sustainability through the presentation and approval of the results of the double materiality analysis, which includes stakeholder engagement activities.

SBM-3: Material impacts, risks and opportunities, and their interaction with the company's strategy and business model

The materiality analysis carried out at Group level has enabled the identification of material impacts, risks and opportunities associated with the Group's operations and value chain. These elements relate to various operational aspects, both upstream and downstream, and provide a clear picture of the areas on which efforts should be focused to improve the Group's sustainability in all its aspects, reducing the associated risks and capitalizing on the opportunities that arise. For further information, please refer to section IRO-1: Description of the process for identifying and assessing material impacts, risks and opportunities.

The list below sets out the impacts, risks and opportunities identified as material following the double materiality analysis conducted. The term "new" indicates impacts that emerged as material in 2025 and not in the previous reporting year.

					Perimeter			
Sustainability topic and related ESRS	**IRO**	**Description**	**Nature**	**Type**	**Upstream value chain**	**Own activities**	**Downstream value chain**	**Time horizon**
E1 - Climate change	**Climate change**							
	Impact	Energy consumption, with consequent negative impacts on the environment and reduction of energy stocks	👎	Current	X	X	X	Short/ medium/ long
	Impact	Generation of GHG emissions related to production and transport activities along the value chain (Scope 3)	👎	Current	X	X	X	Short/ medium/ long
	Impact	Contribution to climate change through direct and indirect GHG emissions, linked to the activities carried out in the Group's offices and sites (Scope 1 and 2)	👎	Current	X	X		Medium/ long
	Risk	Regulatory developments (e.g. expansion of ETS perimeter) which may entail higher business costs			X			Short/ medium
	Risk	Increase in production costs due to change in costs of input factors, such as energy vectors			X			Short
E2 - Pollution	**Substances of very high concern**							
	Risk new	Risk of severe regulations on the use of substances of very high concern (REACH, PFAS)			X	-		Short
	Microplastics							
	Impact new	Pollution caused by microplastics and synthetic or natural microfibers in various stages of the value chain (production, use of product and life-end)	👎	Potential	X	-	X	Short/ medium/ long
E3 - Water and marine resources	**Water**							
	Impact	Negative impact on the availability of water caused by water draw-off as part of the production process	👎	Current	X			Short/ medium/ long

Legend:
👎 Negative 👍 Positive

					Perimeter			
Sustainability topic and related ESRS	**IRO**	**Description**	**Nature**	**Type**	**Upstream value chain**	**Own activities**	**Downstream value chain**	**Time horizon**
E4 - Biodiversity and ecosystems	**Factors of direct impact on loss of biodiversity**							
	Risk new	Uncertainty linked to the possible adoption of stricter regulations regarding biodiversity is a regulatory risk which may have financial and operational impacts			X			Short
	Impacts on the extension and condition of ecosystems							
	Impact	Loss of biodiversity along the supply chain, for example generated by deforestation following the production of textile fibers and animal husbandry activities	👎	Potential	X			Medium/ long
E5 - Circular economy	**Inflows of resources, including the use of resources**							
	Impact	Use of innovative materials from recycling and from virtuous production processes to create new products	👍	Current	X	X	X	Short/ medium/ long
	Impact	Impoverishment of resources due to the use of virgin raw materials, including packaging	👎	Current	X	X	X	Short/ medium/ long
	Outflows of resources connected to products and services							
	Impact	Production and disposal of dead stocks of unsold/ obsolete products and materials	👍	Current		X	X	Short/ medium/ long
	Risk	Compliance with regulatory changes regarding products and production processes			X	X	X	Short/ medium
	Opportunity	Development of new services and products through innovation and R&D, which can entail an increase in income through new solutions to adaptation needs			X	X		Medium
	Waste							
	Risk	Economic and reputational damage caused by management which does not include life-cycle aspects along the whole value chain with lack of control over practices such as incineration			X	X	X	Long

Legend:
👎 Negative 👍 Positive

					Perimeter			
Sustainability topic and related ESRS	**IRO**	**Description**	**Nature**	**Type**	**Upstream value chain**	**Own activities**	**Downstream value chain**	**Time horizon**
S1 - Own workforce	**Work conditions**							
	Impact	Promotion of the satisfaction and well-being of employees by implementing well-being activities and dedicated benefits	Positive	Potential		X		Short/ medium/ long
	Impact new	Potential tensions in relations with unions with negative repercussions for workers in terms of labor conditions and freedom of association	Negative	Potential		X		Short/ medium/ long
	Impact	Failure to meet workers' expectations in terms of adequate remuneration	Negative	Current		X		Short/ medium/ long
	Risk	Difficulty in attracting fresh talent and in retaining key staff owing to the current dynamism of the market and pay expectations and development policies which are not sufficiently incentivizing, with consequent impacts on operational continuity and on critical know-how				X		Short
	Risk	Compliance with OHS regulatory changes				X		Short/ medium/ long
	Risk	Accidents at work which may involve risks for health, the environment or cross-cutting security can cause an increase in costs arising from contractual changes to existing insurance policies or eventual compensation outside of policies				X		Short/ medium
	Risk	Conditions of employment instability (e.g. fixed-term contracts) can generate economic insecurity among retail employees and the respective families, having a negative influence on the motivation, engagement and quality of the customer service				X	X	Short
	Risk	Conditions of employment instability (e.g. fixed-term contracts) can generate economic insecurity among office employees and the respective families, reducing the sense of belonging and increasing the risk of turnover among strategic professionals				X		Short
	Equal treatment and opportunity for everyone							
	Impact	Improvement in workers' skills through training and professional development activities, also linked to growth and personalized assessment targets	Positive	Current		X		Short/ medium/ long
	Impact	Negative impacts on employees' satisfaction and motivation owing to discrimination (e.g. linked to gender, age, etc.)	Negative	Potential		X		Short/ medium/ long

Legend:
Negative Positive

					Perimeter			
Sustainability topic and related ESRS	**IRO**	**Description**	**Nature**	**Type**	**Upstream value chain**	**Own activities**	**Downstream value chain**	**Time horizon**
S1 – Own workforce	Impact	Strengthening and implementation of DEI&B policies which create a good working environment	👍	Current		X		Short/ medium/ long
	Impact	Inclusive environment, also thanks to the introduction of people with disabilities into the workforce	👍	Current	-	X	X	Short/ medium/ long
	Risk new	Risk that discrimination in the workplace (e.g. discrimination based on gender, ableism, forms of violence of any kind, etc.) may cause reputational damage and possible fines and sanctions, legal action			-	X	X	Short
	Risk	Difficulty in attracting fresh talent and in retaining key staff owing to the current dynamism of the market and pay expectations and development policies which are not sufficiently incentivizing, with consequent impacts on operational continuity and on critical know-how				X		Short
	Opportunity	Increase in the attractiveness for talent/ productivity thanks to the creation of a positive corporate climate through the adoption of "diversity and inclusion" policies, generating positive impacts on the Group's economic and financial performance				X		Short
	Other rights connected to employment							
	Risk	IT attacks, violations of or unauthorized access to corporate IT systems could compromise the availability, confidentiality and integrity of data, and cause operational discontinuity in systems				X		Short/ medium/ long /
	Risk	Erosion of human rights in its own workforce			-	X		Short/ medium/ long

Legend:
👎 Negative 👍 Positive

					Perimeter			
Sustainability topic and related ESRS	**IRO**	**Description**	**Nature**	**Type**	**Upstream value chain**	**Own activities**	**Downstream value chain**	**Time horizon**
S2 – Workers in the value chain	**Labor conditions**							
	Risk	Failure by suppliers to comply with labor standards and adequate labor conditions (for example, adequate work hours, work-life balance, safety at work) as well as the lack of social dialogue			X			Short
	Opportunity	Increase in the stability of the supply chain and the ability to work in different conditions			X		X	Short
	Other rights connected to labor							
	Risk	Compromising human rights in the sector			X		X	Short/ medium/ long
	Risk	Forced labor in the sector			X		X	Short/ medium/ long
S3 – Local communities	Economic, social and cultural rights of communities							
	Impact	Support for local development through contributions and donations to associations in the local area where the Group is most present	👍	Current	X	X	X	Short/ medium/ long
	Opportunity	Opportunity to improve the reputation though initiatives aimed at social responsibility and community-focused initiatives				X		Short
S4 – Consumers and end users	Impacts linked to information for consumers and/or end users							
	Impact	Full satisfaction of customers in terms of product quality and the purchase experience	👍	Current			X	Short/ medium/ long
	Risk	IT attacks, violations of or unauthorized access to corporate IT systems could compromise the availability, confidentiality and integrity of data, and cause operational discontinuity in systems			X		X	Short/ medium/ long
	Risk	Reputational damage caused by inappropriate conduct by brand ambassadors and influencers (KOL negative feedback, dissemination of fake news)				X	X	Long
	Social inclusion of consumers and/or end users							
	Risk	Inefficient ESG and brand communications			-	X	X	Short/ medium/ long

Legend:
👎 Negative 👍 Positive

					Perimeter			
Sustainability topic and related ESRS	**IRO**	**Description**	**Nature**	**Type**	**Upstream value chain**	**Own activities**	**Downstream value chain**	**Time horizon**
G1 – Conduct of businesses	Business culture							
	Impact	Non-compliance with laws and regulations and voluntary codes on environmental or socioeconomic matters along the value chain		Potential	X		X	Short/ medium/ long
	Risk	Failure to achieve ESG goals and commitments			-	X		Short/ medium/ long
	Risk	Possible reputational and economic damage caused by misleading communications (greenwashing)				X		Short/ medium/ long
	Protection of whistleblowers							
	Risk	Failure to protect whistleblowers may expose them to potential reprisals and personal repercussion, as well as potential reputational and economic impacts such as legal action, fines and/or sanctions				X	X	Short
	Political commitment and lobbying							
	Opportunity	Increase in revenues thanks to access to new emerging markets and diversification of financial assets				X	X	Long
	Management of relations with suppliers, including payment practices							
	Impact *new*	Guaranteeing the financial stability of suppliers by complying with the agreed payment terms		Current	X	X		Short/ medium/ long
	Opportunity	Establishing commercial partnerships based on agreed ESG goals				X		Medium/ long
Entity specific	**Brand experience**							
	Impact	Promotion of Made in Italy, Italian craftsmanship and creativity, with direct and indirect benefits for the positioning of Italian industry and the related fabric/footwear sector in the world		Current	X	X		Short/ medium/ long
	Opportunity	Development of new services and products through innovation and R&D, which can lead to an increase in income through new solutions for adaptation needs			X	X		Medium

The Group is committed to pursuing the objectives of its Sustainability Plan, which are based either partly or entirely on the identified impacts, risks and opportunities. Looking ahead, the effects of these impacts and risks will become increasingly significant both within the company and externally. In response to this, the Group is fully committed to pursuing the 16 targets, grouped under five strategic pillars, of its Sustainability Plan, as detailed in the chapter "*ESRS 2 – SBM-1: Strategy, business model and value chain*".

The current financial effects of the risks and opportunities identified through the double materiality analysis are limited. In particular, resources have been allocated to ensure compliance with the CSRD and the EU Taxonomy and to implement the actions defined within the Sustainability Plan[8].

For further details on the current financial effects of the material risks and opportunities that arose during the year relating to climate change and human resources, please refer to the relevant chapters and, in particular, to those dealing with the actions and the respective resources utilized. Furthermore, the Group is committed to further analyzing the financial effects related to its material impacts, risks and opportunities in the coming years.

The Group has updated and adapted the Sustainability Plan, which can be found in the section "*ESRS SBM-1 Strategy, business model and value chain*". This strategy has a time horizon of 2027; the actions planned to achieve it are structured over the years to enable the Group to grow and evolve organically and to address the various impacts and risks identified through precise planning, ensuring business resilience. Furthermore, the plan contains targets with a longer time horizon (e.g. achieving **Net Zero** by 2050 and other energy and emissions targets by 2030) to facilitate a gradual and phased process that does not compromise its human and financial resources. The Sustainability Plan is also naturally structured to capitalize on the opportunities identified through the double materiality analysis.

As detailed in section IRO-1: Description of the process for identifying and assessing material impacts, risks and opportunities, in 2025 Salvatore Ferragamo S.p.A.'s double materiality process was further refined, as the material issues were directly linked to the Disclosure Requirements of the European ESRS standards. It should be noted that, compared to the previous report, the Group has identified the Disclosure Requirements "*ESRS S1-8 Coverage of collective bargaining and social dialogue*" and "*ESRS S1-15 Work-life balance*" as material.

In line with the previous report, following the double materiality process, Salvatore Ferragamo S.p.A. has identified an impact and an opportunity falling within the Brand Experience theme, which is not linked to the disclosure requirements set out in the ESRS standards. This issue relates to the Company's commitment, as outlined above, to promoting Italian manufacturing excellence and carefully selecting services and products supplied almost exclusively by Italian suppliers, both direct and indirect.

[8] For further details, please refer to the Sustainability Plan section

Managing impacts, risks and opportunities

IRO-1: Description of the process to identify and assess material impacts, risks and opportunities

During 2025, the Group carried out a double materiality analysis in accordance with the disclosure requirements set out in ESRS 1 Chapter 3, "Double materiality as a basis for sustainability reporting", and in Implementation Guidance (IG) 1 – Materiality assessment, issued by EFRAG.

The double materiality analysis requires companies to provide information both on the impact of their activities on people and the environment (inside-out) and on how sustainability issues affect the business (outside-in). It is therefore carried out through two dedicated processes: impact materiality and financial materiality.

As part of the impact materiality assessment, the Ferragamo Group updated the list of impacts defined in the 2024 financial year by comparing itself with industry peers, analyzing the ESRS standards—in particular the requirements of Application Requirement (AR) 16—the sector-specific information provided by the 2024 Yearbook - S&P Global and the Sustainability Accounting Standards Board (SASB) reporting standards applicable to the relevant industry. Finally, the analysis took into account the sector's specific operational characteristics, extending the investigation to both the Italian context and the international markets in which the Group operates, in order to identify the effects generated throughout the entire value chain. Secondly, the assessment of these impacts was carried out with the involvement of the relevant departments, which assigned a score to each impact according to the three parameters set out in the standard for determining severity (*scale*, *scope* and *irreversibility*), as well as an assessment of the likelihood of occurrence for potential impacts only.

The impacts were also assessed by stakeholders, in line with the provisions of paragraph SBM-2: Stakeholder Interests and Views. The exercise involved three main stakeholder groups: suppliers, employees (store managers) and trade union representatives. Participants were asked to cast a simplified vote compared to that of department heads, assigning each impact a single score from 1 to 5 for severity (taking into account *scale*, *scope* and *irreversibility*), and a score from 1 to 5 for the likelihood of the impact. The stakeholder engagement involved a total sample of individuals, comprising internal stakeholders (unions and store managers) and external stakeholders (suppliers). At the conclusion of both assessments, the impacts were prioritized based on the votes collected; those with a score below the median of the scores assigned were considered irrelevant.

From the perspective of financial materiality, with a view to ensuring a risk identification and assessment process that is uniform and consistent with the Enterprise Risk Management ("ERM") Model adopted by the Group, during 2025 ESG sub-risks were included within the broader risk families mapped in the ERM risk register (the "Risk Universe"), to achieve a comprehensive and integrated mapping. Furthermore, the Financial Materiality process saw the extension of the ERM methodology to the assessment of ESG risks and opportunities. Specifically, for each sub-risk and opportunity, the inherent and residual financial impact and probability were assessed, scaled from 1 to 5. According to these qualitative-quantitative scales, risks and opportunities were deemed immaterial where the assessment was "Mid Low", in line with the ERM methodology.

During the assessment, the time horizon (short, medium and long term) over which the risk or opportunity is most likely to materialize was also identified.

The assessment of risks and opportunities was conducted by the Sustainability Function with the support of the Group Internal Control & Risk Management Function, which jointly conducted a series of structured interviews with company managers, with a view to strengthening a holistic and integrated approach.

With specific reference to the issue of climate change, which is relevant to the double materiality process, the Group has defined a Climate Change Risk Management Framework; please refer to the details in the dedicated section ("ESRS E1-9 Expected financial impacts of physical and transition risks and potential climate-related opportunities").

The Group's analysis of the impacts, risks and opportunities related to pollution, water and marine resources revealed that these are primarily linked to operations upstream of the value chain, and in particular to the production activities of suppliers, including tanneries. With regard to resource use and the circular economy, however, the Group has considered the geographical location and nature of the business, both in its own operations and along the value chain, identifying impacts, risks and opportunities throughout the value chain, including its own operations.

Assesment aligned with **SBTN**

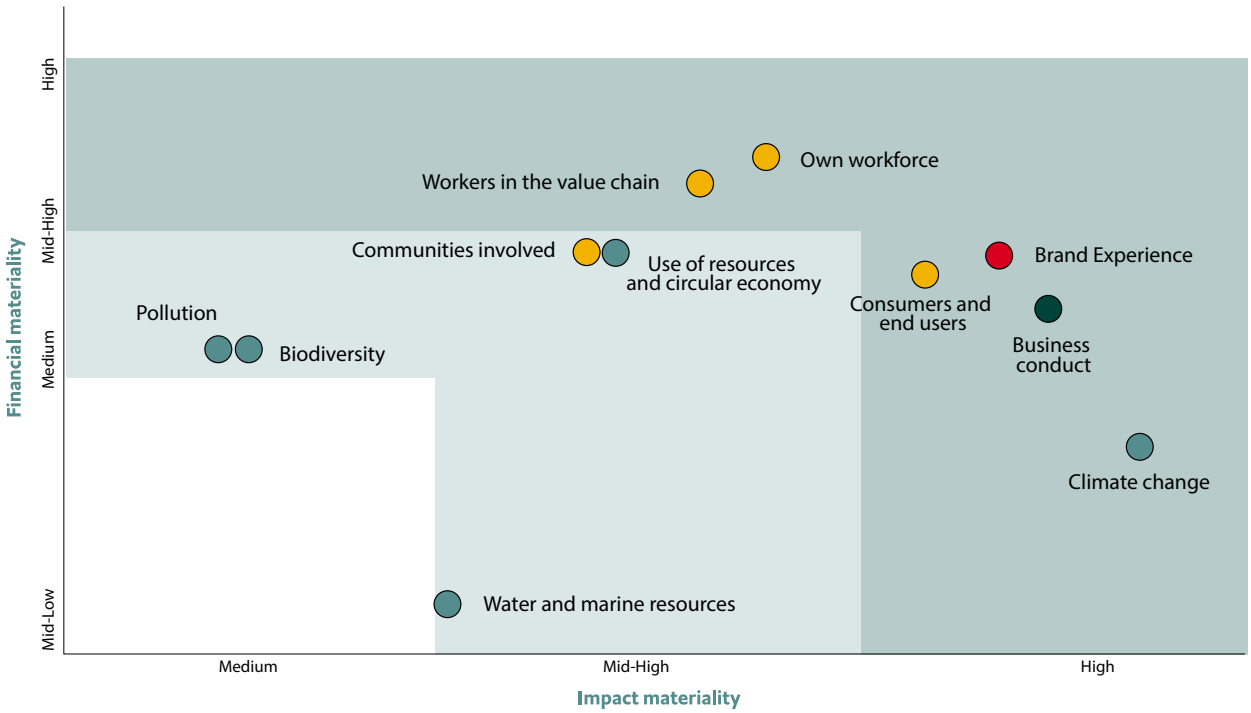
As regards biodiversity, while the Group does not own or manage facilities or operational sites located near protected areas or areas of high biodiversity, the impacts and dependencies that the Group's business has on nature have nevertheless been identified. In particular, an analysis was carried out in accordance with the **Science-Based Targets Network (SBTN)** Technical Guidance, with specific reference to Step 1a "**Materiality Screening**", which enabled the identification of the potential impact of the business on nature, understood as the sum of activities carried out directly by the Group and those linked to the supply chain. The results of Step 1a indicate that the Group's materiality focuses on the following pressure categories: water and land use, climate change, and water and land pollution. It was therefore concluded that it is not necessary to implement biodiversity mitigation measures within its own operations. The Group also analyzed the raw materials used in its operations, referring to the **SBTN's High Impact Commodity List**, and found that natural fibers, leather and cotton, and paper, used for packaging, have the greatest impact for the Group.

It was highlighted that the Group's main dependencies relate to water availability and forestry production (e.g. paper and other natural raw materials such as cotton), which are closely linked to the processing of leather, cotton and packaging.

With regard to business conduct, the Group took into account all criteria deemed relevant in its process for identifying material impacts, risks and opportunities, including geographical location, type of activity, governance structure, business model and the Group's corporate structure. No further activities were carried out regarding the identification of impacts, risks and opportunities beyond those already described above.

The entire assessment process was led by the Chief Product Officer and involved senior management across the various organizational units. The results of the double materiality analysis were subsequently submitted to the Control and Risks Committee and to senior management for review, and were finally approved by the Board of Directors on 23 October 2025.

The analysis led to the identification of the most material environmental, social and governance impacts that the Group has on society and to the identification of potential risks and opportunities relating to the Group's business. The IROs assessed as material were directly linked to the ESRS topics, sub-topics and sub-sub-topics and to the Disclosure Requirements. Furthermore, as previously mentioned, the Group has incorporated two new Disclosure Requirements: ESRS S1-8 "Coverage of collective bargaining and social dialogue" and ESRS S1-15 "Work-life balance". The double materiality analysis will be updated annually. The matrix below summarizes the material topics for the Group, illustrating their financial and impact relevance.



Legend: Thematic areas

Environmental Social Governance Entity-specific

IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

ESRS topic	ESRS disclosure requirement	Section/ Phase-in[9]	Page
Basis for preparation	BP-1 General basis for preparation of sustainability statements		p. 107
	BP-2 Disclosures in relation to specific circumstances		p. 107
Governance	GOV-1 The role of the administrative, management, and supervisory bodies		pp.108-109
	GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies		pp.117
	GOV-3 Integration of sustainability-related performance in incentive schemes		p.120
	GOV-4 Statement on due diligence for sustainability purposes		p. 121
	GOV-5 Risk management and internal controls over sustainability reporting		pp.122
Strategy	SBM-1 Market position, strategy, business models and value chain		pp.125
	SBM-2 Interests and views of stakeholders		pp.129
	SBM-3 Material impacts, risks and opportunities and their interaction with strategy **and business models**		p.133
Management of impact risks and opportunities	IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities		pp. 140
	IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement		pp. 143-155
European Taxonomy	Disclosure pursuant to art. 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)		pp. 159-164

[9] Where it says "phase-in", it is in accordance with ESRS 1 Appendix C: List of Disclosure Requirements that are phased-in.

ESRS topic	ESRS disclosure requirement	Section/ Phase-in[9]	Page
ESRS E1 - Climate change	GOV-3 Integration of sustainability-related performance in incentive schemes		p. 120
	E1-1 Transition plan for climate change mitigation		p. 166
	E1-SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business models		p.168
	E1-2 Policies related to climate change mitigation and adaptation		p. 169
	E1-3 Actions and resources in relation to climate change policies Metrics and targets		p. 170
	E1-4 Targets related to climate change mitigation and adaptation		p. 173
	E1-5 Energy consumption and mix		p. 175
	E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions		p. 176
	E1-7 GHG removals and GHG mitigation projects financed through carbon credits	Phase-in	p. 177
	E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities		p. 177
ESRS E2 - Pollution	E2-1 Policies related to pollution		p. 178
	E2-2 Actions and resources related to pollution		p. 179
	E2-3 Targets related to pollution		p. 180
	E2-5 Substances of concern and substances of very high concern		p. 181
ESRS E3 - Water and marine resources	E3-1 Policies related to water and marine resources		p.181
	E3-2 Actions and resources related to water and marine resources		p.181
	E3-3 Targets related to water and marine resources		p. 182
	E3-4 Water consumption	Phase-in	p.183

ESRS topic	ESRS disclosure requirement	Section/ Phase-in[9]	Page
ESRS E4 - Protection of biodiversity and ecosystems	E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model		p.184
	E4-SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business models		p.184
	E4-2 Policies related to biodiversity and ecosystems		p. 184
	E4-3 Actions and resources related to biodiversity and ecosystems		p. 186
	E4-4 Targets related to biodiversity and ecosystems		p. 189
ESRS E5 - Use of resources and circular economy	E5-1 Policies related to resource use and circular economy		p. 190
	E5-2 Actions and resources related to resource use and circular economy		p. 190
	E5-3 Targets related to resource use and circular economy		p.196
	E5-4 Resource inflows		p. 197
	E5-5 Resource outflows		p. 200

ESRS topic	ESRS disclosure requirement	Section/ Phase-in[9]	Page
ESRS S1 - Own workforce	S1-SBM-2 Interests and views of stakeholders		p. 205
	S1-SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business models		p. 205
	S1-1 Policies related to own workforce		p. 207
	S1-2 Processes for engaging with own workforce and workers' representatives about impacts		p. 209
	S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns		p. 212
	S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions		p. 213
	S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		p. 219
	S1-6 Characteristics of the undertaking's employees		p. 220
	S1-7 Characteristics of non-employee workers in the undertaking's own workforce		p. 221
	S1-8 Coverage of collective bargaining and social dialogue		p. 222
	S1-9 Diversity metrics		p. 222
	S1-10 Adequate wages		p. 224
	S1-11 Social protection		p. 224
	S1-12 Persons with disabilities		p. 225
	S1-13 Training and skills development metrics		p. 225
	S1-14 Health and safety metrics		p. 231
	S1-15 Work-life balance		p. 233

ESRS topic	ESRS disclosure requirement	Section/ Phase-in[9]	Page
ESRS S2 - Workers in the value chain	S2-SBM-3 Material impacts, risks and opportunities, and their interaction with the company's strategy and business model		p. 237
	S2-1 Policies related to value chain workers		p. 238
	S2-2 Processes for engaging with value chain workers about impacts		p. 239
	S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns		p. 240
	S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions		p. 242
	S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		p. 243
ESRS S3 - Communities affected	S3-SBM-3 Material impacts, risks and opportunities and their interaction with the strategy and business models		p. 243
	S3-1 Policies related to affected communities		p. 244
	S3-2 Processes for engaging with affected communities about impacts		p. 245
	S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions		p. 246
	S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		p. 256
	Entity-specific KPI: Made in Italy		p. 256

ESRS topic	ESRS disclosure requirement	Section/ Phase-in[9]	Page
ESRS S4 – Consumers and end-users	S4-SBM-3 Material impacts, risks and opportunities and their interaction with the strategy and business models		p. 262
	S4-1 Policies related to consumers and end-users		p. 262
	S4-2 Processes for engaging with consumers and end-users about impacts		p. 264
	S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns		p. 264
	S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions		p. 266
ESRS G1 - Business conduct	G1-1 Business conduct policies and corporate culture		p. 273
	G1-2 Management of relationships with suppliers		p. 277
	G1-3 Prevention and detection of corruption and bribery		p. 278
	G1-4 Incidents of corruption or bribery		p. 280
	G1-5 Political influence and lobbying activities		p. 280
	G1-6 Payment practices		p. 282

Disclosure requirement and related datapoints	SFDR reference[10]	Pillar 3 reference[11]	Benchmark Regulation reference[12]	EU Climate Law reference[13]
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	Annex I, table 1, indicator no. 13		Commission Delegated Regulation (EU) 2020/1816 ( ), annex II[14]	
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Commission Delegated Regulation (EU) 2020/1816, annex II	
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Annex I, table 3, indicator no. 10			
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	Annex I, table 1, indicator no. 4	Article 449(a) of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/ 2453[15], table 1 - Qualitative information on environmental risk and Table 2 - Qualitative information on social risk	Commission Delegated Regulation (EU) 2020/1816, annex II	
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Annex I, table 2, indicator no. 9		Commission Delegated Regulation (EU) 2020/1816, annex II	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Annex I, table 1, indicator no. 14		Article 12 (1) of Delegated Regulation (EU) 2020/ 1818[16] and annex II of Delegated Regulation (EU) 2020/1816	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv			Article 12 (1) of Delegated Regulation (EU) 2020/ 1818 and annex II of Delegated Regulation (EU) 2020/1816	
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Article 2 (1) of Regulation (EU) 2021/1119

[10] Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR) (OJ L 317, 9/12/2019, p. 1).
[11] Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (capital requirements regulation) (OJ L 176, 27/6/2013, p. 1).
[12] Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29/6/2016, p. 1).
[13] Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021, establishing the framework for achieving climate neutrality and amending Regulation (EC) No 401/2009 and Regulation (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9/7/2021, p. 1).
[14] Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3/12/2020, p. 1).
[15] Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022, amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324, 19/12/2022, p. 1).
[16] Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020, supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3/12/2020, p. 17).

Disclosure requirement and related datapoints	SFDR reference[10]	Pillar 3 reference[11]	Benchmark Regulation reference[12]	EU Climate Law reference[13]
ESRS E1-1 Undertakings excluded from the Paris-aligned Benchmarks, paragraph 16 (g)		Article 449(a) Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Article 12 (1), letters d) to g), and (2), of Delegated Regulation (EU) 2020/1818	
ESRS E1-4 GHG emissions reduction targets, paragraph 34	Annex I, table 2, indicator no. 4	Article 449(a) Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Climate change transition risk: alignment metrics	Article 6 of Delegated Regulations (EU) 2020/1818	
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	Annex I, table 1, indicator no. 5 and I, table 2, indicator no. 5			
ESRS E1-5 Energy consumption and mix, paragraph 37	Annex I, table 1, indicator no. 5			
Energy intensity associated with activities in high climate impact, paragraphs 40 to 43	Annex I, table 1, indicator no. 6			
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	Annex I, table 1, indicators nos. 1 and 2	Article 449(a) Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8 (1)	
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Annex I, table 1, indicator no. 3	Article 449(a) Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)	
ESRS E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)
ESRS E1-9 Exposure of the benchmark portfolio to climate related physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II, and Delegated Regulation (EU) 2020/1816, Annex II	

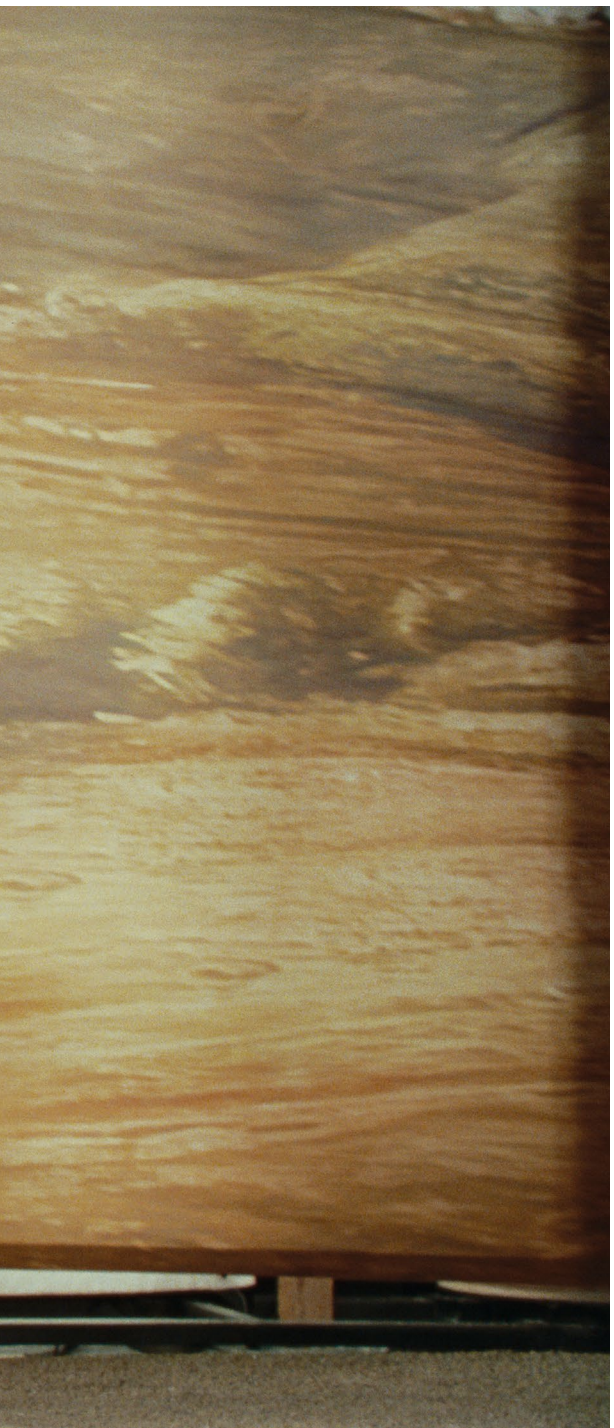
Disclosure requirement and related datapoints	SFDR reference[10]	Pillar 3 reference[11]	Benchmark Regulation reference[12]	EU Climate Law reference[13]
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449(a) Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: exposures subject to physical risk		
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c).		Article 449(a) Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; Template 2: Banking book - Climate change transition risk: loans collateralized by immovable property - Energy efficiency of the collateral		
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 **NOT MATERIAL**	Annex I, table 1, indicator no. 8; annex I, table 2, indicator no. 2; annex 1, table 2, indicator no. 1; annex I, table 2, indicator no. 3			
ESRS E3-1 Water and marine resources, paragraph 9	Annex I, table 2, indicator no. 7			
ESRS E3-1 Dedicated policy, paragraph 13	Annex I, table 2, indicator no. 8			
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Annex I, table 2, indicator no. 12			
ESRS E3-4 Total water recycled and reused, paragraph 28 (c) **NOT MATERIAL**	Annex I, table 2, indicator no. 6.2			
ESRS E3-4 Total water consumption in m3 per net revenue on own operations, paragraph 29 **NOT MATERIAL**	Annex I, table 2, indicator no. 6.1			
ESRS 2 SBM-3 - E4 paragraph 16, (a) i	Annex I, table 1, indicator no. 7			
ESRS 2 SBM-3 - E4 paragraph 16, (b)	Annex I, table 2, indicator no. 10			
ESRS 2 SBM-3 - E4 paragraph 16, (c)	Annex I, table 2, indicator no. 14			

Disclosure requirement and related datapoints	SFDR reference[10]	Pillar 3 reference[11]	Benchmark Regulation reference[12]	EU Climate Law reference[13]
ESRS E4-2 Sustainable land / agriculture practices or policies, paragraph 24 (b)	Annex I, table 2, indicator no. 11			
ESRS E4-2 Sustainable oceans / seas practices or policies, paragraph 24 (c)	Annex I, table 2, indicator no. 12			
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Annex I, table 2, indicator no. 15			
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Annex I, table 2, indicator no. 13			
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Annex I, table 1, indicator no. 9			
ESRS 2 - SBM3 - S1 Risk of incidents of forced labor, paragraph 14 (f)	Annex I, table 3, indicator no. 13			
ESRS 2 - SBM3 - S1 Risk of incidents of child labor, paragraph 14 (g)	Annex I, table 3, indicator no. 12			
ESRS S1-1 Human rights policy commitments, paragraph 20	Annex I, table 3, indicator no. 9 and Annex I, table 1, indicator no. 11			
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 21			Commission Delegated Regulation (EU) 2020/1816, annex II	
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	Annex I, table 3, indicator no. 11			
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Annex I, table 3, indicator no. 1			
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32 (c)	Annex I, table 3, indicator no. 5			
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Annex I, table 3, indicator no. 2		Commission Delegated Regulation (EU) 2020/1816, annex II	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Annex I, table 3, indicator no. 3			

Disclosure requirement and related datapoints	SFDR reference[10]	Pillar 3 reference[11]	Benchmark Regulation reference[12]	EU Climate Law reference[13]
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Annex I, table 1, indicator no. 12		Commission Delegated Regulation (EU) 2020/1816, annex II	
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Annex I, table 3, indicator no. 8			
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Annex I, table 3, indicator no. 7			
ESRS S1-17 Failure to comply with UNGPs on Business and Human Rights and OECD Guidelines, paragraph 104 (a)	Annex I, table 1, indicator no. 10 and Annex I, table 3, indicator no. 14		Delegated Regulation (EU) 2020/1816, Annex II, and Delegated Regulation (EU) 2020/1818 Article 12(1)	
ESRS 2 SBM-3 - S2 Significant risk of child labor or forced labor in the value chain, paragraph 11 (b)	Annex I, table 3, indicators nos. 12 and 13			
ESRS S2-1 Human rights policy commitments, paragraph 17	Annex I, table 3, indicator no. 9 and Annex I, table 1, indicator no. 11			
ESRS S2-1 Policies related to value chain workers, paragraph 18	Annex I, table 3, indicators nos. 11 and 4			
ESRS S2-1 Failure to comply with UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	Annex I, table 1, indicator no. 10		Delegated Regulation (EU) 2020/1816, Annex II,mand Delegated Regulation (EU) 2020/1818 Article 12(1)	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 19			Commission Delegated Regulation (EU) 2020/1816, annex II	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Annex I, table 3, indicator no. 14			
ESRS S3-1 Human rights policy commitments, paragraph 16	Annex I, table 3, indicator no. 9 and Annex I, table 1, indicator no. 11			
ESRS S3-1 Failure to comply with UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	Annex I, table 1, indicator no. 10		Delegated Regulation (EU) 2020/1816, Annex II, and Delegated Regulation (EU) 2020/1818 Article 12(1)	

Disclosure requirement and related datapoints	SFDR reference[10]	Pillar 3 reference[11]	Benchmark Regulation reference[12]	EU Climate Law reference[13]
ESRS S3-4 Human rights issues and incidents, paragraph 36	Annex I, table 3, indicator no. 14			
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Annex I, table 3, indicator no. 9 and Annex I, table 1, indicator no. 11			
ESRS S4-1 Failure to comply with UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 17	Annex I, table 1, indicator no. 10		Delegated Regulation (EU) 2020/1816, Annex II, and Delegated Regulation (EU) 2020/1818 Article 12(1)	
ESRS S4-4 Human rights issues and incidents, paragraph 35	Annex I, table 3, indicator no. 14			
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	Annex I, table 3, indicator no. 15			
ESRS G1-1 Protection of whistleblowers, paragraph 10 (d)	Annex I, table 3, indicator no. 6			
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Annex I, table 3, indicator no. 17		Delegated Regulation (EU) 2020/1816, Annex II	
ESRS G1-4 Standards of anticorruption and anti-bribery, paragraph 24 (b)	Annex I, table 3, indicator no. 16			

ENVIRONMENTAL INFORMATION



-19.2%

Reduction in total emissions from 2023

Back to Earth

Capsule Collection

99%

of LWG-certified tanneries
of which 83% are Gold and Silver certified

100%

Renewable energy in own operations

FERRAGAMO
MADE IN ITALY

Disclosure pursuant to Article 8 of Regulation (EU) 2020/852

Regulation (EU) 2020/852 (hereinafter the "Taxonomy Regulation") introduced the EU Taxonomy into the European regulatory framework, with the aim of defining the conditions under which certain economic activities may be considered "environmentally sustainable" and promoting transparency regarding initiatives implemented to facilitate the ecological transition, including through sustainable finance models. In accordance with Article 8 of the Taxonomy Regulation, the Salvatore Ferragamo Group is required to include, within its Sustainability Statement—drawn up in accordance with Legislative Decree 125/2024 implementing the relevant European legislation—a specific disclosure on how and to what extent the Company's activities are associated with economic activities considered "eco-sustainable" within the meaning of Articles 3 and 9 of the Taxonomy Regulation. The Taxonomy Regulation and the further Delegated Regulations (EU) 2021/2178, (EU) 2021/2139, (EU) 2022/1214 and (EU) 2023/2486 require companies subject to the aforementioned obligations to disclose a range of information relating to economic activities considered eligible[17] or ineligible[18] under the EU Taxonomy (hereinafter also "Eligible Activities" and "Non-eligible Activities") and to activities aligned][19] with the EU Taxonomy, i.e. those that meet the technical requirements defined by the legislation, do not cause significant harm to any of the environmental objectives, and are carried out in accordance with minimum safeguards. On 4 July 2025, the European Commission adopted Delegated Regulation (EU) 2026/73, published in the Official Journal of the European Union on 8 January 2026, amending Delegated Regulation (EU) 2021/2178, with regard to the simplification of the content and presentation of information relating to eco-sustainable activities, as well as Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486, with reference to the simplification of certain technical screening criteria. The Group has prepared the Taxonomy disclosure for the 2025 financial year in accordance with the criteria and presentation methods established by the aforementioned new Regulation.

In line with previous years, specific analyses have been carried out to assess the degree of eligibility and alignment, based on the delegated acts currently available, of information relating to economic activities that can contribute substantially to the six environmental objectives of the Taxonomy.

ANALYSIS OF ELIGIBLE ACTIVITIES

In order to meet the above requirements, the list of economic activities included in the reference documentation for the six objectives of Article 9 of the Taxonomy Regulation – for which technical reference documentation was available at the date of publication of this document – was examined and compared with the Group's activities, both by comparing the respective NACE/ATECO codes[20] and by comparing the substantive descriptions of the activities. Based on the interpretation developed of the requirements currently applicable,

[17] Economic activity described in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2) of Regulation (EU) 2020/852, regardless of whether that economic activity meets one or all of the technical screening criteria set out in those delegated acts.

[18] Economic activity not described in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2) of Regulation (EU) 2020/852.

[19] Economic activity that meets the requirements set out in Article 3 of Regulation (EU) 2020/852, namely that it simultaneously meets the following requirements: (a) it contributes substantially to the achievement of one or more of the environmental objectives defined in Article 9 of Regulation (EU) 2020/852; b) does not cause significant harm to any of the environmental objectives referred to in Article 9, in accordance with Article 17; c) is carried out in compliance with the minimum safeguards set out in Article 18; and d) complies with the technical screening criteria established by the Commission pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2).

[20] NACE: acronym for general nomenclature of economic activities in European Communities, a classification used in the national accounting schemes by the European Union's statistical institute (Eurostat) and taken up by the statistical offices of the member states. ATECO: Italian equivalent of NACE, classification adopted by the Italian National Statistics Institute (ISTAT).

the Group has assessed that its main activities are not included amongst those currently identified by the relevant legislation and, consequently, are not considered eligible and therefore not aligned as at the date of preparation of this document. This assessment focused on the Group's predominant and representative economic activities, relating to the manufacture and marketing of clothing, footwear and accessories. In light of these considerations, the KPIs required by the Taxonomy Regulation were calculated, as illustrated below.

METHODOLOGY FOR CALCULATING THE KPIs SET OUT IN THE TAXONOMY REGULATION

The Group carried out an analysis of turnover, investments and operating expenses related to the financial year 2025, for the calculation of the KPIs required pursuant to the Taxonomy Regulation and the additional applicable regulatory references[21], as described below.

TURNOVER[22]

For the calculation of the turnover-based indicator, the denominator used was consolidated net turnover in accordance with IAS 1.82 (a). As regards the numerator, based on the considerations set out above and on the interpretation of the Taxonomy Regulation, no portion of turnover derived from the sale of products or services associated with relevant economic activities deemed eligible and therefore not aligned with the six objectives of Article 9 of the Regulation had been identified as at the date of publication of this document.

CAPEX[23]

For the calculation of the Capital Expenditure (CapEx) ratio, the denominator, in accordance with the provisions of the applicable regulations, includes increases in property, plant and machinery, investment property, right-of-use assets and intangible assets with a finite useful life (net of disposals of tangible and intangible assets in progress) occurring during the financial year, before depreciation and amortization and any revaluations, including those arising from revaluations and impairment losses for the financial year in question, and excluding changes in fair value. The denominator includes, in particular, any acquisitions of property, plant and equipment (IAS 16), intangible assets (IAS 38), investment property (IAS 40), and right-of-use assets (IFRS 16). As regards the numerator, increases in fixed assets linked to the purchase of outputs from economic activities eligible under the Taxonomy and/or relating to measures implemented to enable a reduction in atmospheric emissions were considered eligible, including, primarily, investments made to improve energy efficiency and reduce energy consumption in buildings and stores, and to renew the Company's fleet with hybrid and/or electric vehicles, attributable to the activities "6.5 Transport by motorcycles, cars and light commercial vehicles", "7.3. Installation, maintenance and repair of energy efficiency devices" and "7.5. Installation, maintenance and repair of instruments and devices for the measurement, regulation and control of the energy performance of buildings". Consequently, the remaining portion of increases in tangible and intangible fixed assets and rights of use included in the denominator has been deemed ineligible.

[21] The analysis and methodology for calculating the KPIs were carried out with particular reference to the interpretation of the information set out in Annex I to the "Delegated Regulation (EU) 2021/2178 of the European Commission of 6 July 2021 supplementing Article 8 of Regulation (EU) 2020/852" and the document "Draft Commission notice on the interpretation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of eligible economic activities and assets" published on 2 February 2022, of Commission Delegated Regulation (EU) of 27 June 2023 amending Delegated Regulation (EU) 2021/2139 by establishing additional technical screening criteria to determine under which conditions certain economic activities may be considered to contribute substantially to climate change mitigation or adaptation and whether they do not cause significant harm to any other environmental objective. Commission Delegated Regulation (EU) 2023/ 2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by laying down technical screening criteria to determine under which conditions an economic activity may be considered to contribute substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to the prevention and ecosystems and if it does not do significant harm to any other environmental target. and which modifies Delegated Regulated (EU) 2021/2178 as regards the disclosure of specific information relating to such economic activities.

[22] The financial data included in this KPI corresponds to the Group's net revenues included in the Annual Report as at 31 December 2025: Consolidated financial statements, note 32 of the Consolidated Financial Statements.

[23] The financial data included in this KPI corresponds to the increases in fixed assets included in the Annual Report 2025: Consolidated financial statements, notes 5, 6, 8 and 9.

OPEX[24]

For the calculation of the Operating Expenditure (OpEx) indicator, in the denominator, in line with the provisions of the applicable legislation, all non-capitalized direct costs related to research and development, building renovation measures, short-term leases and variable lease payments, maintenance and repair, and any other direct expenditures relating to the ordinary maintenance of property, plant and equipment – either by the undertaking or by third parties to whom activities are outsourced – that is necessary to ensure the continued and effective operation of such assets were taken into account. Expenses related to the day-to-day operation of property, plant and equipment such as raw materials, cost of employees using vehicles, electricity or fluids needed for the operation of such assets were not included. As far as the numerator is concerned, the costs included in the denominator related to the purchase of output from Taxonomy-eligible economic activities and/or individual measures enabling greenhouse gas reductions were considered eligible. In particular, the costs related to energy efficiency and reducing the energy consumption of buildings and costs for maintenance of related technologies and species conservation activities were included. Consequently, the remaining part of costs included in the denominator were considered non-eligible.

In addition, for the activities included in the scope of analysis and which regard investments (Capex) and operating expenses (OpEx) incurred to reduce atmospheric emissions, they do not reach the materiality threshold defined by the Delegated Regulation (EU) 2026/73.

[24] The financial data included in this KPI are included in the consolidated operating costs shown in the Annual Report 2025: Consolidated Financial Statements, notes 34 and 35.

Proportion of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) attributable to products or services associated with economic activities eligible for the taxonomy or aligned with the taxonomy – Disclosure for the year 2025 (Summary KPIs)

(in thousands of Euro)

Financial year 2025						Breakdown by environmental objectives of activities aligned with the Taxonomy															
KPIs	Total		Percentage of activities eligible under the Taxonomy		Activities aligned with the Taxonomy		Percentage of activities aligned with the Taxonomy		Climate change mitigation		Climate change adaptation		Water		Circular economy		Pollution		Biodiversity		Percentage of enabling activities		Percentage of transition activities		Activities not assessed as they are considered irrelevant		Activities aligned with the Taxonomy in the previous financial year (N-1)		Percentage of activities aligned with the Taxonomy in the previous financial year (N-1)	
	€/000		%		€/000		%		%		%		%		%		%		%		%		%		€/000		%	
Turnover	976,531		0.00%		0		0%		0%		0%		0%		0%		0%		0%		0%		-		0%		0		0%	
CapEx	133,198		1.31%		0		0%		0%		0%		0%		0%		0%		0%		0%		-		0%		0		0%	
OpEx	63,121		0.38%		0		0%		0%		0%		0%		0%		0%		0%		0%		-		0%		0		0%	

Proportion of capital expenditure (CapEx) arising from products or services associated with economic activities eligible under the taxonomy or aligned with the taxonomy – Disclosure for the year 2025 (breakdown by activity)

(in thousands of Euro)

Financial year 2025					Environmental objective of activities aligned with the Taxonomy								
Economic activities (1)	Code	Taxonomy eligibility KPI (percentage of CapEx eligible under the Taxonomy)	Taxonomy alignment KPI (CapEx in monetary terms)	Taxonomy alignment KPI (percentage of CapEx aligned with the Taxonomy)	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Enabling activities	Transition activities	Proportion of aligned activities compared to activities eligible under the Taxonomy
		%	€/000	%	%	%	%	%	%	%	(E Where applicable)	(T Where applicable)	%
Transport by motorcycles, cars and light commercial vehicles	CCM 6.5	0.67%	0	0%	0%	0%	0%	0%	0%	0%	-	-	0%
Installation, maintenance and repair of energy-efficiency equipment	CCM 7.3	0.20%	0	0%	0%	0%	0%	0%	0%	0%	-	-	0%
Installation, maintenance and repair of instruments and devices for measuring, regulating and monitoring the energy performance of buildings	CCM 7.5	0.33%	0	0%	0%	0%	0%	0%	0%	0%	-	-	0%
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.12%	0	0%	0%	0%	0%	0%	0%	0%	-	-	0%
TOTAL ALIGNMENT BY OBJECTIVE					0%	0%	0%	0%	0%	0%			
TOTAL KPI (CAPEX)		1.31%	0	0%	0%	0%	0%	0%	0%	0%			0%

Tables in accordance with Regulation (EU) 2020/852

Proportion of operational expenditure (OpEx) arising from products or services associated with economic activities eligible under the taxonomy or aligned with the taxonomy – Disclosure for the year 2025 (breakdown by activity)

(in thousands of Euro)

Financial year 2025					Environmental objective of activities aligned with the Taxonomy								
Economic activities (1)	Code	Taxonomy eligibility KPI (percentage of OpEx eligible under the Taxonomy)	Taxonomy alignment KPI (OpEx in monetary terms)	Taxonomy alignment KPI (percentage of OpEx aligned with the Taxonomy)	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Enabling activities	Transition activities	Percentage of aligned activities compared to activities eligible under the Taxonomy
		%	€/000	%	%	%	%	%	%	%	(E Where applicable)	(T Where applicable)	%
Installation, maintenance and repair of energy efficiency devices	CCM 7.3	0.09%	0	0%	0%	0%	0%	0%	0%	0%	-	-	0%
Installation, maintenance and repair of instruments and devices for measuring, regulating and monitoring the energy performance of buildings	CCM 7.5	0.01%	0	0%	0%	0%	0%	0%	0%	0%	-	-	0%
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.03%	0	0%	0%	0%	0%	0%	0%	0%	-	-	0%
Professional services relating to the energy performance of buildings	CCM 9.3	0.21%	0	0%	0%	0%	0%	0%	0%	0%	-	-	0%
Conservation, including restoration, of habitats, ecosystems and species	BIO 1.1	0.04%	0	0%	0%	0%	0%	0%	0%	0%	-	-	0%
TOTAL ALIGNMENT BY OBJECTIVE					0%	0%	0%	0%	0%	0%			
TOTAL KPI (OPEX)		0.38%	0	0%	0%	0%	0%	0%	0%	0%			0%

FERRAGAMO

E1 - Climate change

The Group's sustainability journey began in 2014, when, with the aim of ensuring transparency in its operations, Salvatore Ferragamo undertook a process of reporting on its social responsibility initiatives, producing its first Sustainability Report in accordance with international guidelines, which was subsequently extended to the entire Salvatore Ferragamo Group from 2016. In 2016, with a view to transparency and engagement with stakeholders, the Company created a section on the Salvatore Ferragamo Group website entirely dedicated to corporate responsibility, which outlines the main social and environmental sustainability projects the Group has championed over the years. In 2021, the new website sustainability.ferragamo.com was launched, featuring a completely revamped design and a more effective and intuitive user experience. The experience has been made inclusive and global thanks to optimization for all devices and the availability of the website in eight languages. For further details regarding climate-related considerations in the remuneration of members of the administrative, management, and supervisory bodies, please refer to chapter *ESRS 2 GOV-3 – Integration of sustainability performance into incentive schemes.*

ESRS E1-1: Transition plan for climate change mitigation

In order to mitigate the effects of climate change and help reduce its carbon footprint, in 2025 the Group carried out a forward-looking analysis to assess the evolution of greenhouse gas emissions in relation to various business growth scenarios, defined on the basis of the main available evidence and international frameworks. The analysis examined four alternative growth scenarios to verify the robustness of the Group's climate strategy.

In particular, to refine the development of a "Transition Plan" fully aligned with ESRS E1-1 in the coming financial years, the Group updated its Sustainability Plan by introducing significantly more rigorous decarbonization targets, which underwent a review and validation process by the Science-Based Targets Initiative (SBTi) in June 2025. These targets reinforce the Group's commitment to aligning its industrial strategy and business model with emissions trajectories compatible with the transition to a sustainable economy and with the objectives of limiting global warming to 1.5 °C in line with the Paris Agreement, as well as achieving climate neutrality by 2050.

The Science-Based Targets initiative, which establishes and promotes best practice in setting science-based targets as well as assessing companies' targets, has approved Salvatore Ferragamo S.p.A.'s new near-term, long-term and net-zero targets:

- **Near-term Target**: The Group is committed to reducing its absolute Scope 1 and Scope 2 GHG emissions by 42% by 2030 compared to 2023, and to reducing its absolute Scope 3 GHG emissions (Categories 1, 4 and 9) arising from the purchase of goods and services and from downstream transport and distribution by 42% by 2030 compared to 2023;

Flag and **Net Zero** **SBTi** submission

- **Long-term Target**: the Group is committed to reducing its absolute Scope 1, 2 and 3 GHG emissions by 90% by 2050, compared with 2023;
- **Net Zero Target**: The Group is committed to achieving net-zero greenhouse gas emissions across its entire value chain by 2050.

Furthermore, as part of the update to its SBT reduction targets, the Group has also committed to submitting FLAG targets:

- **Near-term FLAG targets**: The Group is committed to reducing its FLAG Scope 3 emissions by 30.3% by 2030 compared with 2023;
- **Long-term FLAG targets**: The Group is committed to reducing its FLAG Scope 3 emissions by 72% by 2050 compared with 2023;
- **No deforestation commitment:** The Group is also committed to ensuring that there is no deforestation along its supply chain for the main raw materials associated with deforestation risk by 2025[25].

The activities relating to the Group's 2026–2027 Sustainability Plan have been developed in line with the new targets validated by the SBTi. In this context, during 2025, the Group, aware of the high level of ambition of the new emissions reduction targets, launched a structured process aimed at the gradual definition of a Climate Transition Plan designed to achieve the defined decarbonization objectives. In this context, the Company conducted a systematic analysis of the strategic actions already outlined in the Sustainability Plan, with the aim of assessing their effectiveness in terms of emissions reduction and identifying, among them, the main levers for decarbonization.

The individual actions were analyzed using a dedicated calculation model capable of integrating the new reduction targets validated by the SBTi — for both industrial emissions and FLAG emissions —, the Group's carbon footprint starting from the identified baseline (2023) and four distinct business performance scenarios. This approach has made it possible, based on the defined reduction targets, to identify and prioritize the mitigation actions to be implemented in the short, medium and long term, as well as to define further actions to be planned to bridge the residual emissions gap that emerged in the various simulations.

Among the key levers for decarbonization identified by the Group to pursue these objectives are:

- the use of raw materials with a lower environmental impact;
- improved efficiency in the use of raw materials and the reuse of existing deadstock;
- engaging partners and suppliers in projects aimed at reducing emissions within the supply chain;
- optimization of the management and utilization of finished product stock, so as to minimize any overproduction and the proportion of products found to be unsuitable following quality checks;
- the installation of BMS systems in all new stores or during major refurbishments, to ensure greater control and monitoring of consumption and to guide subsequent efficiency improvements;
- the implementation of energy efficiency measures in key buildings;
- continuing to invest in renewable energy, including through the purchase of guarantee certificates (e.g. GO, REC/I-REC, etc.);
- continuing the transition of the fleet towards electric and hybrid vehicles (Italian company car fleet);
- the inclusion of green criteria for logistics in procurement criteria.

The results of the forward-looking analysis conducted in 2025, which will be further refined and subject to full disclosure during 2026, show that, with regard to Scope 1 and Scope 2 emissions, in all the growth scenarios considered (0–2%), the Group's emissions profile is consist-

[25] With regard to the deforestation target – "no deforestation across its primary deforestation-linked commodities by 31 December 2025" – following its adoption, the Group has progressively strengthened its supply chain control and monitoring mechanisms, introducing specific engagement activities with suppliers aimed at preventing and mitigating potential impacts linked to deforestation. Given that, in 2025, the Science Based Targets initiative (SBTi) launched a public consultation to update the FLAG criteria and make them applicable, while maintaining ambition and alignment with evolving regulatory frameworks, the Group is monitoring developments in the consultation to assess the impacts on its strategies. For further details regarding the target, please refer to ESRS chapter E4-3 "Actions and resources relating to biodiversity and ecosystems", which highlights that none of the tracked leather lots appear to originate from countries defined as high-risk for deforestation by European Regulation (EU) 2023/1115 (EUDR – European Union Deforestation Regulation).

ent with and well below the trajectory defined by the Science-Based Targets initiative (SBTi). With regard to Scope 3 emissions, the analysis shows that achieving the submitted targets is challenging and requires further and more decisive action than that currently in place. In light of this evidence, the Group has begun identifying additional mitigation measures, to be implemented over the next three years, aimed at strengthening the decarbonization pathway across the value chain and ensuring the achievement of climate objectives in the medium and long term.

This process lays the foundations for the definition of a Transition Plan for climate change mitigation, as defined by ESRS E1-1, representing a longer-term commitment with the aim of achieving the net-zero target by 2050.

For Salvatore Ferragamo S.p.A., **sustainability is deeply integrated into the Business strategy**, as is the Sustainability Plan, in order to build and strengthen a shared vision at the Group level of the strategic direction undertaken in environmental, social and governance matters. The Plan is also a tool for promoting a concrete culture of sustainability that is based on respect, protection and promotion of excellence. It aims to integrate existing goals and commitments, both in terms of sustainability and business strategy, with new challenges for future development. The document is shared with senior management and the Control and Risks Committee, whose responsibilities include corporate sustainability, overseeing sustainability aspects related to the Company's operations and its interaction with all stakeholders.

In 2023, an ESG Steering Committee was established, a strategic body comprising the top management of key corporate functions, with the aim of providing in-depth oversight of the progress of the Sustainability Plan, ensuring constant monitoring and providing valuable feedback to optimize performance in the corporate sustainability sphere. The composition of the committee ensured cross-cutting and expert leadership on sustainability issues.

The Sustainability Plan, updated and approved by the Control and Risks Committee and the Board of Directors on 18 December 2025, is fully integrated into the Company's strategy, including through the allocation of financial and non-financial resources to achieve the set targets and actions.

E1-SBM-3 Material impacts, risks and opportunities, and their interaction with the Company's strategy and business model

As part of its double materiality process, the Group has identified two climate change-related transition risks as material:

- Regulatory developments and business costs resulting from the impacts of climate change;
- An increase in production costs resulting from changes in the costs of input factors, such as energy sources.

The Group identifies and takes these risks into account in order to implement policies and activities to mitigate them. In light of the results of the assessment of physical climate risks carried out in the previous financial year, in 2025 the Group did not consider the physical risk arising from the increase in the number and frequency of extreme events and natural disasters caused by climate change to be material, confirming the results obtained from the analyses conducted for the 2024 financial year.

To ensure the resilience of its business model and strategy in relation to climate change, the Group commits financial resources and expertise to counteract the effects and repercussions on its operations in all the regions in which it operates. In 2024 and 2025, an analysis of climate-related physical risks was conducted, detailed in the chapter "*ESRS E1-9 Expected financial effects of material physical and transition risks and potential climate-related opportunities*". Furthermore, considerations regarding strategic and business resilience are examined in order to define the Group's objectives and ensure business continuity, including in relation to its value chain. For further details, please refer to section *ESRS 2 IRO-1 – Description of processes for identifying and assessing material climate-related impacts, risks and opportunities.*

ESRS E1-2: Policies relating to climate change mitigation and adaptation

The Group has drawn up a **Sustainability Policy** which sets out a set of guiding principles aimed at ensuring the responsible management of social and environmental issues within the context of the Group's day-to-day activities. The contents of the Policy refer to the impacts, risks and opportunities identified during the double materiality assessment carried out in 2024 and updated in 2025.

The aim of the Policy is to foster a corporate culture based on fairness and professionalism, promoting honesty, integrity and transparency, and encouraging sustainable development through dialogue on corporate ethics and the empowerment of our stakeholders.

The Policy is addressed to the corporate bodies, employees and any person acting in the name and on behalf of any company within the Salvatore Ferragamo Group. Specifically, the Policy applies to the activities and value chain of the Salvatore Ferragamo Group, including the Group's main stakeholders: Employees, Suppliers, Contract Manufacturers, Shareholders, Investors and Distributors as internal stakeholders, and End Customers, Trade Associations, the Media and Influencers, NGOs, Local Communities, Regulatory and Government Bodies, Public Administration, Schools and Universities as external stakeholders.

Implementation of this Policy is mandatory across the entire Salvatore Ferragamo Group. The Sustainability function is responsible for overseeing the policy and coordinating sustainability projects. The Chairman and the Control and Risks Committee ensure the Group-wide implementation of this Policy, with the aim of fully integrating sustainability into the Group's business strategies.

The Policy has been developed in line with the **United Nations Sustainable Development Goals (SDGs)**, the UN Guiding Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work, so as to align the Group's commitment with international best practices.

Finally, the Group is committed to maintaining a constant and transparent dialogue with all stakeholders, ensuring the Policy is consistently applied and fostering a shared commitment to sustainability. Stakeholders can view the Policy on the Group's website and are encouraged to submit ideas and suggestions to support efforts to combat climate change by contacting csr@ferragamo.com.

The Environmental Protection section of the Policy sets out the Group's commitment to environmental protection through a proactive approach to climate change, biodiversity conservation and resource management. The Salvatore Ferragamo Group recognizes that reducing its environmental impact is fundamental to the Group's long-term sustainability and to future generations.

1.5 °C
aligned

With regard to climate change mitigation, Salvatore Ferragamo S.p.A. is actively working to reduce its carbon footprint through the continuous assessment and minimization of greenhouse gas (GHG) emissions. Ambitious targets have been set for the reduction of both direct and indirect emissions, aligning with the Science-Based Targets to limit global warming to 1.5°C above pre-industrial levels. In terms of climate change adaptation, the Group implements mitigation strategies, addressing climate-related risks such as rising energy costs and the impact of extreme weather events. To improve energy efficiency, specific programs are being implemented to reduce energy consumption and improve operational efficiency. For further details on the initiatives mentioned, please refer to sections *ESRS E1-3* and *ESRS E5-2*. Furthermore, the Group integrates renewable energy sources into its operations to reduce dependence on fossil fuels and lower GHG emissions. Finally, as part of its commitment to sustainability, it is dedicated to achieving net-zero emissions by 2050, promoting continuous innovation and strengthening collaboration with stakeholders to accelerate the transition towards a sustainable future.

ESRS E1-3: Actions and resources relating to climate change policy

The Group has been committed to environmental sustainability initiatives for many years, integrating environmental protection into its corporate culture. This commitment translates into concrete and challenging objectives, set out in the Sustainability Plan and the Sustainability Policy, aimed at minimizing environmental impacts and reducing GHG emissions, with the ambitious goal of achieving Net Zero by 2050.

With a view to mitigating the effects of climate change, the Group has implemented actions and targets to reduce and offset CO_2 emissions. As confirmation of this commitment and in line with the level of decarbonization required to prevent the most damaging effects of climate change, in 2025 the Salvatore Ferragamo Group defined its new Near-term and Net Zero targets, alongside the approval of FLAG targets. For further details, please refer to the section "ESRS E1-4: Targets relating to climate change mitigation and adaptation".

OWN OPERATIONS

The planned measures focus primarily on energy efficiency, decarbonizing consumption and sourcing energy from renewable sources, in line with industry best practice.

With regard to the efficiency initiatives implemented by the Group, in 2025 an analysis and validation of the KPIs mapped through Building Management Systems (BMS) worldwide was carried out to identify potential opportunities for efficiency improvements. These systems enable the control and monitoring of mechanical and electrical systems, such as the microclimate and lighting, based on the amount of natural light coming from outside, thereby optimizing operational efficiency and reducing waste.

The KPI analysis was subsequently expanded for EMEA stores by defining building and system requirements, to support the prioritization of efficiency improvement measures. It is anticipated that this analysis will also be extended to other regions.

BMS systems have been in place at the Osmannoro Logistics Hub since 2018, in the Osmannoro M building and, with the aim of monitoring energy consumption, in stores.

To accelerate the transition to renewable energy, a gradual reorganization of the smart meter architecture installed in buildings G-H-Q at the Osmannoro site has been initiated, to achieve better monitoring and subsequent improvement of energy performance. This project is scheduled for completion in 2027.

Also, with regard to energy efficiency, new solar control films have been installed on Building H (offices) and a new heat pump has been installed in Building M at the Osmannoro site. Furthermore, two compressors serving the three heat pumps in Building F have been replaced, and the implementation of a new synchronous operating logic for these heat pumps is planned. Finally, the underground heat pump and split air-conditioning system serving an Italian store has been replaced. With a view to improving energy efficiency, the lighting system in Building E of the HQ was upgraded during 2024. There are also plans to expand the existing photovoltaic plants with the commissioning of an additional system of approximately 220 kW installed on the roof of the Logistics Centre at the Osmannoro site.

In 2025, the three certifications forming part of the Integrated Management System were renewed and brought into line with their respective expiry dates, namely the Energy Management System in accordance with UNI EN ISO 50001:2018, the Environmental Management System in accordance with UNI EN ISO 14001:2015, and the Health and Safety Management System in accordance with UNI EN ISO 45001:2023. The scope of the certifications covers the Osmannoro sites, the Milan offices, Palazzo Spini Feroni, and the stores in the Italian retail sector.

At the same time, the transition towards more sustainable mobility has continued with the replacement of the company fleet in Italy with plug-in hybrid or fully electric vehicles, reaching a replacement rate of 76% in 2025.

At the same time, in 2024 the Group introduced a platform for tracking corporate mobility at the Osmannoro and Milan sites, the application of which was extended to the entire EMEA region in 2025, in line with the target set in the previous financial year. In addition, various sustainable mobility initiatives have been strengthened, including the corporate carpooling service and the Bici&Piedi program, both implemented in collaboration with JoJob. The latter, which encourages commuting to and from work on foot or by bicycle to reduce CO_2 emissions, has been further expanded to include the use of electric micro-mobility.

At the global network level, over the years, the commitment to achieving LEED Platinum certification has extended beyond the Osmannoro site to include the re-

Life Cycle Assessment

100% renewable electricity

tail sector. In 2025, five stores were LEED-certified, bringing the total number of certified stores worldwide to 33.

Finally, in 2025, globally, 100% of the electricity used by the Group came from renewable sources thanks to the purchase of certified energy via guarantees of origin.

LEED Certification

LEED® is a voluntary certification program that covers the entire life cycle of the building itself, from design to construction. LEED promotes a sustainability-oriented approach, recognizing building performance in key areas, such as energy and water efficiency and conservation, reduction of CO_2 emissions, improvement of indoor environmental quality, materials and resources used, design and site selection. Developed by the U.S. Green Building Council (USGBC), the system is based on four levels of certification: Basic, Gold, Silver and Platinum.

PRODUCTION AND DISTRIBUTION

In the logistics sector, in 2024 Salvatore Ferragamo S.p.A. completed a feasibility study aimed at optimizing load volumes and reducing transported volumes by 5%, which would contribute to a significant reduction in transport-related emissions. The project is expected to be launched from 2026.

Continuing on from the previous financial year, in 2025 the Group renewed its partnerships with suppliers and logistics partners to improve the sustainability of the supply chain.

In the area of production and distribution, in 2025 the Group mapped all incoming flows by involving the procurement functions, identifying for each raw material purchased and/or finished product the relevant supplier, the quantity of goods transported, the delivery note, the final destination (processing and/or finished goods warehouse) and the mode of transport used. Finally, the Group remains committed to introducing sustainability criteria into its procurement processes.

During 2024, the Group completed a project aimed at analyzing the environmental impacts associated with the production of three of its best-selling and most iconic items — a handbag (Hug), a ballet flat (Varina) and a loafer (Grandioso) — through the conduct of a Life Cycle Assessment (LCA) for each of the products in question.

In 2025, this exercise was extended to raw materials, involving two of the Group's partner tanneries and a fabric supplier, selected on the basis of the volume of materials procured, with the aim of investigating the main emission hotspots associated with the relevant production processes. In particular, the analysis focused on leather and cotton.

The main costs incurred for the implementation of the above-mentioned actions are shown in the following table[26]:

Activity	Capex	OpEx
Taxonomy eligible	Please refer to the section "Disclosure pursuant to Article 8 of Regulation (EU) 2020/852"	
Other[27]	-	27,000€

ESRS E1-4: Objectives relating to climate change mitigation and adaptation

The targets set form part of the 2026–2027 Sustainability Plan, approved by the Board of Directors on 18 December 2025, which serves as the strategic framework for the Group's sustainability initiatives and reflects its commitment to the United Nations Sustainable Development Goals and European sustainability standards.

The following objectives, outlined in section ESRS 2 – SBM-1: Strategy, business model and value chain, relating to climate change mitigation and adaptation, are aligned with limiting global warming to 1.5°C:

ESG building block	ID	Target	Timing
Moving Towards Zero Emissions	0	Achieving Net Zero by 2050	2050
	1	42% reduction in Scope 1 and Scope 2 absolute GHG emissions by 2030 compared to 2023 (Science-Based Target)	2030
	2	42% reduction in Scope 3 absolute GHG emissions, deriving from the purchase of goods and services and from the downstream transport and distribution by 2030 compared to 2023 (Science-Based Target)	2030
	3	100% renewable energy across all locations	2030
	4	30.3% reduction in FLAG Scope 3 absolute GHG emissions by 2030 compared to base year 2023	2030

tCO_2e	BASE YEAR 2023	TARGET YEAR 2030
Scope 1 + 2 absolute GHG emissions (Market Based)	4,223	2,449
Scope 3 absolute GHG emissions (cat.1, cat.4+9)	90,150	52,287
FLAG Scope 3 absolute GHG emissions	39,482	27,519

The Group has set clear and measurable targets for the reduction of greenhouse gas (GHG) emissions and the use of renewable energy, in line with international and EU climate strategies. In particular, the Science-Based Targets initiative has approved two important new Near-term e Net Zero targets for Salvatore Ferragamo S.p.A.:

- **Near-term Target:** Ferragamo is committed to reducing its absolute Scope 1 and Scope 2 GHG emissions by 42% by 2030 compared to 2023, and to reducing its absolute Scope 3 GHG emissions arising from the purchase of goods and services and from downstream transport and distribution by 42% by 2030 compared to 2023;
- **Long-term Target:** Ferragamo is committed to reducing its absolute Scope 1, 2 and 3 GHG emissions by 90% by 2050 compared with 2023;
- **Net Zero Target:** Ferragamo is committed to achieving net-zero greenhouse gas emissions across its entire value chain by 2050.

[26] The annual future financial resources set aside for the action plan are at least in line with the current resources set out in these statements.
[27] This amount forms an integral part of the items "General and administrative expenses" and "Costs of sales and distribution" in the income statement of the consolidated financial statements of Salvatore Ferragamo S.p.A.

Furthermore, as part of the update to its SBT reduction targets, the Group has also committed to submitting FLAG targets:

- **Near-term FLAG targets**: The Group is committed to reducing its FLAG Scope 3 emissions by 30.3% by 2030 compared with 2023;
- **Long-term FLAG targets:** The Group is committed to reducing its FLAG Scope 3 emissions by 72% by 2050 compared with 2023;
- **No deforestation commitment:** Ferragamo is also committed to ensuring that there is no deforestation within its supply chain for key raw materials associated with the risk of deforestation by 2025[28].

These targets are absolute, expressed in tons of CO_2 equivalent (tCO_2eq) and MWh, and are monitored annually through internal checks. The methodology adopted is based on the GHG Protocol and scientifically validated climate scenarios, in line with the Paris Agreement.

The main drivers of decarbonization and the key results achieved to date are described in the section "*ESRS E1-1 Transition Plan for Climate Change Mitigation*", to which reference should be made for further details.

Monitoring is ongoing, with strategic updates as required to ensure the achievement of the set targets. Key results achieved to date include an increase in the use of renewable energy in business operations and the adoption of stricter criteria for the selection of certified materials. For further details, please refer to the sections "*ESRS E1-3 Actions and resources related to climate change policies*", "*ESRS E1-5 Energy consumption and energy mix*" and "*ESRS E1-6 Gross GHG emissions from Scopes 1, 2 and 3 and total GHG emissions*".

[28] With regard to the deforestation target – "no deforestation across its primary deforestation-linked commodities by 31 December 2025" – following its adoption, the Group has progressively strengthened its supply chain control and monitoring mechanisms, introducing specific engagement activities with suppliers aimed at preventing and mitigating potential impacts linked to deforestation. Given that, in 2025, the Science Based Targets initiative (SBTi) launched a public consultation to update the FLAG criteria and make them applicable, while maintaining ambition and alignment with evolving regulatory frameworks, the Group is monitoring developments in the consultation to assess the impacts on its strategies. For further details regarding the target, please refer to ESRS chapter E4-3 "Actions and resources relating to biodiversity and ecosystems", which highlights that none of the tracked leather lots appear to originate from countries defined as high-risk for deforestation by European Regulation (EU) 2023/1115 (EUDR – European Union Deforestation Regulation).

ESRS E1-5: Energy consumption and energy mix

	2025[29]	2024	UdM
Fuel consumption from crude oil and petroleum products	2,315.3	2,541.67	MWh
Fuel consumption from natural gas[30]	2,819.7	2,315.28	MWh
Fuel consumption from other fossil sources	0.00	0.00	MWh
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	0.0	711.92	MWh
Total energy consumption from fossil sources	**5,135.0**	**5,568.87**	**MWh**
Share of fossil sources in total energy consumption	**13%**	**14%**	**Percentage**
Energy consumption from nuclear sources	0.00	0.00	Mwh
Share of consumption from nuclear sources in total energy consumption	**0%**	**0%**	**Percentage**
Fuel consumption for renewable sources including biomass (also comprising industrial and municipal waste of biologic origin, biofuels, biogas, hydrogen from renewable sources, etc.)	0,00	0.00	Mwh
Consumption of purchased or acquired electricity (GO/RECs), heat, steam and cooling from renewable sources	32,585.3	33,297.49	Mwh
Consumption of self-generated non-fuel renewable energy	962,.8	1,047.00	Mwh
Total energy consumption from renewable sources	**33,548.1**	**34,344.49**	**Mwh**
Share of renewable sources in total energy consumption	**87%**	**86%**	**Percentage**
Total energy consumption	**38,683.1**	**39,913.36**	**Mwh**

The Group's energy intensity in 2024 stood at 38.6 (MWh/million euros). In 2025, energy intensity stood at 39.6 (MWh/million euros).

[29] To calculate energy consumption for petrol, diesel, natural gas and electricity in MWh, the conversion factors published by the Department for Environment, Food & Rural Affairs (DEFRA) in 2024 were used.
[30] 1 m^3 ≈ 10.55 kWh ≈ 0.01055 MWh.

ESRS E1-6: Gross GHG emissions from Scopes 1, 2 and 3 and total GHG emissions

During 2024, following an in-depth analysis of the Group's GHG inventory, emissions were recalculated for Category 1 – Purchased Goods and Services, Category 4 – Upstream Transportation and Distribution, and Category 9 – Downstream Transportation and Distribution. This review was conducted with the aim of ensuring a more accurate representation of the Group's CO_2e emissions impacts, in line with the principles of transparency and reliability in reporting. Furthermore, with particular reference to the supply chain, in 2025 the Group set itself the objective of progressively reducing the use of the expenditure-based method for quantifying greenhouse gas emissions.

	2025[31]	2024	Delta (%)	Udm
Scope 1 GHG emissions				
Gross scope 1 GHG emissions	1,154	1,092	+5.8%	tCO_2eq
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	0%	0%	0%	Percentage
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions	13,813	14,533	-5%	tCO_2eq
Gross market-based Scope 2 GHG emissions	0	382	-100%	tCO_2eq
Significant Scope 3 GHG emissions				
Total gross indirect GHG emissions (Scope 3)	126,645	130,815	-3.2%	tCO_2eq
1. Purchased goods and services	88,521	88,032	+0.6%	tCO_2eq
2. Capital goods	13,076	15,071	-13.2%	tCO_2eq
3. Fuel and energy-related activities (not included in Scope 1 or Scope 2)	1,010	1,147	-12%	tCO_2eq
4. Upstream transportation and distribution	12,711	15,499	-18%	tCO_2eq
5. Waste generated in operations	208	223	-6.8%	tCO_2eq
6. Business travel	1,722	1,513	+13.8%	tCO_2eq
7. Employee commuting	3,981	3,954	+0.7%	tCO_2eq
8. Upstream leased assets	817	539	+51.5%	tCO_2eq
9. Downstream transportation	1,752	1,824	-4%	tCO_2eq
12. End-of-life treatment of sold products	130	101	+28.2%	tCO_2eq
14. Franchises	2,719	2,912	-6.6%	tCO_2eq
Total GHG emissions				
Total GHG emissions (location-based)	**141,613**	**146,440**	**-3.3%**	**tCO_2eq**
Total GHG emissions (market-based)	**127,799**	**132,288**	**-3.4%**	**tCO_2eq**

The Group's carbon intensity in 2024 stood at 128 (tCO_2eq/million euros). In 2025 carbon intensity stood at 130.9 (tCO_2eq/million euros).

[31] For the calculation of SCOPE 1 emissions, the factors used for the years 2023 and 2024, respectively, are those published by the Department for Environment, Food & Rural Affairs (DEFRA) in 2023 and 2024. For the calculation of SCOPE 2 emissions, the factors used are those published by ISPRA for the year 2023, specifically for SCOPE 2 location-based emissions in 2024, while for SCOPE 2 market-based emissions, the factors used for European countries are those published by the AIB (Association of Issuing Bodies) in 2024 for the year 2024. SCOPE 2 emissions are expressed in tons of CO2; however, it should be noted that the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO2 equivalents), as can be inferred from the relevant technical literature. For the calculation of Scope 2, all DOS stores, offices and owned warehouses open as at 2024 were selected, totaling 391 DOS and 60 additional assets. Other indirect emissions, generated by other organizations and resulting from the Group's activities ("Scope 3 emissions"), were calculated in accordance with the "GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard". For each of the SCOPE 3 categories identified as relevant, greenhouse gas emissions were quantified by multiplying the organization's activity data by the specific emission factor. The main sources of the emission factors used are the UK Department for Environment, Food & Rural Affairs (DEFRA) publication for the year 2024 and the Ecoinvent 3.9.1 database published in September 2021. The relevant SCOPE 3 categories considered are: "purchases of raw materials and services" and "logistics", comprising upstream and downstream transport and distribution. The "other" category includes indirect emissions generated by the following categories: "capital goods", "fuel and energy-related activities (not included in Scope 1 or Scope 2)", "waste generated in operations", "business travel", "employee commuting", "upstream leased assets", "end-of-life treatment of sold products", "downstream leased assets", "franchises".

ESRS E1-7: GHG removals and GHG emission mitigation projects financed through carbon credits

No GHG emission mitigation projects funded by carbon credits were undertaken during 2025.

ESRS E1-9: Expected financial effects of material physical and transition risks and potential climate-related opportunities

Ferragamo recognizes the growing significance of the effects of climate change and the potential impacts these may have. In order to understand, assess and manage these effects in a structured and effective manner, the Company has for some years implemented a Climate Change Risk Management Framework, which is subject to periodic updates. This enables the Company to examine in depth how the challenges associated with climate change may affect the Group's business and to test its resilience in the medium to long term.

Physical risk analyses cover the main extreme natural events (such as floods, tornadoes, hailstorms, etc.) and focus on a scope comprising the major assets considered representative of business activities: Ferragamo-owned assets, DOS (Directly Operated Stores) significant in terms of net sales, and assets of key suppliers in terms of the type and scale of supply.

In order to identify assets at significant physical risk, specific climate tools (e.g. IPCC WGI Interactive Atlas, Copernicus, etc.) are used to first assess exposure to physical climate risks in the short term, net of adaptation measures. Exposures are then stress-tested over the medium (2030) and long term (2050), taking into account the evolution of key climate variables as projected by the IPCC's RCP/SSP 8.5 scenario – the worst-case scenario. This scenario, characterized by high emissions and the absence of effective mitigation policies by various nations globally, supports a conservative assessment of physical climate risks.

Subsequently, the results of the analyses conducted are translated into percentages of potential damage to assets (property damage) and into days of business interruption. This data, combined with the economic data of the assets (e.g. turnover or asset value), allows for the estimation of the possible economic repercussions associated with the various risks.

The analysis is carried out with the full involvement of the Group's management and the relevant contacts at suppliers within the scope of the analysis. This involvement is of fundamental importance not only for the analysis's assessments but also for mapping climate change adaptation measures (e.g. bulkheads, barriers, cooling systems, etc.) and the status of insurance cover, key elements of a comprehensive representation of exposures.

Overall, the results of the analysis of the Group's assets highlight a mature level of climate adaptation, primarily thanks to extensive insurance cover, which significantly reduces the potential financial impact arising from physical risks.

Consequently, in the short term, the expected financial impact on the Group, taking into account adaptation measures (both physical and insurance-related), is limited. Similarly, thanks to the effectiveness of adaptation strategies and a limited increase in the theoretical exposure of the Group's sites, no significant financial impacts are anticipated in the medium and long term.

Recognizing that climate change is an ever-evolving phenomenon and with the aim of keeping the approach to the Climate Change Risk Management Framework aligned with best practices, the Group will continue to maintain and update the Model.

ESRS E2 – POLLUTION

ESRS E2-1: Pollution policies

Analyses carried out by the Group on the impacts, risks and opportunities associated with pollution, water and marine resources revealed that these are primarily linked to operations upstream of the value chain, and in particular to the production activities of suppliers, including tanneries. The Sustainability Policy, mentioned in the chapter "*ESRS E1-2 Policies relating to climate change mitigation and adaptation*", includes specific measures for managing IROs linked to pollution. The contents of the Policy stem from the double materiality process conducted in 2024 and updated in 2025, and concern, amongst other aspects, the prevention and control of environmental pollution.

Through this Policy, the Group is committed to mitigating negative impacts on water quality through active monitoring of water resources used both in its direct operations and throughout the supply chain. In relation to the reduction and substitution of substances of concern and the phasing out of those of very high concern, in 2024 the Group published its **Responsible Sourcing Commitment ("RSC").**

The aim of this commitment is to actively integrate responsible sourcing practices into the corporate culture, promoting health and safety, respect for human rights, environmental protection and, more generally, ethical business practices throughout the entire value chain. This document applies to all the Group's activities, as well as to suppliers, subcontractors, contractors and business partners. The RSC applies primarily to Italy, but extends its commitments to all regions where the Group operates. The stakeholders concerned include employees, collaborators and local communities.

The Responsible Sourcing Commitment takes into account the interests of key stakeholders, including workers' rights, environmental protection and the promotion of diversity and inclusion. Salvatore Ferragamo S.p.A. promotes transparency and the sharing of information with all relevant stakeholders, disseminating the Policy via the company website and through internal communications. Furthermore, it encourages stakeholder participation through reporting and feedback mechanisms. The Board of Directors of Salvatore Ferragamo S.p.A. is the body responsible for its implementation, supported by the Chief Product Officer.

Since 2019, the Group has required suppliers to sign the **Supplier Code of Conduct** and conducts audits to ensure compliance. Furthermore, since 2016, suppliers involved in the production process have been required to sign and comply with Ferragamo's **Restricted Substances List (RSL)**, which is necessary for the qualification process. In particular, the RSL sets out the chemical and performance requirements that all Ferragamo products must meet, in accordance with the most stringent limits established at international level, both within and outside Europe, and was last updated in February 2025 and submitted for signature by all suppliers of raw materials and finished products.

Any exceptions to full compliance with the RSL are managed by the Company where duly justified by the supplier.

The RSL is subject to constant updating, including to incorporate the latest regulatory developments in this area. These updates are communicated to suppliers, who are required to comply and sign the document again.

With a view to monitoring compliance with the parameters set out in the RSL, a testing plan for suppliers and materials to be sampled is drawn up for each new collection, taking into account various criteria, such as the quantity of material purchased and the novelty of the material itself. Should any non-conformities emerge during the testing phase, these are duly assessed by the Company.

Should emergency situations arise regarding product and production safety, the Company undertakes to intervene promptly and efficiently, managing the situation with the utmost attention and care. The Group is committed to maintaining transparent communication with stakeholders, increasing engagement in sustainability and ensuring the consistent application of the documents indicated, which are publicly accessible online on the Group's Sustainability website.

ESRS E2-2: Actions and risks relating to pollution

With regard to chemical and water safety, the Group recognizes the importance of manufacturing and marketing products that comply with the regulations in force in the countries in which it operates, in order to safeguard the health of workers and consumers, as well as to reduce the environmental impact both in production processes and throughout the entire product lifecycle.

EU legislation on chemical safety is based on the REACH Regulation, which governs the restriction of the use of chemicals.

To this end, eco-toxicological tests are carried out, coordinated by the Product Compliance department, on numerous components and finished products, such as accessories, footwear structures, leathers and fabrics. The Group selects its suppliers, taking into account the certifications they have obtained. In particular, in 2025, 961 eco-toxicological tests were carried out, broken down by product category (leather goods/footwear, RTW, textile accessories and jewelry, and structures). Of the total, 7 failure reports were identified for values exceeding the RSL parameters and were consequently managed by the Company.

The Group has strengthened the monitoring of materials through a sample-based testing plan, in order to identify any hazardous substances and verify compliance with the Group's RSL.

In 2025, the Group continued the data collection initiative launched in 2023 aimed at assessing the adoption rate of a chemical management system across the supply chain. In this context, Ferragamo adopted the ZDHC methodology as the benchmark standard for implementation. Information was collected from the supply chain covering 61.8% of the value of leather purchased and 57.8% of the value of fabrics purchased, thus covering the most representative portion of its supply chain.

The results show that in 2025, 52% of the value of leather (+5% compared to 2024 and +15% compared to 2023) and 50.9% of the value of fabrics (+2.9% compared to 2024 and +25.9% compared to 2023) was purchased from Level 1 or 2 certified suppliers of the Supplier To Zero Program. Furthermore, 39.2% of the value of leather and 46.4% of the value of fabrics was purchased from suppliers registered on the ZDHC Gateway platform who regularly check the compliance of chemicals with the ZDHC MRSL. The average compliance rate reported for the leather sector was 97%, while that for the textiles sector was 78%. Finally, limited to suppliers who shared the requested data and for whom the wastewater analysis was applicable, the results showed that 60% of the value of leather (+10% compared to 2024) and 100% of the value of fabrics (+20% compared to 2024) was purchased from companies that have completed a ClearStream report aimed at assessing the performance of their facilities in wastewater management.

ZDHC	%
a) % **leather** purchases from suppliers with ZDHC Certificate Level (at least Level 1)	52%
a) % **fabric** purchases from suppliers with ZDHC Certificate Level (at least Level 1)	50.9%
a) % **leather** purchases from suppliers who conduct analyses of compliance with the ZDHC MRSL of the chemical products used in production processes	39.2%
average declared compliance rate	*97%*
b) % **fabric** purchases from suppliers who conduct analyses of compliance with the ZDHC MRSL of the chemical products used in production processes	46.4%
average declared compliance rate	*78%*
c) % **leather** purchases from suppliers who have conducted Clearstream analyses on wastewater	60%*
average compliance rate	*99%*
c) % **fabric** purchases from suppliers who have conducted Clearstream analyses on wastewater	100%*
average compliance rate	*99%*

*limited to those suppliers who have provided the requested data and for whom the wastewater analysis was applicable

Supplier to Zero Program

The ZDHC (Zero Discharge of Hazardous Chemicals) Supplier to Zero Program is an initiative designed to support companies in the fabric, leather and footwear supply chains in the continuous improvement of their environmental performance, particularly in the management of chemicals. The program provides a clear roadmap for suppliers, helping them to implement safer and more sustainable chemical management practices. Level 1 certifies compliance with the basic requirements for a chemical management system, such as the control of incoming chemicals and the adoption of ZDHC guidelines; and Level 2 certifies a more advanced level of management, with greater control over production processes and an even more effective reduction in environmental impact.

Furthermore, in 2025 the Group decided to adopt the ZDHC Friends standards. Adherence to these standards, scheduled for 2026–2027, will be preceded by an engagement phase to be carried out during 2026.

Finally, the Group is strongly committed to increasing transparency and mitigating chemical impacts and risks throughout the supply chain. For this reason, from 2024, the data collection project has also been extended to suppliers of metal fittings. The aim is therefore to broaden the scope of the supply chain involved and to support suppliers in adopting improvement measures, where necessary. The main costs incurred for the implementation of the above-mentioned actions are set out in the following table[32]:

Activity	Capex	Opex
Pollution[33]	-	5,000€

ESRS E2-3: Pollution-related targets

The targets set form part of the 2026–2027 Sustainability Plan, with a 2023 baseline, approved by the Board of Directors on 18 December 2025. This plan provides the strategic framework for the Group's sustainability initiatives and reflects its commitment to the United Nations Sustainable Development Goals and European sustainability standards.

The objective outlined in section ESRS 2 – SBM-1: Strategy, business model and value chain, relating to pollution, is as follows:

ESG Building Block	ID	Target	Timing
Leading a responsible value chain	9	Definition of a strategy relating to the responsible use of chemical agents (ZDHC) for a gradual phase-out, including aspects relating to water use	2027

Compliance with the RSL, together with the increasing uptake of the ZDHC framework by suppliers, enables the prevention and control of water emissions and their specific loads, soil pollution and its specific loads, as well as the use of substances of concern or high hazard.

This target is closely linked to the Group's Sustainability Policy, in particular the section on 'Water, waste and ecosystem management', the Responsible Sourcing policy and the objectives of the Supplier Code of Conduct, underlining the Group's commitment to sustainable and responsible management throughout the supply chain.

With regard to water pollution, the Group actively monitors water consumption, ensuring responsible sourcing and preventing pollution through targeted measures that reduce the environmental impact of wastewater discharge.

[32] The annual future financial resources set aside for the action plan are at least in line with the current resources set out in these statements
[33] This amount forms an integral part of the item "General and administrative expenses" in the income statement of the consolidated financial statements of Salvatore Ferragamo S.p.A.

The targets set and presented by the Group are qualitative in nature and primarily concern the upstream supply chain. They have been developed on the basis of a materiality analysis involving both direct and indirect suppliers. Furthermore, they are not imposed by regulatory obligations, but represent a voluntary and strategic choice, reflecting Salvatore Ferragamo S.p.A.'s commitment to achieving a positive impact on the environment, contributing to the creation of shared value for the entire supply chain and the communities involved.

ESRS E2-5: Substances of concern and substances of very high concern

Since 2016, the issue of chemical safety has been addressed through the introduction of the Group's RSL, which imposes even stricter criteria than the REACH regulation, in line with the restrictions imposed by other geographical areas where Ferragamo products are sold. The RSL is the specification setting out the chemical and performance requirements that all the Company's products must meet, whether intended for adults or children, and which require compliance with the most restrictive limits established at international level, both within and outside Europe. This document was last updated in February 2025 with the inclusion of new substances, limits and methods; consequently, the Company has once again requested that all suppliers of raw materials and finished products – whether dealing directly or indirectly with the Group – sign the agreement.

ESRS E3 - WATER AND MARINE RESOURCES

ESRS E3-1: Policies relating to water and marine resources

As outlined in the section "*ESRS E2 – pollution*", the impacts, risks and opportunities relating to water and marine resources are primarily linked to operations upstream of the value chain, and in particular to the production activities of suppliers, including tanneries.

The Salvatore Ferragamo Group is committed to ensuring the sustainable use of water in its operations and supply chain. For this reason, it actively monitors its water consumption, ensuring responsible sourcing and preventing pollution through targeted measures that reduce the environmental impact of wastewater discharge. These efforts are aligned with the principles of the circular economy, with the aim of eliminating waste and extending the life cycle of products.

This commitment to water and marine resource management is formalized through the Group's **Sustainability Policy**, previously referenced in relation to climate change and pollution in ESRS "E1 – Climate Change" and "ESRS E2 – Pollution".

The Group's commitment in this area is also formalized through the **Code of Conduct for Suppliers**, through which the Group requires its suppliers to adhere to the highest standards in the management of water abstraction and discharge. The Code includes a section dedicated to "Respect for Ecosystems", which also governs the responsible use of water resources. In particular, it stipulates that recipients are required to comply with current legislation on water abstraction and discharge and to adopt a responsible approach to water management. Recipients are also called upon to actively commit to implementing appropriate measures to minimize water abstraction, promote water reuse and improve discharge management, thereby contributing to the protection of ecosystems and natural resources.

With regard to the use of substances of concern and substances of very high concern, in 2024 the Group published its Responsible Sourcing Commitment. For further details, please refer to the section "*ESRS E2-1 Pollution policies*".

ESRS E3-2: Actions and resources relating to water and marine resources

A significant achievement in terms of optimizing water consumption is the award of LEED Platinum certification – the highest level – which was already achieved in 2016 by Building Q at the Osmannoro site, and has now been secured by the Osmannoro Logistics Hub, a building of approximately 20,000 square meters that opened in 2018. Thanks to numerous measures implemented in the systems, water consumption has been optimized, leading to a 50% reduction in total water consumption for irrigation and a 100% reduction in drinking water consumption. Furthermore, measures consistent with the LEED standard have been implemented for both

mechanical and electrical systems, such as the use of lamps that minimize light pollution. The construction project was also made more sustainable through the use of FSC-certified timber and materials containing recycled content and/or produced locally, in line with LEED standards.

During 2024, Salvatore Ferragamo S.p.A. established the **Water Action Plan** as an integral part of its Sustainability Policy (section 'Water, waste and ecosystem management'), through the systematic collection of data relating to its operations and strategic suppliers. This plan includes monitoring of the KPIs defined in subsequent periods to ensure progressive improvement in water resource management. The Water Action Plan is scheduled for deployment in 2026.

Among the key initiatives, the quantification of direct impacts on water resources led, in 2025, to a strengthening of primary data collection at global stores. During the financial year, the Group mapped 50% of its local units in water-stressed areas, particularly in areas of "extremely high water stress". A gradual increase in this coverage is expected in subsequent years.

At the same time, in-depth work was undertaken to quantify indirect impacts by mapping the raw material suppliers most significant in terms of turnover, with particular attention to those located in areas of high water stress. In 2025, this approach enabled the monitoring of water consumption for 63% of leather suppliers, 56% of fabric suppliers and 60% of metal suppliers, supporting the identification of hotspots and the alignment of actions with the objectives of the Water Action Plan, and will be updated during the year for 2026.

As previously reported in the section "*ESRS E1-3 Actions and resources relating to climate change policies*", the Group has upgraded the water system serving the fire-fighting system at the Osmannoro site, where the water system serving the company canteen is also scheduled for upgrading, with the aim of improving water efficiency and resolving hidden leaks.

The main costs incurred for the implementation of the above-mentioned actions are set out in the following table[34]:

Activity	Capex	Opex
Water[35]	-	5,000€

ESRS E3-3: Targets relating to water and marine resources

The targets set form part of the 2026–2027 Sustainability Plan, with a 2024 baseline, approved by the Board of Directors on 18 December 2025. This plan serves as the strategic framework for the Group's sustainability initiatives and reflects its commitment to the United Nations Sustainable Development Goals and European sustainability standards. The objective, outlined in section ESRS 2 – SBM-1: Strategy, business model and value chain, relating to water and marine resources, is as follows:

ESG Building Block	ID	Target	Timing
Leading a responsible value chain	10	Definition of a strategy relating to the responsible use of chemical agents (ZDHC) for a gradual phase-out, including aspects relating to water	2027

The overall objective of Salvatore Ferragamo S.p.A. is to ensure the responsible use of chemical agents in line with the principles of the Zero Discharge of Hazardous Chemicals (ZDHC) program, promoting the gradual elimination of hazardous chemicals, whilst maximizing the efficient use of water resources. This objective, which is both qualitative and quantitative in nature, is set within a timeframe aiming to achieve results by 2027.

The target is closely linked to the Group's Sustainability Policy, in particular the section on "Water, waste and ecosystem management", and to the Responsible Sourcing policy, underlining the Group's commitment to sustainable and responsible management throughout the supply chain.

[34] The annual financial resources allocated to the action plan for future years are at least in line with the current figures set out in these financial statements
[35] This amount forms an integral part of the item "General and administrative expenses" in the income statement of the consolidated financial statements of Salvatore Ferragamo S.p.A.

With regard to direct water consumption (offices, shops, production sites and logistics hubs), the Group periodically carries out assessment and monitoring procedures, confirming that almost all water supply comes from mains water and that such consumption, relating mainly to domestic water use, is not particularly significant.

The targets that the Group has set and presented are not imposed by regulatory obligations, but represent a voluntary and strategic choice, reflecting Salvatore Ferragamo S.p.A.'s commitment to achieving a positive impact on the environment, contributing to the creation of shared value for the entire supply chain and the communities involved.

ESRS E3-4: Water consumption

ESRS has been identified as a material factor throughout the value chain. However, the water consumption associated with its own operations is set out below.

(in m^3)	2025		2024	
	All areas	Areas at water risk, including areas of high water stress	All areas	Areas at water risk, including areas of high water stress
Total water consumption	105,595.61	45,435.51	127,295.17	52,031.24
Total water recycled and reused	-	-	-	-
Total water stored	-	-	-	-

With regard to its own operations, the Group reduced its water consumption by 17.05%, and by 12.68% in particular in areas at risk of water scarcity.

Water intensity

	Unit	2025	2024
Total water consumption	m^3	105,595.61	127,295.17
Revenues	m. euro	976.53	1,035.00
Water intensity (m3/m.)	Number	108.13	122.99

The Group's water intensity in 2025 fell by 12.08% compared with the previous financial year and stands at 108.13 (m^3/million euros).

ESRS E4 PROTECTION OF BIODIVERSITY AND ECOSYSTEMS

ESRS E4-1: Transition plan and consideration of biodiversity and ecosystems in the structure and business model

Considerations regarding strategic and business resilience in relation to biodiversity have not yet been formalized in a structured analysis. However, the Group examines these aspects as part of its goal-setting and business continuity processes, while also taking into account the impacts across its entire value chain.

During 2023 and 2024, the Group conducted an in-depth analysis of the impacts and dependencies of its value chain in relation to biodiversity, using the WWF Biodiversity Risk Filter and aligning with the SBTN methodological framework. The analysis identified that the greatest impacts along the leather supply chain are attributable to Tier 4, particularly with regard to climate change, water consumption and eutrophication. Similarly, for the cotton supply chain, Tier 4 is responsible for the main impacts relating to water consumption and eutrophication, while Tier 2 is the most significant for climate change. Following the SBTN methodology, the rankings relating to pressure and the state of nature (SoNp and SoNb) were combined to produce a final ranking, which allows for the identification of priority locations on which to focus actions. The analysis identified the main impacts linked to the leather supply chain, which is responsible for significant pressure on land use, estimated at approximately 89,897 hectares, concentrated in countries such as Italy, Spain, the Netherlands and France. As the Group's business model and sourcing practices have not undergone substantial changes in the period following the study, the results of the analysis continue to represent a valid and methodologically sound reference for assessing impacts and dependencies along the value chain.

In any case, the Group intends to continue monitoring and investigating these areas in order to progressively update the findings and strengthen oversight of the priority areas for action identified.

E4-SBM-3 Material impacts, risks and opportunities, and their interaction with the company's strategy and business model

Through the double materiality process, Salvatore Ferragamo S.p.A. has identified a material impact linked to soil degradation: *Loss of biodiversity along the supply chain, for example caused by deforestation resulting from the production of textile fibers and livestock farming activities.* In the context of biodiversity issues, the Group does not own or operate any facilities or operational sites located near protected areas or areas of high biodiversity. As it does not carry out activities that have a direct impact on biodiversity, the impacts, risks and opportunities have been identified by taking into account the upstream value chain.

With regard to the sourcing of hides from endangered species, and in relation to animal welfare in general, the Group has drawn up the Animal Welfare Policy, which is set out in detail in the section *"ESRS E4-2 Policies relating to biodiversity and ecosystems"*.

ESRS E4-2: Policies relating to biodiversity and ecosystems

The Group recognizes the vital role of biodiversity in maintaining ecosystems and supporting human well-being. It is committed to safeguarding terrestrial and marine ecosystems, with a particular focus on protecting areas rich in biodiversity.

For this reason, Salvatore Ferragamo S.p.A. and its subsidiaries have set out their commitment to safeguarding and promoting biodiversity through the **Biodiversity Manifesto** (hereinafter also "the Manifesto"), which sets out the principles underpinning the Group's activities in this area. In this context, all employees are asked to safeguard and promote biodiversity in accordance with the principles set out in this document while carrying out their professional duties. The Manifesto addresses risks and impacts related to biodiversity through a structured approach, focused on prevention, mitigation and restoration, and is structured around three fundamental principles: promoting collaboration and innovation, continuously improving operations and

procurement, and supporting the protection and resilience of ecosystems.

The Group promotes the adoption of the Manifesto's principles across all its operations and throughout the value chain, involving key stakeholders including: employees, suppliers, contractors, shareholders, investors and distributors as internal stakeholders, and end customers, trade associations, the media and influencers, NGOs, local communities, regulatory and government bodies, public administration, schools and universities as external stakeholders.

The Manifesto was approved by the Board of Directors on 14 November 2024. The Sustainability Function is responsible for overseeing the policy and coordinating sustainability projects. The objectives of the Manifesto have been developed in accordance with third-party regulations and initiatives that Salvatore Ferragamo S.p.A. is committed to respecting in the implementation of the policy, including the Science-based Targets for Nature, the principles of the Convention on Biological Diversity (CBD), the Post-2020 Global Biodiversity Framework, the EU Biodiversity Strategy for 2030, the Fashion Pact agenda and the Sustainable Development Goals (SDGs). In light of these principles, Salvatore Ferragamo is committed to further developing its biodiversity strategy in line with the guidelines provided by the Science-based Targets Network (SBTN).

The Biodiversity Manifesto is publicly available in the download section of the Salvatore Ferragamo Group website and on the Ferragamo Sustainability website, to make it accessible to stakeholders who can potentially contribute to its implementation.

The targets set by Salvatore Ferragamo S.p.A. focus in particular on the Group's commitment to promoting the traceability of raw materials and engaging suppliers in responsible sourcing practices, by promoting certifications and switching to materials with a lower environmental impact.

The Group also prioritizes avoiding activities that lead to ecosystem degradation, such as deforestation and unsustainable land use. Another issue addressed in the Manifesto relates to the promotion of regenerative agricultural practices to minimize environmental impacts, such as soil depletion and the use of pesticides, while supporting biodiversity conservation across all operations.

The Biodiversity Manifesto therefore addresses biodiversity-related issues that may affect the Group. Consequently, no specific policies have been drawn up for each of these issues, as all matters are covered in a single document.

Further details regarding responsible sourcing are contained in the **Responsible Sourcing Commitment**, already mentioned in the chapter "*ESRS E2-2 Actions and risks relating to pollution*". The document highlights the importance of traceability in order to mitigate potential environmental and social risks throughout the entire supply chain, as well as to ensure compliance with applicable European regulations and directives, including, for example, the European Union Deforestation Regulation (EUDR) and the Ecodesign Regulation for Sustainable Products (ESPR).

Suppliers are required to provide comprehensive information regarding all subcontractors involved in the production process, including details of production sites. Furthermore, they must provide details of the products supplied, such as material certificates (e.g., Scope and Transaction Certificates) and other relevant documents (such as CITES permits).

The Group considers the approach to animal welfare throughout the supply chain to be essential, in the knowledge that products can only be valued while respecting the environment and biodiversity. For this reason, the Group has drawn up an **Animal Welfare Policy**, with the aim of ensuring that the entire supply chain adopts appropriate practices regarding animal welfare. It defines the minimum requirements, certifications, standards, partnerships, strategies and preferred sources of supply in order to ensure animal welfare in relation to the following categories of materials: fine leathers (from exotic species), wild leathers (species killed in their natural environment), sheep and goats, cattle (adult bovine species) and calves.

In particular, the Group requires suppliers to comply with the Five Freedoms, formalized in 1979 by the UK Farm Animal Welfare Council and considered the most

valid internationally, and that all raw materials of animal origin come from countries where there is an adequate level of control over the treatment and practices applied to animal species. Suppliers are therefore required to provide the name and characteristics of the species supplied and, above all, the country of origin. In the case of the supply of species listed in the CITES Appendices, the Group requires its suppliers to conduct their activities in accordance with the Convention on International Trade in Endangered Species (CITES).

The Policy applies to all the Group's suppliers of raw materials and finished products of animal origin. Suppliers are responsible for ensuring their own compliance with the Policy, as well as for disseminating it and requiring compliance from their employees, suppliers, external collaborators and other parties forming part of the Group's supply chain.

To confirm their adherence, suppliers are required to sign the Acceptance Form found at the end of the document

The Operations department is responsible for implementing the Policy and for verifying that suppliers have signed the aforementioned Acceptance Form.

The Animal Welfare Policy is publicly available in the download section of the Salvatore Ferragamo Group website and on the Ferragamo Sustainability website.

ESRS E4-3: Actions and resources relating to biodiversity and ecosystems

For the Group, the protection and promotion of biodiversity are key elements of its approach to environmental responsibility and the promotion of Italian craftsmanship, which has defined the brand since its inception. In addition to signing The Fashion Pact in 2019 and formalizing a Biodiversity Manifesto in 2020, the Group's commitment has continued in subsequent years – through participation in webinars, working groups and training sessions – with the aim of developing a strategy aimed at protecting biodiversity. In line with the particular attention paid to social, environmental and economic impacts, the responsible sourcing of animal-derived materials used in production processes for each product category takes on a role of primary importance.

The Group considers it essential to adopt a comprehensive approach to the issue of animal welfare throughout the entire supply chain, aware that the enhancement of products is closely linked to respect for the environment and biodiversity.

As previously highlighted in 2023 and 2024, Salvatore Ferragamo S.p.A. has initiated an analysis of its impacts on and dependencies on nature, in line with the Science Based Targets Network (SBTN) Framework and the objectives set out in the Biodiversity Manifesto. Over the years, senior management and key departments have been involved in a workshop dedicated to this topic.

In parallel, the Group has taken concrete action on packaging, prioritizing the use of Forest Stewardship Council (FSC)-certified paper for retail activities, to ensure responsible forest management and the traceability of derived products. Ferragamo's iconic red packaging is entirely Made in Italy, recyclable and composed of recycled fibers and cellulose treated using eco-friendly processes (ECF). In 2025, 99% of the Group's paper packaging is FSC/PEFC certified, with the ambition of reaching 100% by 2026. This focus applies to both B2B and B2C packaging, with suppliers selected based on recognized certifications such as ISO 9001, ISO 14001, SA8000, ISO 45001, GOTS, GRS, PEFC, FSC and OEKO-TEX.

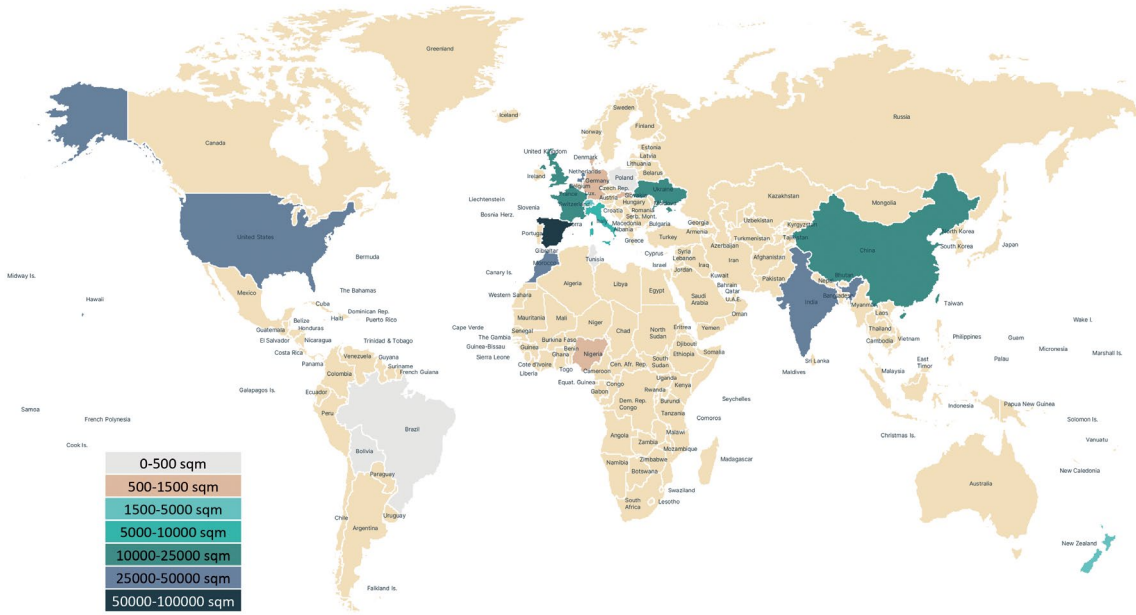
In 2025, the Group's strategic tanneries, which account for 80% of procurement volumes in square meters, actively participated in a traceability project aimed at identifying the country of origin of the main hides purchased. The data was collected via a dedicated digital platform, through which suppliers were asked to self-declare all stages of the supply chain, from the delivery notes for each order right through to the country where the animals were reared.

Overall, the level of disclosure – calculated based on the total number of shipments self-declared by the supplier within the traceability tool across the various stages of the leather supply chain – was high. Disclosure at country level for all tanning stages (from the split to the finishing) reached 100%. Moving on to the identification of the individual tanneries involved in each stage, the level of disclosure stood between 70% and 85%. For the upstream part of the supply chain, disclosure regarding the country of slaughter reached 100%, whilst 80% also

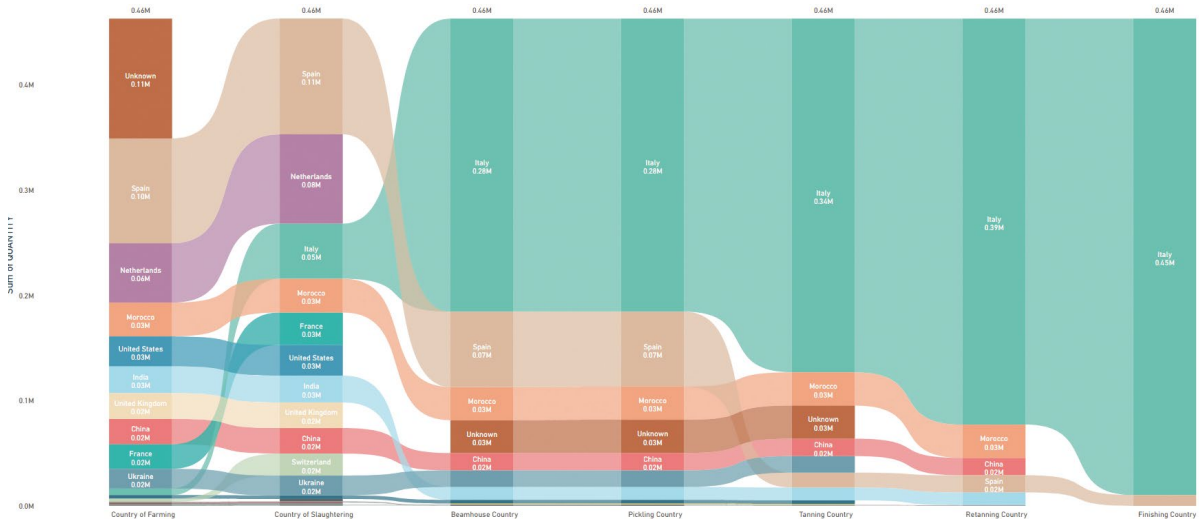
included the specific name of the slaughterhouse. As regards the farm of origin, 70% reported the country and 10% provided the name of the specific farm.

With specific reference to bovine leather and within the context of EUDR requirements, transparency along the supply chain was high overall. Disclosure at country level for all tanning stages reached 100%. Looking instead at the identification of the individual tanneries involved, disclosure stood at around 95% for the stages from finishing to re-tanning and at 85% for the stages from tanning to finishing. For the upstream part of the supply chain, disclosure of the country of the slaughterhouse reached 100%, whilst 90% included the specific name of the slaughterhouse. At the farming level, 55% reported the country of origin and 12% provided the name of the specific farm. Furthermore, 40% of tanneries underwent a documentary audit to verify the accuracy and reliability of the data provided. All audits had positive outcomes and the full cooperation of the supply chain confirmed a high level of maturity on this issue.

In 2025, particular attention was paid to mapping the geographical origins of the hides purchased by the Group. This analysis aimed to strengthen transparency and traceability throughout the supply chain, with a specific focus on identifying the countries where the animals were reared and where the hides were processed. The following map provides an overview of the distribution of leather origins based on data collected via the traceability tool from all suppliers active during the year.



The following flow chart illustrates how leather, measured in square meters, is transported from the country of origin of the livestock to the country where it is tanned. This visual representation highlights the distribution and movement of leather between different geographical areas.



In addition to identifying the country of origin, the data collection process carried out with the tanneries involved in the project has yielded further valuable information on the Group's leather supply chain, including the animal species from which the hides purchased by Ferragamo are derived. This additional information contributes to a more comprehensive understanding of the characteristics of the hides used and supports the ongoing enhancement of transparency and traceability throughout the supply chain.

The Group also places particular emphasis on supporting local communities and protecting biodiversity in the Tuscan region. In 2024, the Group formalized its commitment and made a financial contribution to the research project "Farming systems for native Tuscan cattle breeds at risk of extinction: definition of conservation and enhancement strategies to protect biodiversity heritage", led by the Department of Agricultural, Food, Environmental and Forestry Sciences and Technologies (DAGRI) at the University of Florence, in collaboration with the Regional Association of Livestock Breeders of Tuscany (ARAT). The project, sponsored by the Region of Tuscany, aims to safeguard the four native Tuscan cattle breeds at risk of extinction – Mucca Pisana, Garfagnina, Calvana and Pontremolese – and to support the small-scale local farmers who preserve them. The study, completed in July 2025, has mapped livestock farms across Tuscany using the ministerial ClassyFarm system, selecting seven farmers identified on the basis of excellent animal welfare standards, who together rear over 170 head of the four breeds at risk of extinction. Based on this data, Ferragamo has helped to develop a micro-system of financial incentives to reward farms that, in 2025, maintained or increased their livestock numbers compared to 2024.

The main costs incurred for the implementation of the above-mentioned actions are set out in the following table[36]:

Activity	Capex	Opex
Taxonomy eligible	Please refer to the section "Disclosure pursuant to Article 8 of Regulation (EU) 2020/852"	

ESRS E4-4: Biodiversity and ecosystem objectives

The targets set form part of the 2026–2027 Sustainability Plan, with a 2024 baseline, approved by the Board of Directors on 18 December 2025. This plan serves as the strategic framework for the Group's sustainability initiatives and reflects its commitment to the United Nations Sustainable Development Goals and European sustainability standards.

The objective outlined in section ESRS 2 – SBM-1: Strategy, business model and value chain, relating to biodiversity, is as follows:

ESG Building Block	ID	Target	Timing
Leading a responsible value chain	10	Support biodiversity preservation, zero deforestation, and sustainable forest management	2027

This objective, which is both qualitative and quantitative in nature, forms part of the commitments set out in the Group's Biodiversity Manifesto and Animal Welfare Policy. The target applies across the entire value chain, including the upstream sourcing of raw materials and support for local communities, with a particular focus on Tuscany, the region of origin and symbol of 'Made in Italy' that the brand represents.

The target covers the main areas of impact identified by the Group, including the sourcing of raw materials (leather, cotton, paper) and the protection of local ecosystems, and is supported by a timeline that envisaged significant interim results by 2025, as described above. Further targeted strategies and ecosystem conservation projects will be implemented by 2026, with a view to achieving the final objective in 2027.

Stakeholders were actively involved in the materiality analysis through structured consultations, with particular attention paid to key suppliers. The results guided the definition of the objectives of the Sustainability Plan.

This commitment is supported by a structured governance framework, which ensures constant monitoring of progress and transparency in reporting, and forms part of the Group's broader sustainability strategies. The metrics used for monitoring include the volume of certified raw materials used and the implementation of biodiversity conservation projects. At present, progress is on track and reflects a constant commitment to creating a positive impact on biodiversity, with ongoing analysis of trends to identify further opportunities for improvement.

[36] The annual financial resources allocated to the action plan for future years are at least in line with the current figures set out in these financial statements

ESRS E5 - RESOURCE USE AND THE CIRCULAR ECONOMY

ESRS E5-1: Policies relating to resource use and the circular economy

The **ongoing and progressive optimization of resource use** has long been one of the Group's objectives, with the Group focusing its efforts and resources on materials with a lower environmental impact. The procurement of certified, traceable and responsibly sourced raw materials, and the gradual phasing out of virgin resources, are among the key measures aimed at promoting responsible supply chains with a view to reducing environmental impacts. The Group's objectives in this area are set out in the Responsible Sourcing Commitment described in section ESRS E2-1: Pollution policies.

Some of the details set out in the **Responsible Sourcing Commitment** (described in section "ESRS E2-1: Pollution policies") are reiterated in the **Sustainability Policy**, which highlights the importance placed on the transparency and traceability of natural materials at every stage of the supply chain. The Company's commitment to reducing its dependence on non-renewable resources is therefore also reaffirmed. Furthermore, in the event of emergencies concerning product safety or along the supply chain, the Group undertakes to respond promptly and efficiently, taking swift action to address the situation with care and attention.

The Responsible Sourcing Commitment and the Sustainability Policy address issues that are then elaborated in greater detail in terms of the identified impacts, risks and opportunities. These considerations are then communicated to business partners through the Supplier Code of Conduct.

ESRS E5-2: Actions and resources relating to resource use and the circular economy

The Group is committed to implementing initiatives and measures aimed at reducing the waste generated by its operations and raising awareness among its employees regarding proper waste management and disposal practices, while promoting the reuse and recovery of materials and minimizing waste. In line with its commitment to the responsible management of raw materials, the Group has set specific targets to reduce waste generation and increase circularity in its operations, details of which are provided in the section *"ESRS E5-3 Targets relating to resource use and the circular economy"*.

WASTE

In order to understand and mitigate the impacts of its activities, the Group is committed to monitoring incoming and outgoing flows that may generate waste. In line with the requirements of the **ISO 14001:2015** environmental management system, adopted for all Italian offices and stores, Salvatore Ferragamo S.p.A. has established specific procedures for the effective and efficient management of waste, as well as proper periodic monitoring of the waste produced. This management includes monitoring the ratio of hazardous waste to total waste produced, the quantity of waste produced in relation to turnover, and the quantity of waste sent for recycling in relation to total waste produced. In Italy, waste management is entrusted to third parties, who deliver the waste to a temporary storage facility, transport it to recovery or disposal plants, and process it. In order to verify that these entities comply with relevant legislation and environmental requirements, internal audits are carried out periodically. This activity is ongoing to ensure the maintenance of certifications and compliance with environmental standards, in full accordance with the commitments set out in the Group's Sustainability Policy, confirming the Group's ongoing commitment to responsible waste management.

MATERIALS

The inclusion of materials with a lower environmental impact in the collection is a priority for the brand, which has established a cross-functional working group dedicated to this activity and has adopted specific guidelines on preferred materials and fibers, which are certified according to recognized standards to promote best environmental and social practices.

The preferred raw materials listed in the guidelines include, by way of example and not limited to, leather from tanneries certified by the **Leather Working Group (LWG)**, cotton and silk from organic farming, regenerated nylon and polyester yarns, post-consumer recycled wool and cashmere, and viscose derived from responsibly managed forests.

To date, 81% of the Group's key materials corresponding to the targets of the Sustainability Plan (leather, silk, cotton, viscose, wool, polyester and nylon) is certified in accordance with the guidelines adopted regarding preferred standards; with the exception of materials used in packaging, for which integration is planned during 2026.

In 2025, over 99% of the Group's suppliers' turnover, for both bovine/ovine hides and fine leathers, came from LWG-certified tanneries. Specifically, 83% of suppliers' turnover came from tanneries holding the highest levels of LWG certification, namely Gold or Silver.

These results demonstrate the effectiveness of the virtuous sourcing policies adopted.

>99%
of tanneries certified **LWG**

83%
of tanneries certified **LWG Gold** or **Silver**

Leather Working Group

The Leather Working Group (LWG) has developed an international audit standard to assess and certify leather producers against environmental and social criteria. Through third-party audits, the LWG ensures an independent and transparent assessment of the practices adopted by tanneries, promoting continuous improvement within the sector. The audit assesses 17 key areas, including resource management, safety, environmental and chemical impacts, promoting higher standards within the sector, while also addressing traceability and deforestation throughout the production chain.

In 2025, the Group also developed the **Back to Earth** capsule collection, introducing innovative materials and processes, including cotton sourced from entirely Italian supply chains with crops grown in Puglia and Sicily, vegetable-tanned leathers, and dyes and prints achieved through the use of mineral powders, dyeing earths and vegetable charcoal. In addition to various ready-to-wear items, the capsule collection also features a version of the iconic Ferragamo ballerina, combining a vegetable-tanned leather upper with a sole made from natural rubber. Finally, there is a reinterpretation of the bag. This limited edition of the *Hug* is crafted from leather sourced entirely from Italian supply chains, vegetable-tanned and processed in facilities that meet the highest environmental and social standards certified by the Leather Working Group Gold. The leather components resulting from the bag's perforated design are repurposed to create floral charms, while the internal pouch – reversible, removable and interchangeable – is crafted from silk with a cotton lining, both certified organic.

Back to Earth
Capsule Collection

Over the last two years, the Group has also strengthened its sustainability strategy by incorporating materials with a lower climate impact into its **watch and eyewear collections**. The main components of the watches, such as the case and metal bracelet, are made from RCS Blended-certified recycled stainless steel (91% post-consumer recycled and 9% from other recycled sources), a standard developed by Textile Exchange. A significant proportion of the models feature straps made from recycled PU derived from post-consumer polyurethane, while the leather straps use hides sourced from LWG-certified tanneries. Mechanical movements are also used in some models.

The eyewear collections also incorporate innovative materials, including Acetate Renew composed of bioplastic derived from wood pulp from sustainable sources and recycled content recovered from industrial processes, with a composition of 60% bio-based and 40% certified recycled material, and bio-injected materials obtained from castor oil, in the G820 (63% bio-based carbon) and G850 (45% bio-based carbon) variants. Finally, some models feature bio-based lenses made from plant-based components derived from wood and agricultural waste.

The Group's commitment to sourcing raw materials with a lower environmental impact is also reflected in the area of **packaging**. During 2024, the Group launched a significant initiative to **phase out single-use materials derived from virgin fossil sources** in packaging materials, which was expanded in 2025 with new targets. This commitment has resulted in substantial changes to the materials used, with a marked preference for recycled paper and cellulose, both FSC-certified, in components such as shoe trees, protective tubes for belts, fillers and protectors for bags, and internal box padding. For components where the use of paper and cellulose proved technically unsuitable, the choice of materials has been directed towards bio-based plastics, i.e. those derived from renewable raw materials, or, as a second option, towards recycled plastics.

With the aim of facilitating this transition, an internal procedure has been established that provides a systematic approach for staff responsible for selecting packaging materials, offering a decision-making framework for evaluating the various material options. This procedure is aligned with both regulatory requirements and voluntary initiatives for responsible packaging, with particular reference to the EU Packaging and Packaging Waste Regulation (PPWR) and the objectives of The Fashion Pact.

Currently, there remains a small number of virgin plastic components to be replaced. As regards the replacement of the buckle film and metal accessories with paper – or with a bioplastic or recycled material – it should be noted that, for buckles, no suitable alternative has yet been identified that can provide the protection guaranteed by the plastic film, while for metal accessories, the selected alternative is currently being tested. The replacement of the 'Composition Details' labels made from virgin polyester with recycled polyester will, however, take place from the production of the Pre-Fall 2026 collection.

Finally, three new targets set by the Group concern the identification and implementation of alternatives to virgin plastic components present in the packaging of licensed products, namely fragrances, watches and eyewear.

In order to achieve all the set targets, the Group is committed to intensifying research and testing of alternative materials in 2026.

In order to strengthen data collection on purchased materials (primarily raw materials) and improve its reliability, traceability and completeness, a strategic project was launched in 2023 aimed at automating and refining the operational functionalities relating to the 'sustainability' attributes of the Product Lifecycle Management (PLM) platform, which was subject to continuous enhancement throughout 2024 and 2025. The integration of data with other corporate management platforms and the adoption of a structured process have enabled the more efficient collection and management of sustainability information relating to raw materials, finished products sold and suppliers. This project has established a solid foundation for creating transparency and consistency regarding ESG data, while at the same time increasing automation and control of reporting processes.

During 2024, the Group completed a project aimed at analyzing the environmental impacts associated with the production of three of its best-selling and most iconic items — a handbag (Hug), a ballet flat (Varina) and a loafer (Grandioso) — through the conduct of a **Life Cycle Assessment (LCA)** for each of the products in question.

In 2025, this exercise was extended to raw materials, involving two of the Group's tanning partners and a fabric supplier, selected on the basis of the volume of materials sourced, with the aim of investigating the main emission hotspots associated with the relevant production processes. In particular, the analysis focused on leather and cotton.

The study considered the "**cradle-to-factory gate**" scope, examining the processing stages ranging from raw material production to the packaging of the finished, packaged product, ready for distribution. The product's use and end-of-life stages were excluded.

Initially, an analysis based on secondary datasets was conducted to identify critical points and engage the suppliers responsible for these impacts. Subsequently, these suppliers were involved in the collection of primary data, through direct measurements at the factory, which allowed for a more in-depth analysis of the identified hotspots.

Data quality was assessed in accordance with ISO 14040 in terms of temporal, geographical and technological coverage, completeness, representativeness, consistency, reproducibility, sources and uncertainty. The results show that the calculated primary data, compared to the Ecoinvent 3.9 secondary dataset, indicate a significantly lower impact.

This approach has not only raised internal awareness within Ferragamo regarding the environmental impact of production processes, but has also led to greater awareness amongst the stakeholders involved in the production chain. By presenting the results obtained and the potential improvement measures identified to the suppliers who collected the primary data, the Group has committed to making its suppliers more aware of their use of energy, water and chemicals.

The ultimate goal of Salvatore Ferragamo S.p.A. is to establish a concrete collaboration with its production chain, thoroughly measuring and analyzing its environmental performance in order to initiate improvement actions in collaboration with all stakeholders in the supply chain, within a market that is increasingly sensitive to these issues. The initiative, which involved three best-selling leather products and three strategic tanneries involved in their production, continued throughout 2025 with an expansion of the scope of stakeholders involved and will continue in the coming years with the participation of other key suppliers.

Life Cycle Assessment Methodology

The Life Cycle Assessment (LCA) conducted was based on the European Union's Environmental Footprint (EF) methodology, an LCA-based approach aimed at evaluating the environmental impacts of products and organizations through 16 midpoint impact categories, including three specifically focused on toxicity-related effects. Specifically, the analyzed impact categories include: Climate change, Ozone layer depletion, Ionizing radiation, Formation of tropospheric ozone, Particulate matter and its effects on human health, Non-carcinogenic human toxicity, Carcinogenic human toxicity, Acidification, Freshwater eutrophication, Marine eutrophication, Terrestrial eutrophication, Freshwater ecotoxicity, Land use, Water use, Fossil resource use, and Mineral and metal resource use.

CIRCULARITY

In 2024, the Group organized the first **Circularity Hackathon**, during which 60 colleagues collaborated to reimagine some of the brand's most iconic products using a circular approach inspired by the Company's heritage. The working groups, comprising members from the Operations, Design, Merchandising and Planning and Sustainability divisions, and supported by design experts, conceived and developed physical prototypes based on specific circularity requirements (social function, waste reduction, elimination of pollutants, recyclability and redesign, emotional durability, physical durability) and criteria of innovation, marketability, communicability and brand recognition. The products created were presented to a panel comprising the CEO, Creative Director and senior management, who selected the top three. The teams' expertise and creativity fostered close collaboration across departments and gave rise to unique, innovative products with significant potential to inspire and enrich future collections, demonstrating the Company's capacity for transformation. During 2025, two products in particular were developed: the *Hug* handbag with inlaid panels, introduced in the Back To Earth capsule collection, and the *Nova* shoulder bag, launched as part of the **Monitor For Circular Fashion** initiative.

The Monitor for Circular Fashion is a multi-stakeholder organization that aims to analyze the evolving dynamics of the fashion sector and its main segments, examine the impact of these dynamics and their alignment with the Sustainable Development Goals of the UN's 2030 Agenda, identify the main qualitative and quantitative indicators of circular fashion and, finally, give a voice to the Italian fashion sector by publishing the Circular Fashion Manifesto and the annual research report to be presented to institutions and at national and international summits. Within this context, in 2025 the Group launched the *Nova* shoulder bag, the result of a redesign process of the star-shaped tote bag aimed at maximizing the use of renewable and bio-based materials, while ensuring full traceability and chemical safety. Its bio-based carbon content — defined as the proportion of carbon in the material derived from renewable biological sources, measured via C14 radiocarbon testing — is verified at 84.3% of the total weight. The textile body is made from RadiciGroup's 100% bio-based Biofeel® Eleven (PA 11 yarn), derived from castor oil, while the leather parts use vegetable-tanned leather from Conceria Antiba, containing 76.7% bio-based carbon, determined in accordance with UNI EN 16640:2017. Conceria Antiba guarantees the traceability of the leather in ac-

cordance with the ICEC TS_SC410 standard, operates with environmental management systems compliant with ISO 14001:2015 and adheres to the ZDHC MRSL v3.1 standard. The bag is also reversible, offering two looks in one, and assembled without metal components or adhesives, resulting in a 60% reduction in packaging volume.

ICEC TS_SC410 certification

The ICEC TS_SC410 certification is a standard that verifies the upstream traceability of raw materials used in tanneries. Its main objective is to map the traceability of hides before they enter the tannery or the raw hide seller, ensuring greater transparency throughout the supply chain.

With a view to improving resource efficiency, the Group recognizes the importance of reducing the generation of excess stock, both of raw materials and finished products. With regard to raw materials, the Group has set up a working group at the Osmannoro site aimed at keeping the level of raw materials defined as 'slow-moving' below a certain percentage (an indicator expressed in economic terms as the ratio of excess stock generated in the reference year to total purchases in the previous year) while at the same time promoting their reintroduction into collections whenever possible. In 2025, 16.5% of surplus stock was reused in production.

16.5%
of reused deadstock

As regards finished goods, a project was launched in 2025 aimed at streamlining collections and optimizing inventory management, which are key levers for reducing overproduction and stock surpluses. By adopting a comprehensive approach in this regard, the Group aims to strengthen buying procedures and regulate demand planning. At the same time, stricter controls are being implemented on the product ranges distributed across the store network, ensuring greater alignment between market demand and product allocation. The introduction of a comprehensive Retail Merchandising function has further strengthened execution capabilities in local markets, improving the accuracy of product ranges, sell-through performance and stock turnover.

The Group has also implemented a 'second life' strategy for event set-ups, donating materials from the SS25 fashion show to architecture students, who reused them for artistic installations and performances exhibited in Milan.

At the same time, an internal auction enabled the sale of unused visual merchandising items to employees, with the proceeds donated to charitable organizations.

The main costs incurred for the implementation of the above-mentioned initiatives are set out in the table below[37]:

Activity	Capex	Opex
Materials and Circularity[38]	-	92,813.06€

ESRS E5-3: Targets relating to resource use and the circular economy

The targets set form part of the 2026–2027 Sustainability Plan, approved by the Board of Directors on 18 December 2025, which serves as the strategic framework for the Group's sustainability initiatives and reflects its commitment to the United Nations Sustainable Development Goals and European sustainability standards.

The objectives outlined in section ESRS 2 – SBM-1: Strategy, business model and value chain, relating to resource use and the circular economy, are as follows:

ESG Building Block	ID	Target	Timing
Fostering materials innovation	Achieved 5	25% of raw materials with lower environmental impact	2025
		Achieving 80% of strategic raw materials* certified according to the Group guidelines on raw materials (*leather, silk, cotton, wool, viscose, synthetics)	2027
	6	Elimination of single-use plastic from packaging thanks to the introduction of innovative materials	2027
	7	Planning for the disassembly, repairability and recovery of materials	2027

The objectives cover the entire value chain, with a particular focus on upstream procurement and end-of-life product management. They are applied globally, covering both the materials used in production processes and packaging, with a specific focus on certified suppliers.

It should be noted that, during the previous financial year, the interim target set for 2025 (achieving 25% of raw materials with low environmental impact) was met; consequently, in 2025, a new target was approved to achieve 80% of strategic raw materials (leather, silk, cotton, wool, viscose, synthetics) certified in accordance with the Group's guidelines on raw materials.

To achieve the new target, the Sustainability Department sets annual objectives relating to the procurement of specific materials for production and packaging that hold sustainability, recycling or bio-based certifications. In 2025, sub-targets were set for wool, cotton, silk and nylon. The results achieved in 2025 confirmed the Group's commitment to material sustainability; indeed, wool, cotton and silk reached 68%, 70% and 86% respectively in terms of sourcing from certified sources classified as "LCI – Low Climate Impact", a performance significantly higher than the initially set targets of 35%, 65% and 60% respectively. As regards nylon, the target set for 2025 was partially achieved, standing at 41% (vs 55%). In the final months of the year, the Group revised its targets for this material, which now aim for 65% sourcing of low-environmental-impact nylon by 2027, with interim milestones that will enable constant monitoring of progress towards this goal.

Furthermore, in the long term, the Group aims to improve the circularity of its business model through the recovery and reuse of waste raw materials arising from production processes within the value chain and through take-back and resale initiatives for its products.

For all materials, updates and progress reviews are scheduled at least annually to ensure the defined targets are met. The target relating to raw materials involves the entire upstream supply chain of the Company, while the target on plastic packaging concerns the entire production and distribution cycle globally. The baseline year for raw materials is 2024, while for packaging please refer to the chapter "*ESRS E4-3 Actions and resources relating to resource use and the circular economy*". The methodologies adopted include life cycle assessments (LCA), international sustainability standards and data certified by

[37] The annual financial resources allocated to the action plan for future years are at least in line with the current figures set out in these financial statements
[38] This amount forms an integral part of the item "General and administrative expenses" in the income statement of the consolidated financial statements of Salvatore Ferragamo S.p.A.

suppliers, in line with EU directives. The environmental targets are developed in accordance with the guidelines of the Fashion Pact, of which the Group has been a member since 2019.

Monitoring of targets is carried out using key performance indicators (KPIs) defined and updated annually, with periodic checks to ensure that progress is in line with forecasts.

These promote design for durability and material recovery, increase the use of recycled materials and reduce dependence on primary raw materials, while favoring the sustainable sourcing of certified renewable resources. The definition of these objectives was guided by the results of the materiality analysis, in which stakeholders were actively involved through structured consultations, with particular focus on the most significant suppliers in terms of turnover generated.

This commitment is supported by a structured governance framework and forms part of the Group's broader Sustainability Plan.

ESRS E5-4: Resource inflows

2025									
Resource inflows	Total weight	Technical materials				Organic materials			
Product	ton	Total weight	Materials with a sustainability certificate	Information about certificates	Percentage of technical materials certified (%)	Total weight	Materials with a sustainability certificate	Information about certificates	Percentage of organic materials certified (%)
Leather	895.38					895.38	888.63	LWG and GRS	99.25%
Metal[39]	81.54					81.54	0.00		0.00%
Cotton	43.52					43.52	29.96	GOTS, GRS, OCS, Oeko	68.85%
Wool	26.61					26.61	17.40	RWS, GRS, SFA, Authentic	65.38%
Viscose[40]	15.97					15.97	10.50	FSC and RCS	65.74%
Silk	20.14					20.14	16.49	GOTS and GRS	81.91%
Polyester	4.05	4.05	1.60	GRS and RCS	39.61%				
Nylon	6.01	6.01	2.37	GRS and RCS	39.35%				
Organic materials for components[41]	180.50					180.50	16.62	FSC and LWG	9.21%
Technical materials for components[42]	204.00	204.00	4.89	GRS and ISCC Plus	2.40%				
Other[43]	45.15	43.42	0.73	GRS and Biobased	1.69%	1.72	0.54	European Flax and RCS	31.19%

[39] The "Metal" category also includes brass, steel, silver and zama
[40] The "Viscose" category also includes lyocell and rayon
[41] The category "Biological materials for components" comprises: cellulose, leather, metal fibre, cotton, resin, stainless steel, cork, viscose, horn, paper, rope, brass, mother-of-pearl, wood, hide, zamak, natural rubber, silk, rooster feathers, zircon, and wool
[42] The category "Technical materials for components" comprises: rubber, polyurethane, ABS, EVA, polyester, polyamide, polypropylene, plastic, elastane, and acrylic
[43] The "Other" category constitutes 2.9% of the total and includes two groups of materials:
· Technical materials: mainly polyurethane, plastic, elastane, latex, polypropylene, rubber, ABS, EVA.
· Organic materials: mainly linen, cellulose, jute, cupro, leather, cork, glass, stone and feathers.

2025									
Resource inflows	Total weight	Of which Technical materials				Of which Organic materials			
Packaging and office materials	ton	Total weight	Materials with a sustainability certificate	Information about certificates	Percentage of technical materials certified (%)	Total weight	Materials with a sustainability certificate	Information about certificates	Percentage of organic materials certified (%)
Paper	366.03					366.03	283.18	FSC	77.37%
Cardboard	673.35					673.35	310.35	FSC	46.09%
Cotton	201.60					201.60	0		0%
Viscose	1.33					1.33	0		0%
Plastic[44]	7.69	7.69	4.29	Recycled and Biobased	55.71%				
Rubber	1.68	1.67	0			0.10	0		0%
Other[45]	2.25					2.25			0%

2024	Total weight	Of which Technical materials		Of which Organic materials			
Product	ton	Total weight	Materials with a sustainability certificate	Total weight	Materials with a sustainability certificate	Information about certificates	Percentage of organic materials certified (%)
Leather	1,015.29			1,015.29	1010.34	LWG	99.51%
Metal[46]	108.41			108.41	0		0.00%
Cotton	53.84			53.84	14.37	GOTS and GRS	26.69%
Wool[47]	23.06			23.06	2.16	RWS and GRS	9.35%
Viscose[48]	20.69			20.69	9.88	FSC and RCS	47.73%
Silk	14.33			14.33	8.55	GOTS and GRS	59.64%
Polyester	13.41	13.41	1.44			GRS	0.00%
Nylon	8.55	8.55	2.34			GRS	0.00%
Organic materials for components[49]	215.82			215.82	0		0.00%
Technical materials for components[50]	235.01	235.01	0.00				0.00%
Other[51]	29.48	17.61	0	11.88	0		0.00%

[44] Includes LDPE, Polypropylene, Acrylic, plastisol, plastic, elastane, polyethylene, polyutherane and polypropylene
[45] Includes aluminum and leather in smaller quantities
[46] The "Metal" category also includes brass, steel and silver
[47] The "Wool" category also includes cashmere, alpaca, mohair and camel
[48] The "Viscose" category also includes lyocell and rayon
[49] The "Organic materials for components" category consists of: cellulose (126,97 tons) and leather (88.84 tons)
[50] The "Technical materials for components" category consists of: TPU (39.05 tons), ABS (34.96 tons), polyurethane (69.86 tons), EVA (12.75 ton), rubber (78.5 tons)
[51] The "Other" category constitutes 1.7% of the total and includes two groups of materials:
- Technical materials: foam rubber, felt, elastane, propylene, acrylic, textile paper, PVC, spandex, polypropylene, latex, silicone, plexiglass and other less important materials.
- Organic materials: horn, mother of pearl, cork, shearling, glass, stone, raffia, wood and other less important materials.

2024	Total weight	Of which Technical materials		Of which Organic materials			
Packaging	t	Total weight	Materials with a sustainability certificate	Total weight	Materials with a sustainability certificate	Information about certificates	Percentage of organic materials certified (%)
Paper	953.28			953.28	779.45	FSC	81.77%
Cardboard	703.68			703.68	326.38	FSC	46.38%
Cotton	228.94			228.94	0.00		0.00%
Cellulose	67.51			67.51	67.51		100.00%
Plastic[52]	9.02			9.02	5.37	GRS and RECYCLED	59.49%
Other[53]	19.08	17.39	0.00	1.68		0.00	0.00%

The Group's main resource inflows consist of raw materials, with leather representing about 80%, and B2B and B2C packaging.

[52] The "Plastic" category consists of LDPE, polyethylene, polyester, polypropylene, plastic adhesive and plastic
[53] The "Other" category includes viscose and paper adhesive

ESRS E5-5: Resource outflows

Not destined for disposal	2025	Unit	2024	Unit
Total	**642.49**	**t**	**712.9**	**t**
Hazardous waste	**1.52**	**t**	**1.18**	**t**
Preparation for reuse	0	t	0	t
Recycling	1.52	t	1.18	t
Other recovery operations	0	t	0	t
Non-hazardous waste	**640.97**	**t**	**711.72**	**t**
Preparation for reuse	0	t	0.25	t
Recycling	640.49	t	711.47	t
Other recovery operations	0.48	t	0	t
Destined for disposal	**2025**	**t**	**2024**	**Unit**
Total	**399.55**	**t**	**420.06**	**t**
Hazardous waste	**7.15**	**t**	**0.60**	**t**
Incineration	0	t	0.60	t
Landfill	7.15	t	0	t
Other disposal operations	0	t	0	t
Non-hazardous waste	**392.40**	**t**	**419.46**	**t**
Incineration	6.34	t		t
Landfill	386.06	t	418.32	t
Other disposal operations	0	t	1.14	t
Non-recycled waste	**399.55**	**t**	**420.06**	**t**
Percentage of non-recycled waste	**38.34%**	**t**	**37.08%**	**%**
Total waste generated	**1,042.04**	**t**	**1,132.96**	**t**

Overall, in 2025 the Group reduced its total waste output by 8.02% compared with the previous financial year. As regards waste not destined for disposal, all hazardous waste is recycled, whilst non-hazardous waste is recycled (99.93%) and subjected to other recovery operations (0.07%). Furthermore, the Group reduced the total volume of non-recycled waste, and therefore waste destined for disposal, by 4.88% compared to 2024.

WASTE

The reported waste data includes waste produced at the industrial sites in Florence and Milan, as well as at overseas offices. Most of the waste generated overseas consists of packaging materials, mainly cardboard, paper and plastic. At the head office, however, the types of waste are more varied and may include, in addition to the items already mentioned, waste arising from production activities carried out within the Manovia facility. In particular, production waste may include leather scraps, accessories, and consumables used in the manufacture of products and components.

PRODUCTS

Salvatore Ferragamo S.p.A. places a strong emphasis on the quality and durability of the raw materials used, with particular attention paid to the use of high-quality leather sourced from certified tanneries selected according to rigorous environmental and social criteria. This commitment to material excellence not only guarantees the high quality of the products, but also helps to extend their lifespan and reduce the environmental impact associated with their production.

The durability of Ferragamo products aligns with the values of the luxury market in the fashion sector, promoting quality, craftsmanship and a focus on product durability. If properly maintained, our products can have a long useful life, with no specific predefined lifespan. Furthermore, we are committed to ensuring the reparability of our products, considering the adoption of recognized rating systems where applicable.

Furthermore, Salvatore Ferragamo S.p.A. offers repair services for a selection of authentic products and in selected boutiques, demonstrating a concrete commitment to sustainability and the circular economy. These services, available for items purchased in various countries and through different sales channels, allow customers to extend the useful life of their products, thereby reducing the need for new resources. An assessment of repairability can be requested at selected Ferragamo stores and, if deemed feasible, the product can be returned for repair accompanied by proof of purchase. The conditions and suitability of the repair may vary depending on the type of product and location, ensuring a personalized approach that respects customers' specific needs. The Group has set itself the objective of improving and strengthening its repair services in a structured manner. In this regard, a Business Case is planned for 2026, as a precursor to achieving the target set for 2027.

As regards packaging, its lifespan varies, as it depends on its state of preservation and the conditions of use.

During 2025, the Group implemented procedures and processes aimed at promoting efficient and circular management of raw material stocks and unsold products, ensuring the maximization of value recovery.

With regard to surplus raw materials, a committee has been established which meets every six months to analyze excess stock with the aim of maximizing its reintroduction into collections. Materials for which this approach is not applicable are resold from stock, donated, allocated to circular economy projects or sent for recycling.

As regards unsold products, an internal procedure has been adopted to extend the life cycle of items, expand the range of stock available for sale through dedicated sales channels, and foster synergies with external partners capable of offering innovative solutions for the reuse, recycling and recovery of materials and components. This approach resulted in no unsold items being sent for disposal in landfill or waste-to-energy facilities in 2025. Instead, 6,136 product units, most of which had defects that irreparably compromised their integrity, were sent for recycling processes that resulted in the creation of secondary raw materials. Furthermore, 3,808 items of unsellable clothing were donated to a charity committed to distributing them free of charge to charitable organizations, missionary bodies, and secular and religious associations that had requested them.

SOCIAL INFORMATION

Global ERGs

Employees Resource Groups

Uni PdR

Achievement of certification

+29% in audits

On suppliers compared to 2024

Ferragamo Stakeholders

Involved in university, research, health and professional development projects

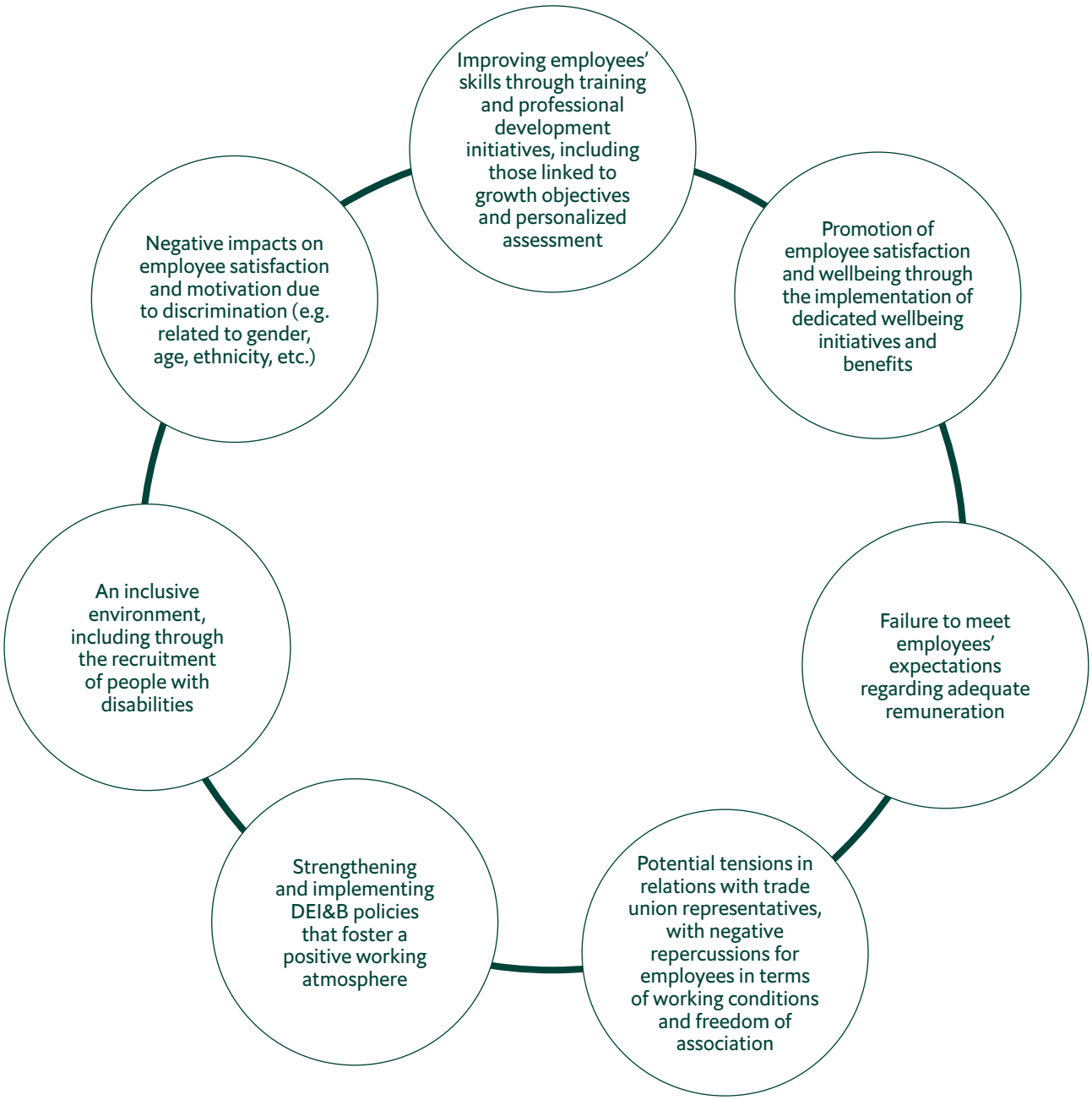
ESRS S1 - Own workforce

S1-SBM-2 Stakeholders' interests and views

For information regarding the interests and views of the Group's stakeholders, please refer to the chapter "*ESRS 2 – SBM-2 Stakeholders' Interests and Views*".

S1-SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES, AND THEIR INTERACTION WITH THE COMPANY'S STRATEGY AND BUSINESS MODEL

As part of its double materiality process, the Group has identified the following impacts relating to its own workforce:



The impacts, risks and opportunities outlined are closely linked to the Group's core values. The Group has always placed great importance on all its people and, with the aim of valuing and protecting them, is committed to upholding the principles of fairness, integrity and respect. Indeed, this commitment is reflected in the professional development of internal staff, the attraction of new talent and the promotion of a healthy work-life balance, while ensuring that health and safety standards in the workplace are respected for all.

In defining and drafting this document, all relevant stakeholders in the company's value chain were taken into account. The Group has therefore considered its own workforce in the process of analyzing the impacts, risks and opportunities arising from business activities and the value chain, both upstream and downstream. The Group's workforce includes employees, categorized by contract type (fixed-term, permanent, part-time), gender and professional role (managers, office staff, manual workers). In addition, non-employee workers, such as agency staff and interns, are also taken into account.

The positive impacts identified translate into the professional development of the Group's workforce, the attraction of new talent and the promotion of a work-life balance, ensuring that everyone is guaranteed compliance with health and safety standards in the workplace.

The impacts indicated do not relate to individual incidents, but are of a general nature and manifest themselves within the context in which the Group operates, as in the case of human rights and health and safety.

In the description of the main categories of workers, no distinction is made between specific groups that might be more exposed to risks. Indeed, in its assessments, the Group considers the workforce as a whole.

The risks and opportunities, identified in the double materiality process and presented below, refer to the workforce as a whole without reference to specific groups of workers:

- Difficulties in attracting new talent and retaining key personnel due to the current dynamic nature of the market and remuneration expectations and development policies that are not sufficiently incentivizing, with consequent impacts on business continuity and critical know-how;
- Job insecurity (e.g. fixed-term contracts) can create financial insecurity among retail staff and their families, negatively affecting motivation, engagement and the quality of customer service;
- Job insecurity (e.g. fixed-term contracts) can create financial insecurity among office staff and their families, reducing their sense of belonging and increasing the risk of turnover among strategic professionals;
- Increased attractiveness to talent and productivity through the creation of a positive corporate culture by adopting 'diversity and inclusion' policies, generating positive impacts on the Group's economic and financial performance;
- Accidents at work involving risks to health, the environment or general safety may lead to increased costs arising from contractual amendments to existing insurance policies or potential compensation claims outside the scope of such policies;
- Compliance with regulatory changes in the HSE field.
- Risk that workplace discrimination (e.g. gender discrimination, ableism, all forms of violence, etc.) may cause reputational damage and lead to potential fines, penalties and legal action;
- Cyber-attacks, breaches or unauthorized access to corporate IT systems could compromise the availability, confidentiality and integrity of data, as well as cause operational disruption to systems;
- Erosion of human rights within the workforce.

These factors influence corporate strategy; indeed, the objectives listed in section ESRS 2 – SBM-1: Strategy, Business Model and Value Chain take into account the issues identified by the risks and opportunities, translating them into targets and actions.

ESRS S1-1: Policies relating to own workforce

Through its **Sustainability Policy**[54]**,** the Salvatore Ferragamo Group addresses not only strictly environmental issues but also considers its relationships with its employees, external workers and communities, with the aim of adopting measures and practices designed to improve the working and social environment both within and outside the Group.

The Group's approach to human capital development emphasizes the value of every individual within the organization. The Group invests in continuous professional development through training and the promotion of an inclusive and diverse working environment. This commitment extends throughout the supply chain, requiring all partners and suppliers to adhere to these principles as well.

Health and safety in the workplace are a top priority. The Group ensures compliance with the highest occupational health and safety standards, regularly inspecting workplaces and providing training to mitigate risks. In this regard, the administrative offices and Italian retail outlets of Salvatore Ferragamo S.p.A. are ISO 45001 certified, with renewal audits scheduled for 2025. Furthermore, the Group promotes work-life balance by implementing flexible working arrangements and wellbeing programs aimed at improving physical and mental health.

Diversity and inclusion initiatives are also central to the Group's mission, supporting a workforce that reflects diverse backgrounds, perspectives and talents. These principles are not only applied internally but are also encouraged within the supplier network to promote fair working practices and equality throughout the value chain.

The Group has also adopted an **Inclusion Policy**, which aims to formalize the Group's commitment to promoting the values of diversity, equity, inclusion and belonging, by supporting multiculturalism, promoting equality and equal opportunities, combating all forms of discrimination and firmly condemning all forms of harassment. Furthermore, it aims to promote meritocracy and fair treatment at all levels, facilitating the development, expression and realization of individual potential. In this regard, it sets out the principles which, in line with the provisions of the Code of Ethics and the Sustainability Policy, have always guided the Group in the transparent and responsible conduct of its activities. This Policy refers to the Universal Declaration of Human Rights and the ILO Conventions on discrimination and formalizes the Group's commitment to joining associations dedicated to building a professional world free from discrimination.

The Inclusion Policy applies to Group employees, corporate bodies and independent contractors operating in the name and on behalf of the companies of the Salvatore Ferragamo Group, including diversity within the Board of Directors. It is published on the Group's corporate website, the Sustainability website and the Company Intranet.

The Chief People Officer is ultimately responsible for the implementation of the Inclusion Policy, whilst the Board of Directors of Salvatore Ferragamo S.p.A. is responsible for its approval and promotion.
With regard to issues relating to discrimination, diversity and inclusion, the Salvatore Ferragamo Group emphasizes in its Sustainability Policy its rejection of all forms of child labor, forced labor and discrimination based on characteristics such as age, gender, race, nationality, religion, sexual orientation or political affiliation.

The Group also adopts a **Code of Ethics** containing the ethical principles and general rules which, alongside legal, regulatory and contractual provisions, characterize the Group's organization and activities. Indeed, within the context of business and economic dynamics and requirements, the Group counts corporate ethics amongst its core values, through which it conveys a message of loyalty, fairness and respect that serves as a benchmark within the social environment in which it operates. The Code of Ethics constitutes one of the fundamental pillars of values from which the Salvatore Ferragamo Group's Policies draw inspiration, setting out the principles of transparency, honesty, fairness and compliance with regulations that underpin the concept of Ethical Business.
The Code of Ethics applies to corporate bodies, employees, authorized representatives and collaborators who, in any capacity and regardless of the type of contractual relationship, operate in the name and on behalf of the

[54] For the specifications outlined in the MDR-P, please refer to section E1-2: Policies relating to climate change mitigation and adaptation.

Group companies. The Company also requires compliance with the Code of Ethics from third parties (partners, customers, suppliers, professionals, consultants and other types of external parties) with whom it establishes business relationships.

The primary responsibility for ensuring the application and dissemination of the Code lies with the Ethics Committee; a similar responsibility is assigned to the heads of each business area, who ensure compliance by all those operating within their remit. Any breaches or requests for clarification regarding the interpretation of the Code must be addressed to the Ethics Committee, which is responsible for receiving and handling reports in accordance with applicable laws, using the reporting channels set out in the Group Whistleblowing Policy. Should the reports or information received by the Ethics Committee relate to breaches concerning offences under Italian legislation on the administrative liability of entities pursuant to Legislative Decree 231/2001 or to breaches of the Organization, Management and Control Model adopted by the Company, the Ethics Committee will report them to the Supervisory Body, which will decide how to handle them.
The document is published on the Group's official website and on the company intranet.

The **SA 8000 Policy** of Salvatore Ferragamo S.p.A. confirms the Company's commitment to achieving high standards of ethics and sustainable business development, by adhering to and implementing the principles of the SA 8000 standard (and the ILO Convention), in compliance with applicable legal provisions and the main international conventions on human rights and workers' rights. In particular, the Policy includes the rejection of child labor, forced and compulsory labor, the protection of workers' health, safety and well-being, respect for freedom of association and collective bargaining, respect for a living wage and fair working hours, non-discrimination, the prohibition of unfair disciplinary practices and the development of an SA8000 management system.

The recipients of the SA 8000 Policy are the directors, managers and all employees of Salvatore Ferragamo Spa; furthermore, subject to specific acceptance or specific contractual clauses, the following external parties may be subject to specific obligations regarding compliance with the Policy: collaborators, consultants and, in general, self-employed individuals; suppliers and partners (including temporary consortia of companies, labor supply firms and joint ventures) to the extent that they operate on behalf of or in the interests of the Company, within the areas of activity identified as sensitive within the Model.
The Chief People Officer is ultimately responsible for the implementation of the SA 8000 Policy, which is published on the Group's corporate website and on the company intranet.

Through the **Responsible Reorganization Policy**, however, the Group recognizes the need to adapt to a dynamic market environment, characterized by economic challenges, which could lead to a reorganization of the workforce. Therefore, the Group recognizes the value of providing clear and timely information to its employees regarding the purpose, implications and opportunities associated with the reorganization, so that everyone can be kept up to date on the context and informed about the process. This translates into a commitment to minimizing the impact on our workforce, customers and communities.

This concept is reiterated in the **Global Recruitment Policy**, which emphasizes that the selection process is rigorous and fair, and aims to identify individuals who share the Salvatore Ferragamo Group's commitment to excellence. In conducting these processes, the Group is committed to avoiding any direct or indirect discrimination, using gender-neutral language and promoting the principles of equality, inclusion and diversity during interviews, as core values of Ferragamo.
These policies are then translated into internal procedures available to all employees.

Finally, to prevent and combat unlawful conduct or behavior contrary to the principles and rules set out in its organizational models, codes of ethics and corporate policies, the Group has adopted a Group Whistleblowing Policy, ensuring the confidentiality of whistleblowers and safeguarding them from the risk of any retaliation, in full compliance with all applicable legal provisions.

Reports may be submitted to the Ethics Committee, the body appointed by the Group to manage reports, in writing via the dedicated website or the Ethics Committee's email or postal address, or orally via the voice messaging system on the dedicated website. Reports may also be made anonymously.

The Group Whistleblowing Policy is publicly available on the Salvatore Ferragamo Group website, where there is also a link to access the dedicated web portal for submitting reports. For further information, please refer to the section "*ESRS S1-3: Processes to address adverse impacts and channels enabling own workers to raise concerns*".

ESRS S1-2: Processes for engaging the workforce and employee representatives regarding impacts

The Company regards the involvement of its employees as a key element of responsible and sustainable management. Dialogue with staff is conducted through an approach that combines the direct involvement of employees with structured discussions with their trade union representatives, depending on the issues at hand.

Listening to employees takes place in various ways, both structured and informal, including individual and group meetings, participatory workshops, structured feedback sessions and regular meetings with trade union representatives. These sessions are designed to monitor the organizational climate and improve levels of engagement, as well as to maintain a constant and transparent dialogue within the organization, with a view to continuous improvement. Specifically, individual meetings, managed by the HR department, include periodic follow-ups aimed at addressing specific deadlines or organizational developments. These tools are complemented by surveys dedicated to specific topics, which enable feedback to be gathered on various aspects of the organization.

The Group has also adopted specific reporting channels that allow non-compliant behavior, critical issues or situations of distress to be reported securely and confidentially. Whistleblowing channels are in place, including anonymous options, as well as formalized procedures for handling complaints and reports, in line with the Code of Ethics and company policies. These tools help to foster a climate of trust and also prevent social and reputational risks. For further details, please refer to the section "*ESRS S1-3: Processes to address adverse impacts and channels enabling own workers to raise concerns*".

In Italy, communication with internal employee representatives (RSUs) and sectoral trade unions is maintained through regular meetings and dedicated sessions, during which relevant topics such as company performance, work organization, welfare and the management of supplementary agreements are addressed, ensuring structured representation of collective interests. Trade union representatives also act as a link with employees, acting as spokespersons for the issues discussed with the HR department through regular collective meetings that encourage employee involvement and keep them informed. The input gathered through direct employee involvement and discussions with representatives is integrated into HR policy planning processes, welfare initiatives and actions supporting organizational well-being.

The frequency of meetings is not strictly predetermined but varies throughout the year depending on the nature of the initiatives, the level of impact of decisions and the stakeholders involved. As regards relations with the RSU, the average is one meeting per month. The effectiveness of the initiatives adopted is monitored over time, with a view to continuous improvement and transparency.

In line with the principles enshrined in the Code of Ethics, the Sustainability Policy and the Inclusion Policy, the Group promotes listening and participation initiatives designed with the diverse needs of the workforce in mind. In particular, in an effort to better understand the perspectives of workers who are particularly vulnerable to the impacts and/or marginalized, the Group provides accessibility measures (such as support from sign language interpreters and the use of diverse and inclusive communication tools) during official meetings between Group companies and employees, and during moments of collective communication and discussion.
The specific needs of potentially more vulnerable workers are also addressed through the use of dedicated and confidential consultation channels and through the involvement of HR departments and employee representatives. Through these tools, the Group aims to gain a deeper understanding of the expectations of different employee groups, using the information gathered to guide HR policies, welfare initiatives and organizational structure with a view to equity, inclusion and continuous improvement.

At regional level, there is no structured, formal consultation with employee representatives regarding the impacts; however, initiatives such as the 2024 "Great Place to Work" survey have enabled the collection of anonymous employee feedback on topics such as inclusive

leadership, collaboration, customer focus, accountability and agility. The results of these surveys are carefully analyzed and incorporated into decision-making processes relating to employee wellbeing, working conditions and other relevant aspects.

Where necessary, the regional HR Business Partner may engage in dialogue with the workforce, employee representatives or trade unions to address specific impacts. This approach ensures the Group is adequately represented and that the outcomes of the dialogue are taken into account in decision-making. In France, for example, the HR Business Partner holds a mandatory meeting with employee representatives every two months, fostering open communication and a strong, trust-based relationship. In Korea, on the other hand, the company organizes quarterly Labor and Management Councils in accordance with local laws, involving employee representatives and company leadership to discuss and address issues related to working conditions, safety, wages and organizational improvement, thereby promoting open communication and cooperation.

Responsibility for employee engagement lies with the Human Resources function, under the guidance of the Chief People Officer.

Over the last three years, a major project to review the internal communication strategy has also been launched with the aim of strengthening employee engagement by creating a corporate community through which everyone – both within the offices and across the retail network – can be informed of corporate strategies and initiatives, actively participating by sharing content.

The internal communication review process began with an analysis of the tools currently in use, highlighting opportunities for improvement. As part of this strategy review, several initiatives have been carried out, including:

The Footprint

A monthly newsletter designed to engage and inform employees about business matters and initiatives organized by the Group, as well as to highlight the best practices implemented globally by the Salvatore Ferragamo Group.

Bespoke

A newsletter dedicated to promoting services and initiatives tailored to employees with the aim of improving their quality of life, both inside and outside the office. To mark international days such as International Women's Day on 8 March or the International Day for the Elimination of Violence against Women on 25 November, messages on Diversity, Equity, Inclusion and Belonging (DEI&B) were reinforced by sending a series of Bespoke newsletters, entitled DEI&B Pillole/DEI&B Insight, to the entire global workforce. In particular, in July 2025, four newsletters were sent out, in Italian and English, each of which aimed to explore the meaning of each word in the DEI&B acronym and its expression within Ferragamo's culture, with links to the Boost Your Skills platform for further details.

Ferragamo Together

A platform dedicated to all Corporate and regional employees, designed to provide information and updates on initiatives shared at both global and regional levels. It is a dynamic portal where people can stay up to date and actively participate by posting comments and feedback. The platform includes sections dedicated to individual regions, with personalized and specific information. It also allows users to keep track of documents, policies, procedures and updates relating to the brand, while offering the opportunity to create dedicated groups, which are useful for accessing specific information, particularly regarding engagement initiatives, HR wellbeing and corporate ERG programs.

Videowall

At the Osmannoro headquarters, video walls are installed in all buildings, in the break areas and in the staff canteen. These displays enable the entire workforce, including colleagues in Operations, to stay informed about activities, events and initiatives. The video walls also play a key role in keeping staff updated on training course deadlines, ensuring timely and accessible communication.

Ferragamo Fearless Voices, Crafted in Our Values

The initiative involved a series of interviews and photographic portraits of employees from different regions, with the aim of highlighting concrete examples of how the Company's values are put into practice through everyday behavior and actions. The contributions recounted experiences linked to innovation, pushing beyond established boundaries and mutual support amongst employees. The interviews were shared with the entire workforce through the publication of the Bespoke newsletter on the company intranet.

Workshop on language

In the months of February and March 2025, three in-person sessions were held at the Osmannoro headquarters and the Milan offices for all employees on the topic of language. In particular, with the help of professionals from the Artemisia association, various topics were addressed, including the analysis of inclusive and exclusive words, the power of positive language, and how to champion change to transform everyday language into a means of inclusion and mutual respect. Furthermore, in December, an in-person session was held to explore the topic of language related to disability in collaboration with the AISM association.

Discussion on the issue of stalking

Thanks to the participation of a legal expert and a psychologist from outside the Group, a **partnership with "UN Women Italy" and the "Orange The World" campaign** was launched on 25 November, the International Day for the Elimination of Violence against Women. All Group employees were encouraged to "wear" an orange item of clothing to show their support for the cause. The production departments at the Osmannoro site created bracelets using recycled materials, which were then distributed to employees at the Group's Italian sites.

ESRS S1-3: Processes to address adverse impacts and channels enabling own workers to raise concerns

The Salvatore Ferragamo Group has always been committed to promoting a corporate culture based on ethics and compliance. For this reason, the Group Whistleblowing Policy[55] has been adopted in accordance with the Whistleblowing Decree and applicable Foreign Whistleblowing Laws, which forms an integral part of the organizational, management and control model adopted by Salvatore Ferragamo S.p.A. pursuant to Legislative Decree 231/2001 and the other codes of ethics and conduct adopted by the Group companies.

Reports of breaches of the law– and in particular reports of Material Breaches within the meaning of the Whistleblowing Decree and Foreign Whistleblowing Laws – can help to identify and address, in a timely manner through appropriate countermeasures and preventive measures, critical issues and risks to which all organizations are potentially exposed, including the companies of the Salvatore Ferragamo Group.

By establishing and encouraging the informed use of their internal reporting channels, the companies of the Salvatore Ferragamo Group aim to prevent and combat conduct that is unlawful or contrary to the principles and rules set out in their organizational models, codes of ethics and corporate policies, while protecting the confidentiality of whistleblowers and other protected individuals, safeguarding them from the risk of any retaliation, in full compliance with all applicable legal provisions.

As further detailed in the section "*ESRS G1-1 Business Conduct Policies and Corporate Culture*", the reporting system is structured on three levels:

- Internal reporting channels, managed by the Ethics Committee to be considered as privileged as closer to the origin of the issued being reported. An example is given by the dedicated web platform managed by an external company specializing in systems for internal reporting for companies. The data is not therefore transferred or managed through the servers of Ferragamo or of other Group companies. This guaranteesthat the reports cannot be traced, the data is always protected and only members of the Ethics Committee have access to it;
- External reporting channels, established by the competent public authorities in the Member States of the European Union;
- Public disclosure, which is permitted only in the case of material breaches involving Group companies based in the EU and subject to the conditions laid down by law.

In order to encourage the submission of reports, in the interests of corporate integrity, Salvatore Ferragamo S.p.A. and the other Group companies undertake to offer whistleblowers and other protected persons, involved in various capacities in the reporting process, the protections provided for by the Whistleblowing Decree and by foreign whistleblowing laws. In particular, the protection system comprises the following types of safeguards:

- protection of the confidentiality of the whistleblower, the facilitator, other persons involved and those mentioned in the report;
- protection against any retaliatory measures taken as a result of internal reports, external reports, public disclosure or complaints made;
- limitations on liability in relation to the disclosure and dissemination of certain categories of information;
- adoption of support measures by third-sector organizations.

The Policy applies to all individuals who report information regarding breaches of which they become aware in the course of their work and which are committed within Salvatore Ferragamo S.p.A., or within other Group companies with which they have or have had a legal relationship in their capacity as employees, self-employed workers, freelancers and consultants, volunteers and trainees, shareholders, persons holding administrative, managerial, supervisory, oversight or representative roles, employees or collaborators, contractual partners and suppliers of goods and services.

[55] Legislative Decree no. 196 of 30 June 2003, Personal data protection code (setting out provisions to update the national law to Regulation (EU) no. 2016/679 of the European Parliament and of the Council, of 27 April 2016, relating to the protection of individuals with regard to the processing of personal data, as well as the free circulation of such data and abrogating Directive 95/46/CE). For more information on the contents of the Policy, please refer to the document published on the company's website at https://group.ferragamo.com/it/governance/MODELLO+231+E+CODICE+ETICO/.

The Policy has been published on the Group's corporate website and on the company intranet. Furthermore, its dissemination has been organized and tailored to the relevant stakeholder groups:

- to all employees, via publication in the company procedures repositories;
- to all corporate bodies, including through notification to the management bodies of each subsidiary;
- to agents and associates who, in any capacity, act in the name and on behalf of the Group's subsidiaries, by post or electronically; and
- to external parties via publication on the website.

As noted previously, the Ethics Committee is the body responsible for managing the reports received through the whistleblowing channels. Furthermore, the Ethics Committee is responsible for monitoring that the Whistleblowing Policy complies with best practice and current regulations, for overseeing the implementation and maintenance of the web platform for the collection and management of reports, and for promoting and coordinating information and training activities regarding its operation.

As regards the handling of reports, where the Ethics Committee decides to seek the support of other local company departments or external consultants to carry out the necessary investigations into the content of such reports, both the company departments and the consultants shall be required to maintain the strictest confidentiality regarding the content of the report itself.

As for training activities, the promotion of the contents of the Whistleblowing Policy amongst the workforce is carried out through the training program known as "Compliance Digital Pathway", which includes, amongst other things, training on the Code of Ethics, Anti-Corruption Policy, Cybersecurity and data protection, and 231 Model (the latter only for Italy). In particular, this training is available in nine languages via a dedicated intranet platform and is also offered to all new recruits as part of the onboarding process.

ESRS S1-4: Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Throughout 2025, the Group implemented a series of strategic initiatives aimed at strengthening its commitment to sustainability, promoting a more inclusive, equitable and people-centered working environment. These actions form part of a structured, multi-tiered plan with clear objectives and defined timelines, designed to ensure a lasting and tangible impact on the global workforce. The Group's activities are closely linked to corporate policies, ensuring a fairer and more inclusive working environment. The Inclusion Policy has guided initiatives for gender equality, the reduction of the gender pay gap and development programs, while the Global Recruitment Policy has ensured fair and inclusive selection processes. Overall, the actions taken have contributed to:

- improving gender equality and inclusion through targeted policies and development programs;
- boosting employee engagement through initiatives tailored to specific sites or aimed at the entire corporate and retail workforce;
- reducing the risks associated with stress and inequality by ensuring a safe and inclusive working environment;
- promoting sustainability through training and by incorporating ESG objectives into individual and company performance.

EQUITABLE TALENT JOURNEY

A key aspect of this initiative has been **the Equitable Talent Journey**, a program designed to attract, develop and value people fairly. As part of this, the Group has reviewed its talent acquisition practices, adopting a global recruitment policy to ensure inclusive and non-discriminatory selection processes. In 2024, a dedicated section was created on the company's LinkedIn page to highlight its commitment to inclusion, and a diversity statement was included in all job postings globally, with the aim of attracting diverse talent. With a view to continuous improvement, the Group plans to establish a globally aligned calendar of DEI&B initiatives in the fu-

ture. In 2025, the Company's LinkedIn page was further enhanced with the "**Life @Ferragamo**" section, which showcases key highlights of company life.

Furthermore, the Group launched an Employer Branding initiative focused on sustainability, which involved a collaboration with Polimoda to create the **Master's in Sustainable Fashion**. Launched in 2024, this program required students to develop new creative and circular solutions in terms of materials, products, services and business models, created specifically for Ferragamo. Employer Branding initiatives evolved further in 2025 through projects carried out at the renowned **NYU**, managed by the Sustainability department. Also in this context, the Chief Product Officer spoke at the same university during the keynote session of the Luxury and Retail Conference in April 2025, which provided an opportunity to raise awareness of the Group, its roots and its approach to sustainability.

To anticipate legal requirements regarding the recruitment of protected categories, a roadmap was drawn up for recruitment campaigns dedicated to people with disabilities, with the hiring of two staff members in 2025 at the global HQ, to be followed by regional and global roll-outs in the coming years. In parallel, the Group has launched e-learning programs on inclusive recruitment for all recruiters, who are held accountable for ensuring diversity in hiring processes.

With regard to career development, specific programs for women's empowerment have been launched through partnerships with **Valore D** and **The Female Quotient**, with the aim of promoting gender equality and valuing female talent in key roles. During 2025, the mentoring program launched in 2024 was concluded, with a particular focus on Japan and other regions. As part of women's empowerment, initiatives for women were launched, particularly focusing on balancing personal and professional commitments through the sharing of personal stories by female colleagues, with the aim of strengthening their skills.

INCLUSIVE ORGANISATION

At the same time, the Group has renewed its commitment to building a more inclusive organization, promoting and consolidating a culture based on diversity, inclusion and equal opportunities.

A central aspect of this strategy is monitoring gender balance at all organizational levels, with a particular focus on reducing the gender pay gap. In 2024, thanks to the use of advanced Business Intelligence tools, the Company's **adjusted gender pay gap** was calculated for the first time as at 31 December 2023, taking into account objective factors[56] contributing to pay differences (in line with the provisions of the Pay Transparency Directive). Following the calculation, actions were defined using a holistic approach to reduce the adjusted pay gap, which stood at 2.3% as at 30 June 2025—down from the 2.9% recorded in the previous financial year—with the aim of eliminating it completely by 2030. The figure as at 31 December 2025 will be recalculated as soon as the 2025 performance cycle is concluded, but an initial result observed during the year is the reduction in the Unadjusted indicator, published within this document.

In 2024, the Group set itself the objective of reducing the Adjusted Gender Pay Gap, setting targets of 2.5% in 2025, 2% in 2026 and zero by 2030. As previously mentioned, the adjusted calculation of the Gender Pay Gap has decreased compared to 2024, meeting and exceeding the set targets. In 2024, the adjusted calculation was submitted for the first time to FPI (Fair Pay Innovation Lab), which awarded the "**Fair Pay Analyst**" certification, confirming that the variables used have a strong correlation with the remuneration structure. This certification was obtained again in 2025 for the second consecutive year. In support of this commitment, the Group obtained certification of its **DEI management system in accordance with the UNI/PdR 125:2022 standard**, achieving a final overall score of 90/100.

The Group is also currently engaged in the development and implementation of training courses on DEI&B and ESG issues, designed to be delivered to all employees. In 2024, the design of the first People Manager Program was completed, aimed at all managers in the office and retail divisions. This program was launched in Italy, Korea, Latin America and China, covering a total of 109 stores. In 2024, the first Train-the-Trainer Program trained 15 internal trainers in the Corporate HQ and EMEA regions. In 2025, an updated course was launched in line with the UNI/PdR 125:2022 certification and, in line with the previous year's plans, the 'Breaking Bias' digital module was relaunched in Italy, America, EMEA and Asia. This will be followed in the coming years by further courses, such as the 'Bridging the Generations Gap' module, and by programs on neurodiversity and disability.

A new development compared to the previous year is the launch of the US4US program, a corporate initiative aimed at promoting unity, solidarity and inclusivity by building communities, encouraging cross-functional collaboration and celebrating the diverse contributions of every employee. This initiative was implemented in Italy in 2025 and will be rolled out to the various regions in the coming years.

Employee Resource Groups (ERGs)

[56] Weight of the role, country, department, tenure and seniority, performance.

Fair Pay Analyst

Fair Pay Analyst is part of the UNIVERSAL FAIR PAY CHECK® initiative, which is committed to promoting fair and transparent pay structures. The process is based on an in-depth analysis of the Company's pay system, assessing factors that influence remuneration – such as role, department and length of service – and identifying any unjustified disparities, including gender pay gaps. To achieve Fair Pay Analyst status, an organization must conduct a detailed analysis of its pay structures, calculating both the adjusted and unadjusted gender pay gaps, as well as identifying other potential disparities. Furthermore, it must implement corrective measures and formalize its commitment through the Fair Pay Commitment, ensuring pay equity and transparency.

FOSTER BELONGING

Since 2024, Employee Resource Groups (ERGs) have been established in every region, initially focusing on issues of gender, generational diversity and inclusion, and promoting constructive dialogue between employees and management. In 2025, the ERGs focused on promoting well-being in the workplace and community engagement. It is anticipated that between now and 2027, the scope of the ERGs will be further expanded to include issues such as gender and cultural diversity. In addition to organizing three series of fitness classes, each comprising various types of activities at Osmannoro, Palazzo Feroni and Milan, and acting as a liaison for numerous partnerships, the group created the 'Takeaway Reflections' format, in which colleagues meet during their lunch break to discuss issues related to women's empowerment, parenthood and inclusion. Three meetings were held at the Osmannoro office:

- In June 2025, the topic of inclusive language was discussed with the assistance of a professional trainer from Artemisia, a Florentine social welfare organization dedicated to combating all forms of violence against women, children and adolescents and to promoting their rights, foremost among which are the rights to freedom, safety and physical integrity;
- In July 2025, we explored the topic of work-life balance with three colleagues who shared their experiences;
- In October 2025, the topic of labelling and parenting was discussed with the help of a university professor.

With a view to continuous improvement, these initiatives will be adapted and refined based on the feedback received and the results achieved, ensuring the ongoing enhancement of well-being policies for all employees. The ERGs have fostered dialogue between employees and management, promoting specific regional initiatives to strengthen a sense of belonging and inclusion.

Employee engagement has been further strengthened through the **A Daily Store Experience** initiative, which has fostered a deep exchange of knowledge between the various retail teams. On this occasion, feedback was also gathered from both participants and store managers, which will be used to ensure the experience has a tangible impact and to assess its importance for the future.

To further internal engagement, the "Values Award" program was launched in 2024 to honor and recognize employees who embody the Group's values as Ambassadors, celebrating exemplary behavior and appointing the winners as Ambassadors to promote these values. In November 2025, this program was rolled out at corporate level, in China and across the EMEA and SEAP regions.

In addition, a volunteering day was organized for employees in Italy, in collaboration with the Angeli del Bello Association, which saw a group of employees collecting litter along the streets of Florence, with the aim of planning similar initiatives at regional and global levels too.

Finally, as mentioned earlier, the first global Engagement Survey was conducted in 2024, covering 6 regions and 26 countries, with a response rate of 88%. The results provided essential data for the development of tailored regional action plans, reflected in the update to the 2026–2027 Sustainability Plan.

Great Place to Work

The 2024 GPTW survey was conducted globally using the certified Trust Index model, analyzing five key dimensions of the work experience. Credibility measures trust in leadership, with a direct impact on job satisfaction. Respect assesses employee wellbeing and work-life balance, which is essential for reducing stress. Fairness focuses on equity and inclusion, ensuring a transparent and respectful working environment. Pride reflects a sense of belonging and purpose, aligning employees with the Company's values. Finally, camaraderie highlights the quality of relationships between colleagues, fostering a positive working environment and overall happiness.

WELFARE AND WELLBEING

Employee wellbeing is a cornerstone for Ferragamo, which for years has been developing initiatives aimed at improving the quality of employees' personal and professional lives through welfare schemes, work-life balance measures and organizational flexibility, as well as health-related benefits and support services, including healthcare, while maintaining a constant focus on health and safety issues.

Smart Working and Work-Life Balance

Since 2018, the Group has introduced smart working as a flexible organizational model, enabling employees to manage their activities with greater autonomy, in line with business needs. In 2025, the Group consolidated this approach aimed at improving employees' work-life balance and reducing their workload, while reinforcing the concept of goal-oriented work and fostering mutual trust between managers and staff. In line with this strategy, the option to work remotely for various business functions on Fridays has been maintained. This initiative continues to contribute to reducing the environmental impact of commuting and to optimizing energy use at company premises, generating significant savings and a reduction in CO_2 emissions.

Flexible Benefits and Income Support

For the years 2024 and 2025, the supplementary agreement, signed between the Parent Company and the RSU, has been renewed; it applies to all employees covered by the National Collective Agreement for the Footwear Industry.

Salvatore Ferragamo S.p.A. grants permanent employees a variable performance bonus with the option to convert it into Welfare Credit, which can be spent on a flexible benefits platform to purchase services, goods and benefits aimed at enhancing personal well-being, supporting family life and providing social security cover for the employee and their household.

To provide further support for daily living expenses and counter the rising cost of living caused by inflation in recent years, the agreement providing for the payment of a one-off welfare allowance to permanent employees covered by the National Collective Labor Agreement for the Footwear Industry has been renewed. This amount, divided into three bands based on gross annual salary (GAS), is paid as an additional notional credit that can be spent on welfare services, and is entirely independent of company performance and work performance.

Furthermore, the option to convert the Performance Bonus into welfare benefits has been confirmed, with an incentive bonus rewarding employees who opt for a full or partial conversion, allowing them to significantly increase the total amount available.

This extension of the Flexible Benefits scheme allows employees and their families to access an additional annual budget, which can be used to reimburse medical, social, educational and transport expenses, as well as to purchase leisure, sport, travel and cultural activities, all in accordance with Italian tax legislation. To ensure maximum accessibility to welfare services, an integrated portal has been set up within the Company's communication platform, through which employees can access Flexible Benefits – a range of services made available by the Group and tailored to employees and their families in the areas of health, sport and wellbeing, education, culture and entertainment. Through the welfare portal, in fact, each employee has the opportunity to choose and build their own 'benefit' package by selecting services or products according to their needs until the available credit is exhausted. To promote the uptake of welfare

tools, in 2025 the Group launched the webinar **"Double You: Improve your Welfare",** which aims to present the portal, provide practical advice on making the most of welfare opportunities and create interactive opportunities for discussion with experts.

Health Protection and Supplementary Healthcare

In 2025, Salvatore Ferragamo S.p.A. maintained and strengthened supplementary healthcare cover for all corporate and retail employees. For all employees covered by the National Collective Labor Agreement (CCNL) for the Footwear Industry, the new Premium healthcare plan was introduced, replacing the previous Plus plan, offering additional healthcare benefits beyond those provided for in the company's collective agreements. This new cover has been aligned with the provisions of the renewed CCNL for the Footwear Industry, which, in Article 113, introduces a contribution specifically dedicated to protection against loss of self-sufficiency. Consequently, with effect from 1 January 2025, in addition to the Premium healthcare plan, long-term care (LTC) insurance has been activated through Sanimoda, thereby ensuring more comprehensive protection for employees. The improvements planned for 2025 have been confirmed, and from 2026, specific healthcare cover for Ferragamo employees and their families will be implemented, featuring new healthcare benefits and the removal of certain excesses.

Furthermore, the Company has organized days and meetings dedicated to prevention and raising awareness on topics such as blood donation and the importance of dermatological check-ups (with free screening days at the Osmannoro, Palazzo Feroni, Milan and Retail Italia sites). For colleagues in the production and logistics departments, training days and specific initiatives were organized in collaboration with the Global Health and Safety, Energy and Environmental Efficiency (HSE) function, with a particular focus on screening initiatives and personalized needs analysis.

Wellbeing

With the aim of expanding initiatives dedicated to people's wellbeing, Ferragamo has launched the Work-Related Stress (WRS) assessment, with biennial evaluations designed to identify key issues and implement improvement measures. Furthermore, at a local level, services and agreements have been introduced to improve work-life balance, including:

- Family Days: events designed to foster a sense of belonging by involving employees' families. In 2025, we ran the '*Archivio in Famiglia*' initiative, in which we opened the Osmannoro Historical Archive to employees and their families, including young children (aged 6–13).
- New initiatives focused on wellbeing, including special partnerships and services provided by professionals such as hairdressers and beauticians, as well as fitness and self-defense classes, at our Osmannoro, Milano and Palazzo Feroni locations.
- Internal communication within the Company regarding **cultural initiatives** organized by the Ferragamo Museum to mark certain holidays dedicated to grandparents, mothers or fathers.
- Promotion of **cultural events and exhibitions** organized by Palazzo Strozzi, with free tickets distributed to employees.
- Partnerships with **third sector organizations**, such as AISM, ATT, LILT and AIRC, involving events held at the company restaurant on occasions such as Easter, Mother's Day and Christmas.
- **In partnership with the CIA,** the Italian Farmers' Association (Tuscany branch), every Tuesday during the lunch break at the company canteen in Osmannoro, there is an opportunity to purchase authentic local produce such as fruit and vegetables, honey, etc.

The Group is committed to continuously monitoring the effectiveness of the initiatives proposed through employee feedback and impact assessments, ensuring the ongoing improvement of corporate wellbeing policies.
The main costs incurred in implementing the above measures are set out in the table below[57]:

Activity	Capex	Opex
HR Activities[58]	-	51,719.50€

[57] The annual financial resources allocated to the action plan for future years are at least in line with the current figures set out in these financial statements
[58] This amount forms an integral part of the item "General and administrative expenses" in the income statement of the consolidated financial statements of Salvatore Ferragamo S.p.A.

ESRS S1-5: Objectives relating to the management of significant negative impacts, the enhancement of positive impacts, and the management of material risks and opportunities

The objectives outlined in the section "*ESRS 2 – SBM-1: Strategy, business model and value chain*" relating to the workforce are as follows:

ESG building block	ID	Target	Timing
Empowering our people	11	Attract, develop and empower people through an equitable talent journey	2027
	12	Spread and ground a culture of diversity, inclusion and equal opportunities	2027
	13	Promote welfare and engagement activities for employees' well-being and health	2027

As part of the 2026–2027 Sustainability Plan, the Group has set out three strategic objectives to strengthen inclusion, diversity and employee wellbeing, with 2024 as the baseline year and annual milestones identified in the DEI&B Plan and supported by the Sustainability Policy and the Inclusion Policy.

The first objective, Equitable Talent Journey, aims to attract, develop and value people through a fair career path. The scope of the objective covers both external audiences (Employer Branding and Recruitment) and internal ones (employees and people managers), with application at regional and global levels. The definition of the target was based on internal analyses, involving the Human Resources function and the presentation of the DEI&B plan to the members of the Board of Directors

The second objective, Inclusive Organization, aims to promote and embed a corporate culture based on diversity, inclusion and equal opportunities. This target involves both qualitative and quantitative measurements and follows a structured roadmap through to 2027. The methodology adopted for its definition was based on internal analyses and benchmarking against key peers, to ensure constant comparison with industry best practices.

Finally, the third objective, Foster Belonging, focuses on strengthening welfare and engagement initiatives to improve employees' well-being and sense of belonging. Here too, the methodology for defining the target included internal analyses and benchmarking with key peers, ensuring a data-driven and comparative approach.

The main stakeholders, namely the Human Resources and Sustainability functions, were consulted and involved in defining these objectives.

To ensure the achievement of results, the Group uses specific KPIs, updated annually and monitored through periodic reviews. To date, the Group believes that the achievement of the set objectives is in line with the outlined timelines.

Details of the activities underpinning these objectives are explored in the chapter "*ESRS S1-4 Actions addressing significant impacts on the Group's workforce and approaches to managing significant risks and pursuing significant opportunities in relation to the Group's workforce, as well as the effectiveness of such actions*".

ESRS S1-6: Characteristics of the undertaking's employees

The Group has always prioritized the well-being of its people, ensuring management practices based on the principles of fairness, integrity and respect. Throughout the value chain, the Group's commitment is reflected in the professional development of its workforce, the attraction of new talent and the promotion of a healthy work-life balance, while ensuring that health and safety standards in the workplace are upheld for all.

93% employees on permanent contract

During 2025, 965 employees joined the Salvatore Ferragamo Group, whilst the outflow turnover[59] stood at 35.58% (1,194 employees). Offering a stable and long-term employment relationship is considered an essential requirement not only to foster the Company's growth but also to enhance employees' sense of belonging. In this regard, the high percentage of employees on permanent contracts, amounting to approximately 93% in 2025, demonstrates the Group's commitment.

	2025	2024	2025	2024	2025	2024	2025	2024
	Women	Women	Men	Men	Not communicated	Not communicated	Total	Total
Italy	550	581	392	406	0	0	942	987
China[60]	556	633	150	177	0	0	706	810
North America[61]	284	266	252	254	0	1	536	521
Japan	209	235	72	83	0	0	281	318
Corea	211	213	36	47	0	0	247	260
Mexico	75	70	95	90	0	0	170	160
Australia	59	61	17	16	0	0	76	77
France	37	43	34	31	0	0	71	74
Spain	33	35	28	28	0	0	61	63
Other countries	155	187	111	128	0	0	266	315
Total	**2,169**	**2,324**	**1,187**	**1,260**	**0**	**1**	**3,356**	**3,585**

[59] The outflow turnover was calculated by dividing the number of employees who had left (1,194) by the total number of employees at 31/12/2025 (3,356).
[60] China includes the employees of: Ferragamo Fashion Trading (Shanghai) Co. Ltd., Ferragamo Moda (Shanghai) Co. Ltd., Ferragamo Hong Kong Ltd., Ferragamo retail HK Ltd., Ferragamo retail Macau Ltd., Ferragamo Retail Taiwan Limited.
[61] North America includes Ferragamo USA Inc, Sator Realty Inc, S-Fer International Inc and Ferragamo Canada Inc

	2025					2024				
	Women	Men	Other	Not communicated	Total	Women	Men	Other	Not communicated	Total
Total employees	2,169	1,187	0	0	**3,356**	2,324	1,260	0	1	**3,585**
Permanent employees	2,025	1,097	0	0	**3,122**	2,155	1,174	0	0	**3,329**
Temporary employees	106	78	0	0	**184**	161	85	0	1	**247**
Non-guaranteed hours employees	38	12	0	0	**50**	8	1	0	0	**9**

	2025	2024
Number of employees	3,356	3,.585
Number of employees who have left	1,115	929
Number of new employees hired	886	838
Turnover rate – New hires	26.40%	23.38%
Turnover rate – Employees who have left	33.22%	25.91%

ESRS S1-7: Characteristics of non-employee workers within the company's own workforce

In 2025, the Group employed 167 non-permanent staff, comprising interns, external consultants and agency staff, of whom 38 were self-employed and 129 were engaged in the Group's core activities.

	2025[62]	2024[63]
Total number of non-employee workers	167	177
of whom self-employed	38	39
of whom workers provided by undertakings primarily engaged in employment activities	129	138

[62] The number of non-employee workers includes all non-employee workers at 31.12.25, calculated on a head count.
[63] The number of non-employee workers includes all non-employee workers at 31.12.24, calculated on a head count.

ESRS S1-8: Coverage of collective bargaining and social dialogue

All employees in Italy, Austria, Belgium, Germany, Spain, France, Monte Carlo and the Netherlands are covered by collective labor agreements, as are some employees in Switzerland, with coverage amounting to approximately 54.20% of the global workforce.

	2025		
	Coverage of collective bargaining		Social dialogue
Coverage rate	Employees – European Economic System (EES) by country	Employees – Outside of the European Economic system by region	Representation in the workplace (only EES) by country
0-19%	United Kingdom	North America	Italy, France, Spain
20-39%		SEAP	
40-59%	Switzerland		
60-79%			
80-100%	Italy, Austria, Belgium, Germany, Spain, France, Monte Carlo, The Netherlands	China[64]	

Diversity, Equity, Inclusion & Belonging Strategy

ESRS S1-9: Diversity metrics

During 2025, the global Diversity, Equity, Inclusion & Belonging (DEI&B) strategy was further strengthened. This strategy is based on three pillars:

- to ensure fairness at all the main stages of corporate life, from recruitment to leaving the company;
- to foster, through the conduct and example of the leadership team, an organizational culture based on the value of inclusion;
- to put in place control and governance systems, at both corporate and regional levels, to facilitate the assessment and monitoring of actions and initiatives.

Internal and external communication tools, along with social engagement initiatives, continue to be key elements in amplifying the impact of initiatives linked to the three pillars. In 2025, numerous initiatives were introduced and strengthened in line with the Company's inclusion and diversity strategy. Among the main achievements, the finalization of the Guidelines for the use of inclusive language in the recruitment process stands out. Particular attention was paid to the use of inclusive language in official internal communications through the adoption of the Schwa (ə). As regards activities dedicated to sharing our DEI&B Values and Principles, the **Ferragamo Fearless Voices, Crafted in Our Values** format was created and a **workshop on the topic of language** was held, both detailed in the chapter "*ESRS S1-2 Processes for engaging the workforce and employee representatives regarding impacts*".

[64] Includes Ferragamo Moda (Shanghai) Co. Ltd., and Ferragamo Fashion Trading (Shanghai) Co. Ltd.

A Diversity Statement has also been included in global job postings to promote inclusivity right from the recruitment stage. Monitoring of the Adjusted Gender Pay Gap has been enhanced through an advanced Business Intelligence system, with detailed analyses and concrete actions to reduce disparities. In Italy, a gap analysis was launched in accordance with Uni-PdR 125/22. The DEI&B KPI dashboard was updated with new indicators on gender, age, seniority and other metrics, while a global framework has strengthened the creation and support of Employee Resource Groups (ERGs), encouraging the listening to and sharing of ideas on diversity, as already detailed in the chapter "*ESRS S1-4 Actions addressing significant impacts on the Group's workforce and approaches to managing significant risks and pursuing significant opportunities in relation to the Group's workforce, as well as the effectiveness of such actions*". In the area of partnerships, collaborations with Valore D and The Female Quotient have been renewed. For further information, please refer to the chapter "*ESRS S1-4 Actions addressing significant impacts on the Group's workforce and approaches to managing significant risks and pursuing significant opportunities in relation to the Group's workforce, as well as the effectiveness of such actions*".

The Group's commitment to non-discrimination is also implemented through the involvement of the Ethics Committee in these matters; indeed, the Committee is responsible for handling any cases of discrimination that may be reported.

With regard to employees belonging to protected categories, the Group is committed to complying with the regulations in force in the countries in which it operates. Particular attention is also paid to ensuring equal opportunities, guaranteeing the same working conditions for employees of both genders and promoting concrete initiatives to facilitate the work-life balance, through a range of employment opportunities offering various types of contracts. For further information, please refer to the chapter *"ESRS S1-3 Processes to address adverse impacts and channels enabling own workers to raise concerns"*.

	2025		2024	
Top Management[65]	**Number**	**Percentage**	**Number**	**Percentage**
Women	39	50.65%	40	48.78%
Men	38	49.35%	42	51.22%
Total	77	100%	82	100%

2025	< 30 years		30-50 years		> 50 years		Total		
	Women	Men	Women	Men	Women	Men	Women	Men	Total
Top Management	0	0	21	24	18	14	39	38	77
Middle Management	9	3	254	154	86	62	349	219	568
White Collar	303	188	1,102	439	258	106	1,663	733	2,396
Blue Collar	15	33	62	117	41	47	118	197	315
Total	**327**	**224**	**1,439**	**734**	**403**	**229**	**2,169**	**1,187**	**3,356**

2024	< 30 years			30-50 years		> 50 years		Total			
	Women	Men	Not communicated	Women	Men	Women	Men	Women	Men	Not communicated	Total
Top Management	0	1	0	25	23	15	18	40	42	0	82
Middle Management	12	3	0	271	168	83	58	366	229	0	595
White Collar	371	236	1	1,177	438	250	113	1,798	787	1	2,586
Blue Collar	19	33	0	62	125	39	44	120	202	0	322
Total	**402**	**273**	**1**	**1,535**	**754**	**387**	**233**	**2,324**	**1,260**	**1**	**3,585**

[65] The Top Management category includes the following positions: Directors, Senior Directors, Chief/Head of functions and Executive roles

100%
of employees recieve an
adequate salary

ESRS S1-10: Fair wages

The Group ensures that all its employees receive an adequate wage, in line with the applicable benchmarks of the individual countries in which it operates. In particular, the company has verified that the wage paid as at 31 December 2025 was equal to or higher than the adequate wage, in accordance with the provisions of the Wageindicator framework (https://wageindicator.org/). This commitment translates into fair remuneration policies that comply with regulatory and market standards, ensuring economic conditions that meet the criteria of fairness and sustainability.

ESRS S1-11: Social protection

The Group is committed to ensuring compliance with social protection standards, providing cover for key events in working life, such as sickness, unemployment, workplace accidents, parental leave and retirement. All Group companies operate in full compliance with the social protection requirements laid down by local laws, ensuring regulatory compliance in every country where the Group operates.
In Italy, every employee is covered for sick leave, the terms of which vary according to the relevant national collective labor agreement (CCNL). It should be noted that, under a company agreement, the terms for sick leave due to severe disability have been improved in the industrial sector.
The content of the regulatory provisions regarding remuneration paid to employees during periods of illness varies depending on the relevant region. For example, in Korea, employees receive 70% of their average salary during the period of illness. Policies relating to parental leave are adopted globally and are in line with local requirements. With regard to pension schemes, the majority of employees are covered through statutory schemes or company schemes.
All employees are covered by unemployment benefits under national legislation in the event of involuntary job loss. In all regions, this protection is applied uniformly to all employees, with the exception of certain regions. In particular, in Argentina and Brazil, unemployment benefits are not guaranteed from the moment the employee ceases to work for the company.
In North America, protection against loss of income due to illness is not guaranteed, and in the USA, pension cover is not guaranteed. It should be noted that, in North America[66], the regulatory framework and social protection systems differ from those in other regions; consequently, differences in cover may arise for specific categories, such as seasonal, temporary and trainee workers.
However, the Group is committed to ensuring that key protections, such as those against workplace accidents and unemployment, are applied consistently across all companies, providing a reliable safety net for employees in order to monitor and harmonize social protection policies, while respecting local regulations and cultural specificities.

[66] The term "North America" includes both the USA and Canada.

ESRS S1-12: Persons with disabilities

In 2024, the Global Recruitment Policy was published worldwide to ensure that recruitment processes are inclusive and embrace diversity in all its forms. To achieve this objective, global training initiatives were planned for 2025 for all employees involved in Talent Acquisition. During the year, two people with disabilities were recruited at the global headquarters. Furthermore, in December 2025, an in-person session was held to explore the topic of language related to disability, in collaboration with the AISM association.

Ferragamo Excellence Model

Persons with Disabilities	Number of Persons		% of total employees	
	2025	2024	2025	2024
Men	19	18	0.57%	0.50%
Women	31	27	0.92%	0.76%
Total	50	45	1.49%	1.26%

ESRS S1-13: Training and skills development metrics

The Company invests in the training of its employees, supporting their professional growth and promoting opportunities for development and internal mobility.
With a view to fostering the professional growth of its workforce, in 2025 the Company continued to deliver training and talent development programs across a range of areas: soft skills, managerial and leadership skills, IT skills, specialist skills and language skills.

Throughout 2025, Salvatore Ferragamo S.p.A. continued to deliver the initiatives launched at the end of 2024, with the aim of raising awareness and attention to compliance issues through dedicated training programs. Following the update of the relevant policies, training was extended to all staff: for offices in Italy via the "Cleary Compliance Games" e-game; for the rest of the world and for Retail through new e-learning courses available on the iLearn training platform, which were made mandatory for all new hires during the onboarding process.

The courses mainly covered topics such as anti-corruption, the whistleblowing mechanism, the 231 Model, the Code of Ethics, the protection of IP rights and the risks associated with the infringement of third-party IP rights. The assignment of the relevant digital learning modules during the induction phase for new hires was followed by global awareness campaigns.

The Group also launched a training campaign on cybersecurity and personal data protection, making it mandatory for all new employees. In particular, since 2021, the Group has introduced a multi-year CyberSecurity Awareness program via the Proofpoint platform to raise awareness of cyber risks. In 2023, the program was tailored for different user categories, including targeted anti-phishing campaigns. In 2024, it was expanded to include classroom-based courses on 'Security by Design' for IT staff, with a particular focus on System Administrators, thereby

strengthening security right from the design stage of corporate systems.

Furthermore, the "Enterprise Artificial Intelligence" project was launched in 2024 with the aim of verifying compliance with the AI Act and developing a strategic roadmap to ensure effective governance and responsible management of risks associated with Artificial Intelligence. The project involves defining guidelines and policies for the ethical use of AI, implementing an appropriate governance model, planning a governance framework, developing operational procedures and creating training programs to support the adoption of GenAI.

The delivery of the courses has been made more seamless through the use of a digital platform (iLearn), for both corporate and retail staff.

In 2025, Ferragamo's retail training strategy focused on a clear commercial priority: driving qualitative growth through 'Cross Selling with Passion', strengthening the link between a high-level customer experience and measurable business performance.

The flagship initiative of the year, Cross Selling with Passion, repositioned cross-selling from a simple additional transactional activity to a structured discipline of clienteling, aimed at both Client Advisors and Store Managers. Client Advisors were supported in elevating cross-selling to a fluid and integrated styling practice, combining wardrobe building, emotional storytelling and a solid product promotion, in order to generate higher-quality transactions. Store Managers were empowered to institutionalize cross-selling behaviors through structured observation, real-time coaching and the reinforcement of a results-oriented performance culture in boutiques.
The program contributed to an increase in the Average Ticket, more effective recommendations across different product categories and a measurable improvement in purchase intent and customer advocacy.
Monthly In-store Monitoring Program coaching sessions continued in around 190 boutiques worldwide, strengthening leadership skills and commercial execution. In 2025, the focus was particularly on coaching cross-selling behaviors to ensure consistency, scalability and measurable impact.

A global survey was also launched, confirming strong appreciation for storytelling and the depth of product content, while highlighting the need for greater clarity and usability. In collaboration with the Merchandising team, a structured roadmap was defined to enhance seasonal training through clearer storytelling, a greater focus on hero products, and more practical and interactive tools that can be immediately applied in boutiques.

Special Projects – Targeted Training for Strategic Initiatives
Finally, dedicated training programs were launched to support key commercial and brand initiatives, strengthening the personalization of the experience, heritage-based storytelling and the development of product categories in boutiques. To support employees' professional development, voluntary knowledge-sharing initiatives were organized in 2025 between office and retail staff, or between employees from different departments, during the fashion show at Milan Fashion Week in February.

As part of the training initiatives, the Sustainability function, in collaboration with the Human Resources function, launched, in 2023, "Sustainability Pills", a program of six digital modules to engage employees with the overarching themes of sustainability and the Group's sustainable strategy, and, in 2024, the Circularity Hackathon, for which reference should be made to the chapter *"ESRS E5-3 Targets relating to resource use and the circular economy"*. The first program, delivered by a specialist partner, was made available on the Corporate iLearn platform to extend it to all regions. Furthermore, in 2024, a workshop was organized with an external partner to strengthen the internal culture on biodiversity and gather concrete insights on how to further integrate this issue into the corporate strategy. In 2025, the design and production of a new e-learning course dedicated to sustainability within the Salvatore Ferragamo Group was also launched; this will be provided to all existing staff as a refresher and incorporated into the onboarding program for new corporate and retail hires.

In 2025, the global roll-out of the 'People Manager Program' leadership initiative began, aimed at all people managers in the office and retail sectors.

The initiative was launched with the aim of strengthening managerial and leadership skills, providing practical tools for effective team management and the promo-

tion of a culture focused on growth and development, as well as disseminating a single, globally shared leadership model.

The two-month program comprises virtual sessions and two days of in-person workshops. It is characterized by an interactive and highly practical approach, combining training sessions, mentoring and experiential activities, with the aim of ensuring a tangible impact on management capabilities and the ability to tackle the challenges of a constantly evolving environment.

The program was co-designed in 2024 with an external provider specializing in leadership who, in addition to supporting its design, completed a 'Train-the-Trainer' course in February 2025 aimed at a community of around 30 internal trainers from all the Group's regions. This peer-to-peer learning model enables the consistent and widespread implementation of managerial skills globally, fostering the consolidation of a coherent managerial culture and helping to strengthen the engagement and retention of internal talent.

In 2025, the program was launched in most regions, reaching approximately 50% of the global target. Sessions scheduled for 2026 are currently being planned.

The People Manager Program is established as Ferragamo's flagship leadership development program and will be progressively rolled out, in line with local requirements, for all new people managers. It represents a strategic pillar for the development of leadership skills, with a direct impact on team growth and the improvement of corporate performance globally.

In line with the People Manager Program's design approach, a global catalogue of soft skills courses was established in 2025, aimed at all corporate staff. The courses were co-designed with external experts and are based on corporate values and 'success enablers', with the aim of strengthening the cross-functional skills that characterize our organizational culture. In 2025, the first series of the six planned courses (Effective Communication and Public Speaking; Emotional Intelligence and Active Listening; Influence; Time Management; Change and Resilience; Trust and Feedback) was delivered at the Osmannoro Headquarters, and a second series has already been planned, starting in April. Among the regions, Korea has scheduled the delivery of some of the courses during 2026.

In line with an international approach aimed at ensuring consistency and the dissemination of shared training models and experiences, a significant investment was made in digital training in 2025, a method that enables us to reach a broad and globally distributed audience.

The corporate e-learning platform has been completely revamped, adopting the same LMS as Retail (Moodle), thereby ensuring a uniform learning experience and fundamental process integration, while respecting the different needs of the target audiences. Both e-learning platforms, which share the same name "iLearn", thus offer a consistent and aligned learning experience.

A catalogue of short training modules called "Boost Your Skills" has also been introduced on both platforms, featuring videos, articles and podcasts produced by leading providers in the sector. The catalogue covers over 300 key skills across various fields and is specifically designed to support continuous professional growth and development.

To further reinforce the central role of training and development at Ferragamo, in 2025 a name was given to the space that brings together all training opportunities, from classroom and virtual courses to e-learning programs, thus creating the "Ferragamo Learning Academy". Another key focus area for Training in 2025 was Diversity, Equity, Inclusion & Belonging (DEI&B), a fundamental pillar of the Company's People Strategy. In particular, an e-learning course dedicated to Gender Equality was launched during the year, made compulsory for all corporate and retail staff in Italy.

The course was also integrated into the onboarding program, becoming an integral part of the experience of joining the Company.

The renewal of the supplementary agreement to the National Collective Agreement provided, amongst other things, for the extension of the performance appraisal process to all employees and across all organizational levels, with the aim of fostering greater engagement and ensuring everyone feels part of the Company's objectives and results. This assessment method, based

on management by objectives, is carried out regularly each year and is based on three of Salvatore Ferragamo S.p.A.'s distinctive competencies: initiative, results orientation and customer focus. The outcome of this assessment allows for a further increase in the value of the individual's bonus, while also recognizing individual performance. Furthermore, during 2025, work continued on consolidating performance assessment programs within the retail sector. In particular, the process of "continuous feedback" between managers and staff continued through the use of the Company's retail performance management system (known as Bright), which was designed to encourage dialogue and support opportunities for the development and internal growth of our retail staff. This system can also serve as a tool for calculating annual bonuses for eligible staff (typically those in managerial roles within stores). Through Bright, in particular, managers and teams can interact in a structured manner, transforming the appraisal process into an opportunity for ongoing dialogue, with three feedback sessions scheduled throughout the year. The tool is, in fact, designed to:

- Give and receive feedback on a regular basis, improving the quality of communication between managers and staff.
- Monitor individual progress, identifying areas for development and opportunities for growth.
- Promote merit and recognition, supporting a skills- and performance-based approach.

With regard to incentives, to support top performers, the "Champions League" program has also been confirmed; this is designed to reward and incentivize those whose individual performance has contributed most significantly to the achievement of business objectives. Finally, in 2024, the Talent Review process was extended to all managerial positions, both corporate and retail, thereby strengthening professional development. Indeed, during 2025, 98.6% of employees underwent a performance review.

98.6% of employees
Performance Assessed

	2025			
	Number of employees subject to performance reviews	Number of performance reviews	Number of employees	Percentage of employees subject to performance reviews
Top Management	76	76	77	98.70%
Middle Management	567	1,419	568	99.82%
White Collar	2,353	7,735	2,396	98.21%
Blue Collar	314	746	315	99.68%
Total	**3,310**	**9,976**	**3,356**	**98.63%**

	2024			
	Number of employees subject to performance reviews	Number of performance reviews	Number of employees	Percentage of employees subject to performance reviews
Top Management	**82**	**82**	**82**	**100.00%**
Middle Management	594	1479	595	99.66%
White Collar	2,543	8,384	2,586	98.30%
Blue Collar	321	747	322	99.69%
Total	**3,540**	**10,692**	**3,585**	**98.69%**

	2025			
	Number of employees subject to performance reviews	Number of performance reviews	Number of employees	Percentage of employees subject to performance reviews
Women	2,141	6,572	2,169	98.71%
Men	1,169	3,404	1,187	98.48%
Total	**3,310**	**9,976**	**3,356**	**98.63%**

	2024			
	Number of employees subject to performance reviews	Number of performance reviews	Number of employees	Percentage of employees subject to performance reviews
Women	2,297	7,.091	2,324	99%
Men	1,242	3,597	1,260	98%
Other	0	0	0	0%
Not communicated	1	4	1	0%
Total	**3,540**	**10,692**	**3,585**	**99%**

2025	Number of training hours				Average training hours			
	Women	Men	Other	Total	Women	Men	Other	Total
Top Management	755.8	797.05	0	1,552.9	19.4	21	0	19.8
Middle Management	9,328.1	3,949.0	0,17	13,277.1	26.7	18.0	0.17	23.4
White Collar	54,562.9	21,755.9	0	76,318.9	32.8	29.7	0	31.9
Blue Collar	1,144.5	1,834.65	0	2,979.2	9.7	9.3	0	9.5
Total	**65,791.4**	**28,336.6**	**0,17**	**94,128.1**	**30.3**	**23.9**	**0.17**	**28.1**

2024	Number of training hours				Average training hours			
	Women	Men	Other	Total	Women	Men	Other	Total
Top Management	414	502	0	916	10	12	0	11
Middle Management	11,523	5,260	0	16,783	31	23	0	28
White Collar	61,607	23,560	29	85,197	34	30	0	33
Blue Collar	940	1,869	0	2,809	8	9	0	9
Total	**74,485**	**31,190**	**29**	**105,705**	**32**	**25**	**0**	**29**

ESRS S1-14: Health and safety metrics

The protection and safeguarding of human resources is also reflected in ensuring high standards of health and safety in the workplace. For this reason, the Group provides the human, operational and financial resources necessary to achieve its objectives for improving workers' health and safety, as an integral part of its business and strategic commitment. At corporate level, Salvatore Ferragamo S.p.A. has an HSE department, which is responsible for promoting a safe working environment that complies with current regulations. The department is responsible for defining, updating and sharing the Management System Guidelines – HSE & Energy for the Italian operations, subsequently sharing them with overseas offices. These guidelines are drawn up with the aim of fostering awareness across the Group regarding health and safety, environmental protection and energy efficiency. These standards and principles define the roles and responsibilities of the main regional stakeholders involved, as well as the priorities for compliance action across Europe, supporting colleagues in the Regions in identifying the requirements for dedicated operational and financial resources. In 2022, a project was launched with the overseas regions, which involved identifying local HSE representatives, creating a register of applicable HSE laws for each country, the completion of a self-assessment questionnaire by each local representative, and the subsequent drafting of a gap analysis. This project continued in 2024 and 2025 with the implementation of an action plan, identified on the basis of the gap analyses drawn up for each country. Finally, the HSE function manages monitoring and reporting activities for the Italian operations, maintaining relations with Italian workers' safety representatives. In Italy, the Company has for some years implemented a Safety Management System (SMS) which defines the procedures for identifying, within the company's organizational structure, the responsibilities, procedures, processes and resources required to implement the company's prevention policy, in compliance with current health and safety regulations. The workplace health and safety management system aims to:

- ensure compliance with all applicable legal requirements with the aim, where possible, of achieving improved safety standards;
- reduce or eliminate any accidents and illnesses arising from work-related activities;
- improve risk management;
- promote ongoing and effective communication between the Company and its employees through specific operational procedures, such as document sharing, information campaigns, training and awareness-raising initiatives;
- improve the monitoring of the level of residual risk control in order to minimize it further through continuous improvement measures.

Furthermore, with regard to various retail outlets across the EMEA region, a specific risk assessment has been drawn up, setting out all potential risks to employees' health and safety. The aim is to finalize the risk assessment with a matrix describing the severity of potential harm and the likelihood of the hazard occurring.

Since 2017, Salvatore Ferragamo S.p.A. has been pursuing certification of its management system in accordance with the internationally recognized ISO 45001 standard, which sets out the requirements for implementing a workplace health and safety management system. In 2025, the Group once again successfully passed the annual certification maintenance audit, covering 100% of Salvatore Ferragamo S.p.A.'s workforce. During 2025, for its Italian operations, Salvatore Ferragamo S.p.A. confirmed, following an audit process, its SA8000 social responsibility certification, the leading social certification standard based on the Universal Declaration of Human Rights, ILO conventions, international human rights standards and national labor laws. The standard encourages organizations to develop, maintain and implement practices that ensure respect for human rights and workers' rights, protection against child exploitation, and guarantees of safety and health in the workplace. Although it does not carry out activities involving a high risk to health and safety, the Group has taken action, both in Italy and worldwide, to ensure the highest safety standards within the workplace, identifying and assessing potential emergencies that may arise during its operations at various sites, so as to ensure that impacts on workers' health and safety and any damage to facilities are properly identified and addressed. In Italy, the identification and assessment of health and safety risks in the workplace form part of the Risk Assessment Document. This document is drawn up by the Employer in collaboration with the Health, Safety and Prevention Manager, verified by the Company Doctor and brought to the attention of the Workers' Safety Representatives,

in order to highlight the severity and likelihood of occurrence of specific risk events for each individual role and activity carried out by employees. Furthermore, to ensure greater monitoring of health and safety standards in the workplace, regular inspections and audits are carried out at the Group's stores in Italy. With regard to potential accidents and emergency situations, Salvatore Ferragamo S.p.A. has established a Management Procedure for emergency preparedness and response, in order to describe the operational procedures implemented to prevent and/or manage accidents as effectively as possible and reduce the risk of injuries resulting from such situations. The prevention and mitigation of health and safety impacts in overseas regions is primarily carried out through annual medical check-ups and constant communication with the Human Resources and Operations departments, which is, where possible, managed through dedicated checks.

ISO 45001

ISO 45001 certification is the international standard for occupational health and safety (OHS) management, attesting to the organization's commitment to safeguarding health and safety. The process includes the identification and assessment of risks and hazards, the definition of action plans with measurable objectives, and the integration of emergency management measures. Furthermore, continuous monitoring of progress in risk reduction and prevention is required, as well as the conduct of regular internal audits to verify compliance and improve the system.

Throughout 2025, the commitment to monitoring employee accident rates continued. During the year, there were 35 cases of accidents among employees, 4 fewer than in 2024, while no accidents occurred among external contractors. None of the accidents resulted in loss of life, in line with 2024. In the area of health and safety, employees benefit from training programs tailored to their job roles and risk levels and receive, in accordance with legal requirements, general training on workplace safety. For those in higher-risk categories, namely employees in warehouses, the Moulding Department, the Conveyor System, logistics departments and so on, additional training hours are provided on the use of specific machinery and equipment.

The awareness campaign launched by the HSE department in 2022 on workplace safety and wellbeing, aimed at all employees in Italy, continued in 2024 and was further consolidated in 2025. Thanks to the adoption of new communication methods, employees continued to explore the topic of safety through interactive and fun activities. Salvatore Ferragamo S.p.A. has also strengthened its awareness-raising and information initiatives for suppliers, contractors and external visitors, actively involving them in the management and reduction of health and safety risks in the workplace. To this end, specific documents have been drawn up for the identification, assessment and control of risks arising from third-party activities within the Company (interference risks). Globally, the Group continues to ensure that all employees are trained in accordance with applicable local regulations.

In 2024, the commitment to safety and wellbeing took the form of workshops and meetings dedicated to mental and physical wellbeing, with a focus on stress management and the promotion of healthy habits. In particular, the HSE Day on 8 May 2024 saw the participation of around 550 employees and featured a range of free activities.
These included two workshops on the relationship between diet and health, accompanied by individual nutritional counselling sessions, bioimpedance analysis sessions to measure body composition, and a 'Save a Life' first aid workshop, dedicated to airway clearance techniques and BLS. In addition, a cardiology campaign featuring resting ECGs entitled "Listen to your heart" was promoted, aimed at prevention and cardiovascular wellbeing.

2025	Employees	Non-employee workers
Percentage of own workers covered by the health and safety management system	100%	13.23%
Number of deaths due to work-related injuries and ill health	0	0
Number of recordable work-related injuries	35	0
Rate of recordable work-related injuries	5.71	0
2025	**Employees**	**Non-employee workers**
Number of recordable cases of work-related ill health	9	0
Number of days lost due to work-related injuries and fatalities due to work-related injuries	1,109	0

2024	Employees	Non-employee workers
Percentage of own workers covered by the health and safety management system	99.6%	50.3%
Number of deaths due to work-related injuries and ill health	0	0
Number of recordable work-related injuries	39	0
Rate of recordable work-related injuries	5.96	0
2024	**Employees**	**Non-employee workers**
Number of recordable cases of work-related ill health	18	0
Number of days lost due to work-related injuries and fatalities due to work-related injuries	776.50	0

ESRS S1-15: Work-life balance

During 2025, almost all employees (99.28%) of the Salvatore Ferragamo Group were entitled to leave for family reasons, including maternity, paternity, parental leave, carer's leave and other types of leave related to serious family difficulties, as provided for in contractual and national legislation. Of these, 227 people actually took such leave, representing 6.81% of those eligible, with 5.19% of female employees and 1.62% of male employees taking leave.

The Group's commitment to supporting parenthood and the work-life balance of its employees is also demonstrated by the adoption of a coaching program for employees returning from long-term leave, while support sessions for parents are currently being developed.

Furthermore, regarding leave to care for family members, the majority of employees are entitled to this in accordance with national legislation in countries where it is provided for. In countries where it is not provided for, the Group supports employees with appropriate measures to safeguard the wellbeing of those in need.

ESRS S1-16: Remuneration metrics (pay gap and total remuneration)

Salvatore Ferragamo S.p.A. adopts remuneration policies designed to recognize the individual contributions of its employees and the company's results, in accordance with the principles of equality, equal opportunities and merit. To ensure competitiveness in the market, a differentiated remuneration system has been in place for several years, tailored to different professional categories and job grades. This system includes, in addition to the basic salary component, financial incentives linked to both individual and company-wide targets, with the aim of fostering a sense of belonging and team spirit. The Group adopts collective bargaining agreements for all its employees in all the countries in which it operates. These agreements, together with the laws in force, also set out remuneration terms as well as minimum notice periods for significant operational changes. Where these are not available, the Group offers employment contracts in accordance with local legislation.

Currently, there are various appraisal systems in place:

- the "Bright" system used to assess the individual performance of all retail shop staff;
- the 'Short-term Incentive' scheme for senior management and a large number of employees;
- local schemes, such as the productivity bonus in Italy or profit-sharing schemes.

For further information, please refer to the chapter "*ESRS 2 GOV-3 Integration of sustainability performance into incentive schemes*".

To promote diversity and inclusion within the Company, Salvatore Ferragamo S.p.A. has developed a dashboard for HR managers across the various regions to monitor compliance with the Gender Pay Gap. This dashboard cross-references average salaries with role-based pay bands, serving as a key tool in calculating the Adjusted Pay Gap and forming a preparatory step for salary reviews aimed at reducing the identified gap for equal work. The adjusted figure, as previously reported, is made available in the Company's Remuneration Policy. For further information, please refer to the chapter *"ESRS S1-4 Actions addressing significant impacts on the Group's workforce and approaches to managing significant risks and pursuing significant opportunities in relation to the Group's workforce, as well as the effectiveness of such actions"*.

In order to develop merit-based reviews consistent with the various markets, the Group encourages the acquisition of remuneration databases useful for understanding positioning relative to the local market and for defining realignment measures in relation to the weight of the role held, taking into account the year's performance. At retail level, employees receive incentives linked to store and individual performance or, in the case of managers and depending on the location, an annual bonus based on a series of achieved KPIs (known as "Bright"). As part of the assessment of performance bonus indicators, training was provided to heads of offices and operational departments, aimed at improving meetings with their staff regarding the assessment of corporate competencies. The training aimed to promote a culture of feedback at all levels and to achieve a more balanced distribution of assessments, placing greater emphasis on top-performing staff. With regard to the indicators contributing to the performance bonus, the one relating to participation in safety training was met by the majority of the workforce, demonstrating employees' significant commitment to this issue. Furthermore, the register of employees with dependants has been updated to enable the use, in accordance with current legislation, of tax reliefs, ranging from lower taxation for recipients of 'fringe benefits' to the use of vouchers (groceries, fuel, etc.) for those who have access to the Company's welfare scheme.

Basic salary	Ratio of women to men 2025						
	Parent company	Europe	North America	Central and South America	Asia Pacific	Japan	Total
Top management	9%	-	-3%	36%	35%	45%	15%
Middle Management	8%	8%	3%	1%	2%	4%	9%
White Collar	16%	-10%	-3%	-26%	5%	2%	9%
Blue Collar	9%	11%	2%	-2%	-11%	0%	0%
Total	**24%**	**6%**	**-9%**	**-15%**	**12%**	**16%**	**16%**

Total remuneration	Ratio of women to men 2025						
	Parent company	Europe	North America	Central and South America	Asia Pacific	Japan	Total
Top management	10%	-	-10%	39%	38%	48%	16%
Middle Management	8%	10%	3%	3%	1%	3%	9%
White Collar	17%	-10%	-4%	-27%	5%	0%	8%
Blue Collar	9%	11%	2%	-2%	-11%	5%	-1%
Total	**27%**	**8%**	**-11%**	**-13%**	**13%**	**16%**	**17%**

Basic salary	Ratio of women to men 2024[67]						
	Parent company	Europe	North America	Central and South America	Asia Pacific	Japan	Total
Top management	39%	-	-3%	8%	33%	41%	31%
Middle Management	13%	9%	4%	2%	-1%	3%	9%
White Collar	15%	-7%	-13%	-14%	8%	5%	9%
Blue Collar	11%	11%	6%	-19%	7%	-	2%
Total	**32%**	**3%**	**-14%**	**-6%**	**12%**	**17%**	**21%**

Total remuneration	Ratio of women to men 2024[68]						
	Parent company	Europe	North America	Central and South America	Asia Pacific	Japan	Total
Top management	52%	-	-10%	12%	36%	45%	43%
Middle Management	13%	10%	5%	3%	-3%	0%	9%
White Collar	16%	-7%	-14%	-15%	8%	4%	8%
Blue Collar	11%	11%	6%	-18%	7%	-	2%
Total	**40%**	**5%**	**-16%**	**-4%**	**13%**	**17%**	**25%**

	2025	2024
Ratio between highest annual direct remuneration and median value	43.51[69]	77.75[70]

[67] The values are based on average salaries paid and were recalculated using the purchasing power parity (PPP) rate and IMF (World Economic Outlook).
[68] The values are based on average salaries paid and were recalculated using the purchasing power parity (PPP) rate and IMF (World Economic Outlook).
[69] Remuneration data includes all the components of remuneration: fixed, variable, any other items from other relationships (e.g. consultancy), and non-monetary benefits and was restated using Purchasing Power Parity (PPP). The calculation for both the numerator and denominator was done in relation to the workforce at 31.12.2025.
[70] Remuneration data was restated using the Purchasing Power Parity (PPP) rate and IMF (World Economic Outlook). The "2024 Annual Direct Remuneration Report" takes into consideration the gross annual remuneration, the annual variable bonus (STI), the Restricted Shares and the non-monetary benefits. Therefore, the variable long-term bonuses were not considered.

ESRS S1-17: Accidents, complaints and serious human rights violations

Salvatore Ferragamo S.p.A. recognizes the importance of protecting human rights within its organization and throughout its entire supply chain, and is actively committed to preventing any form of violation, including incidents of discrimination and harassment. To ensure a safe, fair and respectful working environment, the Group applies a rigorous Whistleblowing Policy, which offers employees and external stakeholders a secure channel for reporting any violations, whilst respecting the confidentiality and protection of whistleblowers. Details of this policy can be found in the chapter "*ESRS S1-3 Processes to address adverse impacts and channels enabling own workers to raise concerns*".

The Group has also adopted its own Modern Slavery Statement aimed at promoting the prevention of all forms of "modern slavery, forced labor and human trafficking" within its own organization and supply chain, as required by the UK Modern Slavery Act 2015 - Section 54, the California Transparency in Supply Chains Act of 2010 (SB 657), the Australian Modern Slavery Act (No. 153) 2018 and the Canadian Fighting Against Forced Labor and Child Labor in Supply Chains Act 2023. For further information on this matter, please refer to the document published on the Salvatore Ferragamo Group website (https://group.ferragamo.com/it/governance/MODELLO+231+E+CODICE+ETICO/).

In line with its principles of responsibility and transparency, the Group constantly monitors work-related incidents and cases of serious impacts on human rights.

During 2025, following two reports of inappropriate behavior, an internal investigation was conducted which confirmed that the conduct did not comply with company standards, and appropriate corrective actions were consequently taken in line with internal procedures and guidelines. In any case, the Group is also committed to actively combating any form of discrimination based on gender, race, ethnic origin, nationality, religion, personal beliefs, disability, age, sexual orientation or any other factor, by promoting a corporate culture founded on inclusion and respect for fundamental rights.

ESRS S2 - WORKERS ACROSS THE VALUE CHAIN

S2-SBM-3 Material impacts, risks and opportunities, and their interaction with the company's strategy and business model

As part of its double materiality process, the Group has identified the following risks relating to workers in the value chain:

- Failure on the part of suppliers to comply with labor standards and ensure adequate working conditions (e.g. reasonable working hours, work-life balance, safe employment), as well as the absence of social dialogue;
- Human rights violations in the supply chain;
- Forced labor in the supply chain.

And the following opportunity: *Increased supply chain stability and the ability to operate under varying conditions.*

These risks and opportunities do not stem from the Company's strategy but are inherent to the sector in which Salvatore Ferragamo S.p.A. operates. Identifying them facilitates the adaptation of the Company's strategy to address the negative externalities associated with its operations.

The risks identified in relation to this issue relate to human rights violations and forced or compulsory labor along the value chain due to unethical practices by business partners.

In the process of identifying impacts, risks and opportunities affecting workers in the value chain, Salvatore Ferragamo S.p.A. has taken into account the employees of its suppliers and business partners. The definition of risks and opportunities did not, however, limit these elements to specific categories of workers; nevertheless, explicit reference is made to the most vulnerable workers and to generalized impacts, such as forced and child labor. These risks do not stem from individual incidents but are linked to potential violations. The most relevant category of workers relates to those working, within the value chain, upstream of the company (for example, those involved in the production of raw materials, manufacturing or other forms of processing) and downstream of the company (for example, those involved in logistics activities, or distributors, affiliates and retailers). As regards the geographical areas and goods considered, these were not explicitly mentioned in the IROs' assessment. However, Salvatore Ferragamo S.p.A. conducts, through external audit firms, periodic audits to verify compliance with regulations, particularly regarding remuneration, social security, welfare, insurance and occupational safety, and compliance with the ethical principles enshrined in the Supplier Code of Conduct and the Code of Ethics of Salvatore Ferragamo S.p.A. In addition to these audit activities, specific document checks and activities are carried out by the Operations department, aimed at verifying the production capacity of the most labor-intensive categories of suppliers, also with a view to identifying any unauthorized subcontracting. In this context, it should be noted that the Company is aware that isolated breaches of ethical and legal standards may occur on the part of third-party suppliers and sub-suppliers. The pursuit of social responsibility objectives is, in fact, a process of constant progress and refinement, even more so when extended to parties outside the Company's direct sphere of control, such as suppliers, contractors or sub-contractors of Salvatore Ferragamo S.p.A. Ferragamo is therefore committed to carefully selecting and regularly monitoring its suppliers and sub-suppliers, in order to reduce the risk of breaches of applicable legislation and the ethical principles enshrined in the Code of Ethics and the Supplier Code of Conduct.

To this end, in November 2025 Salvatore Ferragamo S.p.A. amended its procedure for the assessment, qualification and monitoring of suppliers of raw materials, finished products, processing services and/or components, making changes in line with industry best practices and introducing a more robust, integrated and multi-level supply chain governance model under which the qualification and monitoring process for the aforementioned suppliers is carried out by a committee comprising the heads of the main corporate functions concerned (*Finance, Operations, Internal Audit, HR, Legal and Sustainability*) and external legal advisers specializing in employment law, which meets regularly (once a week).

ESRS S2-1: Policies relating to workers in the value chain

Salvatore Ferragamo S.p.A. is a signatory to the United Nations Global Compact, the world's largest strategic corporate citizenship initiative, which provides a universal framework for social responsibility and supports organizations in defining corporate policies aimed at promoting internationally shared social objectives. Adherence to the Global Compact entails a commitment to comply with the International Labour Organization (ILO) conventions on the elimination of forced and child labor. In addition to the policies already listed in the section *"ESRS S1-1: Policies relating to the Group's own workforce"*, the Group also has a **Supplier Code of Conduct**, containing the ethical principles and rules of conduct that supplement the legal, regulatory and procedural provisions governing commercial relations between the Group and its partners. In particular, the Supplier Code of Conduct includes provisions relating to compliance with corporate ethics, human rights and ecosystem protection, and requires all recipients to sign an acceptance form to ensure their compliance with the Code. The Group conducts regular audits of both direct suppliers (Tier 1) and sub-suppliers (Tier 2) – as further defined below in the following paragraph – to verify their compliance, in the knowledge that the pursuit of ethical and social responsibility objectives is a process of constant progress and refinement. Any non-compliance identified during an audit is notified to the supplier, with a request to draw up a remediation plan in the event of minor and/or rectifiable non-compliance, setting a deadline by which confirmation must be provided that the identified non-compliance has been resolved; or, in more serious cases or in the event of repeated refusal to allow the audit, with notification of the termination of the commercial relationship.

In drafting the Supplier Code of Conduct, the Group undertakes to comply with the International Bill of Rights, the fundamental Conventions of the International Labour Organization (ILO), as well as the applicable laws on health and safety, industrial property and chemicals.

The Supplier Code of Conduct applies to all the Group's operations, including the upstream and downstream value chain and the main stakeholders concerned (employees, contractors and local communities). The person responsible for implementing the Policy is the Chief Operations Officer and Chief Internal Audit

The **Policy on Combating Child Labor** sets out the company's key commitments regarding the fight against child labor, including in relation to company processes concerning age verification during recruitment, supply chain monitoring and any remedial actions to be taken should workers under the age stipulated by applicable legislation be found.

The Policy on Combating Child Labor applies to all Salvatore Ferragamo S.p.A. sites in Italy, including offices and stores, and is addressed to employees, agents, members of corporate bodies and collaborators acting in the name and on behalf of the Company. It also applies to stakeholders in the sections specifically dedicated to them.

Responsibility for implementation lies with the Chief People Officer, assisted by the relevant corporate functions.

The Policy on Combating Child Labor refers to various international and national conventions and regulations, including the UN Universal Declaration of Human Rights, the UN Convention on the Rights of the Child, ILO Conventions 138 and 182, Directive 94/33/EC, the Italian Constitution, the National Collective Labor Agreement (CCNL) and the SA8000 Standard.

The Policy on Combating Child Labor has been approved by the Board of Directors of Salvatore Ferragamo S.p.A. and is disseminated to all relevant parties.

The Ferragamo Group's commitment to integrity, quality, elegance, innovation and artisanal excellence is reflected in its **Responsible Sourcing Commitment,** adopted in 2024, and is pursued through the adoption of ethical sourcing practices, namely practices that promote the selection of certified, high-quality raw materials, as well as improved supply chain traceability. For further details, please refer to the chapter *"ESRS E2-1 – Pollution Policies"*.

In support of these commitments, the Group has also adopted the **Modern Slavery Statement**, which outlines the measures implemented to prevent all forms of "modern slavery, forced labor and human trafficking" both within its own operations and throughout the sup-

ply chain, in line with the legislation of the United Kingdom (Modern Slavery Act), California (Transparency in Supply Chains Act), Australia (Modern Slavery Act) and Canada (Fighting Against Forced Labour and Child Labour in Supply Chains Act).

Finally, the Parent Company has obtained **SA8000 certification**, an international standard attesting to Salvatore Ferragamo S.p.A.'s commitment to corporate social responsibility. This standard includes specific requirements regarding the prohibition of child labor and forced or compulsory labor, thereby strengthening the existing internal control and monitoring system.

Responsibility for implementation lies with the Chief People Officer, supported by the relevant corporate functions.

ESRS S2-2: Processes for engaging workers in the value chain regarding environmental impacts

The Group monitors risks associated with breaches of labor standards, paying particular attention to the supply chain and procurement model, with a view to promoting high standards of ethics and sustainable development. Risks relating to human rights, child labor, forced and compulsory labor, non-discrimination, freedom of association and collective bargaining, workers' health and safety, working hours, remuneration and the regularity of working conditions and disciplinary practices applied are assessed.
The Salvatore Ferragamo Group requires its direct suppliers not to exceed the first tier of subcontracting (Tier 2), in order to pursue the objective of a shorter supply chain and more effective monitoring along it.

Indeed, the Group employs a direct supplier qualification process focused on assessing qualitative and technical characteristics, evaluating whether the supplier is able to meet the Group's requirements in terms of quality, capacity, financial stability, adherence to ethical principles, compliance with behavioral standards and relevant regulations. In particular, in 2025 the Group significantly increased the selection of suppliers of certified materials (GRS, GOTS, RWS, SFA) with a low environmental impact, with the aim of further expanding the share of sustainable products in 2026.

To manage the supplier qualification process automatically, the Group uses the Ferragamo Link tool, an integrated IT and collaboration solution for managing information and document flows between suppliers and Salvatore Ferragamo S.p.A. The aim is to facilitate and systematically manage the stages of accrediting a new supplier and maintaining their qualification, enabling the relevant company departments to verify their industrial and financial capabilities, compliance with social security obligations (through the request for the DURC) and adherence to the ethical principles of Salvatore Ferragamo S.p.A., as well as relevant regulations and laws. The system is a key element in improving the company-supplier relationship, creating a more collaborative environment, enhancing quality and, at the same time, mitigating procurement risk, while ensuring end-to-end support throughout the entire process.

In 2022, the platform was expanded to track the origin of products in two ways: Preferential Origin (for tariff benefits under EU agreements) and Non-Preferential Origin (for customs duties). In this context, the key document is the "Long Term Declaration", a declaration of origin signed by suppliers. In general, the main regulatory requirements for suppliers concern: acceptance of the Code of Ethics, the Supplier Code of Conduct and acknowledgement of the Privacy Policy; signing of the Restricted Substance List (RSL); acceptance of the General Terms and Conditions of Purchase; self-certification of compliance with technical and professional requirements in accordance with Legislative Decree 81/08; the Single Declaration of Social Security Compliance (for Italian T1 suppliers only, who remain responsible for uploading the documentation of Italian T2 suppliers); the declaration of compliance with social security, welfare and occupational safety regulations; acceptance of the subcontracting policy and the list of subcontractors; a commitment to respect brand protection; the declaration in lieu of certification and affidavit. Furthermore, depending on the area of activity, suppliers are required to sign the Technical Performance Requirements and the Animal Welfare Policy.

Certain stages of the finished product's manufacturing process, in particular, are potentially characterized by higher risk profiles, for which the Group focuses on analyzing production capacity to mitigate such risks throughout the entire supply chain.

In order to monitor compliance with the ethical and social standards of its supply chain, the Group carries out regular audits of its direct suppliers and subcontractors, verifying their effective compliance with the principles set out in its Supplier Code of Conduct. To this end, a risk-based approach is adopted in prioritizing audits according to criteria that take into account the level of potential risk.
During these audits, interviews are conducted with both workers and management, and inspections—including unannounced visits—are carried out at production sites to verify compliance with the required standards. In the event of non-compliance, suppliers are obliged to implement the necessary measures to prevent, mitigate or resolve the issues identified, within agreed deadlines.

Should serious or repeated breaches of the Code be detected, or in the event of a lack of cooperation or failure to implement improvement plans, the Group will terminate its commercial relationships with the suppliers concerned.

Collaboration with the supply chain is considered essential for achieving high ethical standards and for business development. For this reason, the Group continues to promote awareness-raising and monitoring initiatives throughout the entire production chain, ensuring that the procurement model is appropriate and in line with its values.

From January 2025, responsibility for coordinating audits of the production supply chain has been entrusted to the Internal Audit function.
Furthermore, since 2024, data collection has been underway among the Group's direct suppliers, covering both social data and information on energy and water consumption, as well as the traceability of their raw materials. The initiative aims to gather detailed information on energy, water and chemical consumption, as well as social indicators, in order to gain a deeper understanding of the supply chain's impact and to collect information on the origin of the raw materials used by the Group. Suppliers have been involved both directly and through companies specializing in data collection, with specific training sessions organized to explain how to use the dedicated platforms and ensure the correct completion of the required information. The activities involve annual engagement with suppliers to contribute to data collection, while monitoring activities are ongoing, thus ensuring constant oversight of compliance with standards. It is anticipated that data collection will be further enhanced in 2026 through the inclusion of social data and information regarding certifications obtained by direct suppliers, in order to ensure the fullest possible transparency of the information provided to consumers. To date, the Company has published on its website a shortlist of some of its main direct suppliers of finished products, in line with the provisions of the Group's Sustainability Plan (https://sustainability.ferragamo.com/it/download-area).

Management of this process is entrusted to the Sustainability Function, which operates under the direction of the Chief Product Officer, ensuring continuous alignment with the Group's strategic sustainability objectives.

ESRS S2-3: Processes to address negative impacts and channels enabling workers in the value chain to raise concerns

By accepting the Code of Conduct, suppliers undertake to ensure their own compliance with it, as well as to disseminate it and require compliance from their employees, suppliers, external collaborators and other parties forming part of the Group's supply chain.

Monitoring of compliance with the Supplier Code of Conduct is carried out in accordance with the main standards governing ethical and social audits, with the support of specialist audit firms, and includes both document reviews and site visits, including unannounced visits, to suppliers' production sites. During these activities, the Group also verifies that suppliers have disseminated the Supplier Code of Conduct to their employees, ensuring that the principles and rules of conduct have been effectively communicated throughout the supply chain and that workers are aware of the existence of dedicated structures and processes for reporting any issues or needs and receiving assistance.

Based on the results of the checks carried out, in the event of non-compliance with the provisions of the Supplier Code of Conduct, the recipients are required to take the necessary actions to bring their activities and operations into line in order to remove, prevent or mitigate the non-compliances identified. The plan sets out specific actions to be implemented by agreed deadlines or suggestions for improvement activities. The process

is monitored through follow-ups with suppliers to ensure the effective implementation of the measures required to guarantee compliance. In the event of serious or repeated breaches of the Code, or failure to implement the agreed improvement plan or failure to cooperate during monitoring activities, the Group will terminate its commercial relationships with the suppliers concerned. The Group encourages its suppliers to communicate any requests for information or interpretations regarding the adoption of the Code of Conduct and has established specific channels for reporting suspected or confirmed breaches of its provisions. Such reports are addressed to the Group's Ethics Committee, which is responsible for carrying out all necessary investigations to verify their validity and promoting the corrective actions deemed necessary. For further information on the reporting channels provided, please refer to the chapter *"ESRS G1-1 Business Conduct Policies and Corporate Culture"*.

To further strengthen the protection of whistleblowers, a web platform managed by an external company specializing in internal reporting systems has been adopted. Data is therefore neither transferred nor managed via the servers of Ferragamo or other companies within the Ferragamo Group. This solution ensures that reports cannot be traced, protecting data and allowing access exclusively to members of the Ethics Committee.

To this end, the Group has adopted and published on its website the Group Whistleblowing Policy, which details the measures implemented to ensure the protection of whistleblowers, preventing any retaliation or unfavorable treatment. For further information, please refer to "*ESRS G1-1 Business Conduct Policies and Corporate Culture*".

ESRS S2-4: Measures addressing significant impacts on workers in the value chain, approaches to managing significant risks and realizing significant opportunities for workers in the value chain, and the effectiveness of such actions

During 2025, 258 audits were carried out, covering both direct suppliers and subcontractors. With regard to the non-conformities identified, follow-up audits were also conducted – 3 on-site and 117 remotely – to verify that they had been resolved. The most significant issues that emerged in 2025 related to compliance with standards set out in regulations concerning health, safety and hygiene in the workplace and, to a lesser extent, environmental and integrity issues, as well as compliance with employment conditions and contracts. In 28 cases, where there were significant or repeated breaches of the Code by subcontractors, the termination or non-initiation of the commercial relationship with the direct suppliers was requested.

200 audit

+29% vs. 2024

On 18 December 2025, the Board of Directors examined the Request for Production pursuant to Article 248 of the Code of Criminal Procedure ("Request") served on the Company on 3 December 2025 by the Public Prosecutor's Office at the Court of Milan ("Judicial Authority") through the Carabinieri Command for Labor Protection – Labor Inspectorate Unit in Florence, concerning the acquisition of documentation relating to the Company's governance and internal control systems, which was delivered within the required timeframe, with particular regard to the management of its production supply chain. Consequently, at subsequent meetings, the Board of Directors received regular updates from the relevant internal departments regarding the further measures undertaken by the Company to strengthen risk prevention in the supply chain, as well as on the discussions held with the Judicial Authority. With regard to the above, there are no further significant events to report.

With regard to issues relating to human rights or breaches of the Supplier Code of Conduct, no reports or complaints were received during 2025. During the year, in line with previous practice, Salvatore Ferragamo S.p.A. implemented various measures aimed at improving supply chain management and ensuring the integration of sustainability principles throughout the entire production cycle. These included the organization of training and awareness-raising sessions on supply chain management, aimed at Tier 1 suppliers of finished products, held at the company's headquarters (focusing on the importance of compliance with the principles contained in the Supplier Code of Conduct, the purpose of production capacity analysis and on-site audit activities and inspections), training for finished product Tier 1 suppliers, the collection of primary data on the materials with the greatest environmental impact, and the collection of ESG data, as already mentioned in previous chapters. For further details, please refer to section *E5-2: Actions and resources relating to resource use and the circular economy.*

Finally, Salvatore Ferragamo S.p.A. has begun developing an ESG vendor rating framework to integrate sustainability criteria into supplier assessment. This system, which takes into account environmental, social and governance (ESG) factors, enables a comprehensive assessment of suppliers' performance in terms of sustainability. In 2024, a dedicated checklist was drawn up to standardize the as-

sessment process and ensure that suppliers are aligned with the Group's strategic objectives. To date, the Group is assessing the feasibility of implementing the ESG vendor rating. These actions represent an important step towards strengthening the governance and sustainability of the supply chain, in line with Salvatore Ferragamo S.p.A.'s commitments to responsible and transparent management.

For the resources allocated to these activities, please refer to the chapter "*ESRS E5-2 Actions and risks relating to resource use and the circular economy"* and *"ESRS E1-3 Actions and resources relating to climate change policies".*

ESRS S2-5: Objectives relating to the management of significant negative impacts, the enhancement of positive impacts, and the management of significant risks and opportunities

The objective set out in the section "*ESRS 2 – SBM-1: Strategy, business model and value chain*", relating to workers in the value chain, is as follows:

ESG building block	ID	Target	Timing
Leading a responsible value chain	8	Foster value chain transparency and promote collaboration with suppliers to develop shared ESG projects	2027

The target set by the Group forms an integral part of the 2026–2027 Sustainability Plan, with a 2024 baseline and approved by the Board of Directors on 18 December 2025, which serves as a key guide for all the Group's sustainability initiatives, highlighting its strong alignment with the United Nations Sustainable Development Goals (SDGs) and European ESG standards.

Key commitments include the aim to improve transparency throughout the supply chain, encouraging collaboration with suppliers to develop joint ESG initiatives. These objectives span the entire value chain, with a specific focus on upstream procurement activities, which are considered a key area for reducing environmental and social impacts.

The timeframe for achieving these objectives extends to 2027, with annual updates and reviews to monitor progress and ensure compliance with the timeline. The plan includes targeted actions, such as increasing supplier audits, ensuring the traceability of raw materials, and the structured collection of ESG data from direct and indirect suppliers – essential tools to support a transition towards more sustainable and responsible production practices.

The target was developed on the basis of a materiality analysis conducted by the Group, which involved not only direct and indirect suppliers but also other strategic stakeholders. This process made it possible to precisely identify priorities along the supply chain and to structure objectives that effectively meet stakeholders' expectations and the Group's commitments to sustainability.

ESRS S3 – COMMUNITIES AFFECTED

S3-SBM-3 Material impacts, risks and opportunities, and their interaction with the company's strategy and business model

As part of its double materiality process, the Group has identified a specific impact relating to communities and the local area: *Support for local development through contributions and donations to local organizations in the areas where the Group has the strongest presence.*

The identification of this impact reflects the founding values of Salvatore Ferragamo S.p.A. The Group's strong ties to the local area, its culture and its community have fostered a growing awareness of the need for a genuine and substantial commitment to protecting the places where the Group operates and the people who work there.

The main communities of reference for Salvatore Ferragamo S.p.A. are the city of Florence and its surrounding area. However, the Company does not limit itself to supporting only local communities, on which it may have a direct impact, but extends its commitment globally.

The activities that generate positive impacts on communities are outlined in the Sustainability Policy, which details the Group's social responsibility activities. Salvatore Ferragamo S.p.A. is committed to charitable initiatives supporting the culture and health of women, children and vulnerable populations. The Group adopts a govern-

ance approach geared towards the effective coordination of these activities at an international level, providing guidelines for all Group subsidiaries in determining donations or contributions of various kinds to charities, foundations and non-profit organizations.

Among the opportunities relevant to Salvatore Ferragamo S.p.A., arising from impacts on communities, the following aspect has been identified: *Opportunities to enhance reputation through targeted social responsibility initiatives and community-focused interventions.*

No dedicated activities have been carried out to identify how particular stakeholders, living in specific contexts or carrying out specific activities, may be more exposed to risks. Salvatore Ferragamo S.p.A. specifies, however, that its initiatives are aimed at the most vulnerable groups, in particular women and children, and are designed to enrich society culturally. In determining relevant risks and opportunities, Salvatore Ferragamo S.p.A. does not establish a direct link with specific stakeholder groups. However, the Company refers to the communities where the Group has the strongest presence, taking into account the context in which it operates and the impact of its activities in those areas.

ESRS S3-1: Policies relating to affected communities

Salvatore Ferragamo S.p.A. adopts a series of policies aimed at maintaining the highest ethical standards and promoting sustainable business development, while ensuring the proper management of the material impacts on the affected communities and the associated risks and opportunities.

Among the policies adopted, the Group has developed the aforementioned **Sustainability Policy**, which includes a commitment to improve the well-being of the communities in which it operates. In particular, the Group is committed to projects and initiatives that target women, children and vulnerable populations, promote social inclusion, support local economies and improve the overall quality of life. Working with NGOs, local governments and other organizations promotes positive social impact and contributes to sustainable development goals. The Group also sponsors numerous cultural events, such as art exhibitions, cinema, music and fashion, which not only promote Italy's creative industries, but also reflect the Group's commitment to the cultural enrichment of society.

The Group's commitment to social responsibility is highlighted in the **Code of Ethics**, as described earlier in the chapter *"ESRS S1-1: Policies relating to the Group's own workforce"*. As part of this policy, Salvatore Ferragamo S.p.A. is committed to promoting the economic and civil development of the communities in which it operates, taking into account their needs and promoting collective well-being in accordance with ethical and sustainable values.

Similarly, the **Supplier Code of Conduct** specifies the Group's commitment to social responsibility and to the economic and civil development of the areas in which it operates, taking into account the needs of the community.
In this context, the protection of "Made in Italy" is a fundamental principle of the Group, with particular reference to the safeguarding of the Italian artisan and creative culture.

All the above-mentioned policies are available in the Download section of the Ferragamo Sustainability Group website, in order to guarantee accessibility to a wide range of audiences so that they can fully understand their implications.

With regard to human rights, the Company implemented a number of specific policies to protect and promote these principles. The compliance with these values is required and promoted both in internal relations and in relations with third parties.

In its Code of Ethics and Sustainability Policy, the Group emphasizes its strong commitment to the respect of human rights, in accordance with international and national regulations, such as the United Nations' Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. The Group actively opposes all forms of child labor, forced labor and discrimination based on characteristics such as age, gender, race, nationality, religion, sexual orientation or political affiliation.

Any violations of the Code of Ethics will result in the Group taking action, which will depend on the severity of the violation and will be taken within the limits of the current regulatory framework.

The Group also adopted the **Anti-Child Labor Policy**, which aims to further formalize its commitment in this area, in line with the Sustainability Policy content, and

prevent children from being exposed to situations that may be risky or harmful for their development and physical and mental health, both inside and outside the workplace. For further details, please refer to the chapter "*ESRS S2-1 Policies relating to workers in the value chain*".
Finally, founded on the deep-rooted values of family and community, the Group defined and adopted a **Group Charity Policy** through which it undertakes to allocate a significant amount of its donations to charity initiatives promoting culture as well as the health of women and children. The purpose of this policy is to provide guidelines for all Group companies when making donations or contributions of various kinds to charities, foundations and non-profit organizations. This process strengthens governance and introduces a more structured approval process to ensure better coordination of charitable initiatives worldwide. The local CEO is ultimately responsible for approving donations, while for amounts over the specified thresholds the decision falls to the Chairman and the CEO of the Parent Company, following a review by the Head of Sustainability.

ESRS S3-2: Processes for engaging with affected communities regarding impacts

The Group is actively committed to engaging with the communities it serves through a range of initiatives spanning various fields, promoting integration, sustainability and dialogue with stakeholders. A key element of this commitment is collaboration with universities, schools and business schools, fostering a direct link between the academic and professional worlds.

During 2025, the Group organized over 30 employer branding initiatives, such as company visits, career days, field projects, workshops and lectures with prestigious universities, including Bocconi University, and leading fashion schools such as Polimoda, not only in Italy but also across Europe. These events provided hundreds of students and recent graduates with the opportunity to engage with the Group and its professional ecosystem. The Group actively collaborates with numerous charitable organizations, supporting causes of social significance, including Meyer, Corri la Vita, Trisomia 21, Artemisia and many others, with the aim of making a tangible contribution to the well-being of communities, combining philanthropic commitment with the creation of a positive and lasting impact.

In the fashion sector, the Group enthusiastically participates in collective associations such as The Fashion Pact, the National Chamber of Italian Fashion, the UN Global Compact and as a founding partner of UN Women Italy, strengthening its active role in roundtable discussions on sustainability and innovation, with the aim of sharing best practices and developing joint solutions to address the sector's global challenges.

In addition to these activities, the Group stands out for its support in promoting art and culture, contributing through donations and strategic partnerships with institutions of international significance. Among these, its support for the Fondazione Palazzo Strozzi stands out, a center of excellence in the Italian and international artistic and musical landscape.

Finally, the Ferragamo Museum and the Ferragamo Foundation represent two fundamental pillars through which the Group promotes culture, art and creativity, conveying the brand's core values and strengthening a deep and lasting bond with local and global communities. These institutions embody Salvatore Ferragamo S.p.A.'s commitment to preserving and enhancing its cultural heritage, serving as meeting points where tradition, innovation and social engagement converge. In particular, they preserve and pass on the company's culture and history while respecting the brand's identity, acting as a constantly evolving repository of memory and reinforcing a sense of belonging to the brand. At the same time, they promote the company's culture within the local area and communities in which they operate, collaborating with institutions such as schools, universities, associations and cultural bodies to support the training and development of young people wishing to work in the worlds of fashion, design and the finest forms of Italian craftsmanship.

In line with last year, in 2025 both the Museum and the Foundation have further expanded their program of activities, consolidating partnerships and developing new innovative initiatives, such as workshops, conferences and educational projects. As for initiatives aimed at the internal workforce, the 'Archivio in Famiglia' format was created: on three occasions (July, September and October 2025), the Group opened the Historical Archive in Osmannoro to all employees in Italy and their families. After working hours, thanks to the support of the Ferragamo Foundation and Museum, a group of around 25 people, including young people aged 14 and over, were able to enjoy an exclusive visit to the Archive, while workshops on footwear were organized for younger children. For further details on the initiatives promoted by the Ferragamo Museum and Foundation, please refer to the section *"ESRS S3-4: Actions addressing significant impacts on affected communities and approaches to manage significant risks and realize significant opportunities for affected communities, as well as the effectiveness of such actions"*.

The activities are coordinated by the Chair of the Board of Directors, the Ferragamo Museum, the Ferragamo Foundation, the Sustainability function, which reports to the Chief Product Officer, and the Human Resources function, which reports to the Chief People Officer.

ESRS S3-4: Actions addressing significant impacts on affected communities, and approaches to manage significant risks and realize significant opportunities for affected communities, as well as the effectiveness of such actions

UNIVERSITIES AND SCHOOLS

In collaboration with leading institutions in the luxury sector, we organized 28 employer branding initiatives across Italy in 2025, including career days, classroom lectures, company visits and field projects; there were **eight** such projects, which are described in more detail below.

1. For the eighth consecutive year, we have partnered with the **Accademia Costume & Moda** in Rome as part of the **Master's in Accessories Design**, a program that combines valuable practical experience with high-level professional studies. International students, guided by a brief from the Leather Goods Style Office Team, had seven months to develop a unisex leather accessories capsule collection from scratch. Inspired by Ferragamo's vision of the luxury world and a visit to our Museum and historical archives, the students presented their innovative collections to our creative, merchandising and product teams.
2. In collaboration with **MAFED (Master in Fashion, Experience & Design Management)** at **SDA Bocconi**, the EMEA Marketing Department launched a business case aimed at driving consumers into-store, increasing footfall and conversion rates. The group, comprising five selected international students, presented proposals for new consumer engagement initiatives in the EMEA region at Palazzo Spini Feroni, with a particular focus on the Italian, French, German and UK markets. The final project presentation was attended by the EMEA Regional CEO and the entire EMEA senior management team, alongside several heads of key corporate departments.
3. In collaboration with **Polimoda** and as part of the **Master's in Shoe Design** program, of which we are the sole partner, a major initiative aimed at nurturing young talent took place at our HQ. The participating students developed a number of capsule collections of women's footwear, starting from a modern reinterpretation of our iconic "Rainbow" shoe, demonstrating creativity, innovation and expertise in materials. The Ferragamo prototyping team selected one design from each collection, transforming it into physical prototypes and thus bringing the students' ideas to life. Subsequently, the final projects were presented

to Ferragamo's Design, Product and Merchandising teams, who offered valuable feedback, helping to strengthen the participants' technical and creative skills in preparation for future challenges.

4. In 2025, Salvatore Ferragamo S.p.A. collaborated with the **Istituto Marangoni,** at both its Florence and Milan campuses. Specifically, in Florence we launched a Visual Merchandising project with the **Master in Fashion Styling,** led by colleagues from Corporate and EMEA. The aim of the project, aimed at the class of international students, was to design a window display concept inspired by the brand's iconic elements. With the Institute's Milan campus, we focused instead on the men's RTW sector, collaborating with over 60 international students from both the **Master in Fashion Design** and the **Master of Art in Fashion Design & Innovation.** The aim of the project was to develop a total look proposal for the MRTW FW26 collection, starting from an analysis of the MRTW SS26 collection. This challenge required not only creativity and stylistic sensitivity, but also attention to detail and the ability to interpret the brand's DNA and project it into the future. The final presentation of the projects will take place in early 2026 and will give three students presenting the most deserving projects the opportunity to participate in the backstage of the Ferragamo FW26 fashion show.
5. For the first year, together with **Make Campus**, the Academy of Advanced Fashion and Design Education, we launched a Fabric Design project led by the team of the Fabric Research Style Office. The project, which focused on designing prints and graphics for scarves, adapted to the functionality of different garments, resulted not only in the presentation of a portfolio (digital and printed) but also in the creation of several prints on mannequin fabric.
6. During 2025, for the first year, we also collaborated with **John Cabot** University in Rome as part of their **Art & Design** program, on a project involving our colleagues from the Historical Archive. Starting with a print from the Archive, the students were asked to reinterpret it graphically, drawing on two distinctive elements of the brand: color and the botanical/floral theme, and to develop some graphic proposals applicable to the world of packaging.
7. Also in 2025, for the fourth consecutive year, our participation in the **"Adopt a School"** project was confirmed. This initiative, promoted by Altagamma, aims to introduce young people in the Florence area to the trades centered around Made in Italy and Italian craftsmanship, with a view to raising their awareness of the professional opportunities offered by this sector. The project, carried out in collaboration with the **Istituto Cellini Tornabuoni in Florence**, has been rede-

signed and expanded with the aim of complementing the Leather Goods sector with that of Clothing. This edition involved 18 female students who undertook a six-month training program comprising classroom lessons and workshops led by our colleagues from the two product areas, culminating in a one-month work placement within the Handbag Pattern-making Department and our Clothing Atelier.

As part of our global initiatives aimed at young people and employee engagement, the award ceremony for the fourth edition of the **"Wanda Ferragamo Scholarship"** was held at our Florence headquarters in December 2025, attended by Chairman Leonardo Ferragamo and other members of the Ferragamo family. For Wanda Ferragamo, investing in young people and giving them opportunities to grow and prove themselves has always been a fundamental value that she has passed on to the company. To nurture this culture and promote research and the development of knowledge, the Group has given the children of all employees worldwide, both in Retail and Corporate, who have completed secondary school or university and wish to continue their studies, the opportunity to apply for the Wanda Ferragamo Scholarship. This year, six students were recognized for their merit, with six scholarships awarded: four in Italy (Corporate and EMEA), one in Spain (EMEA) and one in Mexico (LATAM).

CONNECTION WITH COMMUNITIES

The Group pays particular attention to the communities in which it operates, supporting vulnerable groups and promoting the cultural and creative industries through initiatives that drive social impact, local economic growth and community well-being.

Health and scientific research

During 2025, Salvatore Ferragamo S.p.A. supported a comprehensive program of charitable and cultural initiatives aimed at promoting social wellbeing and enhancing the region's artistic heritage. Among the main charitable projects, a significant contribution was made to the Meyer Foundation for the purchase of an advanced vital signs monitoring system designed for patients aged between 10 and 18, predominantly female. The new equipment enables constant and timely monitoring of clinical conditions, tracking metabolic and cardiovascular instability, particularly in young people suffering from eating disorders, emotional dysregulation and self-harm, and comprises a monitoring center, a wired and wireless data network, four high-end monitors for intensive care and twelve wearable devices for non-invasive monitoring.

Support has also been provided to the Meyer Foundation's Paediatric Hospital Psychology Service, which operates thanks to the commitment of eight psychotherapists and offers specialized care to children, adolescents and their families throughout their treatment journey, delivering over 8,700 services annually, including clinical consultations for both in-patient and out-patient care, with the aim of preventing or reducing the psychological consequences associated with illness and hospitalization.

In 2025, support was provided to Dance for Oncology, the first Italian non-profit organization offering free dance programs to cancer patients, mostly women, with a contribution derived from the savings made by not printing Christmas cards, enabling the organization to expand its activities, which currently reach around 200 patients in over 40 dance schools across Italy, including Florence and Milan, in collaboration with the Italian Association of Medical Oncology.

In 2025, a new edition of Corri la Vita was held in Florence, a fundraising event created with the aim of helping to establish and improve public healthcare facilities in Florence specializing in the fight against breast cancer, through psychological care, physical and social rehabilitation, prevention, training and palliative care. The event saw the involvement of the entire region, with routes of varying difficulty levels and cultural destinations scattered throughout the city and its surroundings. Salvatore Ferragamo S.p.A. was the main sponsor of the event, donating around 40,000 T-shirts. Throughout the year, a close network of partnerships was maintained with numerous charitable organizations, through the donation of products for charity markets, auctions and fundraising events, involving organizations such as the Meyer Foundation, UN Women Italy, Dance for Oncology, the Telethon Foundation Committee, Trisomia21, Fondazione Ant Italia Onlus, Associazione Fiorenzo Fratini, San Patrignano, Fondazione Careggi Onlus and many other local and interna-

tional organizations dedicated to supporting children, women, patients and people in vulnerable situations.

In the United States, the Group has supported the Italian American Cancer Foundation, which is committed to supporting the fight against cancer through research and patient care; Feeding America, a non-profit organization that supports more than 46 million people through food drives and soup kitchens; and Harvesters, a regional food bank serving an area of 27 counties in north-western Missouri and north-eastern Kansas.

For 2026, the Group plans to continue its support for the Meyer Foundation in Florence for research into childhood cancers; for the 'Corri La Vita' event, by supplying around 35,000 T-shirts for the city-wide event, as it has done for over 20 years; for the Telethon Foundation for research and support for families affected by rare diseases; to the Trisomy 21 Association for the promotion of social inclusion of people with Down's syndrome, and to the ANT Foundation with the renewal of the annual membership fee.

Art and Culture
The connection with art has always been an integral part of the brand's DNA, which over time has strengthened its commitment to the promotion and protection of artistic and cultural heritage.

In terms of contributions to culture, the partnership with the Teatro del Maggio Musicale Fiorentino has been consolidated, with employees once again receiving a 25% discount on online ticket purchases valid for all performances in the Theatre's 2025 artistic program. The main event organized in 2025 under the banner of sustainability was the Fashion Pact Steering Committee, hosted at Palazzo Feroni, where members of the Fashion Pact Executive Committee met with the participation of 30–40 CEOs from leading global fashion houses, marking the first time the meeting had been extended to include the most significant brands beyond the organization's members alone.

Furthermore, as every year, in 2025 the Group confirmed its membership of the Fondazione Palazzo Strozzi Partners' Committee through a contribution of €100,000, disbursed in April 2025.

Fondazione Palazzo Strozzi

In the United States, art and culture are also promoted through support for institutions dedicated to ballet and theatre, contributing to the dissemination and enhancement of artistic expression. Among the main initiatives, the Nevada Ballet Theatre stands out, having received funding to support the training of new talent, and the Atlanta Ballet, which, through its Centre for Dance Education (CDE), is dedicated to training young dancers and offers adults a space in which to express their creativity. Support has also been provided to the Historical Society of Palm Beach County, which houses a permanent collection of millions of objects and images relating to the history of Palm Beach County and Florida, and to the Norton Museum of Art, which contains works relating to the history of Chinese, European and American art. Finally, support was also provided to the Statue of Liberty & Ellis Island Foundation for the repair, restoration and maintenance of these two great monuments to freedom and symbols of New York. For the year 2026, initiatives are planned to support local culture and the arts, with a renewed commitment to the Fondazione Palazzo Strozzi and the Teatro del Maggio Musicale Fiorentino. Furthermore, the development of further projects focused on sustainability is planned, to be defined during the course of the year.

Professional and training development
Support for career development goes hand in hand with training, and Salvatore Ferragamo S.p.A. has maintained a constant commitment over the years to stimulating various communities, particularly young people and women, at both educational and professional levels.

Over the past four years, the Group has collaborated with the Ethical Fashion Initiative (EFI), a program of the International Trade Centre (ITC), a United Nations agency dedicated to strengthening the artisanal cotton supply chain in West Africa, which primarily employs female artisan communities. The aim of this multi-year partnership, which includes support from the European Union and its OACPS Business Friendly program, has been the construction of the first cotton

dyeing factory in West Africa, in Ouagadougou, Burkina Faso. The factory, which will be operational in 2026, will strengthen the production capacities of artisans, mainly women, in the dyeing, textile production and trade of Faso Dan Fani, the traditional cotton fabric of Burkina Faso. The Group's donation was allocated to EFI's European partner, MANUSA Cooperativa Sociale, an Italian social enterprise that employs 14 women, 12 of whom are migrants and asylum seekers of various nationalities, mainly African, belonging to vulnerable groups. MANUSA provides support to CABES GIE (*Commerce et Artisanat Pour le Bien-Etre Social - Groupement d'Intérêt Économique*), a social enterprise founded by EFI that brings together 91 production units and 2,400 artisans, mostly women, in Burkina Faso, specializing in the artisanal production of hand-woven Faso Dan Fani. In addition to MANUSA's production of interior decoration items using cotton fabrics produced by CABES, the main services made possible by the Group's donation included the supply of machinery imported from Italy, textile engineering consultancy and additional equipment for the new 1,350-square-metre textile dyeing plant. The plant will produce around 24 tons of dyed yarn per year and create approximately 80 jobs, both direct and indirect, for weavers, dyed yarn retailers, biomass collectors, transporters and operators, textile technicians and engineers, amongst others. Over the coming years, the Group is considering formalizing its commitment in this area through further social impact projects, which will be supported by a robust communication strategy.

In 2025, the Group renewed its annual agreement with the School of Business, which involves the payment of membership fees, enabling the School to pursue its mission of securing a future in the world of work for its students and start-ups.

In the United States too, support for education has included charitable initiatives aimed at promoting learning and growth opportunities for various communities. Among the main organizations supported, the Black North Initiative stands out for its commitment to strengthening academic excellence and leadership among the most deserving Canadian students, facilitating their access to leading universities and combating systemic racism. UNICEF also received significant support to continue its educational activities for children, ensuring their access to education and improving school conditions.
A significant contribution was also made to Dress for Success, which helps women enter the workforce through training and career support programs.

A free six-year academic and leadership development program that supports the most deserving Black students in Canada on their path to top universities and successful careers.

Vulnerable and minority communities
The savings from not printing paper Christmas cards for the year 2024 have been donated to Artemisia, an anti-violence association operating across Italy, founded in Florence in 1991 and dedicated to combating violence against women, children and adolescents, while promoting and safeguarding their rights. The funds will be used, over the coming year, to support women and children's journey towards personal freedom through vouchers for food, medicines, medical appointments, sports courses and the provision of housing to support independence and personal renewal. As every year, the digital greeting card is made available to all Group employees to send greetings to suppliers, customers, friends, family and the press.

The Group is also a founding partner of UN Women Italy, the United Nations body dedicated to gender equality and women's empowerment, to support all women against gender-based violence and promote a culture of respect, awareness and equality. As part of UN Women's Orange the World campaign, employees worldwide were encouraged to wear orange, a color symbolizing hope and a future free from violence against women and girls, with a particular focus on digital violence as a form of abuse that is often hidden.

During the Christmas period, the proceeds from the sale of tickets for the charity raffle organized at the Italian headquarters – which featured Christmas gifts donated by customers and suppliers – enabled the collection of a sum that was doubled with the support of Salvatore Ferragamo S.p.A. and donated in full to the Trisomia21 association. The association, with which the Group has long collaborated, is dedicated to the care and integration of people with Down's syndrome.
In the United States, the protection and support of communities were promoted through initiatives aimed at ensuring inclusion, safety and well-being for all. A notable example is The Lesbian, Gay, Bisexual & Transgender Community Center in New York, which received support

to continue its work in providing resources, services and safe spaces for the LGBTQ+ community. Through programs offering psychological support, education, healthcare and cultural initiatives, this organization helps to strengthen the rights and wellbeing of LGBTQ+ people, promoting a more equitable and inclusive environment. In addition, support was provided to the California Fire Foundation, a non-profit organization founded in 1987 with the aim of providing emotional and financial support to the families of deceased firefighters, active firefighters in California and the communities they protect.

During 2025, there were no human rights-related incidents involving the communities concerned.

FERRAGAMO MUSEUM AND FOUNDATION

The clearest evidence of this commitment to culture and community engagement is the establishment of the Ferragamo Museum and the Ferragamo Foundation, which promote the company's heritage in the local area through a wide range of activities.

Ferragamo Museum

The **Ferragamo Museum**, established in 1995 at Palazzo Spini Feroni in Florence, aims to represent the Group by showcasing its most important and significant aspects, passing on its history with the utmost respect for the brand's identity and fostering an ever-greater sense of belonging through partnerships with other institutions such as schools, universities, associations and cultural bodies. In particular, it aims:

- to promote culture in the company, since it is location with a dynamic memory which is continuously evolving;
- to foster, maintain and promote a sense of belonging to the Company;
- to develop and embed the corporate culture within the local area, society and the community in which it operates, providing conceptual and practical tools to convey stories, memories and insights that are important to the Company;
- to engage with other organizations, not necessarily business-related

In 2025, the Museum cemented its position as a cultural institution of excellence. The major exhibition "Salvatore Ferragamo 1898–1960" marked the centenary of the opening of the first shop in Hollywood in 1923, and due to its great success, the closing date was extended until 6 April 2026. The Museum also supported over 12 prestigious exhibitions at international institutions, including the Cleveland Museum of Art, lending iconic designs such as the 1938 Rainbow and the 1947 Invisible sandal.

On the cultural front, the Museum hosted a series of high-profile talks. On 3 April, Director Stefania Ricci and psychologist Paola Pizza led the discussion '*Il Colore ai Piedi*' on the psychological meanings of colors in footwear, which was repeated on 20 November during the 24th Corporate Culture Week. On 15 November, a talk on the life of Wanda Ferragamo was organized at the Diana Theatre in Naples. To mark Taste, the Museum collaborated with Lungarno Collection on a special event featuring a drinks list inspired by Ferragamo recipes.

A key focus was the commitment to accessibility and inclusion. In collaboration with the National Deaf Association, the Museum launched guided tours in Italian Sign Language, organizing three tours with 24 deaf participants. On 28 June, it launched the first tactile tour of the exhibition for blind and visually impaired visitors, introducing an accessible audio guide in Dolby Atmos® linked to the Bloomberg Connects app, and installing a tactile floor plan at the entrance. In 2025, two tactile tours were organized with 25 participants.

On the digital front, on 25 March the Museum launched a Vimeo channel as a digital archive featuring previously unseen content, interviews with curators and immersive experiences. All the exhibition's content was made available on Bloomberg Connects, enabling a broader and more inclusive experience.

Ferragamo Foundation

Educational activities were a key pillar. The Foundation and the Museum ran two educational programs in 17 schools, involving 1,477 pupils across 79 classes. The Museum took part in the City of Florence's "*Le Chiavi della Città*" initiative, organizing six visits for 131 children, and ran family-focused events such as a visit from the Befana, Mother's Day with Polaroid gifts, and participation in F@Mu with 53 attendees. In 2025, five induction sessions were held for new recruits, attended by 85 participants.

Special events enriched the cultural offering. On 4 February, the Museum presented a theatrical narrative on the relationship between Salvatore Ferragamo and the Futurist movement. On 17 May, it took part in European Museum Night, attracting 284 visitors. On 18 May, Sky Classica broadcast a special program dedicated to the Museum's 30th anniversary. On 19 November, the Museum launched a two-part podcast on Spotify and Apple Podcasts about the life of Wanda Ferragamo. From 1 to 6 December, it took part in Business of Design Week 2025 in Hong Kong, with talks on the history of Ferragamo and lectures at the Hong Kong Design School and The Hong Kong Polytechnic University.

In 2025, the Museum took part in 26 conferences and events at prestigious institutions, presenting the Museum's history and activities. It recorded 59,422 visitors, with total takings of €290,643 (€267,609 from ticket sales and €23,034 from the bookshop). A total of 515 publications were sold: 246 exhibition catalogues, 228 copies of the autobiography '*Il calzolaio dei sogni*' and 41 copies of the biography '*Nel libro rosso di Tà*'.

The Museum has confirmed its status as Italy's leading green museum, retaining its international ISO 14064 certification for CO_2 emissions and its ISO 20121 certification for sustainable event management. In 2026, the Museum will be working on the development of a new exhibition project, scheduled to open in the spring, on updating the Wikipedia entries dedicated to Salvatore Ferragamo and Wanda Ferragamo, and on the publication of a podcast on the history of Wanda Ferragamo in Italian, in collaboration with Chora Media.

FERRAGAMO

In 2025, the **Ferragamo Foundation**[71] consolidated its role as an institution dedicated to promoting the company's heritage through a comprehensive program of visits, educational activities, and research and cataloguing initiatives. During the year, 152 visits were organized to the company archive and the production department in Manovia, with a total of 1,400 participants, comprising induction sessions for new recruits, research visits by the style departments, brand experience tours and special openings during events such as Archivissima and AprItiModa. The Foundation organized a visit to the archive specifically for people with disabilities in collaboration with the National Association for the Deaf and launched the *"Archivio in Famiglia"* initiative for employees and their families, enriched by educational workshops such as "Sustainable Atelier – The Shoe".

Educational activities have been a cornerstone of the Foundation's mission. The series of talks in secondary schools offered two educational programs on 'Women and society: past and present' and 'An Italian story: The Shoemaker of Dreams', running 27 sessions across 17 schools in 2025, involving 1,477 pupils in 79 classes. The Foundation took part in the City of Florence's "*Le Chiavi della Città*" project with 6 visits and 131 children, participated in F@Mu with 53 participants, and organized 45 educational workshops with 750 participants, including creative workshops and partnerships with Manifattura Tabacchi. For PCTO projects, it continued *"Archivio d'Impresa"* with 121 students who produced 2,009 catalogue entries, and joined Museimpresa's *"A scuola d'impresa"*, producing a multilingual short guide that received a special mention.

On the communications front, the Foundation launched "*Pillole d'archivio*" on Instagram in collaboration with the creative agency WRÅD, where Matteo Ward and Stefania Ricci discuss topics relating to Ferragamo's heritage. It also collaborated with Istituto Marangoni Florence on a four-part podcast about the exhibition "Salvatore Ferragamo 1898–1960", covering curation, graphic design, exhibition design and photography.

As for archive management, the collections grew by 646 items in 2025. The archive currently holds over 750,000 catalogued items: 15,196 shoes, 1,796 bags, 5,508 garments, 2,865 scarves, 5,865 ties, as well as jewelry, silk accessories and manufacturing components. During the year, 2,123 photographs were taken for digitization and 22,463 records were catalogued, including 850 shoes, 3,461 photographs and 17,383 press clippings. The Foundation handled 272 research requests from internal departments and external scholars, 426 internal loans, provided support for 14 exhibitions featuring 78 Ferragamo loans, conducted 80 research projects for donations and acquisitions, and supported 14 undergraduates and PhD students.

The Foundation reaffirmed its commitment to supporting emerging talent through the ITS Fondazione Ferragamo Award, awarding a €7,000 prize to designer Yifan Yu for the 'Druid' project, dedicated to sustainable materials and innovative leather goods. In 2026, it will continue its archive cataloguing and digitization activities, student residencies with IULM, the production of short films with the Centro Sperimentale di Cinematografia, and participation in educational projects such as the Cologni Foundation's "*Mestieri d'arte*", thereby confirming its role as custodian of cultural heritage and promoter of excellence in the Italian fashion and craftsmanship sector.

The main expenses incurred for the implementation of the actions mentioned throughout this chapter are set out in the following table[72]:

Activity	Capex	Opex
Value distributed to the communities[73]		1,167,297.58€

[71] The Ferragamo Foundation is not included in the CSRD reporting scope. The activities it promotes are reported because Salvatore Ferragamo S.p.A. is its founding member.
[72] The annual financial resources allocated to the action plan for future years are at least in line with the current figures set out in these financial statements.
[73] This amount is an integral part of the item "Other operating costs" in the Income Statement of the Consolidated Financial Statements of Salvatore Ferragamo S.p.A.

ESRS S3-5: Objectives relating to the management of significant negative impacts, the enhancement of positive impacts, and the management of significant risks and opportunities

The objective set out in the section "*ESRS 2 – SBM-1: Strategy, business model and value chain*", relating to the communities concerned, is as follows:

ESG building block	ID	Target	Timing
Creating value for global communities	14	Strengthen our positive social impact on communities	2027

The objective "Strengthening our positive impact on communities" forms an integral part of the 2026–2027 Sustainability Plan, approved by the Board of Directors on 18 December 2025, and is aligned with the United Nations Sustainable Development Goals (SDGs), European ESG standards and the Group's policies set out in the section *"ESRS S3-1: Policies relating to affected communities*". The target is qualitative in nature and aims to strengthen the Group's positive social impact on local communities globally. The objective covers the Group's direct activities and the involvement of the local communities in which it operates, without geographical limitations.

The baseline year is 2024, and the implementation period extends to 2027, in line with the Sustainability Plan, the progress of which is monitored through the activities described in the section "E*SRS S3-4 Actions addressing significant impacts on affected communities and approaches to manage significant risks and pursue significant opportunities for affected communities, as well as the effectiveness of such actions*". The methodology used to define the objective is based on an analysis of the needs of local communities and existing social initiatives, employing social impact metrics and qualitative assessment tools. Although the objective is not directly based on definitive scientific data, it is structured in accordance with international best practices and reference standards in the field of sustainable development.

The process of defining the objective involved a range of stakeholders, including local communities, government bodies, NGOs and business representatives, through consultations and co-design initiatives.

Entity-specific KPI: Brand Experience

As part of its double materiality process, the Group has identified a positive impact and an opportunity not associated with the topics and sub-topics presented by the ESRS, included under the 'Brand Experience' theme, namely: *Promotion of 'Made in Italy', Italian craftsmanship and creativity, with direct and indirect benefits for the global positioning of Italian industry and the related fabric and footwear sector; Development of new services and products through innovation and research and development, which may lead to increased revenue through new solutions to adaptation needs.*

The identified opportunity represents a key strategic factor not only for the Group, but also for the sector to which it belongs. The ability to anticipate and respond to adaptation needs enables the Group to strengthen its competitiveness and resilience, combining economic performance, environmental responsibility and long-term value creation.

The positive impact is cross-cutting in nature; specifically, it relates to its own supply chain but also has repercussions on the communities in which it operates and with which it maintains commercial relationships. The relationship with these Italian artisan businesses is one of the cornerstones of the corporate strategy[74], which aims to promote *Made in Italy* through direct support (where they are suppliers) and indirect support (through the positive impact these artisans have in passing on know-how and the well-being of the communities where they operate).

Issues relating to Brand Experience are addressed within the Supplier Code of Conduct, which serves as the primary tool through which the Group governs its supply chain, ensuring the maintenance of high standards in terms of quality, sustainability and alignment with corporate values. In this context, Brand Experience embodies the Group's commitment to conveying the principles and values that characterize the brand's identity and, consequently, the end customer's experience. For further details on the Supplier Code of Conduct, please refer to the chapter "*ESRS S2-1: Policies relating to workers in the value chain*".

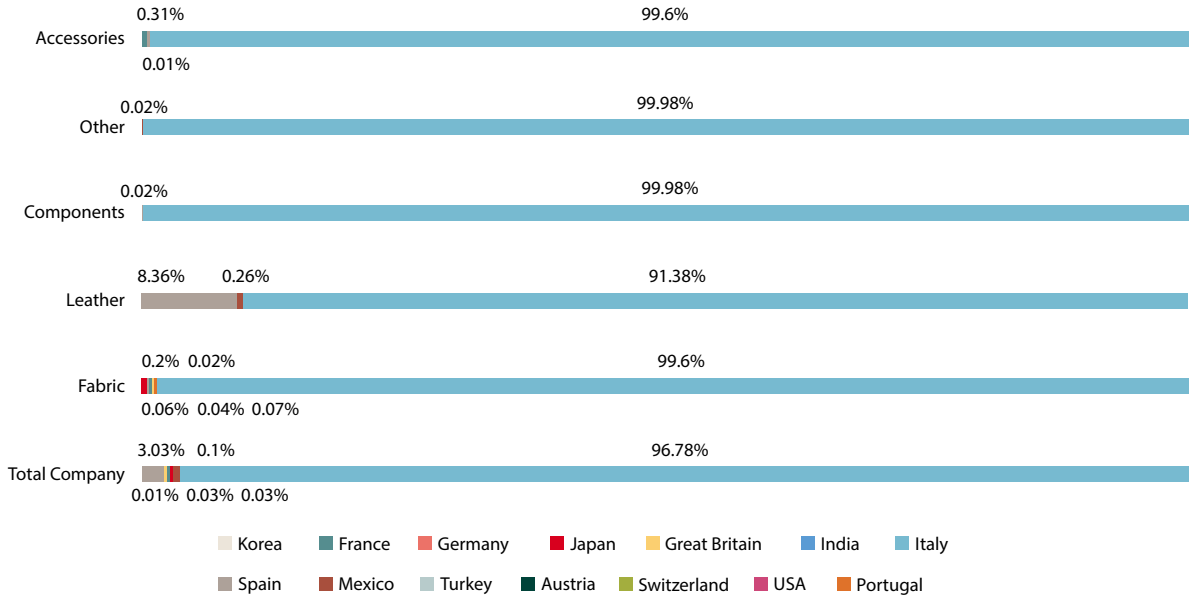
[74] Therefore, action plans dedicated to the Brand Experience are not specified since it is already a founding element of the Group's business model.

To highlight this contribution, the Group has identified a metric relating to the proportion of expenditure on local suppliers, as this allows it to highlight the network of commercial relationships across Tuscany and Italy that the Group has built up over the years.

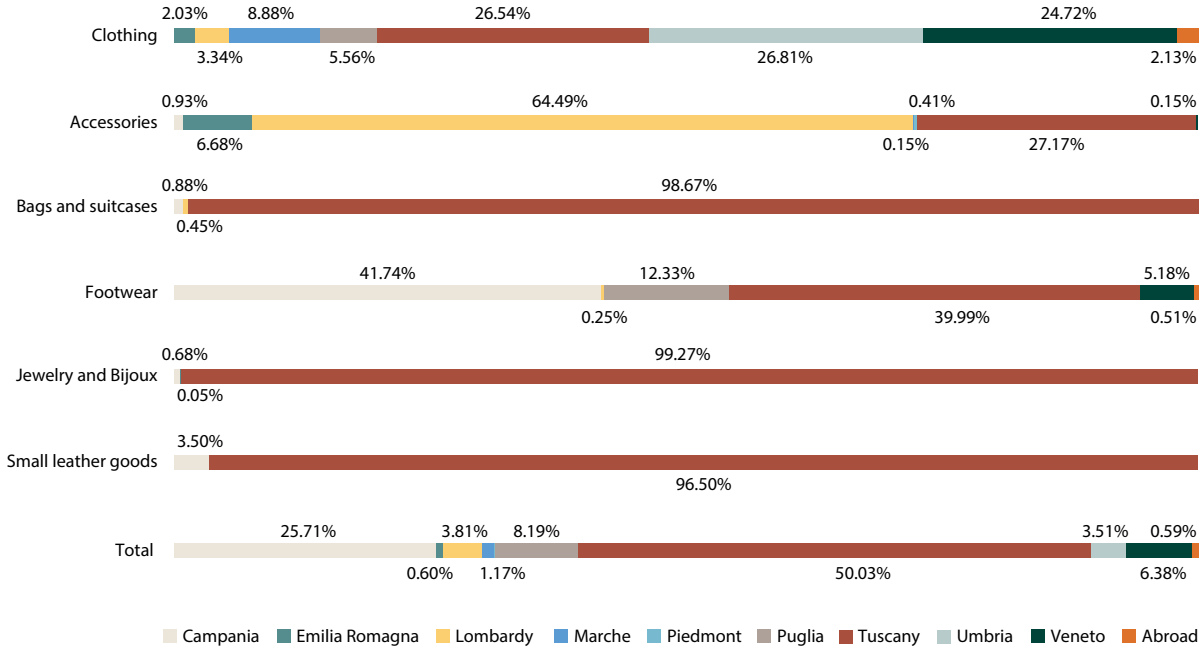
The Group relies on a procurement structure with a high level of technical expertise and works with long-established companies, with whom it has established an ongoing collaborative relationship. Within this framework, the Group's strong ties to the local area remain evident, with approximately 97% of supplier turnover in 2025 coming from Italian suppliers. In this context, Tuscan suppliers of finished products accounted for 50.03% of turnover from finished product manufacturing, while suppliers of finished products from Campania accounted for 25.71%; the remainder is allocated to other Italian regions[75].

[75] The following methodology was used to calculate the metric presented: the geographical position of local suppliers was considered, then they were clustered by Italian region, defining the total expenditure allocated to each of the clusters. This total was then compared to the total for processing category so as to determine the percentage of expenditure allocated to each region by processing category.

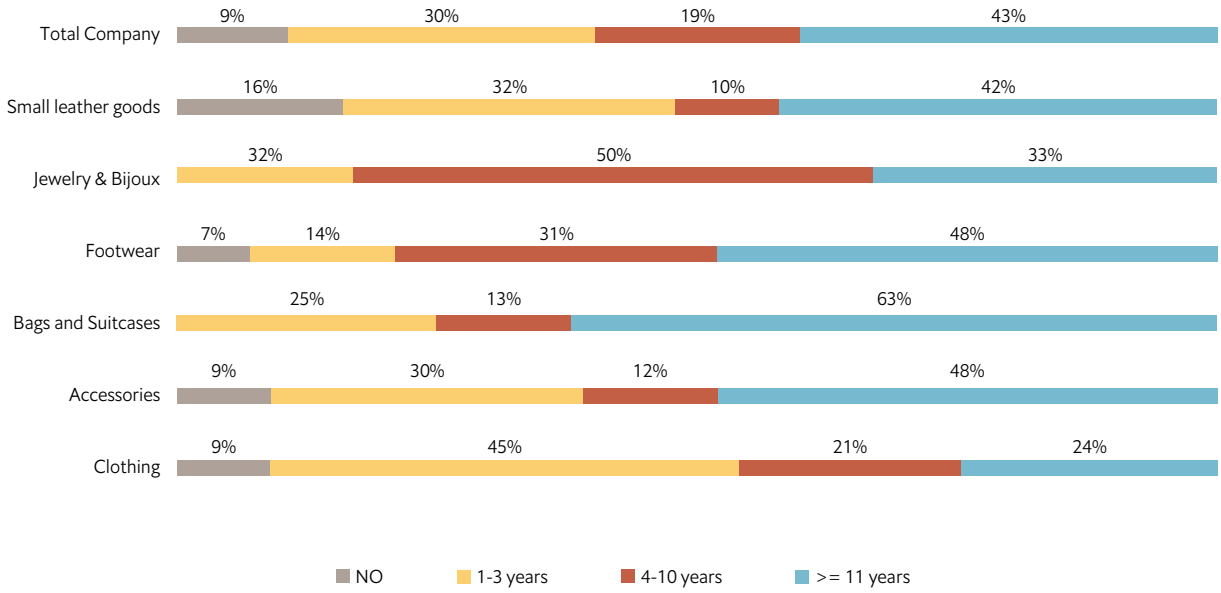
Geographical breakdown of raw material suppliers by country and sector - 2025



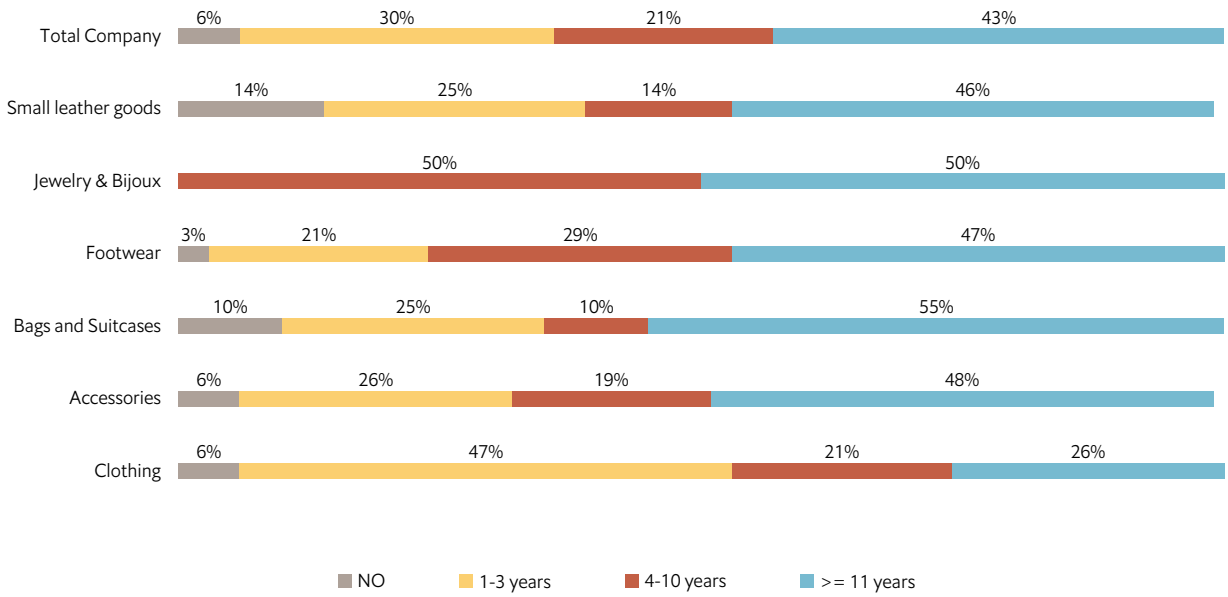
Geographical distribution of Italian suppliers of finished product by sector - 2025



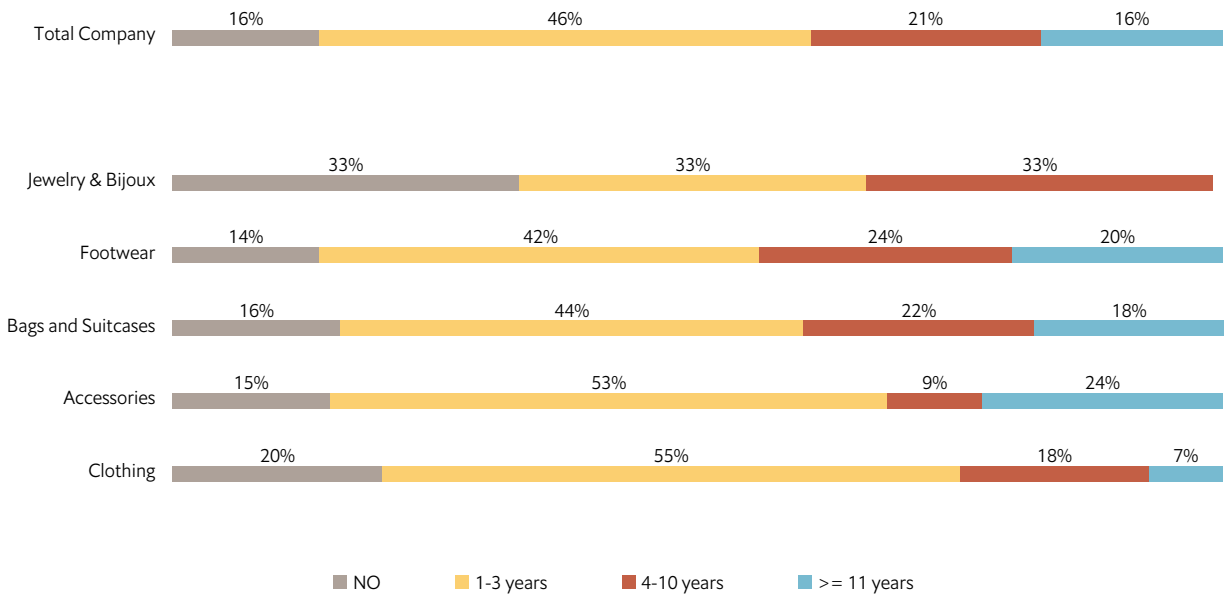
Continuity of collaboration with finished product suppliers by sector - 2025



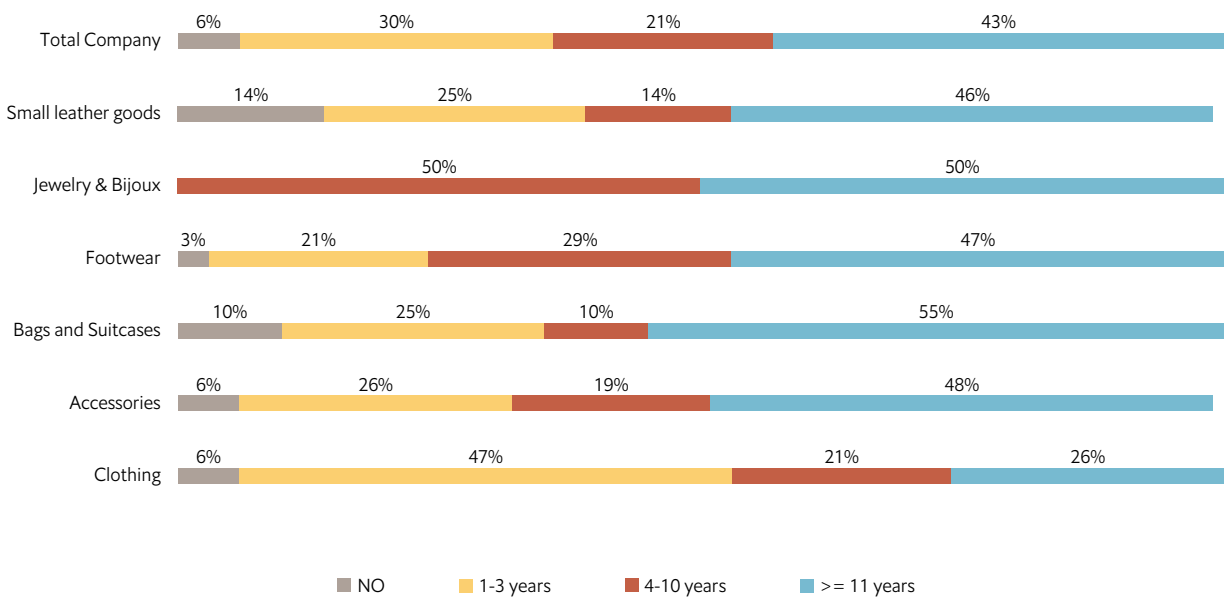
Continuity of collaboration with finished product suppliers by sector - 2024



Continuity of collaboration with materials suppliers by sector - 2025



Continuity of collaboration with materials suppliers by sector - 2024



The selection and retention of external finished product suppliers is a key factor for the Brand, primarily with a view to maintaining the high-quality standards of its products while preserving Ferragamo's vast wealth of know-how, built up over many years of activity. The retention of external production facilities has historically been ensured by the continuity of collaboration, the high level of exchange of information and expertise between the Group and finished product suppliers, and a high degree of specialization in products and processes. This integration is supported by an IT system that connects the main workshops with the Group, enabling the sharing of production and logistics progress, the verification of raw material availability at the finished product suppliers' warehouses, and the optimal planning of the various stages of production and the procurement of raw materials and components. Furthermore, by signing an undertaking to respect brand protection, the Group prohibits finished product suppliers from selling the brand's products to third parties.

ESRS S4 - CONSUMERS AND END USERS

S4-SBM-3 Material impacts, risks and opportunities, and their interaction with the company's strategy and business model

As part of its double materiality process, the Group has identified an impact relating to consumers and end users: *Full customer satisfaction in terms of product quality and the shopping experience*. This positive impact lies at the heart of the company's strategy, which aims to satisfy its customers through high-quality garments and services, while supporting Italian manufacturing and the craftsmanship that distinguishes our region worldwide.
The risks identified, on the other hand, are:

- Reputational damage caused by the misconduct of brand ambassadors and influencers;
- Ineffective ESG and brand communications
- Cyber-attacks, breaches or unauthorized access to corporate IT systems could compromise the availability, confidentiality and integrity of data, as well as lead to operational disruption of the systems

By identifying these risks, the Group has, over the years, put measures in place to prevent such situations from arising in its operations, ensuring that staff responsible for these controls receive appropriate training.

In line with the reporting standard, the Group has identified, among the categories potentially affected by its activities, consumers and end-users who require accurate, clear and accessible information on products – such as manuals, labels and other instructions for use – in order to prevent improper or potentially harmful use. This category has been deemed particularly relevant in light of the risks typically associated with the Fashion and Luxury sector, where transparency, the accuracy of information and product safety play a central role. The identified impacts are, in fact, largely common to the Group's sector, which adopts specific initiatives and safeguards to ensure transparent and responsible communication on these aspects.

ESRS S4-1: Policies relating to consumers and end-users

The policies implemented for the benefit of consumers and end-users aim to ensure the quality of the Group's products and the information it provides externally. In this regard, Salvatore Ferragamo S.p.A.'s **Responsible Communication and Marketing Policy** is committed to ensuring transparency, honesty, accountability and fairness in communications, actively engaging stakeholders to improve communication and sustainability. It aims to minimize environmental impact and promote sustainability, avoiding misleading practices such as greenwashing. The monitoring process includes internal verification of claims and ongoing employee training. The Policy, available on the Ferragamo Sustainability website, applies to corporate bodies, employees and anyone acting in the name and on behalf of the Group, involving internal stakeholders (employees, suppliers, shareholders) and external stakeholders (customers, NGOs, government bodies). The Board of Directors of Salvatore Ferragamo S.p.A. is responsible for approving the policy. The Policy refers to national and international regulations, including European Union agreements such as the European Green Deal and directives on corporate sustainability.

In line with international best practices and in full compliance with applicable legislation, the Group has implemented a reporting system aimed at preventing and combating conduct that is unlawful or contrary to the

principles and rules set out in its organizational models, Code of Ethics and corporate policies, whilst maintaining the confidentiality of whistleblowers and all other protected parties, safeguarding them from the risk of possible retaliation, in full compliance with all applicable legal provisions.

Furthermore, the Salvatore Ferragamo Group has adopted a comprehensive set of policies and procedures to protect the online and offline privacy of its consumers and suppliers. In particular, the Group has:

- A **Privacy Policy** published on all the Company's websites, which aims to help users understand how the Group processes data. The Privacy Policy has been drawn up in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (GDPR), as well as the applicable regulations in all countries in which the Salvatore Ferragamo Group operates;
- A **Cookie Policy**, which forms an integral part of the Privacy Policy and is designed to explain how the Group uses cookies;
- **data protection guidelines** to raise awareness among employees and contractors of the importance of properly managing the personal data of all consumers and suppliers who contribute to the company's assets, as well as to provide recommendations and guidance on the matter. The guidelines apply to all processing of personal data carried out by the Group in the course of its business activities, regardless of whether such processing takes place on paper and/or using automated tools.
- a **Data Breach Management Procedure** in order to manage any security breaches that could result in the accidental or unlawful access, destruction, loss, alteration and/or unauthorized disclosure of personal data transmitted, stored or otherwise processed by the Group or on its behalf, thereby compromising the security, integrity and availability of personal data. The GDPR, pursuant to Articles 33 and 34, governs the obligations of the Data Controller in the event of a data breach, which may require notification to the Data Protection Authority within seventy-two (72) hours of the discovery of the incident and communication to the data subjects affected by the breach.
- a **Procedure for Managing Data Subjects' Rights**, in order to process requests from data subjects concerning the exercise of their rights under, inter alia, the GDPR and, in particular, the right of access, the right to rectification, the right to erasure, the right to restriction of processing, the right to data portability and the right to object, as provided for by the GDPR.
- a Privacy Policy on video surveillance published on the Group's website and accessible at every office or store of the Group, and aimed at letting all the consumers know about the presence of a video surveillance system installed in order to guarantee the protection of corporate assets in the case of theft or damage to them, the people present (employees, visitors and customers) and against possible dangerous events as a consequence of workplace accidents or against other unpredictable events which can create prejudice to people's security and safety.
- a **Whistleblowing privacy policy**, setting out how the Group processes the personal data of the whistleblower, the person reported and any third parties in the context of managing the process for reporting unlawful conduct; for further information, please refer to the chapter "*ESRS S1-3 Processes to address adverse impacts and channels enabling own workers to raise concerns*".

In accordance with current legislation and with a view to ensuring accountability, a **Data Protection Organizational Framework** has been established, centered on the following roles:

- Data Controller, a party designated directly by law, which determines the methods and purposes of the processing of personal data. The Data Controller is the Company, namely Salvatore Ferragamo S.p.A. and/or one or more of the other companies within the Group;
- Persons authorized to process data, namely all employees who, within the limits of their respective roles, carry out processing operations on personal data necessary for the performance of the duties entrusted to them;
- System administrators (as referred to in the Provision of the Italian Data Protection Authority of 27 November 2008 – 'Measures and precautions prescribed for data controllers carrying out processing using electronic means regarding the assignment of system administrator functions'), individuals responsible for the management and maintenance of processing systems used to process personal data. System Administrators manage

technical activities such as the organization of network flows, the management of storage media, the implementation of effective disaster recovery procedures, and the control and blocking of access (firewalls), overseeing the management of authentication credentials assigned to authorized personnel and network users;

- Data Protection Officer, a natural person appointed by the Data Controller, who acts independently and with professional competence and reports directly to the company's senior management; possesses specialist knowledge of data protection legislation and practices to monitor compliance with data protection regulations and provide information and advice to the Data Controller; acts as the point of contact for data subjects, as well as the point of contact with the Supervisory Authority;
- Data Processors: a natural or legal person, public authority, agency or other body that processes personal data on behalf of the Data Controller. This applies in all cases where the Company has contractual relationships with third parties (usually its suppliers) that provide for or involve the processing of personal data on behalf of the Company. In such cases, the Company, as the Data Controller, and the supplier, as the External Data Processor, enter into a specific data protection agreement (DPA), which sets out the appropriate technical and organizational measures to ensure the protection of Personal Data and the safeguarding of the rights of Data Subjects in accordance with Article 28 of the GDPR.

The Group is committed to safeguarding the personal data of its customers, employees and suppliers ("data subjects"), ensuring that the personal information collected is adequately protected in accordance with the principles and provisions of current legislation, preventing any improper or unauthorized use, and safeguarding the dignity, reputation and privacy of every person who has dealings with the Group. The Group is committed to complying with the general principles governing the protection of personal data and, in particular, the principles of lawfulness, fairness, transparency, purpose limitation, relevance, time limitation, data minimization, accuracy, integrity and confidentiality.

Through the publication of its privacy policy, the Group provides information regarding the type of data collected, the intended use of such data and the means by which data subjects may contact the Group to obtain information and safeguard their rights. Personal data is collected and stored only where necessary for identified, explicit and legitimate purposes, and is retained for the time strictly necessary for the purpose for which it was collected.

The Group provides information regarding the protection of personal data in a comprehensible and easily accessible form, using plain language and paying attention to the accessibility needs of people (consumers and suppliers) with disabilities.

The Group protects the privacy of all consumers and suppliers by ensuring that commercial practices relating to the collection and use of data are lawful, transparent and fair, and allow for consumer participation and choice, while taking all reasonable measures to ensure the protection of personal data collected, stored, processed or disclosed.

For further information, please refer to the privacy policy published on the Group's website (https://www.ferragamo.com/shop/ita/it).

During 2025, no breaches of the UN Guiding Principles on Business and Human Rights or the OECD Guidelines for Multinational Enterprises relating to consumers and end-users were identified. Furthermore, it should be noted that the Salvatore Ferragamo Group did not suffer any data breaches during 2025.

ESRS S4-2: Processes for engaging with consumers and end-users about impacts

Salvatore Ferragamo S.p.A. adopts a structured and centralized approach to involving consumers and end-users in managing the impacts, in accordance with current data protection regulations. The engagement framework, developed by the Global Customer Experience HQ and implemented locally by regional teams through various digital and physical touchpoints, is designed to interact with customers and prospects who have given their consent to the processing of their personal data for marketing and/or profiling activities. The collection of customer and prospect data takes place predominantly digitally through direct physical points of sale (shops and outlets) and e-commerce.

The engagement process is structured across three levels: personalized 1-to-1 interactions, conducted by so-called Preferred Client Advisors via the "ClienTiAmo" clienteling application and through the channels selected by the customer; targeted 1-to-few activities, such as local or global events; and 1-to-many communication campaigns, such as newsletters, via digital platforms such as Salesforce Marketing Cloud (SFMC). The frequency and type of engagement are planned centrally and vary according to the type of touchpoint: newsletters are sent on average twice a week, events follow the marketing calendar, while 1:1 clienteling varies depending on the relationship with the customer. It should be noted that these activities are carried out in accordance with the consent given by users/consumers.

The management of these activities is entrusted to the Global Customer Experience division, which collaborates with regional representatives under the supervision of management to ensure that engagement results guide business decisions.

In general, the Group aims to enhance the customer experience through the systematic collection of feedback, both directly during events and via local teams dedicated to customer management. The effectiveness of the aforementioned initiatives is monitored via predefined KPIs, dashboards and reports, with particular focus on retention and acquisition programs. '1-to-few' activations are monitored and analyzed on a monthly basis by HQ teams and shared with the regions and management. Each analysis provides an opportunity to identify the activities that have performed best, based on KPIs, and which can be shared as best practice. Personalized 1-to-1 interactions and 1-to-many activities (email campaigns and customer journey campaigns) are instead monitored via dashboards accessible at HQ level and by regional teams.

Furthermore, the NPS/Voice of Customers project, which involves customer service teams contacting detractors, provides in-depth insights into satisfaction and purchasing behavior, enabling the HQ team to share best practices and detailed analyses of the underlying reasons for hesitation to purchase with the regions on a monthly basis, thereby allowing for the development of targeted strategies.

To ensure inclusivity, Salvatore Ferragamo S.p.A., while always complying with current privacy regulations, takes into account the perspectives of vulnerable or marginalized consumers to minimize any negative impact on these groups.

ESRS S4-3: Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Salvatore Ferragamo S.p.A. has adopted a structured and formalized system to manage any material adverse impacts caused by, or to which the company has contributed, in relation to consumers and end users, ensuring a timely and transparent complaints-handling process. Furthermore, it guarantees the right to request the restriction of the processing of Personal Data for all consumers and suppliers and to receive the Personal Data they have provided to Ferragamo in a structured, commonly used and machine-readable format. The channel set up to exercise the right to access one's personal data, have it corrected or deleted, object to the processing of data or impose restrictions is the email address privacy@ferragamo.com, which is managed by the Data Protection Officer (DPO). More generally, this channel may be used by anyone wishing to raise concerns regarding privacy.

To report breaches of the law or conduct contrary to the Code of Ethics, procedures, or the Group's organizational models, an internal reporting channel has been implemented which also guarantees the confidentiality of whistleblowers; it can be accessed via the following link: https://salvatore-ferragamo.integrityplatform.org/

Furthermore, all end consumers may contact the global email address customercare@sf.ferragamo.com, accessible in multiple languages via the Ferragamo.com website on every product page and in the "Contact Us" section, to report any issues. Reports are promptly forwarded to the relevant departments; in particular, where they concern the product, they are forwarded to the Quality Department for appropriate checks and assessments. This department is responsible for analyzing the nature of the problem and, where necessary, carrying out in-depth tests to identify the most appropriate solutions. Based on the results obtained, Customer Care informs the customer of progress and subsequent actions. The same sections of the website also list the telephone numbers for each country/region that consumers can contact to obtain comprehensive support.

The effectiveness of these mechanisms is monitored through monthly analyses that examine the volume of complaints, the reasons behind them, the channels used and the geographical distribution, enabling continuous process improvement and providing strategic information to internal stakeholders.

With the aim of ensuring maximum customer understanding and satisfaction in every situation, the Group is committed to ensuring that its sales staff are able to convey the same customer focus and passion for craftsmanship and quality that characterize the Group. In this regard, the retail training program focuses on the importance of customer relations and the training of store managers and sales assistants.

ESRS S4-4: Taking action on material impacts on consumers and end-users and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

Salvatore Ferragamo S.p.A. has always sought to ensure artisanal excellence in its creations, offering a rewarding shopping experience to its customers. The Group continues to pursue numerous initiatives focused on listening to, communicating with and satisfying customers, adopting a customer-centric strategy that enables it to anticipate the needs of current and prospective customers with the aim of creating long-term value.

During the year, the Group implemented a series of measures to enhance the experience of consumers and end-users, while preventing and mitigating any negative impacts. In particular, the Group launched numerous exclusive and immersive experiences, in-store and online events, and pampering moments through a gifting scheme featuring products not available for purchase in-store. In this context, new projects were developed with a direct impact on client retention and client acquisition, building on initiatives already successfully launched and implementing new strategies to strengthen the bond with customers and attract new consumers. For example, in 2025 the "Money Can't Buy" program was launched, centered on the fashion show experience and the brand experience and inspired by the brand's locations in the city of Florence. Within the program, certain activities were adapted to reach a wider audience while safeguarding exclusivity and keeping costs down, such as the remote showroom for taking pre-orders for the collection, a service offered to end customers via a direct link to the showroom in Italy. The project, integrated with the in-store activation and gifting program and specifically tailored to various customer segments, achieved significant success, measured through KPIs such as ROI (above 3) and qualitative feedback. These indicators were also used to measure the effectiveness of the CEX program, which also focused on Client Retention and Client Acquisition. This program involved organizing in-store events in the main boutiques across the region with the aim of generating footfall and creating opportunities to strengthen relationships with the retail team and the brand.

To improve service quality and address any critical issues, the Net Promoter System/Voice of Customers framework was enhanced with a monthly communication sent to key stakeholders regarding advocacy levels and the strengths and areas for improvement highlighted by customers.

In 2024, the roadmap for the Clienteling app (ClientiAmo) was completed; this digital infrastructure enabled more direct and personalized interaction with customers through the digitization of data collection and data enrichment. This process, as examined in the section "*ESRS S4-3: Processes to address negative impacts and channels enabling consumers and end-users to raise concerns*", was accompanied by paper-based backup tools, in order to comply with local regulations and meet customer preferences. In 2025, the ClientiAmo app generated significant results, with the implementation of new features, the creation of a community of store super users who test new features and report on processes for improvement, and a survey aimed at client advisors to support onboarding to clienteling processes and tools. The improvements made led to a substantial increase in performance: influenced sales grew compared to the previous year, the conversion rate reached 9.6% and the average spend per customer rose from €1,233 in 2024 to €1,312 in 2025, highlighting customer engagement and the re-engagement of dormant contacts through optimized communication strategies.

In terms of communication, the Group has strengthened its email campaign strategy by introducing new

customer journeys and a more granular method of analyzing results aimed at understanding how users engage with communications. The performance of the email campaign strategy for 2025 recorded a significant 31% year-on-year increase in influenced revenues, while email open rates rose by 47.3%, marking a substantial improvement compared to 2024 when the open rate had increased by 5 percentage points.

To ensure the effectiveness of the initiatives, clear KPIs were defined, including Overall Satisfaction (OSAT), which measures customer satisfaction, and the Net Promoter Score (NPS), which indicates a recommendation rate. In 2025, both indices recorded very positive results, in line with the previous year (OSAT at 9.6 and NPS at 88). These figures demonstrate the success of the strategies adopted to improve the consumer experience and strengthen loyalty.

The theme of sustainability is explored on the website sustainability.ferragamo.com, which details the Group's social and environmental sustainability initiatives, its commitment and objectives for the future, taking the public on a journey through tradition and innovation to discover the brand's sustainable culture.
The experience on this website is made inclusive and global thanks to optimization for all devices and the site's availability in eight languages. Digital initiatives have also involved social media, the use of which allows for further customer engagement and ensures a comprehensive brand experience. As with 2023 and 2024, numerous digital initiatives were launched in 2025 across major platforms such as Instagram, Facebook, Twitter, Pinterest, YouTube, Weibo, WeChat, LINE and TikTok, with the aim of strengthening brand and product identity through creativity and diversity. The website will be updated and revamped during 2025 to align it with the brand's strategic positioning on sustainability communication.

During 2025, a project was launched to develop AI-supported purchase propensity models to optimize targeting and outreach activities. For 1-to-many activities via email campaigns, new customer journeys dedicated to anti-churn and win-back were launched, alongside a review of the current welcome email for both the primary channel and e-commerce, with the aim of enhancing the brand experience.

The newsletter development process is subject to continuous evaluation and optimization, with the aim of making them more efficient, consistent with the marketing plan and capable of responding promptly to corporate and market demands.

The strategic ambition for 2026, in line with the three-year plan, is to expand the customer base through prospect conversion initiatives, re-engagement of existing customers, third-party acquisition and increasing spending among high-potential customers. The client base development strategy will be supported by a detailed plan of below-the-line activities, including clienteling campaigns, email marketing and in-store initiatives that reflect the global marketing plan and are integrated into the go-to-market strategy. The plan will be monitored in terms of quantitative and qualitative metrics, as well as the level of advocacy generated. In 2026, the performance of the four AI models for purchase propensity – dedicated respectively to prospect conversion, conversion from one-time to multi-time customers, uplift of multi-time customers and product recommendations – will be monitored, as these are applied to all clienteling and email campaign activities.

Over the years, the Group has implemented a series of anti-counterfeiting measures, both online and offline, aimed at protecting its customers and the value of its brands by improving the entire anti-counterfeiting system.

As part of the initiatives promoted for the benefit of customers, the Group utilizes the "Authenticity Tag" system, which protects consumers when purchasing an authentic, Made in Italy Ferragamo product, preventing and limiting the counterfeiting of goods. This traceability project involves the implementation and adoption of a solution based on NFC (Near Field Communication) technology, designed to uniquely identify Ferragamo products. NFC is a radio-frequency technology comprising a chip, which stores data, and an antenna, capable of transmitting that data when prompted by a reader using radio waves; together, the chip and antenna form the so-called Tag. The radio signals sent by the RFID Tag can be read by most common smartphones (equipped with an NFC reader). Inserted into the product at the end of the production phase and activated after quality control, the Tag cannot be counterfeited, as it is based on a unique identification number certified and assigned by the manufacturer. An-

yone with a smartphone equipped with NFC technology can therefore read the Tag, which provides a link to the Group's official website (ferragamo.com). For industry professionals only, however, an app is available that can read certain data stored in the tag's memory, such as the production series code, the manufacturer's code and the collection to which the item belongs. During 2025, the use of the authenticity label was expanded, with the aim of also conveying information regarding product sustainability to the end customer.
In particular, during the financial year, 77% of products received into stock were tagged with the authenticity label.

Furthermore, the Group is working to expand the provision of information to its customers, providing details on the origin of raw materials and the sustainability of products. The aim is to ensure transparency and accurate information for consumers, anticipating EU requirements regarding the Digital Product Passport. During 2025, there were no human rights incidents involving consumers.

The main costs incurred for the implementation of the above-mentioned actions are shown in the following table[76]:

Activity	Capex	Opex
Consumer Transparency[77]	-	19, 520€

ESRS S4-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The objective outlined in section *"ESRS 2 – SBM-1: Strategy, business model and value chain"* related to consumers and end-users is as follows:

ESG building block	ID	Target	Timing
Creating value for global communities	15	Enhance customer information and engagement, growing Ferragamo ESG awareness	2027

This objective is closely linked to the Sustainability Policy and the Responsible Communication and Marketing Policy, in line with the Group's commitment to promoting transparent and effective communication with its end customers. The target forms part of the Group's broader sustainability strategy, with a particular focus on corporate social responsibility and consumer education on sustainability.
To achieve this target, the Group also undertakes to:

- Amplify the narrative linked to heritage, craftsmanship, the product and the founding values of the brand;
- Bring attention to the location of initiatives respecting local values;
- Increase efficiency and the return;
- Guarantee the continuity of experiences and successful initiatives through gradual evolution.

The target is qualitative in nature, with a baseline set for 2024 and a timeframe extending to 2027, in line with the Sustainability Plan. Among the interim targets, specific activities are planned to strengthen clear and transparent communication on ESG issues, providing understandable and valuable information to consumers, as well as initiatives to actively engage stakeholders through dedicated events in retail and online channels to amplify the impact of the Group's ESG and social strategy. Detailed information on ongoing activities relating to this objective is included in the previous section "ESRS S4-4 Actions addressing material impacts on consumers and end-users, approaches to managing material risks and realizing material opportunities in relation to consumers and end-users, and the effectiveness of such actions".

[76] The annual financial resources allocated to the action plan for future years are at least in line with the current figures set out in these financial statements
[77] This amount is an integral part of the item "Intangible assets with a finite useful life" in the Statement of financial position of the Consolidated Financial Statements of Salvatore Ferragamo S.p.A.

The scope of the objective includes all the company's commercial activities, covering both the physical retail network and e-commerce, with consistent ESG communication at a global level. The initiatives focus on creating informative content, immersive customer experiences and responsible marketing strategies.

The Group uses customer insight and feedback analysis tools, including systems to monitor consumer perceptions of the brand and ESG issues. Although the target is qualitative, engagement and awareness strategies will be assessed using specific KPIs, such as the Net Promoter Score (NPS) for ESG initiatives and the level of stakeholder interaction and participation in events and communications.

Any updates to the measurement metrics and data collection tools will be assessed during the defined timeframe to ensure effective measurement of the impact of the activities implemented.

GOVERNANCE INFORMATION

The Fashion Pact

ESG Steering Committee hosted at Palazzo Feroni

Compliance Digital Pathway

100%

departments at risk of corruption

Must undertake the *ad hoc* training programme

95% of payments

Aligned with standard terms

ESRS G1 - Business conduct

ESRS G1-1: Business conduct policies and corporate culture

The Salvatore Ferragamo Group defines and upholds its corporate culture through a structured system of values, ethical principles and governance tools. The corporate culture is formalized in the Group's Code of Ethics, approved by the Company's Board of Directors and applicable to all Group companies, which sets out the principles of ethics, integrity, legality, respect for people and sustainability.

The development of the corporate culture is ensured by the integration of ethical values into the corporate strategy, governance models, the internal control and risk management system, the Organization, Management and Control Model adopted pursuant to Legislative Decree 231/2001, Group policies and procedures, and business management processes, particularly those relating to the management and development of human resources. The promotion of an ethical corporate culture also takes place through internal communication and training activities, the dissemination of corporate policies, and the extension of ethical principles to the supply chain through the sharing of the Code of Ethics and the Supplier Code of Conduct. The effectiveness of the corporate culture is assessed through internal control systems, audit activities, monitoring of reports, reporting to governance bodies, and reporting in sustainability documents.

As already mentioned in previous chapters, the **Code of Ethics** contains the ethical principles and general rules which, like legal, regulatory and contractual provisions, characterize the Group's organization and activities. Divided into three parts (principles and values, rules of conduct and implementation, control and monitoring), the Code sets out ten fundamental principles:

- Protection of Made in Italy
- Centrality of Human Resources
- Moral correctness and integrity
- Legality
- Social value of the undertaking
- Non-discrimination
- Environmental protection
- Confidentiality
- Protection of competition
- Transparency and clarity

The Code of Ethics covers the Group's entire organizational structure, the upstream and downstream value chain, and all key relevant stakeholder groups, regardless of geographical location or contractual relationship. The Ethics Committee, appointed by the Company's Board of Directors, oversees the application and dissemination of the Code, while the heads of each business area ensure compliance by all those operating within their remit. The Code of Ethics is available on the Company's website to ensure public accessibility for all stakeholders. Furthermore, specific contractual clauses are in place that commit suppliers and business partners to sharing and respecting the principles of the Code of Ethics as well as the Supplier Code of Conduct, which is binding on the supply chain.

The Group is constantly committed to promoting a corporate culture inspired by ethics and legality. For this reason, it has adopted an **Anti-Corruption Policy**, which contains specific provisions, prohibitions and rules of conduct aimed at preventing active and passive corruption, with the aim of minimizing the risk of conduct that could be attributed to corrupt practices.

Given that the Group carries out its activities in various countries and jurisdictions, it is subject to compliance with Italian laws and those of the other countries in which it operates, including laws ratifying international conventions that prohibit the bribery of public officials and private-sector corruption, such as:

- the Organization for Economic Co-operation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;
- the United Nations Convention against Corruption;
- the Foreign Corrupt Practices Act (FCPA) enacted in the United States;
- the UK Bribery Act enacted in the United Kingdom.

The Anti-Corruption Policy covers issues such as conflicts of interest, accounts receivable, accounts payable, the management of real estate and premises, dealings with public authorities, facilitation payments, human resources, gifts and entertainment expenses, sponsorship and donations, confidentiality, bookkeeping and the management of cash flows.

The Anti-Corruption Policy applies to corporate bodies, employees, agents and collaborators with whom the Group establishes business relationships or dealings and who, in any capacity and regardless of the type of contractual relationship, act in the name and on behalf of the Group. The rules set out in the Anti-Corruption Policy also extend, in fact, to the value chain, both upstream – through specific provisions for suppliers, consultants and partners regarding verification, selection, contracting and the management of contractual relationships and related payments – and downstream — through the regulation of the sales network and the establishment of rules of conduct and prohibitions regarding sensitive activities relating to the management of relationships and sales to wholesale customers and the associated collections. The definition of the Policy reflects a broad and comprehensive consideration of the interests of the Group's various stakeholders and is designed as a tool to protect the organization and all stakeholders, with an approach that goes beyond mere regulatory compliance. Compliance with the Anti-Corruption Policy is an integral part of the contractual obligations of employees, collaborators and all other addressees. Any breach of this obligation will result in the application of disciplinary sanctions commensurate with the seriousness of the breach.

The Board of Directors demonstrates leadership and commitment with regard to the anti-corruption management system by approving the Anti-Corruption Policy and overseeing its updating and any revisions, as well as by assessing any proposals for amendments or additions from the Ethics Committee or the Regulatory Compliance function, including on the basis of the periodic reports that the actors within the internal control and risk management system submit to the Board of Directors. In this regard, it should be noted that during 2025, the Regulatory Compliance Function launched a project to review and update the Anti-Corruption Policy, aimed, among other things, at incorporating the changes made to the ISO 37001 standard in the new version issued in 2025.

In addition, the Group's Regulatory Compliance Function is responsible for:

- supervising the adoption and dissemination of the Anti-Corruption Policy;
- providing consultancy and guidance to Recipients on the contents of the Anti-Corruption Policy;
- monitoring that it conforms to best practices and local anti-corruption laws;
- reporting to the organization's management about any significant gaps relating to the adoption, dissemination and adequacy of the system to manage the prevention of corruption, in order to allow the adoption of the necessary provisions.

Regular checks are carried out to ensure compliance with the principles and rules of conduct set out in the Anti-Corruption Policy, and to assess their effectiveness and suitability in mitigating the risks of corruption. This activity is carried out, to an extent and at a frequency commensurate with the risk, by the Group's Internal Audit function, in line with the assurance activities on the overall internal control system, or by another function within or outside the organization, which is suitable and possesses the necessary autonomy and independence from the areas subject to review.

All recipients of the Anti-Corruption Policy are required to report attempted, suspected or actual acts of corruption and any other breach of the Anti-Corruption Policy in accordance with the procedures described in the Group's *Whistleblowing Policy*. To this end, dedicated channels of communication with the Ethics Committee have been established via the Whistleblowing system, as well as by email to ethics.committee@ferragamo.com.
In order to ensure adequate prevention of the offences referred to in Legislative Decree No. 231/2001 (hereinafter the "Decree"), which introduced the principle of administrative liability of entities for certain offences committed in the interest or for the benefit of the company itself, by its representatives or employees in senior positions or those subject to their management or supervision, the Company's Board of Directors has adopted its own **Organizational, Management and Control Model** (hereinafter, "231 Model").

The Model identifies two main categories of internal recipients: so-called senior personnel (directors and managers of the Company) and so-called subordinate personnel (Company employees subject to the management of others).

In addition, external parties such as collaborators, consultants and self-employed individuals, as well as suppliers and partners, may also be subject to specific obligations through specific contractual clauses, to the extent that they operate on behalf of or in the interests of the Company in sensitive areas.

The task of overseeing the functioning and compliance with the 231 Model and ensuring its updating is entrusted to the Supervisory Body, which is endowed with autonomous powers of initiative and control, performs its functions outside the Company's operational processes and is free from any hierarchical relationship within the corporate organization.

The Supervisory Body reports directly to the Company's Board of Directors, and all three members meet the eligibility requirements regarding integrity, professionalism and independence.

The Model, consisting of a general section, two special sections and three annexes, identifies the areas at potential risk of offences referred to in the Decree, through an in-depth analysis of the activities carried out by the Company, existing procedures and controls, and the identification of potential risks and possible methods of committing the aforementioned offences committed in the interest or for the benefit of the Company.

Within each Risk Area, 'sensitive activities' (activities associated with the potential risk of offences being committed) and the relevant business functions involved have been identified, distinguishing between 'core' functions—the primary recipients of specific control measures and the relevant principles of conduct—and support functions, which are indirectly involved in one or more sensitive activities, even though they do not have specific ownership thereof.

With specific reference to corruption and in line with the provisions of ISO 37001:2025, Ferragamo has carried out a mapping exercise of the business functions within the company most at risk of active and passive corruption[78], through the development of a risk assessment containing a matrix that cross-references cases of active and passive corruption (with particular reference to corruption between private individuals) with the relevant business processes.

Furthermore, in 2024, the Group adopted the **Responsible Lobbying Policy**, which sets out principles and guidelines for clear and transparent lobbying activities, aimed at representing the Group's legitimate concerns, positions and interests to institutions in accordance with the principles of transparency and integrity, while taking due account of the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and other applicable regulations.

In particular, the Group carries out these activities through the trade and sector associations of which it is a member in the countries where it operates. The organization monitors legislative and regulatory developments at both national and international levels, while also participating in public consultations and working groups in a transparent and traceable manner. The corporate functions responsible for these activities, which have received appropriate training, are the General Counsel Department, the Sustainability Department and the Marketing & Communication Department; depending on the regulations under discussion, these may involve other dedicated corporate functions.

[78] The functions identified as being at risk of active or passive corruption within the Group include various strategic areas involved in sensitive processes. In particular, the Group Administration, Finance and Control Department, which includes the areas of Group Planning & Control, Tax Management, Risk Management, Group Finance, Corporate & EMEA Administration, Consolidated Financial Statements and Indirect Purchasing, is exposed to potential risks related to financial and tax management. The Group General Counsel Department, comprising Corporate Affairs & Compliance, Business Contracts, Litigation & IP Contracts and EMEA Region & Business Contracts, is involved in the management of contracts and legal relations. Also, the Logistics Department, which comprises Logistics Operations, Warehouse and Customs Compliance, and the Integrated Supply Chain Department, through Customer Service, in matters relating to the management of procurement, transport and customs. The Group Human Resources Department, particularly in the Compensation & Benefits and Payroll & Admin areas, which are responsible for sensitive remuneration and management processes. The Marketing & Communication Department, together with Public Relations & Communication and the Chairman's Staff Department, the Internal Control Function and Internal Audit, as they perform control functions. Finally, the individuals responsible for safety and compliance in these areas, including the Health and Safety Representative, the Head of the Prevention and Protection Service (RSPP), the Company Doctor and the Environmental Representative.

The Responsible Lobbying Policy applies in all cases to all employees and collaborators of the Group, regardless of the type of contractual relationship, and is published on the Salvatore Ferragamo Group website (https://group.ferragamo.com/it/governance/modello-etico), ensuring public accessibility to all stakeholders. The Board of Directors approves its contents and any amendments.

To formalize its commitment to animal welfare, the Group has drawn up a specific **Animal Welfare Policy**[79], which is discussed in detail in section E4-2; please refer to this section for further details.

In 2025, the Group also published the **Modern Slavery Statement**, available on the Company's website, in accordance with international legislation on modern slavery.

To prevent and combat conduct that is unlawful or contrary to the principles and rules set out in its organizational models, codes of ethics and corporate policies, the Salvatore Ferragamo Group has adopted a **Group Whistleblowing Policy,** which protects the confidentiality of whistleblowers and other protected persons, safeguarding them from the risk of any retaliation, in full compliance with all applicable legal provisions.

Mechanisms are in place for reporting:

- violations of laws and regulations;
- violations of the Code of Ethics, the 231 Model, and internal policies and procedures;
- violations of human rights or which entail damage for health, the environment, security or rights and fundamental freedoms;
- retaliatory actions against whistleblowers.

Reports may be made by internal and external stakeholders, including employees, managers, contractors, consultants, volunteers and interns, shareholders, persons holding administrative, managerial, supervisory or representative roles, and employees or contractors of contractual partners and suppliers of goods and services.

The mechanisms for reporting conduct that contravenes the Code of Ethics, Ferragamo's Code of Conduct and all other internal regulations are structured on three levels:

1. Internal whistleblowing channels set up by Salvatore Ferragamo S.p.A. and by other Group Companies;
2. External whistleblowing channels set up by public authorities responsible for this as appointed by member states of the European Union;
3. Public dissemination through the press or electronic means or in any case through means that can reach a high number of people;

It is also possible to report a matter to the judicial or accounting authorities in cases where EU or national law requires whistleblowers to contact the relevant national authorities, for example in the course of their professional duties and responsibilities or because the breach constitutes a criminal offence.

Reports may be submitted to the Ethics Committee:

- in writing via the dedicated website or the Ethics Committee's email address, or by post;
- orally, through the voice message system on the dedicated website.

Reports may also be made anonymously.

In order to encourage the submission of reports in the interests of corporate integrity, Salvatore Ferragamo S.p.A. and the other Group companies undertake to offer whistleblowers the protections provided for in Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 (Whistleblowing Directive).

The Ethics Committee assesses the reports received and may, if it deems it appropriate, summon both the whistleblower to obtain further information and the alleged perpetrator of the breach, while also carrying out all the necessary checks and investigations to ascertain the validity of the report.
In the handling of reports, the utmost confidentiality of whistleblowers is guaranteed, subject to legal obligations. Furthermore, Ferragamo does not take any retaliatory action (disciplinary sanctions, demotion, suspension, dismissal or termination of employment) nor does it discriminate in any way against a whistleblower who has

[79] The Policy is available at: https://sustainability.ferragamo.com/resource/blob/788966/49c67f9c33af6c7529496be749930200/animal-welfare-policy-it-new--data.pdf

acted in good faith to report events or situations contrary to company policies.

A system of sanctions is in place for those who breach the whistleblower protection system, including cases of obstruction of reporting, breach of the duty of confidentiality and failure to investigate and analyze the report.
The Salvatore Ferragamo Group carries out training and communication activities to share information throughout the company. These include:

- communication of sustainability objectives: the sustainability objectives set out in Ferragamo's Sustainability Plan are shared with the departments and *stakeholder* involved, ensuring that they are well understood and integrated into the strategies and actions of the departments.
- e-learning program: the training program "Compliance Digital Pathway" has been launched, as described in chapter *"ESRS S1-3 Processes to address adverse impacts and channels enabling own workers to raise concerns",* which includes training on the Whistleblowing system, on the Code of Ethics, on the Anti-corruption policy, on cybersecurity and on data protection, as well as training (only for Italy) on the 231 Model[80]. The Compliance Digital Pathway is available in nine languages for all employees through a dedicated intranet platform and is offered to all new hires, as part of their onboarding.
- specific training: training is supplied on specific issues to chosen functions. In particular, the activities implemented are:
- training on the Code of Ethics, which covers key aspects of ethical procurement, the principles of sustainability and the requirements of compliance to ensure that all procurement activities are in line with the values and standards of Salvatore Ferragamo.
- training in human rights and on social responsibility developed under SA8000 for the Italian scope, which involved senior management and employees, also involving staff with direct responsibility in managing the supply chain.

ESRS G1-2: Management of relationships with suppliers

The selection of suppliers and external partners (including consultants and agents) for the procurement of goods and services is based on assessments designed to ensure that we engage suppliers who demonstrate quality, integrity and reliability. Procurement processes are based on compliance with the principles and laws governing fair competition, ensuring transparency and efficiency in the selection process. Remuneration and sums paid to suppliers for any reason are in line with market conditions or, in any case, justified and verifiable. Salvatore Ferragamo S.p.A. has, in fact, an internal procedure that defines payment terms by supplier category, with any exceptions approved by the head of the relevant department and the CFO or Finance Director.

In the selection of direct suppliers, particular importance is attached to the technical evaluation of raw materials, semi-finished and finished products, as well as the acquisition of documentation to verify that the selected suppliers act in compliance with industry regulations and protocols, as well as the ethical principles and rules of conduct adopted by the Group.

Potential new suppliers are in fact required to fulfil specific obligations in order to qualify as suppliers of raw materials or finished products, such as: *i)* acceptance of the Supplier Code of Conduct, through which suppliers undertake to comply with the ethical principles and rules of conduct that supplement the legal, regulatory and procedural provisions governing commercial relations between the Group and its partners, including respect for human rights and the health and safety of workers; *ii)* self-certification of compliance with technical and professional requirements pursuant to Legislative Decree 81/08; iii) the Single Declaration of Contribution Compliance (DURC); iv) acceptance of the Restricted Substances List (RSL); v) a declaration of compliance with social security, welfare and occupational safety regulations; vi) the signing of the General Terms and Conditions of Purchase and the private agreement for the protection of the Trademark, including acceptance of the company

[80] Specifically, the adoption of the Model includes an information and training program for the recipients, aimed at ensuring the knowledge, application and effectiveness of the rules, avoiding administrative responsibility and ignorance of the business rules. The dissemination of the Model is organized and differentiated according to the category of recipients, based on the following principles: i) communication to employees via the company intranet, with updates and informative content; ii) publication of information on the Company's website; iii) organization of regular training sessions for the main recipients of the Model; iv) promotion of information activities for employees, consultants and third parties according to appropriate methods.

policy stipulating a single tier of subcontracting; vii) a list of subcontractors.

All suppliers are also required to comply with environmental criteria, such as the management of energy consumption, waste and environmental protection, as defined by the Supplier Code of Conduct.
Suppliers of products of animal origin are also required to sign the Animal Welfare Policy.
With the aim of systematically managing the stages of qualification, maintenance and/or loss of requirements for maintaining the relationship with the Group, a web platform has been adopted to manage the flow of information and documentation with suppliers. The qualification procedure was updated in 2025.

ESRS G1-3: Prevention and identification of corruption

Corporate ethics is one of the Group's core values, through which it conveys a message of loyalty, integrity and respect that applies throughout the Group and serves as a benchmark within the social context in which it operates. For this reason, the Group has identified measures to prevent corrupt practices as an integral part of its social responsibility, with the aim of protecting its organization and all stakeholders. In this context, in line with its Code of Ethics and drawing on best practices regarding Anti-Corruption Compliance Programs and the international standard ISO 37001:2016, as subsequently amended by version 37001:2025, the Group has defined its Anti-Corruption Policy (described in section ESRS G1-1: Business Conduct Policies and Corporate Culture), in order to minimize the risk of engaging in conduct that could be attributed to corrupt practices. In particular, the Group has decided to implement and maintain a management system for the prevention of corruption, integrated into the overall risk management and control system to which the Group is subject, which includes the following components:

- Anti-Corruption Policy approved by the organization's management;
- analysis and assessment of the risk of committing acts of corruption;
- principles, rules of behavior and procedures to protect areas sensitive to acts of corruption;
- information and training activities for all recipients of the Anti-Corruption Policy;
- operating procedures by defining roles and responsibilities, a reporting process, and a disciplinary system for any violations;
- periodic monitoring of the risks of corruption and the effectiveness and adequacy of the policy.

Furthermore, as indicated in the chapter *"ESRS G1-1 Business Conduct Policies and Corporate Culture"*, the Company has adopted the 231 Model in order to ensure the prevention of the offences covered by Legislative Decree 231/2001 (including offences of corruption). The Board of Directors has established a Supervisory Body with independent powers of initiative and control, responsible for overseeing the operation and compliance with 231 Model and for ensuring its ongoing updating.

The Salvatore Ferragamo Group has established a system that ensures the separation of investigators or the investigative committee from the management chain involved in the matter. In particular, the Group has established an Ethics Committee as the body responsible for receiving and managing any reports concerning potential breaches of the law, including cases of active and/or passive corruption. Should the reports relate to breaches concerning the offences referred to in Legislative Decree 231/2001 or to breaches of the 231 Model (including cases of corruption), the Ethics Committee shall communicate them to the Supervisory Body, which is the principal body responsible and is characterized by complete separation from the company's management hierarchy.

With regard to the communication of results to the administrative, management, and supervisory bodies, the Ethics Committee shall, at least once a year, inform the Board of Directors, the Chief Executive Officer, the Control and Risks Committee, the Board of Statutory Auditors and the Supervisory Body regarding the reports handled. Furthermore, the Supervisory Body also reports to the Board of Directors and the Board of Statutory Auditors (and, for information, to the Control and Risks Committee) on the activities carried out and the checks performed, as well as on any critical issues that have emerged regarding the adequacy and effectiveness of the Model.
With regard to the Group's other subsidiaries, the Ethics Committee provides, at least once a year, summary information on the reports handled to the members of the relevant administrative and control bodies.

The Group also promotes the dissemination and communication of the Anti-Corruption Policy and the 231 Model, as well as the implementation of specific training programs to ensure that all relevant recipients are fully aware of them. During 2024, the Compliance Digital Pathway was launched; for a description of this, please refer to chapters *ESRS S1-3* and *ESRS G1-1*. 100% of employees in high-risk roles must attend anti-corruption training courses and, by the end of 2025, approximately 80% of those in roles at risk of corruption have been trained on corruption-related issues[81].

The training, which is provided as compulsory training to all new recruits within approximately ten to twenty days of joining Group companies and to all office staff during regulatory updates, covers a number of key topics. These include the meaning of corruption with practical examples, the corporate policies in force at Group level, and the procedures to follow in the event of suspicions or findings.

From 2024, the Compliance Digital Pathway training has been made available to all members of the Board of Directors and the Board of Statutory Auditors.

In addition, a mandatory training program on Bystander Intervention is delivered locally to strengthen organizational integrity and reduce tolerance of misconduct.

For further information, please refer to the tables below.

Anti-corruption training 2025	Functions at risk	Managers	OADC[82]	Other own workforce
Training coverage				
Total hours	274.95	223.65	6.00	48.20
Total number of people to be trained	168	113	3	28
Delivery method and duration				
Classroom training	12.00	24.00	0.00	4.00
Computer-based training	262.95	199.65	6.00	44.20
Voluntary computer-based training	0.00	0.00	0.00	0.00

Anti-corruption training 2024	Functions at risk	Managers	OADC[83]	Other own workers
Training coverage				
Total hours	208.77	66.60	0.00	29.52
Total number of people to be trained	561	175	0	74
Delivery method and duration				
Classroom training	0.00	0.00	0.00	0.00
Computer-based training	208.77	66.60	0.00	29.52
Voluntary computer-based training	0.00	0.00	0.00	0.00

[81] The percentage given refers to the Group workforce at 31.12.24, also including new hires who have not yet taken the anti-corruption courses.
[82] Administration, management, and supervisory bodies.
[83] Administration, management, and supervisory bodies.

ESRS G1-4: Incidents of corruption or bribery

During 2025 there were no cases of corruption or bribery in the Group.

ESRS G1-5: Political influence and lobbying activities

Lobbying is a form of political representation through which groups, organizations and individuals, united by common interests, legitimately influence institutions in order to steer their decisions to their own advantage. The Group carries out these activities through the associations of which it is a member in the countries where it operates, as outlined in the chapter "*ESRS G1-1: Business Conduct Policies and Corporate Culture*". The organization monitors legislative and regulatory developments at both national and international levels, while also participating in public consultations and working groups in a transparent and traceable manner. The corporate functions responsible for these activities, which have received appropriate training, are the General Counsel Department, the Transformation & Sustainability Department and the Marketing & Communication Department; depending on the regulations under discussion, these may involve other dedicated corporate functions. Particular attention is paid to ensuring that the Group is not a member of associations that may hold positions contrary to the public interest or whose positions do not align with the principles and values upheld by the Group. Company procedures prohibit the making of contributions to political parties.

Ferragamo works with organizations and institutions to positively influence public opinion and decision-makers, contributing to social and environmental progress through transparent and responsible dialogue.

The Fashion Pact
Steering Committee member

Since August 2019, Salvatore Ferragamo S.p.A. has been a member of **The Fashion Pact**, a coalition bringing together over 200 leading brands in the fashion and fabric sector, united to set strategic and concrete goals aimed at reducing the environmental impact of this major industry. Supported by some of the leading experts in scientific research and ecosystem conservation, The Fashion Pact has set targets focusing on three areas:

- climate: implementation of Science-Based Targets (SBTs) to achieve net-zero greenhouse gas emission by 2050;
- biodiversity: protection of key species, preservation and restoration of critical natural ecosystems;
- oceans: reduction of the negative impacts of the fashion industry on the oceans by eliminating problematic and unnecessary plastics in packaging.

Throughout 2025, The Fashion Pact, in collaboration with various partners and experts, played an active role in aligning the knowledge of the Pact's members and ensuring that the set objectives were met. To this end, numerous activities and webinars were organized and information documents were shared. Salvatore Ferragamo S.p.A. is a member of The Fashion Pact's Steering Committee, a body comprising a selection of CEOs from member brands (including the Group's CEO), with the aim of maintaining an open dialogue between company executives and openly sharing ideas, guidelines and progress. Furthermore, in October, the Group host-

ed the 16th Steering Committee meeting of The Fashion Pact, bringing together luxury and ready-to-wear companies united by a desire to accelerate the sector's transition towards increasingly sustainable and innovative models.

LWG member
since 2021

Since August 2021, the Company has been a member of the **Leather Working Group (LWG)**, a non-profit organization for stakeholders in the leather sector's value chain, who work together to improve the environmental management of the leather manufacturing industry. The LWG's main objective is to establish, maintain and develop audit protocols to verify compliance and environmental performance among tanners worldwide, promoting sustainable and appropriate business practices that respect the environment. In order to implement universal principles of sustainability and support the United Nations' objectives, in December 2018, Salvatore Ferragamo S.p.A. joined the **United Nations Global Compact**, the world's largest strategic corporate citizenship initiative. The United Nations Global Compact provides a universal language for social responsibility and a framework for businesses of all sizes, complexities and locations. Furthermore, the initiative supports companies in operating responsibly and making strategic decisions to promote broader social objectives. Each year, the Company takes part in workshops and webinars organized by the Global Compact to train companies and offer support across various areas. In 2021, Salvatore Ferragamo S.p.A. also contributed to the drafting of the Position Paper "Italian Business and Decarbonization: a just and inclusive transition", which aims to highlight the commitment of Italian companies participating in the United Nations Global Compact on decarbonization, examining the efforts made and results achieved to date in support of the Paris Agreement's objectives and Europe's ambition to achieve climate neutrality by 2050.

On the subject of equal opportunities and diversity, since 2020 the Company has been a member of **Valore D**, Italy's leading business association committed to building a professional world free from discrimination, where gender equality and a culture of inclusion support the organization's growth.

CNMI member
Since 2011

Since 2011, Salvatore Ferragamo S.p.A. has been a member of the **National Chamber of Italian Fashion (CNMI)**, with which it collaborates in particular on the Sustainability Working Group, with the aim of charting an Italian path to sustainable fashion and promoting the adoption of responsible management models throughout the fashion value chain.
In 2025, the Company actively participated in CNMI meetings organized with other Italian brands, taking part in the numerous sessions, meetings and events held throughout the year.

The Company is also a member of **Confindustria Moda** with the aim of cooperating, within the framework of sector regulations, to prevent and/or reduce/remedy the negative impacts arising from its business. With this in mind, the Company has also joined, in Italy, the **Re.Crea Consortium** in order to better comply with Extended Producer Responsibility (EPR) requirements for the disposal of fabric waste and, in France, the **Citeo Consortium** and the **Re-Fashion Consortium**. In 2025, Salvatore Ferragamo S.p.A. once again participated in the **Monitor for Circular Fashion**, a multi-stakeholder project promoted by the Sustainability Lab

at SDA Bocconi, which aims to identify key performance indicators (KPIs) for circularity in the fashion industry, highlight and disseminate good corporate practices in this regard, and promote technical, managerial and scientific expertise towards sustainable business models. The Company is also a member of **Assonime,** the association of Italian joint-stock companies, and participates in meetings with institutions, businesses and associations organized by the association to discuss the latest developments in tax law, company law, business law and competition law.

Finally, since its inception, the Group has been an active participant in the **Altagamma Foundation**, which since 1992 has brought together companies from the high-end cultural and creative industries that promote Italian excellence, uniqueness and lifestyle worldwide. Altagamma companies operate in the fashion, design, jewelry, food, hospitality, luxury and wellness sectors.

The Salvatore Ferragamo Group is not registered in the EU Transparency Register; however, where necessary, all the associations of which it is a member are duly registered.

In 2025, the indirect contributions made by the Group for the membership fees mentioned above amounted to €301,148.59.

ESRS G1-6: Payment practices

Salvatore Ferragamo S.p.A.'s standard payment terms are as follows: 10 days for rent (approximately 6% of the total), 30 days for production (39%) and consultancy services (6%), and 90 days for raw materials (28%) and other indirect purchases, excluding consultancy services (21%).

The average time taken by the company to settle an invoice, calculated from the start date of the contractual or statutory payment term, is 69 days. The percentage of payments made in compliance with these standard terms is 95%. With reference to small and medium-sized enterprises (SMEs), the average payment time remains consistent with the above figure.

This calculation is based on payment data for the full 2025 financial year of Salvatore Ferragamo S.p.A.

MANAGEMENT STATEMENT

FERRAGAMO

Certification of the sustainability report pursuant to Article 81-ter(1) of Consob Regulation No 11971 of 14 May 1999, as amended and supplemented

The undersigned, Ernesto Greco, in his capacity as Executive Director of Salvatore Ferragamo S.p.A., and Paolo La Morgia, in his capacity as the Manager Responsible for Sustainability Reporting at Salvatore Ferragamo S.p.A., certify(*), pursuant to Article 154-bis, paragraph 5-ter, of Legislative Decree No. 58 of 24 February 1998, that the Sustainability Report included in the Consolidated Directors' Report has been drawn up:

- in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Legislative Decree No 125 of 6 September 2024;
- in accordance with the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Florence, 11 March 2026

Managing director
Ernesto Greco

Manager responsible for sustainability reporting
Paolo La Morgia

(*) Certification issued in accordance with the template set out in the Consob consultation document of 12 March

SUSTAINABILITY STATEMENT

KPMG S.p.A.
Revisione e organizzazione contabile
Viale Niccolò Machiavelli, 29
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Telefono +39 055 213391
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' limited assurance report on the consolidated sustainability statement pursuant to article 14-bis of Legislative decree no. 39 of 27 January 2010

To the shareholders of
Salvatore Ferragamo S.p.A.

Conclusion

Pursuant to article 8 of Legislative decree no. 125 of 6 September 2024 (the "decree"), we have been engaged to perform a limited assurance engagement on the 2025 consolidated sustainability statement of the Salvatore Ferragamo Group (the "group") prepared in accordance with article 4 of the decree, presented in the specific section of the directors' report (the "consolidated sustainability statement").

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the group's 2025 consolidated sustainability statement has not been prepared, in all material respects, in accordance with the reporting standards endorsed by the European Commission pursuant to Directive 2013/34/EU (the European Sustainability Reporting Standards, "ESRS");
- the information presented in the "Disclosure pursuant to article 8 of Regulation (EU) 2020/852" section of the consolidated sustainability statement has not been prepared, in all material respects, in accordance with article 8 of Regulation (EU) 852 of 18 June 2020 (the "taxonomy regulation").

Basis for conclusion

We have performed the limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under that standard are further described in the "*Auditors' responsibilities for the sustainability assurance engagement"* section of our report.

We are independent in accordance with the ethics and independence rules and standards applicable in Italy to sustainability assurance engagements.

KPMG S.p.A.
è una società per azioni
di diritto italiano
e fa parte del network KPMG
di entità indipendenti affiliate a
KPMG International Limited,
società di diritto inglese.

CERTIFIED MANAGEMENT SYSTEM
ISO 9001 - ISO 27001-27701
ISO 30415 - ISO 37001
SA 8000 - UNI PdR 125

Ancona Bari Bergamo
Bologna Bolzano Brescia
Catania Como Firenze Genova
Lecce Milano Napoli Novara
Padova Palermo Parma Perugia
Pescara Roma Torino Treviso
Trieste Varese Verona

Società per azioni
Capitale sociale
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Partita IVA 00709600159
VAT number IT00709600159
Sede legale: Via Giovanni Battista Pirelli, 38
20124 Milano MI ITALIA

Our company applies International Standard on Quality Management 1 (ISQM Italia 1) and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have acquired is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of Salvatore Ferragamo S.p.A. (the "parent") for the consolidated sustainability statement

The directors are responsible for designing and implementing the procedures to identify the information included in the consolidated sustainability statement in accordance with the ESRS (the "materiality assessment process") and for the description of these procedures in the "IRO-1: Description of the process to identify and assess material impacts, risks and opportunities" section of the consolidated sustainability statement.

The directors are also responsible for the preparation of a consolidated sustainability statement in accordance with article 4 of the decree, which contains the information identified through the materiality assessment process, including:

- compliance with the ESRS;
- compliance of the information presented in the "Disclosure pursuant to article 8 of regulation (EU) 2020/852" section with article 8 of the taxonomy regulation.

Moreover, the directors are responsible, within the terms established by the Italian law, for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 4 of the decree that is free from material misstatement, whether due to fraud or error. They are also responsible for selecting and applying appropriate methods to produce disclosures and formulating assumptions and estimates about specific information on sustainability matters that are reasonable in the circumstances.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

Inherent limitations in preparing the consolidated sustainability statement

For the purpose of disclosing forward-looking information in accordance with the ESRS, the directors are required to prepare such information based on assumptions, described in the consolidated sustainability statement, regarding future events and the group's actions that are not necessarily expected to occur. Actual results are likely to be different from the forecast sustainability information since anticipated events frequently do not occur as expected and the variation could be material.

The disclosures provided by the group about Scope 3 emissions are subject to more inherent limitations than those on Scope 1 and Scope 2 emissions, given the lack of availability and relative precision of information used for determining both qualitative and quantitative value chain Scope 3 emissions information.

Auditors' responsibilities for the sustainability assurance engagement

Our objectives are to plan and perform procedures in order to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error,

and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of intended users taken on the basis of the consolidated sustainability statement.

As part of a limited assurance engagement in accordance with SSAE (Italia), we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify disclosures where a material misstatement is likely to occur, whether due to fraud or error;
- designing and performing procedures to address disclosures where a material misstatement is likely to occur. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- directing, supervising and performing the sustainability limited assurance engagement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

Summary of the work performed

A limited assurance engagement involves carrying out procedures to obtain evidence as a basis for our conclusion.

The procedures performed are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the consolidated sustainability statement, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

We have performed the following main procedures:

- we gained an understanding of the group's business model, strategies and operating environment with regard to sustainability matters;
- we gained an understanding of the process adopted by the group to identify and assess material sustainability-related impacts, risks and opportunities (IROs), based on the double materiality principle. Moreover, on the basis of the information acquired, we evaluated any emerging inconsistencies that may indicate the presence of sustainability matters not addressed by the group in its materiality assessment process. Specifically, mostly through inquiries, observations and inspections, we gained an understanding of how the group:
  - considered the interests and opinions of the stakeholders involved;
  - identified its sustainability-related IROs, assessing their consistency with our knowledge of the group and its sector;
  - defined and assessed material IROs by analysing the qualitative and quantitative materiality thresholds it determined;
- we gained an understanding of the processes underlying the generation, recording and management of the qualitative and quantitative information disclosed in the consolidated sustainability statement, including of the reporting boundary, through interviews and discussions with the group's personnel and selected procedures on documentation;

- we identified the disclosures associated with a risk of material misstatement, whether due to fraud or error;
- we designed and performed procedures, based on our professional judgement, to respond to identified risks of material misstatement, including:
  - for information gathered at group level:
    - with reference to qualitative information and, in particular, the sustainability-related policies, actions and objectives, we held inquiries and performed limited procedures;
    - with reference to quantitative information, we carried out analytical procedures, inspections, observations and recalculations on a sample basis;
  - for information gathered at subsidiary level, we visited Ferragamo USA Inc., which we selected on the basis of its business and contribution to the metrics of the consolidated sustainability statement. During these visits, we interviewed group personnel and obtained documentary evidence supporting the calculation of the metrics;
- we gained an understanding of the process adopted by the group to determine taxonomy-eligible economic activities and whether they were aligned under the taxonomy regulation and checked the related disclosures presented in the consolidated sustainability statement;
- we checked the consistency of the disclosures contained in the consolidated sustainability statement with those included in the group's consolidated financial statements pursuant to the applicable financial reporting framework, the underlying accounting records or management accounts;
- we checked the compliance of the structure and presentation of disclosures included in the consolidated sustainability statement with the ESRS;
- we obtained the representation letter.

Florence, 31 March 2026

KPMG S.p.A.

(signed on the original)

Andrea Rossi
Director of Audit

CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2025

Consolidated Financial Statements as at 31 December 2025

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Financial Statements

Consolidated Statement of Financial Position – Assets

(In thousands of Euro)	Notes	31 December 2025	of which with related parties	31 December 2024	of which with related parties
NON-CURRENT ASSETS					
Property, plant and equipment	5	181,755		205,560	
Investment property	6	5,804		6,463	
Goodwill	7	6,679		6,679	
Right-of-use assets	8	453,506	85,018	528,627	83,254
Intangible assets with a finite useful life	9	27,325		31,872	
Other non-current assets	11	2,542		3,712	
Other non-current financial assets	12	13,603	2,052	13,583	5
Deferred tax assets	39	143,734		145,142	
TOTAL NON-CURRENT ASSETS		**834,948**	**87,070**	**941,638**	**83,259**
CURRENT ASSETS					
Inventories	13	278,626		307,888	
Right of return assets	14	3,448		5,911	
Trade receivables	15	59,426	71	84,580	37
Tax receivables	16	30,779		25,822	
Other current assets	17	47,712	13,398	46,025	12,576
Other current financial assets	18	42,047		50,721	
Cash and cash equivalents	19	207,439		238,194	
TOTAL CURRENT ASSETS		**669,477**	**13,469**	**759,141**	**12,613**
Assets held for sale	20	59		67	
TOTAL ASSETS HELD FOR SALE		**59**		**67**	
TOTAL ASSETS		**1,504,484**	**100,539**	**1,700,846**	**95,872**

Consolidated Statement of Financial Position – Liabilities and Shareholders' Equity

(In thousands of Euro)	Notes	31 December 2025	of which with related parties	31 December 2024	of which with related parties
SHAREHOLDERS' EQUITY					
GROUP SHAREHOLDERS' EQUITY					
Share capital	21	16,879		16,879	
Reserves	21	623,822		670,299	
Net profit/(loss) – Group		(49,431)		(68,087)	
TOTAL GROUP SHAREHOLDERS' EQUITY		**591,270**		**619,091**	
MINORITY INTERESTS					
Share capital and reserves – minority interests		857		977	
Net profit/(loss) – minority interests		278		18	
TOTAL MINORITY INTERESTS		**1,135**		**995**	
TOTAL SHAREHOLDERS' EQUITY		**592,405**		**620,086**	
NON-CURRENT LIABILITIES					
Provisions for risks and charges	23	24,419		22,514	
Employee benefit liabilities	24	5,333		6,026	
Other non-current liabilities	25	12,231		14,723	
Non-current lease liabilities	26	465,583	85,647	552,344	84,155
Deferred tax liabilities	39	5,704		5,682	
TOTAL NON-CURRENT LIABILITIES		**513,270**	**85,647**	**601,289**	**84,155**
CURRENT LIABILITIES					
Trade payables	27	126,773	438	164,446	200
Refund liabilities	28	6,268		11,481	
Interest-bearing loans & borrowings	22	104,301		113,291	
Tax payables	29	12,785		19,256	
Other current liabilities	30	29,607	452	44,151	315
Current lease liabilities	26	117,758	19,225	124,002	10,954
Other current financial liabilities	31	1,317		2,844	
TOTAL CURRENT LIABILITIES		**398,809**	**20,115**	**479,471**	**11,469**
TOTAL LIABILITIES		**912,079**	**105,762**	**1,080,760**	**95,624**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**1,504,484**	**105,762**	**1,700,846**	**95,624**

Consolidated Income Statement

(In thousands of Euro)	Notes	2025	of which with related parties	2024	of which with related parties
Revenues from contracts with customers	33	973,468	159	1,031,651	178
Rental income investment properties	34	3,063		3,455	
Revenues		**976,531**		**1,035,106**	
Cost of goods sold	35-36	(311,531)		(295,098)	
Gross profit		**665,000**		**740,008**	
Style, product development and logistics costs	35-36	(42,000)	(630)	(47,038)	(475)
Sales & distribution costs	35-36	(427,342)	(11,960)	(496,519)	(9,597)
Communication and marketing costs	35-36	(80,868)	(707)	(86,661)	(800)
General and administrative costs	35-36	(124,815)	(8,980)	(157,093)	(8,838)
Other operating costs	35-36	(29,675)	(173)	(25,703)	(171)
Other income	37	18,273	3	24,005	-
Operating profit/(loss)		**(21,427)**		**(49,001)**	
Financial charges	38	(87,841)	(3,847)	(64,743)	(3,840)
Financial income	38	56,768		38,167	
Profit/(loss) before taxes		**(52,500)**		**(75,577)**	
Income taxes	39	3,347		7,508	
Net profit/(loss) for the period		**(49,153)**		**(68,069)**	
Net profit/(loss) – Group		(49,431)		(68,087)	
Net profit/(loss) – minority interests		278		18	

(In Euro)	Notes	2025	2024
Basic earnings/(loss) per share – ordinary shares	40	(0.298)	(0.411)
Diluted earnings/(loss) per share – ordinary shares	40	(0.298)	(0.411)

Consolidated Statement of Comprehensive Income

(In thousands of Euro)	Notes	2025	2024
Net profit/(loss) for the period (A)		**(49,153)**	**(68,069)**
Other gains/(losses) that will be subsequently reclassified to net profit/(loss) for the period			
- Currency translation differences of foreign operations	21	14,929	(10,620)
- Net gain/(loss) from cash flow hedge	3	11,112	(12,533)
- Tax consequences on components that will be subsequently reclassified to net profit/(loss) for the period		**(2,667)**	**3,008**
Total other gains/(losses) that will be subsequently reclassified to net profit/(loss) for the period, net of taxes (B1)		**23,374**	**(20,145)**
Other gains/(losses) that will not be subsequently reclassified to net profit/(loss) for the period			
- Net gain/(loss) from recognition of defined-benefit plans for employees	24	286	16
- Tax consequences on components that will not be subsequently reclassified to net profit/(loss) for the period		(48)	92
Total other gains/(losses) that will not be subsequently reclassified to net profit/(loss) for the period, net of taxes (B2)		**238**	**108**
Total other gains/(losses) net of taxes (B1+B2 = B) from continuing operations		**23,612**	**(20,037)**
Total comprehensive income for the period, net of taxes (A+B)		**(25,541)**	**(88,106)**
Group		(25,681)	(88,104)
Minority interests		140	(2)

Consolidated Statement of Cash Flows

(In thousands of Euro)	Notes	2025	of which with related parties	2024	of which with related parties
NET PROFIT/(LOSS) FOR THE PERIOD		**(49,153)**		**(68,069)**	
Adjustments to reconcile net profit (loss) to net cash from/ (used in) operating activities:					
Amortization, depreciation and write-downs of tangible and intangible assets, investment property and right-of-use assets	5-6-8-9	187,140	13,294	264,219	11,442
Income taxes	39	(3,347)		(7,508)	
Provision for employee benefit plans	24	402		113	
Allocation to/(use of) the provision for obsolete inventory	13	1,540		17,227	
Losses and provision for bad debt	15	7,676		690	
Losses/(gains) on disposal of tangible/intangible assets		608		1,907	
Interest expense and interest expense on lease liabilities	38	24,854	3,845	27,154	3,840
Interest income	38	(5,571)		(7,644)	
Other non-monetary items		(6,376)	(2,472)	4,303	2,259
Changes in operating assets and liabilities:					
Trade receivables	15	8,695	(34)	26,220	992
Inventories	13	20,686		(28,068)	
Trade payables	27	(33,056)	238	(10,022)	(92)
Other tax receivables and payables	16-29	(1,427)		5,684	
Employee benefits payments	24	(654)		(1,264)	
Other assets and liabilities		(7,082)	(2,728)	(11,266)	(22,249)
Other – net		(1,473)		(4,213)	
Income taxes paid		(14,659)		(19,230)	
Interest expense and interest expense on lease liabilities paid	19-26	(25,055)	(3,897)	(27,253)	(3,880)
Interest income received		5,571		7,644	
NET CASH FROM/(USED IN) OPERATING ACTIVITIES		**109,319**	**8,246**	**170,624**	**(7,688)**
Cash flow from investing activities:					
Purchase of tangible assets	5-6	(39,582)		(61,308)	
Purchase of intangible assets	9	(6,001)		(9,430)	
Proceeds from the sale of tangible and intangible assets		13		29	
Net change in other current financial assets		9,506		(15,141)	
NET CASH FROM/(USED IN) INVESTING ACTIVITIES		**(36,064)**		**(85,850)**	
Cash flow from financing activities:					
Net change in financial payables	19	(3,023)		29,565	
Repayment of lease liabilities	19-26	(122,796)	(14,524)	(124,903)	(8,590)
Dividends paid to shareholders of the Parent company	41	-		(16,568)	(10,785)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES		(125,819)	(14,524)	(111,906)	(19,375)
NET INCREASE/(DECREASE) IN NET CASH AND CASH EQUIVALENTS		**(52,564)**		**(27,132)**	
OPENING NET CASH AND CASH EQUIVALENTS		**237,085**		**267,459**	
Increase/(decrease) in cash and cash equivalents		(52,564)		(27,132)	
Effect of exchange rate translation differences		**17,218**		**(3,242)**	
CLOSING NET CASH AND CASH EQUIVALENTS	19	**201,739**		**237,085**	

Statement of Changes in Consolidated Shareholders' Equity

Note 21

(In thousands of Euro)	Share capital	Treasury share reserve	Share capital contributions	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Translation reserve	Retained earnings	Other reserves	Effect IAS 19 Equity	Net profit/ (loss) for the period	Group shareholders' equity	Minority interests	Total shareholders' equity
As at 01.01.2025	**16,879**	**(53,676)**	**2,995**	**4,188**	**683,908**	**(5,305)**	**(8,078)**	**35,555**	**11,896**	**(1,184)**	**(68,087)**	**619,091**	**995**	**620,086**
Allocation of results	-	-	-	-	(70,535)	-	-	2,448	-	-	68,087	-	-	-
Net profit/(loss) for the period	-	-	-	-	-	-	-	-	-	-	(49,431)	(49,431)	278	(49,153)
Other comprehensive income/(losses)	-	-	-	-	-	8,445	14,922	145	-	238	-	23,750	(138)	23,612
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**8,445**	**14,922**	**145**	**-**	**238**	**(49,431)**	**(25,681)**	**140**	**(25,541)**
Purchase of min. interests in companies consolidated on a line-by-line basis and accounting of options on min. interests	-	-	-	-	-	-	-	(14)	-	-	-	(14)	-	(14)
Stock Grant Reserve	-	-	-	-	-	-	-	-	(2,126)	-	-	(2,126)	-	(2,126)
As at 31.12.2025	**16,879**	**(53,676)**	**2,995**	**4,188**	**613,373**	**3,140**	**6,844**	**38,134**	**9,770**	**(946)**	**(49,431)**	**591,270**	**1,135**	**592,405**

Note 21

(In thousands of Euro)	Share capital	Treasury share reserve	Share capital contributions	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Translation reserve	Retained earnings	Other reserves	Effect IAS 19 Equity	Net profit/ (loss) for the period	Group shareholders' equity	Minority interests	Total shareholders' equity
As at 01.01.2024	**16,879**	**(56,223)**	**2,995**	**4,188**	**613,476**	**4,220**	**2,038**	**97,193**	**11,611**	**(1,271)**	**26,060**	**721,166**	**997**	**722,163**
Allocation of results	-	-	-	-	87,000	-	-	(60,940)	-	-	(26,060)	-	-	-
Net profit/(loss) for the period	-	-	-	-	-	-	-	-	-	-	(68,087)	(68,087)	18	(68,069)
Other comprehensive income/(losses)	-	-	-	-	-	(9,525)	(10,116)	(463)	-	87	-	(20,017)	(20)	(20,037)
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**(9,525)**	**(10,116)**	**(463)**	**-**	**87**	**(68,087)**	**(88,104)**	**(2)**	**(88,106)**
Distribution of dividends	-	-	-	-	(16,568)	-	-	-	-	-	-	(16,568)	-	(16,568)
Purchase of min. interests in companies consolidated on a line-by-line basis and accounting of options on min. interests	-	-	-	-	-	-	-	(235)	-	-	-	(235)	-	(235)
Stock Grant Reserve	-		-	-	-	-	-		2,832	-	-	2,832	-	2,832
Treasury share award	-	2,547	-	-	-	-	-	-	(2,547)	-	-	-	-	-
As at 31.12.2024	**16,879**	**(53,676)**	**2,995**	**4,188**	**683,908**	**(5,305)**	**(8,078)**	**35,555**	**11,896**	**(1,184)**	**(68,087)**	**619,091**	**995**	**620,086**

Explanatory Notes to the Consolidated Financial Statements

1. Corporate information

Salvatore Ferragamo S.p.A. is incorporated in Italy, with registered office in via Tornabuoni 2 Florence, as a joint-stock company under Italian law and is structured according to the traditional management and control model, with the Shareholders' Meeting, the Board of Directors, and the Board of Statutory Auditors. The Company's Shares are traded on Euronext Milan, organized and operated by Borsa Italiana S.p.A.

The Salvatore Ferragamo Group is one of the main players in the luxury sector and dates back to 1927.

The consolidated financial statements for the year ended 31 December 2025 were approved by the Board of Directors of Salvatore Ferragamo S.p.A. on 11 March 2026.

The Salvatore Ferragamo Group is active in the creation, production and sale of luxury goods for men and women: footwear, leather goods, apparel, silk goods, jewels, and other accessories. The product range also includes fragrances, eyewear, and watches manufactured under license by third parties. The Group is also active in the licensing of the Salvatore Ferragamo trademark and in real estate management.

The Salvatore Ferragamo Group is present in more than 90 countries around the world, directly through subsidiaries in 26 countries, and sells its products primarily through a network of Salvatore Ferragamo single-brand stores, either directly operated (DOS) or operated through third parties, as well as through a significant and well-established presence in department stores and multi-brand specialty stores, and through the e-commerce channel. For further details on the Group's main activities, please refer to the Directors' Report on Operations.

1.1 Management and coordination

Pursuant to Article 2497 et seq. of the Italian Civil Code, Salvatore Ferragamo S.p.A. is subject to management and coordination by Ferragamo Finanziaria S.p.A., whose consolidated financial statements are available at the registered office in Florence, Via Tornabuoni 2.

In compliance with the provisions of Article 2497-bis, paragraph 4 of the Italian Civil Code, the key data from the financial statements of the Holding company Ferragamo Finanziaria S.p.A. as at 31 December 2024 and 2023 is given below.

Ferragamo Finanziaria S.p.A.

(In Euro)	31 December 2024	31 December 2023
STATEMENT OF FINANCIAL POSITION		
ASSETS		
B) Fixed assets	179,467,671	178,205,886
C) Current assets	40,924,300	33,403,828
D) Accruals and deferralsi	24,774	49,584
TOTAL ASSETS	**220,416,745**	**211,659,298**
LIABILITIES AND SHAREHOLDERS' EQUITY		
A) Shareholders' equity		
- Share capital	49,749,960	49,749,960
- Reserves	149,002,491	132,261,860
- Profit/(loss) for the year	8,429,840	24,394,471
B) Provisions for risks and charges	-	-
D) Payables	13,205,020	5,152,163
E) Accruals and deferrals	29,434	100,844
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**220,416,745**	**211,659,298**
INCOME STATEMENT		
A) Value of production	469,219	470,930
B) Costs of production	(2,715,284)	(2,398,774)
Difference between value and costs of production	**(2,246,065)**	**(1,927,844)**
C) Financial income and charges	10,618,744	25,938,008
Profit before taxes	**8,372,679**	**24,010,164**
Income taxes for the year, current and deferred	57,161	384,307
Profit/(loss) for the year	**8,429,840**	**24,394,471**

2. Basis of presentation

2.1 Statement of compliance with IFRS

The Consolidated Financial Statements of Salvatore Ferragamo S.p.A. have been prepared in compliance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), endorsed by the European Union and in force at the reporting date. The explanatory notes to the Consolidated Fi-

nancial Statements have been supplemented with the additional information required by CONSOB (the public authority responsible for regulating the Italian financial markets) and by the provisions it has issued in implementation of Article 9 of Italian Legislative Decree 38/2005 (resolutions 15519 and 15520) dated 27 July 2006 and communication DEM/6064293 dated 28 July 2006, pursuant to Article 78 of the Issuers' Regulation, the EC document of November 2003 and, where applicable, the Italian Civil Code. The term "IFRS" used herein includes International Accounting Standards ("IAS") which are still in force as well as all the interpretations issued by the IFRS Interpretation Committee, previously referred to as International Financial Reporting Interpretations Committee ("IFRIC") and, before that, Standing Interpretations Committee ("SIC").

2.2 Contents and structure of the consolidated financial statements

The functional currency is the Euro and all amounts are expressed in thousands of Euro, unless otherwise indicated. The consolidated statement of financial position distinguishes between current and non-current assets and liabilities, where:

- non-current assets refer to positive balances to be realized after more than 12 months and include intangible, tangible and financial assets, as well as deferred tax assets;
- current assets refer to positive balances to be realized within 12 months;
- non-current liabilities refer to liabilities due after more than 12 months, including financial payables, provisions for risks and charges and employee benefit liabilities, as well as deferred tax liabilities;
- current liabilities refer to liabilities due within 12 months, including the short-term portion of medium/long-term loans, provisions for risks and charges, and employee benefit liabilities.

Differently from the separate financial statements of the Parent company Salvatore Ferragamo S.p.A., the consolidated income statement is shown in accordance with a classification of costs by function, which is considered more representative than the so-called presentation of costs by nature. The Group allocates costs by function using the cost centers that represent the function of the cost. The structure chosen is in line with internal reporting processes and business operations. The breakdown of costs by nature is included in the explanatory notes (note 36 "Breakdown by nature of income statement cost items"). The statement of cash flows has been prepared according to the indirect method and is presented in compliance with IAS 7, breaking down financial flows into operating, investing and financing activities.

It should be noted that in reference to CONSOB Resolution no. 15519 of 27 July 2006 and Communication no. DEM6064293 of 28 July 2006, significant transactions with related parties are disclosed in the financial statements, in order to provide better disclosure.

For comparative purposes, the consolidated financial statements show the comparison with the consolidated statement of financial position as at 31 December 2024 and the consolidated income statement for 2024.

2.3 Accounting standards

2.3.1. General notes

The Consolidated Financial Statements have been prepared according to the historical cost principle, except for derivatives and financial assets classified as held for sale, which are recorded at fair value and on a going-concern basis. The accounting standards adopted in the consolidated financial statements as at 31 December 2025 are the same as those adopted in previous years, with the exception of international accounting standards newly adopted in 2025. For more details, please refer to the section "Changes in international accounting standards".

Discretionary valuations and significant accounting estimates

The preparation of the Consolidated Financial Statements has entailed the use of estimates and assumptions, both in determining some assets and liabilities, and in assessing contingent assets and liabilities, by using the best available information. Actual results might not fully correspond to estimates.

The main estimated data refer to:

- provisions for obsolete inventory of raw materials, accessories and finished products; since the Group's products are subject to market trends and changes in fashion trends, product inventories at the end of the season are subject to impairment. Specifically, the provision for obsolete inventory of finished products reflects management's estimate of the expected impairment losses on the products of the collections of previous seasons, considering the ability to sell them through the Group's various distribution channels. This assumption may vary across the different geographic areas in which the Group operates based on the knowledge of the individual market's characteristics concerning the local ability to absorb sales of products from previous seasons. Generally, impairment assumptions involve percentages of impairment that become greater the older the collections are, so as to reflect the decline in selling prices in secondary channels (mainly outlets) on the one hand, and on the other hand, the decrease in the probability of selling them as time goes by. This percentage is based on both a statistical analysis of the change in inventory age and an assessment of the consistency in the use of percentages over time. In case of changes in available information, the percentages are reassessed and adjusted as needed. The provision for obsolete raw materials reflects management's estimates of the decline in the probability they will be used based on the calculation of slow-moving raw materials;
- impairment/reversal of impairment of non-current assets: for more details, please refer to the section "Impairment/Reversal of impairment of Property, plant and equipment, Investment property, Intangible assets with a finite useful life, Right-of-use assets, and Goodwill" below.
- provision for bad debt relating to wholesale sales, which is linked to the solvency and standing of customers with which the company has well-established and consolidated relations. The Group uses a matrix to calculate Expected Credit Losses (ECLs) on trade receivables. The provisioning rates are based on the days past due for each customer category grouped in the different segments that present similar historical loss experiences (for instance, by geographic area, product type, customer type, rating, and guarantees). The matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (for example, country risk) are expected to deteriorate over the next year, which can lead to an increased number of defaults in the country concerned, the historical default rates are adjusted accordingly. At every reporting date, the Group updates historical observed default rates and analyzes changes in forward-looking estimates. The assessment of the correlation between historical observed default rates, forecast economic conditions, and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and in forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future. For more details on the analysis of credit risks, please refer to notes 3 "Management of financial risks (IFRS 7)" and 15 "Trade receivables";
- provisions for risks and charges, specifically the costs for the contractual commitment to renovate leased properties in the future and costs for ongoing or foreseeable disputes;
- right of return to adjust revenues from contracts with customers, where envisaged under contractual terms and conditions or customary business practices for selling goods. The Group has concluded that the expected value method is the most appropriate to estimate the amount of variable consideration on sales of goods with rights of return, considering the large number of contracts with similar characteristics;
- useful life of property, plant and equipment, intangible assets with a finite useful life and investment property, as well as ensuring that development costs meet the recognition and measurement requirements for intangible assets;

- employee benefits, which are measured using actuarial assumptions; for the main actuarial assumptions, reference should be made to note 24 "Employee benefit liabilities";
- deferred tax assets, which are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences or any tax losses can be utilized. In this regard, the Group's management estimates the likely timing and amount of future taxable profit;
- fair value of financial instruments, chief among them derivative instruments, which the Group uses extensively to hedge exchange rate risk; for details about the assumptions underlying the measurement of fair value, reference should be made to notes 3 "Management of financial risks (IFRS 7)" and 32 "Financial instruments and fair value measurement";
- fair value of share-based payments plans, settled in either cash or shares, that the Parent company uses to provide incentives to the Group's management; for details about the assumptions underlying the measurement of fair value, reference should be made to note 42 "Share-based payments";
- risk of defeat in the disputes involving the Group; the Group recognizes a liability when facing legal disputes and lawsuits if it believes it is probable that they will require an outflow of financial resources and a reliable estimate can be made of the amount of potential losses. Given the uncertainty surrounding the outcome of these proceedings, it is hard to reliably estimate the outflow of resources that will be required to settle them, therefore the amount of the provisions for legal disputes may change as a result of future developments in the outstanding proceedings. The Group monitors the status of ongoing lawsuits and proceedings, and consults with its legal advisors as well as legal experts. Moreover, the Group assesses uncertain tax positions and, if required, recognizes a liability.

With reference to IFRS 16, the Group, in its capacity as lessee, made the significant accounting estimates reported below:

- Lease term: the identification of the lease term is a very significant issue, as the form, regulations, and business practices related to property leases vary significantly from one jurisdiction to another, and assessing the impact on the estimated lease term of the options to renew the lease at the end of the non-cancellable period requires using assumptions. The IFRS Interpretation Committee clarified that, for the purposes of identifying the enforceable period, a lessee shall consider the contractual moment when both parties may exercise their right to terminate the contract without incurring penalties that are not immaterial; the concept of penalty is not to be interpreted in a strictly contractual sense, but shall rather be viewed considering all the economics of the contract. The Group has considered these conclusions in identifying the lease term. In defining the lease term, the Group considered whether either the lessee or lessor, or both, have renewal and termination options, respectively. When renewal options exercisable by both parties to the agreement exist, the Group considered whether there are significant economic disincentives to refuse the renewal request, in accordance with paragraph B34 of IFRS 16. When there are options exercisable by only one of the two parties, the Group considered paragraph B35 of IFRS 16.

Applying the above, considering the specific facts and circumstances as well as the estimate of whether it will be reasonably certain that the option will be exercised, resulted in the following:

- For annual leases that are automatically renewed except in the event of termination, an average term of five years was considered, based on historical analyses;
- in the other cases, if only the Group can exercise the option, we considered a lease term until the end of the second renewal term, based on historical evidence and the fact that a renewal beyond the second term could not be considered reasonably certain.

After the lease commencement date, the Group reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the Group and affects whether the lessee is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

- Definition of the discount rate: as most leases entered into by the Group do not contain an implicit interest rate, the Group calculated an Incremental Borrowing Rate (IBR). To determine the IBR it should use to discount future lease payments, the Group identified each country as a portfolio of leases with similar characteristics and determined the relevant IBR as the interest rate of a risk-free instrument in the country in which the lease was entered into, based on the different lease terms, increased by the Group's Credit spread.

The estimates and the assumptions are made by directors with the assistance of company departments and, when appropriate, independent experts, and are periodically reviewed – recognizing, if necessary, the impact of each change in the income statement in the period in which these estimates and assumptions should differ from actual circumstances.

Impairment/Reversal of impairment of Property, plant and equipment, Investment property, Intangible assets with a finite useful life, Right-of-use assets, and Goodwill

The Group constantly monitors its business to assess whether there is any indication that any of its non-current assets may be impaired, including goodwill, investment property, intangible assets with a finite useful life (including intangible assets in progress), tangible assets and right-of-use assets.

Goodwill and intangible assets in progress are tested for impairment at least once a year (as at 31 December) or more often, when circumstances indicate that the carrying amount may be subject to impairment.

As required by IAS 36, at each reporting date the Group performs an analysis to identify any indicators of impairment and/or impairment losses for Property, plant and equipment, Investment property, Right-of-use assets, Intangible assets with a finite useful life, and Goodwill, by preparing checklists that identify the presence of external indicators (such as general macroeconomic conditions, industry and market considerations, market capitalization, significant changes with a negative effect on the technological, market, economic or regulatory environment in which the entity operates or on the market to which an asset is directed) or internal indicators (such as significant changes with a negative effect on the entity in the extent to which, or in the way in which an asset is used or expected to be used, the economic performance of the asset is, or will be, worse than expected, with negative or declining cash flows).

Following these analyses, CGUs showing impairment indicators are tested for impairment. As in the past, impairment tests were carried out by considering the individual geographic areas in which the Group operates as CGUs (Cash Generating Units). Said areas usually coincide with the Group's individual legal entities, except where multiple legal entities of the Group operate in the same country or in neighboring territories or markets with a shared and homogeneous customer base.

It is useful to note that, as in the previous year, the Retail Hong Kong CGU has been separated from the China CGU, in line with the new distribution model implemented by the Group during 2024.

The impairment loss for Goodwill is determined by measuring the recoverable amount of the cash-generating unit (or group of cash-generating units) to which Goodwill has been allocated.

If indicators of impairment exist, the carrying amount of an asset is reduced to its recoverable amount, which is the higher of its fair value less the costs of sale and its value in use. The recoverable amount is determined for the individual asset, unless the asset generates incoming cash flows that are largely independent of the incoming cash flows from other assets or groups of assets, in which case the asset is tested as part of the CGU to which the asset belongs.

The calculation of the fair value less the costs of sale is based on the data available relating to sale transactions between free and independent parties involving similar assets or observable market prices, less the extra costs relating to

the disposal of the asset. The value in use is calculated based on discounted cash flow models using a pre-tax discount rate which reflects the current market estimate of the cost of money over time and the specific risks of the asset. Value in use is the present value of the future cash flows (DCF: Discounted Cash Flow) expected to arise from the asset.

The recoverable amount of the CGU is estimated based on the value in use, i.e. using the Discounted Cash Flow method, which considers the ability to generate cash flows as the fundamental element for the purpose of measuring the target CGU by discounting them on the basis of an appropriate discount rate.
The main assumptions to determine the recoverable amount are given below:

- the discount rate (Weighted Average Cost of Capital – WACC) was estimated according to the formulation of the unconditional Extended Capital Asset Pricing Model ("CAPM") for the cost of equity, while the cost of debt was estimated as the sum of the risk-free rate of the country of reference and the interest coverage ratio of the panel companies for estimating beta and debt equity ratio.
- The growth rate "g" is determined as the inflation rate expected to prevail over the medium-long term in the reference market.
- The terminal value is determined using the perpetuity model with a long-term growth rate "g".

The cash flows are taken from the estimates made by management, which represent the best estimate made by the Group on the economic conditions set for the plan period, also taking into account studies by sector analysts. Such flows do not include restructuring activities for which the Group does not have a current obligation, or significant future investments which will increase the yield on the assets that make up the cash-generating unit that is being valued. The recoverable amount is very dependent on the discount rate used in the discounted cash flow model and also on the expected future incoming cash flows and on the growth rate used for the purposes of the extrapolation.

The plan forecasts cover a maximum timeframe of five years, in line with the provisions of IAS 36, and the long-term growth rate (g) used to estimate the terminal value of the asset was assumed to be equal to the rate of inflation expected to prevail over the medium-long term in the main markets where the Group operates, as published in the major databases available. Therefore, according to what is suggested by the doctrine, the growth rate g thus defined represents the growth rate that the company can reasonably maintain indefinitely, taking into account the maturity of the sector and geographical markets in which the Group operates; in any case, it is difficult to sustain growth above that of the economy as a whole over the long term.

The recoverable amount is very dependent on the discount rate used in the discounted cash flow model and also on the expected future incoming cash flows and on the growth rate used for the purposes of the extrapolation.

An impairment loss is recognized when the recoverable amount is lower than the carrying amount.

The results of the valuations carried out to determine the recoverable amount for all the CGUs tested for impairment are compared with the related carrying amount and, if the net carrying amount of the CGU (including the allocated goodwill) is higher than the Recoverable Amount, an impairment loss is recognized for the difference between the two amounts. In each CGU, the loss will be recognized in the following order:

a . reduction of the carrying amount of the goodwill allocated to the unit (until it is zeroed), if the reduction refers to the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated;

b. proportional reduction of the carrying amount of the unit's other assets, excluding current assets already measured at their recoverable amount.

The recognition of impairment for Goodwill cannot be reversed in subsequent reporting periods.

It should be noted that, as part of the impairment process, a sensitivity analysis is also carried out, which aims to evaluate the results obtained even if the main cash flows, the WACC parameters and the growth rate g change.

Disclosure on impairment

Based on the provisions of the Impairment test procedure approved by the Board of Directors on 27 January 2026, the Group analyzed the presence of any impairment and/or impairment losses indicators in relation to its non-current assets, or whether the reasons that had led to the recognition of impairment losses during previous years no longer exist.

In FY2025, the Group reported an operating loss, showing an improvement over the previous year, although it was adversely affected by a complex market environment. The uncertainty surrounding the demand for luxury goods leads to maintaining a cautious stance regarding near-term expectations.

An analysis of internal and external indicators (trigger events) identified signs of weakness, with some CGUs underperforming expectations; these were consequently subjected to impairment tests. The result of impairment tests determined an impairment loss of 45.7 million Euro. For more details, please refer to note 10 "Impairment of property, plant and equipment, Right-of-use assets, Intangible assets with a finite useful life, and Investment property" in this document. It is worth noting that of the total write-down of 40.2 million Euro, €40.2 million of the total write-down relates to write-downs already recognized as at 30 June 2025 and confirmed as at 31 December 2025, and 1.9 million Euro relates specifically to certain some items of property, plant and equipment that no longer align with the company's strategies.

Climate change impact assessment

As indicated in the section entitled "Main risks and uncertainties" of the Directors' Report on Operations, the Group recognizes the growing importance of the effects of climate change and the potential impacts these may have. In order to understand, assess and manage these effects in a structured and effective manner, the Company has for some years implemented a Climate Change Risk Management Framework which is subject to periodic updates. This enables a detailed examination of how challenges related to climate change may affect the Group's business and allows for testing its resilience in the medium to long term. Physical risk analyses cover the main extreme natural events (such as floods, tornadoes, hailstorms, etc.) and focus on a scope comprising the major assets considered representative of business activities: Ferragamo-owned assets, DOS (Directly Operated Stores) that are significant in terms of net sales, and assets of key suppliers in terms of the type and scale of supply. To identify the assets at material physical risk, using specific climate tools (e.g. IPCC WGI Interactive Atlas, Copernicus, etc.), first the exposure to physical climate risks in the short term is assessed, net of adaptation measures. The exposure is then stress-tested in the medium (2030) and long term (2050), considering changes in the main climate variables in accordance with the scenario set out in RCP/SSP 8.5 of the IPCC – i.e. the worst case scenario. Overall, the results of the analyses show a mature level of climate adaptation, above all thanks to extended insurance cover, which significantly reduces the potential financial impact from physical risks.

Over the years, the Group has strengthened its proactive approach to the dynamics associated with climate change, and several measures have been implemented in 2025 to mitigate potential exposure to sustainable transition risks. These include:

- The Performance and Restricted Shares Plan 2023-2025, approved by the Shareholders' Meeting of 26 April 2023 – reserved for selected employees and/or directors and/or collaborators of Salvatore Ferragamo S.p.A. and/or other companies belonging to the Ferragamo Group, who are considered key to the pursuit of sustainable success in the medium-long term – provides for ESG goals, including those related to environmental sustainability. For more details, please refer to note 42 "Share-based payments" in the Consolidated Financial Statements.

- In 2025, the Group developed the Back to Earth capsule collection, introducing innovative materials and processes, including cotton sourced from entirely Italian supply chains and production solutions based on the use of natural materials and treatments.
- During 2025, the Group extended its Life Cycle Assessment (LCA) analysis to raw materials, with a focus on leather and cotton. The project included an engagement activity with suppliers to actively involve them and ensure transparent assessment along the production chain.
- The Group has formalized its commitment by providing financial support for an ongoing research project with the DAGRI Department of the University of Florence, in collaboration with the Regional Association of Livestock Farmers of Tuscany (ARAT), following a study completed in 2025.

For further details, please refer to the section "Consolidated Sustainability Report pursuant to Legislative Decree No. 125 of 6 September 2024 implementing Directive 2022/2464/EU" in the Directors' Report.
Recognizing that climate change is a constantly evolving phenomenon and with the aim of keeping the approach to the Climate Change Risk Management Framework aligned with best practices, the Group will continue to maintain and update the Model.

2 .3.2 Property, plant and equipment

Tangible assets are recorded at historic cost, including the additional costs directly attributable and necessary to use the asset for the purpose for which it has been bought. This cost includes the costs to replace part of the plant and equipment when incurred, if they comply with the recognition criteria. The net value (cost less accumulated depreciation and accumulated impairment) of parts of replaced plant and equipment is recognized in the income statement at the time of replacement.

Maintenance and repair expenses, which do not increase the value and/or extend the remaining life of the assets, are recognized in the income statement in the year in which they are incurred, otherwise they are capitalized.

Tangible assets are shown net of the related accumulated depreciation and any accumulated impairment determined in accordance with the method described below.

Depreciation is calculated on a straight-line basis according to the estimated useful life of the asset for the company. The useful lives of the main classes of tangible assets are as follows:

	Useful life
Buildings	33 years
Plant and Equipment	5-6 years
Industrial and commercial equipment	4-7 years
Other assets:	
- Office furniture and furnishings	5-8 years
- Electronic machines	3-5 years
- Historic collection	5 years
- Vehicles	3-4 years
Leasehold improvements	The shorter of the useful life of the asset and the remaining term of the asset lease agreement

The residual value of the asset, its useful life, and the depreciation methods applied are reviewed at the end of each year and adjusted on a prospective basis if necessary.

Should significant parts of these tangible assets have different useful lives, these components are accounted for separately. Land, whether it is free of construction or attached to buildings, is recorded separately and is not depreciated since it has an unlimited useful life.

The carrying amount of property, plant and equipment is subject to review to record any impairment, should events or changed situations indicate that the carrying amount cannot be recovered. If there is an indication of impairment, and should the carrying amount exceed the presumed realizable value, assets are written down to reflect their realizable value. The realizable value of property, plant and equipment is the higher of the net sale price and the value in use.

In defining the value in use, the expected future cash flows are discounted using a pre-tax discount rate which reflects the current market estimate of the cost of money over time and the specific risks of the asset. The realizable value of an asset which does not generate broadly independent cash flows is determined in relation to the cash-generating unit to which this asset belongs. Impairment is recognized in the income statement under amortization, depreciation and write-down costs. Impairment is reversed should the reasons for it no longer exist.

The carrying amount of an item of property, plant and equipment and each initially recognized significant component is derecognized on disposal (i.e., on the date the buyer obtains control over it) or when no future economic benefits are expected from its use or disposal. The gain/loss arising from the derecognition of the asset (calculated as the difference between the net carrying amount of the asset and the consideration received) is included in profit or loss when the item is derecognized.

2.3.3 Investment property

Tangible assets held for income purposes and not for instrumental use are shown in a specific item called "Investment property", in accordance with IAS 40, and are recognized at cost. The assets which fall under this category are represented by land and/or buildings (or parts of buildings) held by the owner or lessee under a financial or operating lease in order to lease them out.

These types of property are classified separately from other property assets held. Investment property is shown net of the relevant accumulated depreciation and any impairment. The useful life of Group investment property is 33 years.

The carrying amount of investment property is subject to review to record any impairment, should events or changed situations indicate that the carrying amount cannot be recovered. Impairment is recognized in the income statement under amortization, depreciation and write-down costs. Impairment is reversed should the reasons for it no longer exist.

Investment property is derecognized on disposal (i.e., on the date the buyer obtains control over it) or when the investment is permanently unusable and no future economic benefits are expected from its disposal. The amount of consideration to be taken into account to calculate the gain or loss on the derecognition of an investment property is determined in accordance with transaction pricing requirements in IFRS 15.

2.3.4 Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. The contract is, or contains, a lease if it provides the right to control the use of a specific asset for a period of time in exchange for consideration.

The Group uses the exemption under IFRS 16 for intangible assets.

The Group as lessee

The Group applies a single accounting model for all leases to which it is lessee, except for short-term leases and leases of low-value assets. The Group recognizes a financial lease liability and a right-of-use asset.

Right-of-use assets:

The Group recognizes a Right-of-use asset at the lease commencement date (that is the date on which the underlying asset is available for use by the lessee). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses determined as described below, and adjusted for any remeasurement of lease liabilities. The cost of Right-of-use assets includes the amount of the recognized lease liability, initial direct costs incurred, lease payments made at or before the commencement less any lease incentives received, and the estimate of costs to be incurred by the Group in restoring the underlying asset to its original condition, if required by the lease.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, depreciation is calculated on a straight-line basis over the shorter of the lease term and the useful life of the asset as follows:

	Useful life
Buildings	33 years
Equipment and other assets	3-5 years
Vehicles	3-4 years

Right-of-use assets are tested for impairment should events or changes in circumstances indicate that the carrying amount cannot be recovered. If there is an indication of impairment, and should the carrying amount exceed the presumed realizable value, assets are written down to reflect their realizable value. The realizable value is the higher of the net sale price and the value in use. In defining the value in use, the expected future cash flows are discounted using a pre-tax discount rate which reflects the current market estimate of the cost of money over time and the specific risks of the asset. The realizable value of an asset which does not generate broadly independent cash flows is determined in relation to the cash-generating unit to which this asset belongs. Impairment is recognized in the income statement under amortization, depreciation and write-down costs. Impairment is reversed should the reasons for it no longer exist.

Lease liabilities:

At the commencement date of the lease, the Group recognizes a lease liability measured at the present value of future lease payments to be made over the lease term. Future payments include fixed payments, less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the Group is reasonably certain to exercise the option to terminate. The variable lease payments that do not depend on an index or a rate, but that in the case of the Group mainly depend on sales volumes, continue to be recognized as costs for services in profit or loss. In calculating the present value of future payments, the Group uses the Incremental Borrowing Rate (IBR) as at the lease commencement date. Subsequently, the lease liability is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the lease liability is remeasured to account for any change in the terms of the lease.

Short-term leases and leases of low-value assets:

the Group has elected not to apply IFRS 16 to short-term leases (leases with a lease term of 12 months or less) and leases for which the underlying asset is of low value (less than 5,000 Euro). Payments on these leases are recognized as expense on a straight-line basis in accordance with the terms and conditions of the lease.

The Group as lessor
Lease contracts in which the Group largely retains all the risks and benefits of ownership of the asset are classified as operating leases.

Lease payments are recognized on a straight-line basis over the term of the lease contracts in place at the reporting date and, if they derive from investment property, they are classified under "Rental income investment properties". The Group capitalizes the initial direct costs incurred in obtaining an operating lease and recognizes those costs as an expense over the lease term on the same basis as the lease income.

2 .3.5 Business combinations and goodwill

Business combinations are accounted for using the purchase method.

The acquisition cost is valued as the total of the transferred consideration measured at fair value at the acquisition date and the amount of any minority interests in the acquired company. For every business combination, the acquirer must assess any minority interests in the acquired company at fair value or in proportion to the share of minority interests in the net identifiable assets of the acquired company. Acquisition costs are recognized in the income statement under administrative costs.

The Group shall determine to have acquired a business when an integrated set of activities and assets includes, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. An acquired process shall be considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process, or significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Every potential consideration must be recognized by the acquirer at the fair value on the acquisition date. The change in the fair value of the potential consideration classified as a financial asset or liability pursuant to IFRS 9 will be recognized in accordance with the provisions of IFRS 9, in the income statement or in the statement of comprehensive income. If the potential consideration is classified as an equity instrument, its value is not remeasured and its discharge is recognized under shareholders' equity. When the contingent consideration is outside the scope of IFRS 9, it must nonetheless be measured at fair value, with changes recognized in profit or loss.

The goodwill acquired in a business combination is initially measured as the excess of the aggregate of the consideration transferred and the amount of any non-controlling interest over the fair value of the net identifiable assets acquired and the liabilities assumed by the Group.

This requires the fair value recognition of the identifiable assets (including previously unrecognized intangible assets) and liabilities (including contingent liabilities and excluding future restructuring) of the purchased company.

After the initial recognition, goodwill is valued at cost less accumulated impairment. For impairment test purposes, the goodwill acquired in a business combination is allocated, at the acquisition date, to the Group's individual cash-generating units, or to groups of cash-generating units which should benefit from the synergies of the combination, regardless of the fact that other Group assets or liabilities are allocated to these units or groups of units.

When the Group acquires a business, it must classify or designate the financial assets acquired or the liabilities assumed on the basis of the contractual terms, economic conditions and other pertinent conditions as they exist at the acquisition date. This includes a test to establish whether an embedded derivative must be separated from the primary contract.

In a business combination achieved in stages, the company shall remeasure its previously held equity interest at its fair value and recognize the resulting gain or loss, if any, in profit or loss.

If the goodwill has been allocated to a cash-generating unit and the entity disposes of part of the assets of this unit, the goodwill relating to the disposed asset must be included in the carrying amount of the asset when the gain or loss arising from the disposal is determined. The goodwill relating to the disposed asset must be determined on the basis of the values relating to the disposed asset and the part of the cash-generating unit which is kept.

Business combinations between entities subject to joint control do not fall within the scope of application of IFRS 3. Should the business combination between entities subject to joint control not be of an economic nature but a mere corporate reorganization, the company will apply the business combination accounting method called "pooling of interest", thus aggregating the assets and liabilities to the book values on a line-by-line basis.

2.3.6 Intangible assets

Intangible assets are recorded among assets at purchase cost when the use of the asset is likely to generate future income and when the cost of the asset can be reliably established. Intangible assets acquired through business combinations are recorded at fair value as established at the acquisition date, if this value can be reliably established. Intangible assets with a finite useful life are amortized on a straight-line basis over their estimated useful life; the useful life is reviewed on an annual basis and any changes, where necessary, are applied on a prospective basis.

Intangible assets are shown net of the related accumulated amortization and any accumulated impairment determined in accordance with the method described below.

The useful lives of the main categories of intangible assets with a finite useful life are the following:

	Useful life
Industrial patents and intellectual property rights	2-5 years
Concessions, licenses and trademarks	10 years
Key money	On the basis of the residual term of the asset lease contract
Know-how	8 years

An intangible asset is derecognized on disposal (i.e. on the date the buyer obtains control over it) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss.

The carrying amount of intangible assets is subject to review to record any impairment, should events or changed situations indicate that the carrying amount cannot be recovered. Impairment is recognized in the income statement under amortization, depreciation and write-down costs. Impairment is reversed should the reasons for it no longer exist.

Development costs
Research costs are charged to the income statement when they are incurred.

Development costs incurred in relation to a particular project are capitalized only when the Group can demonstrate the technical possibility of completing the intangible asset in such a way as to make it available for use or for sale, as well as its intention to complete the asset in order to use it or sell it, the means by which it will generate probable future income, the availability of technical, financial or other resources to complete the development and its ability to make a reliable assessment of the cost attributable to the asset during its development.

During the development period, the asset is reviewed annually to assess any impairment. Following the initial recognition, development costs are assessed at cost less any accumulated amortization or impairment loss. Amortization of the asset starts when the development is completed and the asset is available for use. It is amortized in reference to the period in which the project is likely to generate revenues for the Group.

Industrial patents and intellectual property rights
Industrial patents and intellectual property rights refer to costs for software licenses and to costs for the filing and registration of trademarks and patents relating to Group products.

Concessions, licenses, trademarks and similar rights
This item refers to costs for the filing and registration of the Salvatore Ferragamo trademark. Purchase costs are amortized over the useful life of the right purchased.

Other intangible assets with a finite useful life
This item mainly refers to the sums paid to lease property by taking over existing contracts or by obtaining the withdrawal of lessees so as to be able to enter into new contracts with the lessors (key money). These charges are amortized over the term of the lease contract.

Starting from 2020, the item includes also the know-how acquired through the business combination of Arts S.r.l. and Aura 1 S.r.l., recognized at its fair value at the acquisition date. This charge is amortized over 8 years.

2 .3.7 Financial Instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The general rule in IFRS 9 is that an entity shall recognize a financial asset or a financial liability on its balance sheet when, and only when, the entity becomes a party to the contractual provisions of the instrument.

Financial assets
On initial recognition, financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The assessment of the contractual cash flow characteristics is known as the SPPI (Solely Payments of Principal and Interest) test and is conducted for each instrument. However, identical

financial instruments may be analyzed in groups, since the outcome of the test would not be different than under an individual or separate assessment.

The Group's business model for managing financial assets refers to how the Group manages financial assets in order to generate cash flows. The business model determines whether the cash flows will result from the collection of contractual cash flows, sales proceeds, or both. Based on these characteristics, financial assets are classified into four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through other comprehensive income with reclassification of cumulative gains and losses (debt instruments);
- Financial assets at fair value through other comprehensive income without reclassification of cumulative gains or losses on disposal (equity instruments);
- Financial assets at fair value through profit or loss.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

After initial recognition, the Group measures financial assets at amortized cost, at fair value through other comprehensive income, and at fair value through profit or loss.

Financial assets at amortized cost (debt instruments)
The Group measures financial assets at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in the statement of profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost include trade receivables and guarantee deposits.

Financial assets at fair value through other comprehensive income (debt instruments)
The Group measures debt instruments at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through other comprehensive income, gains and losses are recognized through other comprehensive income except for changes resulting from exchange differences and impairment losses, as well as reversals, which are recognized in the statement of profit or loss. Upon derecognition, the cumulative fair value change recognized in other comprehensive income is recycled to profit or loss; the amounts recognized through profit or loss are the same that would have been recognized if the financial assets had always been measured at amortized cost. The Group currently does not have this type of instruments.

Financial assets at fair value through profit or loss

In general, IFRS 9 defines the classification at fair value through profit or loss as a residual category to be applied to all those financial assets that, because of their contractual characteristics, are not measured at amortized cost or at fair value through other comprehensive income. However, the Group may, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so would eliminate or significantly reduce an accounting mismatch that would otherwise arise from recognizing the gains and losses on the asset on different bases. Although this may be considered an accounting policy choice, the standard does not require applying it consistently to all similar transactions.

Financial instruments at fair value through profit or loss are carried in the statement of financial position at fair value, with net changes in fair value recognized in the statement of profit or loss.

This category includes derivative instruments. Derivatives are classified as financial instruments held for trading, unless they are designated as effective hedging instruments.

A derivative embedded in a non-derivative hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss.

Reclassification

A financial asset is reclassified only if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be expected or the Group changes its business model for managing financial assets. The reclassification shall be applied prospectively from the date of reclassification, without restating any previously recognized gains, losses, and interest.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Group has transferred the right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party and (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, whereby it retains the contractual rights to receive cash flows from the asset, but assumes a contractual obligation to pay the cash flows to one or more recipients, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When all the risks and rewards of ownership of the financial assets are substantially transferred, the Group derecognizes the financial asset and recognizes any rights and obligations created or retained as separate assets or liabilities; otherwise, the financial asset continues to be recognized. When it has neither transferred nor retained substantially all of the risks and rewards, nor lost control over the asset, the Group continues to recognize the asset to the extent of its continuing involvement; when control over the financial assets is not retained, the Group derecognizes the financial asset and recognizes any rights and obligations created or retained as separate assets or liabilities. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Group recognizes an allowance for Expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. Specifically, the impairment model applies to all financial assets measured at amortized cost and at fair value through other comprehensive income, but not to financial assets at fair value through profit or loss. In addition, the following types of instruments also fall within the scope of the model:

- Loan Commitments not measured at FVTPL;
- Financial guarantees within the scope of IFRS 9;
- Lease receivables within the scope of IFRS 16;
- Contract Assets within the scope of IFRS 15.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The cash flows that the Group expects to receive depend on the probability of a default by the counterparty and the amount it expects to be able to recover; the expected cash flows will therefore include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Under the general approach of the Standard, the impairment of financial assets is determined based on the monitoring of the counterparties' credit standing. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. More specifically, for the above financial assets, the Group adopts the practical expedient of the provision matrix to calculate impairment, i.e. has established a matrix system based on historical collection information, adjusted for forward-looking factors specific to the debtors and the economic environment, as a means to determine expected credit losses.

Financial liabilities

Financial liabilities are classified and measured at amortized cost using the effective interest rate method, except for those financial liabilities that are classified at fair value through profit or loss because they do not meet the conditions for the measurement at amortized cost. This is the case of financial liabilities held for trading. In addition, the Group may, at initial recognition, irrevocably designate a financial liability at fair value through profit or loss if doing so would result in more relevant information, as:

- it eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases;
- a group of financial assets or liabilities is managed and measured at fair value in accordance with a risk management policy or based on an investment strategy, and information about the group is provided internally on that basis to key management personnel.

Derivatives with negative fair value are also classified and measured at fair value through profit or loss, except for those held as effective hedging instruments. All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings as well as payables, directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

The measurement of financial liabilities depends on their classification as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost (loans and borrowings).

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of settling or transferring them in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities are designated at fair value through profit or loss upon initial recognition, only if the criteria in IFRS 9 are satisfied. Upon initial recognition, the Group has not designated any financial liability at fair value through profit or loss.

Financial liabilities at amortized cost (loans and borrowings)

After initial recognition, loans are measured at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included as finance costs in the statement of profit or loss.

It is not possible to reclassify financial liabilities.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as currency forward contracts, to hedge financial risks relating to exchange rate fluctuations affecting commercial transactions in foreign currency. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into, and are subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. As allowed under IFRS 9 paragraph 7.2.21, the Group elected to apply IAS 39 for the purpose of hedge accounting.

In keeping with the provisions of IAS 39.88 and IFRS 9.6.4.1, hedging derivatives are eligible for hedge accounting only when:

- at the inception of the hedge, there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge;
- the hedge is likely to be highly effective;
- for cash flow hedges, the forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to the measurement of cash flows that may have an impact on the income statement;
- the effectiveness can be reliably measured; and
- the hedge itself is highly effective during the various accounting periods for which it is designated.

All derivatives are measured at fair value. When derivatives possess the necessary features to be accounted for in accordance with hedge accounting, the following accounting treatments are applied:

- Fair value hedge – if a derivative is designated as a hedge against changes in the current value of an asset or a liability or a firm commitment that may have an impact on the income statement, the change in the fair value of the hedging instrument is recognized in the income statement and the change in the fair value of the hedged instrument attributable to the hedged risk is recognized as part of the carrying value of the item being hedged and is also recognized in the income statement. In the case of a firm commitment, the fair value of the component related to the hedged risk is recognized as an asset or liability, adjusting the line item in the statement of financial position that will be affected by the firm commitment upon its realization.
- Cash flow hedge – if a derivative is designated as a hedge against the changes in cash flows from an asset or liability or from a transaction which is considered as highly likely or a firm commitment and which could affect the income statement, the effective portion of the gains or losses on the derivative is recorded under shareholders' equity and accounted for in the statement of comprehensive income; the accumulated gain or loss is reversed from shareholders' equity and charged to the income statement in the same period in which the hedged transaction is recorded; the gain or loss associated with a hedge or that part of the hedge which has become ineffective, is recorded in the income statement when its ineffectiveness is recognized.

Should the conditions to apply hedge accounting not occur, the effects arising from the fair value assessment of the derivative are charged directly to the income statement.

2.3.8 Cash and cash equivalents

Cash and short-term deposits refer to cash on hand and sight/short-term deposits, in the latter case originally expiring in no more than three months.

2.3.9 Treasury shares

Treasury shares are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale or cancellation of treasury shares. Any difference between the purchase value and the consideration, in the event of a sale and/or grant, is recognized in a reserve in Equity.

2.3.10 Inventories

Inventories are measured at the lower of purchase and/or production cost, determined using the weighted average cost method, and the net realizable value. Purchase cost includes ancillary charges; production cost includes direct costs and a share of indirect costs which may be reasonably attributable to products. The presumed net realizable value is the normal estimated sale price less the estimated costs to complete the product and the estimated costs to complete the sale.

2.3.11 Assets held for sale

This item is composed of non-current assets, whose carrying amount will be recovered mainly through their sale rather than through their continued use. Assets classified as held for sale are valued at the lower of their net carrying amount and their fair value net of sale costs.

2.3.12 Provisions for risks and charges

Provisions for risks and charges are allocated when the Group must meet a current (legal or implicit) obligation resulting from a past event, whose occurrence is deemed as likely and whose amount can be reasonably estimated.

When the Group believes that an allocation to the provision for risks and charges will be partly or fully reimbursed, for example in the case of risks hedged by insurance policies, the indemnity is recorded separately among assets if, and only if, it is almost certain. In this case, in the income statement the cost of any allocation is shown net of the amount recorded for the indemnity.

If there is a significant effect from discounting the value of money, the allocations are discounted using a pre-tax discount rate which reflects, where appropriate, the specific risks of the liabilities. When the discounting is carried out, the increase in the allocation due to the passing of time is recorded as a financial charge.

2.3.13 Pension Funds and other long-term employee benefits

In Italy, the Group has a "Defined-benefit plan" for employee severance indemnities. With respect to Salvatore Ferragamo S.p.A., the plan concerns only the amounts recognized up to 31 December 2006. In addition, the Group has "Defined-contribution plans" for employee severance indemnities accrued after said date. This distinction derives from the 2007 Budget Law and the relevant enabling legislation, which require allocating employee severance indemnities to either supplementary pensions schemes or the Treasury Fund of the Italian Social Security Institute (INPS).

The Group also has other "Defined-benefit plans" in the United States, Mexico, Thailand, France, Belgium, Principality of Monaco, Taiwan, Japan, and Switzerland.

Moreover, the Group has defined-contribution plans for its employees.

The Group's net obligation deriving from defined-benefit plans is calculated separately for each plan by estimating the amount of the future benefit which employees have accrued in return for the service provided in the current and previous years; this benefit is discounted in order to calculate the current value. The cost of the benefits provided under the defined-benefit plan is determined using the actuarial technique of the projected unit credit method. Actuarial gains and losses are recorded directly in the statement of comprehensive income, as provided for by IAS 19. Net interest on the net defined-benefit liability shall be determined by multiplying the net liability by the discount rate.

The actuarial assessment of liabilities has been entrusted to independent actuaries.

2.3.14 Fair Value

IFRS 13 establishes a single source of guidance for fair value measurement and for the relevant disclosures when such measurement is required or permitted. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets or liabilities whose fair value is measured or recognized are categorized based on the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 – Valuation techniques using unobservable inputs for the asset or liability.

The fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The methods for determining fair value in reference to financial instruments, for accounting or disclosure purposes, are summarized below in reference to the main financial instrument categories, to which they have been applied:

- Derivatives: adequate pricing models have been adopted, based on the market values of interest and exchange rates;
- Receivables and payables and unquoted financial assets: for financial instruments expiring after more than one year, the Discounted Cash Flow method has been applied, i.e. the discounting of expected cash flows given current interest rate and creditworthiness conditions;
- Quoted financial instruments: the market value at the reference date is used.

2.3.15 Costs

Costs are recognized when related to goods or services sold or consumed during the period or systematically allocated, or when it is not possible to identify their future usefulness.

Advertising and research costs, in accordance with IAS 38, are charged in full to the income statement, when the service has been provided and delivered to the Group.

Costs are recognized according to their nature considering the standards applicable under IFRS.

2.3.16 Revenues from contracts with customers

Revenues from contracts with customers are recognized when control of goods or services is transferred to the customer in an amount that reflects the consideration the Group expects to receive in exchange for those goods or services.

Sale of goods

Revenues from the sale of goods are recognized when control of the good passes to the customer, generally upon shipment depending on the terms applied.

The Group considers whether the contract includes other promises representing performance obligations to which part of the consideration for the transaction must be allocated (for example guarantees). When determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Right of return:

Some contracts allow customers to return goods within a specified period of time. The Group uses the expected value method to estimate the goods that will not be returned, as this method better predicts the amount of variable consideration to which the Group will be entitled. The guidance in IFRS 15 regarding the constraints on the recognition of variable consideration applies to the determination of the amount of variable consideration that can be included in the transaction price. The Group adjusts revenues for the goods expected to be returned, and recognizes a liability for the refunds. The right of return of an asset (and the corresponding adjustment to the cost of sales) is recognized also for the right to recover goods from customers.

Royalties

Revenues from royalties derive from sales-based royalties arrangements with customers, and are therefore recognized based on the stage of completion of the licensee's sales in accordance with the terms of the agreement.

2.3.17 Right of return assets

A right of return asset represents the Group's right to recover goods expected to be returned from customers. The asset is measured at the previous carrying amount of inventories less any costs for its recovery, including any impairment of the returned products. The Group regularly updates the estimated amount of returns from customers as well as any additional impairment of the returned products.

2.3.18 Refund liabilities

The refund liability represents the obligation to refund some or all of the consideration received (or to be received) from the customer and is measured based on the amount the Group expects will have to be refunded to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

2.3.19 Share-based payment plans

The Group recognizes additional benefits to some employees, directors and collaborators holding key positions, through equity-settled share-based payments, which provide for the physical delivery of shares, and through cash-settled plans based on share value.

Equity-settled transactions

In accordance with the provisions of IFRS 2 – Share-based payments – rights in favor of employees are valued at fair value when the recipient is informed of their allocation, and this value is determined using the binomial model. This model takes account of all the features of the rights (duration, exercise price and conditions, etc.), as well as the value of the underlying shares at the grant date and their expected volatility.

If the right can be exercised after a certain period (vesting period) and on the occurrence of specific performance conditions, the cost of transactions settled with equity instruments, together with the corresponding increase in shareholders' equity, is recorded in the period in which the conditions relating to the achievement of objectives and/or the provision of the service are satisfied, ending at the time the recipients have fully accrued the right to receive payment ("vesting date").

At the end of each year, the fair value of the rights which has been determined previously is not reviewed, but on this date the estimate of the number of rights which will vest up to the expiry is updated. The accumulated costs recorded for these transactions at the end of each year up to the vesting date are proportionate to the expiries of the vesting period and to the best available estimate of the number of options which will actually vest. The cost or revenue recorded in the income statement for the year represents the change in the accumulated cost recorded at the start and at the end of the year.

No cost is recorded for rights which do not ultimately vest, except in the case of rights whose allocation is subordinate to market conditions.

The impact of the dilution of the rights not yet exercised is reflected in the calculation of the dilution of earnings per share.

Cash-settled transactions

In case of cash-settled share-based transactions, the cost of the cash-settled transactions is initially valued at the fair value at the date the recipient is informed of their allocation. This fair value is recognized in the income statement in the period until vesting, with the recognition of a corresponding liability. Until the liability is settled, the fair value is recalculated at each year-end date and at the settlement date, charging the related changes to the income statement. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

2 .3.20 Financial income and charges

Financial income and charges are recorded on an accrual basis according to the interest accrued on the net value of the related financial assets and liabilities, using the effective interest rate.

2.3.21 Dividends

Dividends are recognized when the shareholders' right to receive payment arises.

2.3.22 Government grants

Government grants are recognized when there is reasonable certainty that said grants will be received, and all the conditions of said grants are met. Grants related to income are shown as a positive component in the income statement.

2.3.23 Income taxes

Current taxes

Current taxes reflect a realistic estimate of the tax burden, determined by applying the rates and laws in force in the countries where the Salvatore Ferragamo Group operates; the amount payable for current taxes is recognized in the statement of financial position net of any tax advances paid. The Group regularly assesses the position taken in its income tax filings where tax regulations are subject to interpretation and makes provisions, when appropriate.

Current taxes relating to items recorded directly under shareholders' equity or in the statement of comprehensive income are also charged directly to shareholders' equity or to the statement of comprehensive income.

Deferred taxes

Deferred taxes are calculated on the temporary differences existing at the reporting date between the fiscal values taken as a reference for assets and liabilities and the values recognized in the financial statements.

Deferred tax liabilities are recorded for all taxable temporary differences, except:

- when the deferred tax liabilities derive from the initial recognition of goodwill or of an asset or a liability in a transaction which is not a business combination and which, at the time of the transaction, has no effect on the profit/(loss) for the year calculated for financial statement purposes or on the profit or loss calculated for tax purposes;
- in reference to taxable temporary differences relating to equity interests in subsidiaries, associated companies and joint ventures, when the reversal of temporary differences may be managed and it is not likely to occur in the foreseeable future.

Deferred tax assets are recorded against all deductible temporary differences and for tax assets and liabilities which are carried forward, to the extent that adequate future tax profits are likely to exist which make it possible to use the deductible temporary differences and the tax assets and liabilities which have been carried forward, except when:

- the deferred tax asset connected to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction which is not a business combination and which, at the time of the transaction, does not affect profit/(loss) for the year calculated for financial statement purposes or the profit or loss calculated for tax purposes;
- in reference to taxable temporary differences relating to equity interests in subsidiaries, associated companies and joint ventures, deferred tax assets are only recorded to the extent that the deductible temporary differences are likely to be reversed in the immediate future and there are adequate tax profits against which the temporary differences may be used.

The value to be recorded for deferred tax assets is reviewed at each reporting date and is reduced to the extent that it is no longer likely that sufficient tax profits will be available in the future so as to allow all or part of this credit to be used. Unrecognized deferred tax assets are reviewed annually at the reporting date and are recorded to the extent that it has become likely that the tax profit is sufficient to ensure that these deferred tax assets can be recovered.

To determine whether taxable profit will be available against which a deductible temporary difference can be utilized, the entity shall consider whether local tax laws restrict the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference.

Deferred tax assets and liabilities are measured on the basis of the tax rates which are expected to be applied in the year in which the assets are realized or the liabilities are settled, taking into account the rates in force and those already issued or basically issued at the reporting date.

Deferred taxes relating to items recorded directly under shareholders' equity or in the statement of comprehensive income are also charged directly to shareholders' equity or to the statement of comprehensive income.

Deferred tax assets and liabilities are offset when there is a legal right to offset current tax assets against current tax liabilities and the deferred taxes refer to the same fiscal entity and the same tax authority.

Value added tax

Revenues, costs and assets are recorded net of value added tax, except when:

- this tax, applied to the purchase of goods or services, is non-deductible, in which case it is recognized as part of the purchase cost of the asset or part of the cost item recognized in the income statement;
- it refers to trade receivables and payables for which the invoice has already been issued or received and whose values are shown including the tax amount.

The net amount of indirect taxes on sales and purchases which may be recovered from or paid to the Inland Revenue Office is recorded among tax receivables or payables depending on the nature of the balance.

2.3.24 Earnings per share

Basic earnings per share is calculated by dividing the profit and/or loss for the period attributable to the Shareholders of the Parent company by the weighted average number of outstanding shares during the year. For the purpose of calculating the diluted earnings per share, the weighted average number of the outstanding shares is modified by assuming the conversion of all potential shares with a diluting effect. The net result is also adjusted to take account of the impact, net of taxes, of the conversion.

2.3.25 Put and call agreements on minority interests

In the case of put options granted to minority shareholders, the Group recognizes a financial liability corresponding to the present value of the exercise price of the option. If the terms and conditions of the put option already give the Group access to the economic benefits associated with the interest concerned by the option, the Group accounts for this interest as if it were already acquired and, therefore, on initial recognition of the liability, this amount is reclassified from equity as a deduction from minority interests. The liability is subsequently remeasured at the end of each period in compliance with IFRS 9. In other cases, under the accounting policy chosen by the Group, on initial recognition of the liability, this amount shall be reclassified to the Group's equity, continuing to account for the profits and losses attributable to such minority interests and the equity held by minority interests; any change in the amount of the liability shall be recognized in equity.

2.3.26 IAS 29 Financial reporting in hyperinflationary economies

Effective 1 July 2018, Argentina's economy is considered hyperinflationary in accordance with "Financial Reporting in Hyperinflationary Economies" ("IAS 29"). This standard requires that the financial statements of entities whose functional currency is the currency of an economy considered hyperinflationary to be restated by using a general price index that reflects changes in general purchasing power. The inflation index used in Argentina is a synthetic index with the following characteristics: (a) as of 1 January 2017, a new national consumer price index is used; and (b) for periods up to 31 December 2016, the wholesale price index is used.

Therefore, all items of the financial statements of Ferragamo Argentina S.A. have been divided into monetary and non-monetary items. Monetary items are money held and assets or liabilities to be received or paid in cash; all other items are non-monetary. Monetary items are not restated because they are already expressed in terms of current monetary unity. In a period of inflation, an entity holding an excess of monetary assets over monetary liabilities loses purchasing power and an entity with an excess of monetary liabilities over monetary assets gains purchasing power. The gain or loss on the net monetary position is included in net income. The effect of inflation on the net monetary position and non-monetary assets and liabilities of Ferragamo Argentina S.A. for the year ended 31 December 2025 resulted in a 1,366 thousand Euro net loss with an immaterial impact on the consolidated financial statements (783 thousand Euro net loss in the consolidated income statement as at 31 December 2024).

After restating non-monetary assets as per IAS 29, the Group also assessed whether the restated amount of the asset exceeded its recoverable amount. In addition, the application of IAS 29 gave rise to temporary tax differences: while the carrying amount of non-monetary assets is adjusted for inflation, a similar adjustment is not made for tax purposes; the result of such temporary difference is a deferred tax liability that has been recognized in profit or loss.

2.3.27 Changes in international accounting standards

The Group has not adopted in advance any standards, interpretations or improvements that have been issued but are not yet in force.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates

On 15 August 2023, the IASB published an amendment entitled "Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability". The document requires an entity to identify a methodology to be applied consistently in order to determine whether one currency can be converted into another and, where this is not possible, how to determine the exchange rate to be used and the disclosures to be provided in the notes to the financial statements. The adoption of this amendment had no impact on the Group's consolidated financial statements.

2.3.28 Standards issued but not yet in force

Set out below are the standards which, when preparing the Group's Consolidated Financial Statements, had already been issued but were not yet in force. The list refers to the standards and interpretations which the Group expects will in all likelihood be applicable in the future. The Group intends to adopt these standards when they come into force.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which supersedes IAS 1 – Presentation of Financial Statements. The standard was officially adopted by the European Commission through Regulation (EU) 2026/338 of 13 February 2026. IFRS 18 introduces new requirements for the presentation of the income statement, including specific totals and subtotals. Moreover, entities will be required to classify all costs and revenues in the income statement into five categories: operating, investing, financing, income taxes, and discontinued operations, the first three of which are new.

The standard also requires:

- disclosure based on the new definition of management-defined performance measures (MPMs);
- the inclusion of subtotals for costs and revenues, operating profit and profit before interest and taxes;

- the inclusion of new provisions for the aggregation and disaggregation of financial information based on the identified roles of the "primary" financial statements (PFS) and the notes.

Amendments have also been made to IAS 7 – Statement of Cash Flows, including changing the starting point for determining cash flows from operating activities using the indirect method: from profit or loss to operating profit or loss, also removing the option to classify cash flows related to dividends and interest. Moreover, consequential amendments were made to a number of other accounting standards. IFRS 18, and the amendments to the other standards, will apply to annual reporting periods beginning on or after 1 January 2027, and earlier application is permitted subject to disclosure, and such adoption shall be applied retrospectively. The Group is currently assessing the impact of the amendments on its financial statements and explanatory notes to the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (together with the Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures published on 21 August 2025)

In May 2024, the IASB issued IFRS 19, while the related Amendments were published in August 2025. The new standard allows "eligible" entities that meet certain requirements to elect to reduce their disclosure requirements while continuing to apply the recognition, measurement and disclosure requirements in other IFRS accounting standards. To be "eligible", an entity must be a subsidiary as defined in IFRS 19 at the end of the financial year, it must not have "public accountability" and it must have an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. IFRS 19 will apply to annual reporting periods beginning on or after 1 January 2027, and earlier application is permitted. Considering that the shares of the Parent company are publicly listed, the Group is not eligible for the application of IFRS 19.

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued the document "Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7", which clarifies a number of issues that arose from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary when ESG objectives are met (i.e. green bonds). In particular, the amendments aim to:

- clarify the classification of financial assets with variable returns linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used in assessing the SPPI test;
- establish that the date of settlement of liabilities through electronic payment systems is the date on which the liability is settled. However, an entity is permitted to adopt an accounting policy that allows it to derecognise a financial liability before delivering cash at the settlement date, provided that specific conditions are met.

With these amendments, the IASB also introduced additional disclosure requirements for investments in equity instruments measured at FVOCI. The amendments will apply for annual periods beginning on or after 1 January 2026. The Group is assessing whether the amendments will have an impact on the consolidated financial statements.

Annual Improvements Volume 11

On 18 July 2024, the IASB published a document called "Annual Improvements Volume 11" which includes clarifications, simplifications, corrections and amendments aimed at improving the consistency of several IFRS Accounting Standards. The amended standards are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and related guidance on the implementation of IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

The changes will apply to financial years beginning on 1 January 2026, but early application is permitted. The Group is assessing whether the amendments will have an impact on the consolidated financial statements.

Contracts Referencing Nature-dependent Electricity – Amendment to IFRS 9 and IFRS 7

On 18 December 2024, the IASB issued an amendment called "Contracts Referencing Nature-dependent Electricity (Amendment to IFRS 9 and IFRS 7)", to assist entities in reporting the financial effects of contracts for the purchase of electricity produced from renewable sources (often structured as Power Purchase Agreements). Based on these contracts, the amount of electricity generated and purchased may vary due to uncontrollable factors such as the weather. The IASB has made targeted amendments to IFRS 9 and IFRS 7. The amendments include:

- a clarification regarding the application of the "own use" requirements to this type of contracts;
- criteria to allow for the recognition of such contracts as hedging instruments; and,
- new disclosure requirements to enable users of financial statements to understand the effects of these contracts on an entity's financial performance and cash flows.

The amendments will apply for annual periods beginning on or after 1 January 2026, but earlier application is permitted. The Group is assessing whether the amendments will have an impact on the consolidated financial statements.

Translation to a Hyperinflationary Presentation Currency – Amendment to IAS 21

In November 2025, the IASB published a document entitled "Translation to a Hyperinflationary Presentation Currency – Amendment to IAS 21", which clarifies the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:

- its functional currency is that of a non-hyperinflationary economy and it is converting its financial results and financial position into the currency of a hyperinflationary economy; or,
- it is converting the financial results and financial position of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, into the currency of a hyperinflationary economy.

The Group does not expect the adoption of this amendment to have any impact on the consolidated financial statements.

2.4 Consolidation area

The Consolidated Financial Statements as at 31 December 2025 contain the equity and financial position as well as the operating performance of the Parent company Salvatore Ferragamo S.p.A. and its foreign subsidiaries consolidated on a line-by-line basis. These are identified collectively as the Salvatore Ferragamo Group.

The Consolidated Financial Statements as at 31 December 2025 include the 2025 accounts of Group companies, which have been prepared by adopting the same accounting policies as the Parent company. Subsidiaries are those entities over which the Group has control, i.e. where the Group is exposed to variable returns arising from its transactions with the entity, or can claim rights over such returns, and at the same time can influence such returns by exercising its influence over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the moment when the parent company starts to exercise control until such control ends. Should it lose such control, the Group eliminates the assets and liabilities of the subsidiary and any previous minority interests in shareholders' equity, including any other item of other comprehensive income relating to the subsidiary. Any profit or loss arising from the loss of control is recorded under net profit/(loss) for the year. Any equity investment in the former subsidiary is measured at fair value on the date of loss of control.
All intragroup balances and transactions, including any unrealized profits and losses deriving from transactions among Group companies, are completely eliminated.

Minority interests represent the part of profits or losses and of net assets not held by the Group and are shown in a separate item of the income statement, and in the statement of financial position among shareholders' equity items, separately from Group shareholders' equity.

Acquisitions of subsidiaries are recognized using the purchase method, allocating the cost of the business combination at the fair values of assets, liabilities and contingent liabilities acquired at the acquisition date and including the result of the purchased company recorded from the acquisition date to the end of the year. Changes in the Group's equity interest in a subsidiary, which do not cause the loss of control, are recognized as equity transactions.

The following companies are included in the scope of consolidation as at 31 December 2025 and are consolidated on a line-by-line basis.

				31 December 2025		
Company name	**Location**	**Currency**	**Share capital**	**Controlling interest (%)**		**Notes**
				Direct	**Indirect**	
Salvatore Ferragamo S.p.A.	Florence, Italy	Euro	16,879,000		Parent company	
Ferragamo Retail Nederland B.V.	Amsterdam, the Netherlands	Euro	500,000	100%		
Ferragamo France S.A.S.	Paris, France	Euro	4,334,094	100%		
Ferragamo Deutschland GmbH	Munich, Germany	Euro	3,300,000	100%		
Ferragamo Austria GmbH	Vienna, Austria	Euro	1,853,158	100%		
Ferragamo U.K. Limited	London, United Kingdom	Pound Sterling	7,672,735	100%		
Ferragamo (Suisse) SA	Mendrisio, Switzerland	Swiss Franc	1,000,000	100%		
Ferragamo Belgique SA	Brussels, Belgium	Euro	750,000	100%		
Ferragamo Monte-Carlo S.A.M.	Principality of Monaco	Euro	304,000	100%		
Ferragamo Espana S.L.	Madrid, Spain	Euro	4,600,000	100%		
Ferragamo USA Inc.	New York, United States	US Dollar	74,011,969	100%		
Ferragamo Canada Inc.	Vancouver, Canada	Canadian Dollar	4,441,461		100%	(1)
S-Fer International Inc.	New York, United States	US Dollar	4,600,000		100%	(1)
Sator Realty Inc.	New York, United States	US Dollar	100,000		100%	(1)
Ferragamo Mexico S. de R.L. de C.V.	Mexico City, Mexico	Mexican Peso	4,592,700	99.73%	0.27%	(1)
Ferragamo Chile S.A.	Santiago, Chile	Chilean Peso	3,187,970,000	99%	1%	(1)
Ferragamo Argentina S.A.	Buenos Aires, Argentina	Argentine Peso	1,050,100,000	95%	5%	(1)
Ferragamo Brasil Roupas e Acessorios Ltda.	Sao Paulo, Brazil	Brazilian Real	55,615,000	99%	1%	(1)
Ferragamo Hong Kong Ltd.	Hong Kong, China	Hong Kong Dollar	10,000	100%		
Ferragamo Japan K.K.	Tokyo, Japan	Japanese Yen	305,700,000	89.13%		
Ferragamo Australia Pty Ltd.	Sydney, Australia	Australian Dollar	13,637,003	100%		
Ferrimag Limited	Hong Kong, China	Hong Kong Dollar	109,200,000		100%	(2)
Ferragamo Fashion Trading (Shanghai) Co. Ltd.	Shanghai, China	US Dollar	200,000		100%	(3)
Ferragamo Moda (Shanghai) Co. Ltd.	Shanghai, China	US Dollar	1,400,000	100%		
Ferragamo Retail HK Limited	Hong Kong, China	Hong Kong Dollar	88,000,000		100%	(3)
Ferragamo Retail Taiwan Limited	Taipei, Taiwan	New Taiwanese Dollar	136,250,000		100%	(3)
Ferragamo Retail Macau Limited	Macau, China	Macau Pataca	17,275,000	100%		
Ferragamo Retail India Private Limited	New Delhi, India	Indian Rupee	300,000,000	100%		(4)
Ferragamo Korea Ltd.	Seoul, South Korea	South Korean Won	3,291,200,000	100%		
Ferragamo (Singapore) Pte Ltd	Singapore	Singapore Dollar	57,700,000	100%		
Ferragamo (Thailand) Limited	Bangkok, Thailand	Baht	295,000,000	100%		
Ferragamo (Malaysia) Sdn, Bhd,	Kuala Lumpur, Malaysia	Malaysian Ringgit	1,300,000	100%		

1 – Through Ferragamo USA Inc. 2 – Through Ferragamo Hong Kong Ltd. 3 – Through Ferrimag Ltd. 4 – Non-operating company.

During FY2025 the structure of the Salvatore Ferragamo Group underwent no changes.

In addition, please note that Ferragamo Argentina S.A. operates in a country that has been considered a hyperinflationary economy since 1 July 2018 in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies"; therefore, this accounting standard has been applied since 2018 in the reporting of the financial position, financial performance, and cash flows of Ferragamo Argentina S.A. for consolidation purposes, as detailed in note 2 "Basis of presentation". The impact of the application of this standard in the years from 2018 to 2025 is not to be considered material at the Group level.

2.4.1 Subsidiaries with material minority interests

The main business carried out and the percentage of minority interests as at 31 December 2025 and 2024 of Ferragamo Japan K.K., the only Group company with minority interests, are shown below.

		Minority interest (%)	
Company	**Business**	**31 December 2025**	**31 December 2024**
Ferragamo Japan K.K.	Retail and wholesale company for the Japanese market	10.87%	10.87%

The following tables provide the main economic and financial data of Ferragamo Japan K.K. This information is based on the balances of the 2025 and 2024 accounts, which were drawn up for the purposes of preparing the consolidated financial statements, gross of intercompany eliminations.

(In thousands of Euro)		
Ferragamo Japan K.K.	**31 December 2025**	**31 December 2024**
Non-current assets	34,499	32,944
Current assets	43,910	51,327
Non-current liabilities	25,976	26,600
Current liabilities	42,020	48,547
Shareholders' equity	10,413	9,124
Minority interests	**1,132**	**992**
Revenues	78,068	82,955
Profit for the year	2,555	170
Net profit/(loss) – minority interests	**278**	**18**
Total comprehensive income for the period	2,555	340
Comprehensive income attributed to minority interests	**278**	**36**
Net cash from/(used in) operating activities	12,953	7,704
Net cash from/(used in) investing activities	(5,823)	(4,502)
Net cash from/(used in) financing activities	(3,408)	(3,380)
Increase/(decrease) in cash and cash equivalents	**3,722**	**(178)**
Dividends paid to minority interests	-	-

IFRS 12 requires disclosure if there are legal, contractual and/or regulatory requirements as well as minority interest protection rights that may in some cases limit the Group's ability to access the assets or use them and cancel the liabilities of the Group. An analysis of these cases does not show significant restrictions.

2.4.2 Translation of financial statements in currencies other than the Euro and of items denominated in foreign currency

The consolidated financial statements are expressed in Euro, which is the functional and presentation currency adopted by the Parent company. Every Group company establishes its own functional currency, which is used to value the items included in the individual reports.

Transactions in foreign currency are initially recorded at the exchange rate in force at the transaction date (referred to the functional currency). Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rate in force at the reporting date.

All exchange rate differences are recorded in the income statement.

Non-monetary items which are valued at historic cost and denominated in foreign currencies are translated by using the exchange rates in force at the date of initial recognition of the transaction.

The exchange rates used to determine the value in Euro of subsidiaries' financial statements expressed in foreign currency (to 1 Euro) were as follows:

	Average exchange rates		Exchange rates at the end of the reporting period	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
US Dollar	1.1300	1.0824	1.1750	1.0389
Swiss Franc	0.9370	0.9526	0.9314	0.9412
Japanese Yen	169.0454	163.8520	184.0899	163.0601
Pound Sterling	0.8568	0.8466	0.8726	0.8292
Australian Dollar	1.7518	1.6397	1.7581	1.6772
South Korean Won	1605.4457	1475.4050	1696.9286	1532.1444
Hong Kong Dollar	8.8105	8.4454	9.1464	8.0686
Mexican Peso	21.6708	19.8314	21.1180	21.5504
New Taiwanese Dollar	35.1351	34.7330	36.7633	34.0460
Singapore Dollar	1.4756	1.4458	1.5105	1.4164
Thai Baht	37.1157	38.1811	37.2180	35.6760
Malaysian Ringgit	4.8340	4.9503	4.7682	4.6454
Indian Rupee	98.5226	90.5569	105.5965	88.9335
Macau Pataca	9.0773	8.6966	9.3971	8.2968
Chinese Renminbi	8.1185	7.7875	8.2262	7.5833
Chilean Peso	1073.9408	1020.2416	1055.0972	1030.7153
Argentine Peso	1411.6916	990.2167	1700.5646	1069.5530
Brazilian Real	6.3072	5.8283	6.4364	6.4253
Canadian Dollar	1.5787	1.4821	1.6088	1.4948

At the reporting date, the assets and liabilities of Group companies are converted into the Group's presentation currency (the Euro) at the exchange rate in force on that date, and their income statement is converted using the average exchange rate for the period. Translation differences are recorded directly under shareholders' equity, are shown separately in a specific reserve and are recognized in the statement of comprehensive income. On disposal of a particular foreign company, the accumulated translation differences which have been recorded as a component of the statement of comprehensive income for that particular foreign company are recorded in the income statement.

Any goodwill resulting from the acquisition of a foreign company and any adjustment to fair value of the book values of assets or liabilities arising from the acquisition of that foreign company are recognized as assets and liabilities of the foreign company, are expressed in the functional currency of the foreign company and are translated at the exchange rate in force at the end of the period.

3. Management of financial risks (IFRS 7)

The Salvatore Ferragamo Group is exposed in different measure to the various financial risks related to its business, in particular to the market risk category which includes the following types of risk:

- interest rate risks relating to the impact of changes in market interest rates;
- exchange rate risks, due to operations in currency areas other than that of the accounting currency;
- liquidity risks relating to the availability of financial resources and the ease of access to the credit market and connected to the need to fulfill the Group's financial commitments in the short term;
- credit (or counterparty) risks, representing the risks of default on commercial or financial obligations assumed by the various counterparties and arising from normal commercial transactions or from use, financing and risk hedging activities.

Financial risks are managed on the basis of guidelines established by the Parent company, in compliance with the goals set centrally by the Board of Directors. This enables the control and coordination of the operations of the individual subsidiaries, also through more effective financial planning and control, the systematic monitoring of the Group's levels of exposure to financial risks as well as the trend in cash management, and the provision of useful indications in order to optimize the management of dealings with the reference credit institutions. In accordance with these directives, the Group specifically controls the management of individual financial risks and intervenes to contain their impact, also by using derivatives. Derivatives are used for hedging purposes only. In accordance with IFRS and IAS, some derivatives have been classified as held for trading, although they have been entered into solely for hedging purposes.

Financial liabilities largely consist of trade payables, payables to banks and other financial payables, and lease liabilities following the introduction of the accounting standard IFRS 16. The management of these liabilities is largely aimed at financing the Group's operations.

Interest rate risk

Movements in market interest rates affect the level of net financial charges and the market value of financial assets and liabilities.

Interest rate risk can be classified as follows:

- flow risk, which refers to the variability in interest income and expense received and paid following changes in market interest rates;
- price risk, relating to the sensitivity of the market value of assets and liabilities to changes in the level of interest rates (it refers to fixed-rate assets or liabilities).

The Salvatore Ferragamo Group is mainly exposed to flow risk, i.e. to the risk of recording in the income statement an increase in financial charges due to an unfavorable change in interest rates. Group companies use third-party financial resources largely in the form of floating-rate bank debt and deploy the available liquidity mainly in money market instruments. Changes in market interest rates only affect the cost of loans and the yield on uses and thus the level of the Group's financial charges and income, and not their fair value.

Bank debt is represented by short-term, floating-rate loans. The cost of bank debt is benchmarked to the market rate (generally Euribor/risk free rate/SOFR or the benchmark of the loan currency on the specific interbank market) in the period, increased by a spread which depends on the type of line of credit used. Drawdowns range from one day to a maximum of less than one year; the interest period and the market rate used (Euribor/risk free rate/SOFR) do not exceed twelve months. The margins applied are in line with best market standards.

Cash surpluses are held in current accounts or used in short-term time deposits opened with reference banks, which typically take as a reference the Euribor/risk free rate/sofr rate for the period, or the benchmark of the investment currency on the specific interbank market, in cash-pooling structures or in intercompany loans, regulated at current market conditions, in order to limit the Group's exposure to the banking system, counterparty risk and the impact of financial charges.

With a view to moderately diversifying its cash management, Salvatore Ferragamo S.p.A. also entered into readily liquidated insurance investments under Branch I or multi-branch policies in 2022, and subsequently in 2024 and 2025.

As part of the general policy of optimizing financial resources, the aim is to find a balance between companies with surplus liquidity and others with financial requirements, using the least costly forms of financing.

Sensitivity to interest rate risk is monitored at Group level, by keeping the overall exposure in due consideration, through coordinated management of debt and available liquidity and of the relevant due dates. At the reporting date, there were no outstanding interest rate risk hedge derivatives aimed at transforming floating-rate debt into fixed-rate debt, nor did the Group make use of such derivatives in the previous year.

The sensitivity analysis of the interest rate risk to which the Group is exposed was undertaken by considering the financial statement items which give rise to floating-rate interests and by assuming parallel increases or decreases in the benchmark interest rate curves by individual currency in proportion to the respective annual volatility observed on the market. The result of the analysis undertaken on risk factors that generate significant exposure (interest rate curves in Euro, Chinese Renmimbi, Hong Kong Dollar, Japanese Yen, Macau Pataca, US Dollar and Mexican Dollar) showed potential losses or profits in the income statement amounting to 59 thousand Euro, compared to potential losses or profits in the income statement of 396 thousand Euro for 2024.

The possible upward or downward change in the market's benchmark interest rates continues having a minor impact on the Group's income statement.

Exchange rate risk

The exposure to exchange rate risk derives from operations in currencies other than the accounting currency. In particular, the exchange rate risk can be classified based on the nature of the exposure and of the relevant effects:

- on operating results, due to the different relevance of costs and revenues in foreign currency compared to the moment when the price conditions were defined (economic risk) and due to the translation of trade or financial receivables and payables denominated in foreign currency (settlement risk);
- on the consolidated financial statements, operating result and shareholders' equity, due to the translation of assets and liabilities of companies which prepare their financial statements in a different currency from the Group's functional currency (translation risk).

The Group operates internationally and therefore is exposed to risks arising from exchange rate fluctuations, which have an impact on the operating results and on the value of shareholders' equity.

The functional and presentation currency for the Group's financial data is the Euro.

In accordance with IFRS, for companies whose presentation currency is different from the Group's functional currency:

- income statements are translated into Euro at the average exchange rate for the period; if revenues and margins are equal in local currency, exchange rate changes may affect the value in Euro of revenues, costs and operating results;
- assets and liabilities are translated into Euro at the year-end exchange rate and therefore may have different values as a consequence of exchange rate movements. This change has an impact on shareholders' equity, where it is reclassified under "Translation reserve", and is recorded in the statement of comprehensive income.

Besides absolute amounts, financial ratios may also vary, if the proportions between profit, assets, debt and shareholders' equity in the various currencies change due to exchange rate changes.

It is not the Group's policy to hedge its exposure to translation exchange risk.

The objective of the exchange rate risk hedging policy is to minimize the economic and settlement exchange rate risks, i.e. the risks arising from the possibility that currency parity changes unfavorably during the period between the moment in which a commitment to pay or a right to collect a currency other than the Euro is expected for a future date (definition of budgets, setting of price lists, arrangement of orders), the registration of the accounting document (invoicing) and the moment in which the receipt or payment effectively occurs, generating an effect in terms of translation differences, with an impact on the income statement. In keeping with the exchange rate risk management policy adopted in recent years, the Group manages exchange rate risk arising from its business, in line with the provisions of the Exchange rate risk management policy and the risk management objectives that are periodically established at Corporate level, through the systematic hedging of commercial flows arising from sales forecast in currencies other than the Euro, with the aim of mitigating the expected risk of variability in margins arising from sales relating to future collections.

The Group has a strong presence in international markets, including through commercial companies located in countries which use currencies other than the Euro, mainly the US Dollar and Chinese Renminbi. In the year ended 31 December 2025, around 37% of the Company's net revenues were denominated in US Dollars, around 8% in Chinese Renminbi, around 5% in Japanese Yen, around 5% in Mexican Peso, and around 4% in South Korean Won. In the year

ended 31 December 2024, around 33% of the Company's net revenues were denominated in US Dollars, around 10% in Chinese Renminbi, around 6% in Japanese Yen, around 5% in South Korean Won, and around 5% in Mexican Peso. The currency risks originate mainly from exports of the Company in US Dollars, Chinese Renminbi, Japanese Yen, South Korean Won, and Mexican Peso.

In seeking ever greater efficiency and more accurate control of risks, exchange rate risk management is centralized at the Parent company. Goods transferred for consideration to subsidiaries are settled directly in the currency of the country where they operate and sell. In relation to its business model, the Group incurs a significant part of its costs in Euro (costs relating to production and management of the corporate structure), while the revenues and costs recorded by Group companies are mainly expressed in the local currencies of the respective reference markets. In particular, the Group is exposed to changes in the exchange rate between the Euro and the US Dollar, in relation to sales in Dollars both on the North American market and on few other markets, mainly Asian ones. In this context, the Group is exposed to changes in the exchange rates of the currencies in which sales are denominated. This implies the risk that the corresponding value in Euro of revenues determined at the moment of collection is insufficient to cover production costs or to achieve the desired profit margin. This risk is heightened during the significant period between the moment when the sale prices of a collection are set and the moment when revenues are converted into Euro, which extends up to 18 months.

The Parent company (as a manufacturing company) enters into currency forward contracts or options, to establish the conversion rate in advance, or a predefined range of conversion rates at future dates with an estimated period of maximum 24 months. In the years under examination, the Group hedged its exchange rate risk almost exclusively through currency forward contracts.

To this end, on the basis of market expectations and conditions, before establishing price lists, and in any case not after the beginning of the sales campaign, hedging is arranged for an amount generally between 50% and 90% of forecast sales in foreign currency. This proportion is calculated based on the expected overall exposure, rather than the individual foreign currency. In the period following the preparation of the price list, the total outstanding hedge is added for the orders effectively managed and put into production. In this way the company limits the commercial risk just to the risk arising from sales volumes, excluding the risk arising from the exchange rate.

To the above operations we may add residual operations of some Asian and Latin American subsidiaries that purchase goods in US Dollars or in Euro and sell in the currency of the country in which they operate. The values of the contracts involved are significantly lower than those of the Parent company.

In addition, the Group controls and hedges exposure deriving from changes, due to exchange rate fluctuations, in the value of assets or liabilities denominated in currencies other than the accounting currency of the individual company, which may affect the income statement (typically intercompany financial receivables/payables) through financial instruments, whose recognition in accordance with IFRS follows the rules of fair value hedge: the profit or loss arising from subsequent assessments of the present value of the hedging instrument is recognized in the income statement as well as the profit or loss on the hedged item.

The hedges of the Parent company's future transactions in foreign currencies (which can be classified as cash flow hedges pursuant to IFRSs) are accounted for in accordance with hedge accounting rules.

The following table shows the changes in the Cash flow hedge reserve for the years ended 31 December 2025 and 31 December 2024:

Exchange rate risk

(In thousands of Euro)	2025	2024
Opening balance	**(6,981)**	**5,552**
+ increases for recognition of new positive effectiveness	25,335	4,535
- decreases for recognition of new negative effectiveness	(1,240)	(12,226)
- decreases due to the transfer of effectiveness from the Cash flow hedge reserve and recognition of income in profit or loss	(15,965)	(6,765)
+ increases due to the transfer of effectiveness from the Cash flow hedge reserve and recognition of cost in profit or loss	2,982	1,923
Closing balance	**4,131**	**(6,981)**

Overall, this Reserve, which consists of the value changes in hedges for expected transactions in foreign currency, increased by 11,112 thousand Euro during 2025, whereas it had decreased by 12,533 thousand Euro in 2024. The changes in value reflect the performance of the Euro against the main hedged currencies. The increase was mainly due to the weakening of the US dollar and the Chinese renminbi over the course of the year. The amount transferred from the Reserve to "Revenues from sales" on occurrence of the underlying flows was a positive total of 12,983 thousand Euro in 2025, compared to a positive 4,842 thousand Euro in 2024. In 2025, no hedge was interrupted due to the cancellation of the expected underlying value; hedges were one hundred percent effective for the whole duration of the underlying asset.

A hedge may become ineffective as a result of:

- differences in the timing of cash flows of the hedged item and the hedging instrument;
- changes in the expected amount of cash flows of the hedged item and the hedging instrument.

The following tables set out the average time horizon and the relevance by risk factor of exchange rate hedges held by the Group at the end of 2025 and 2024. The number of foreign currencies in the tables shows how exchange rate risk management is all but centralized at the Parent company.

Cash flow analysis (hedged items): Financial recognition

31 December 2025

(In thousands)	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total expected flows
Currency forward contracts						
Notional amount in USD	20,000	30,000	35,000	60,000	45,000	**190,000**
Average forward exchange rate (EUR/USD)	1.069	1.110	1.110	1.190	1.183	
Notional amount in CAD	1,000	-	1,500	-	-	**2,500**
Average forward exchange rate (EUR/CAD)	1.566	-	1.594	-	-	
Notional amount in CNY	40,000	60,000	90,000	30,000	90,000	**310,000**
TAverage forward exchange rate (EUR/CNY)	7.620	7.888	8.056	8.245	8.170	
Notional amount in GBP	1,000	1,500	-	-	-	**2,500**
Average forward exchange rate (EUR/GBP)	0.865	0.873	-	-	-	
Notional amount in HKD	-	-	-	8,000	-	**8,000**
Average forward exchange rate (EUR/HKD)	-	-	-	9.051	-	
Notional amount in JPY	400,000	1,100,000	800,000	500,000	-	**2,800,000**
Average forward exchange rate (EUR/JPY)	155.900	156.697	166.653	170.686	-	
Notional amount in KRW	4,000,000	2,000,000	8,000,000	1,500,000	-	**15,500,000**
Average forward exchange rate (EUR/KRW)	1,507.600	1,467.750	1,530.800	1,641.000	-	
Notional amount in MXN	30,000	60,000	180,000	40,000	70,000	**380,000**
Average forward exchange rate (EUR/MXN)	23.304	22.953	23.111	23.047	23.023	

31 December 2024

(In thousands)	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total expected flows
Currency forward contracts						
Notional amount in USD	15,000	60,000	60,000	40,000	40,000	**215,000**
Average forward exchange rate (EUR/USD)	1.104	1.093	1.101	1.104	1.085	
Notional amount in CAD	2,000	500	-	-	-	**2,500**
Average forward exchange rate (EUR/CAD)	1.501	1.516	-	-	-	
Notional amount in CNY	30,000	80,000	50,000	100,000	40,000	**300,000**
TAverage forward exchange rate (EUR/CNY)	7.795	7.797	7.782	7.792	7.719	
Notional amount in GBP	500	-	1,500	1,000	-	**3,000**
Average forward exchange rate (EUR/GBP)	0.847	-	0.850	0.856	-	
Notional amount in HKD	5,000	5,000	10,000	15,000	-	**35,000**
Average forward exchange rate (EUR/HKD)	8.601	8.509	8.610	8.505	-	
Notional amount in JPY	400,000	800,000	1,000,000	900,000	400,000	**3,500,000**
Average forward exchange rate (EUR/JPY)	159.448	155.798	155.395	155.401	156.120	
Notional amount in KRW	4,000,000	4,000,000	4,000,000	9,000,000	2,000,000	**23,000,000**
Average forward exchange rate (EUR/KRW)	1,433.000	1,470.000	1,481.000	1,480.167	1,468.000	
Notional amount in MXN	60,000	90,000	80,000	200,000	20,000	**450,000**
Average forward exchange rate (EUR/MXN)	20.043	21.093	22.926	22.768	21.922	

Cash flow analysis (hedged items): Impact on the income statement

31 December 2025

(In thousands)	Total expected flows	within 3 months	3 to 6 months	6 to 9 months	9 months to 1 year	over 1 year
Exchange rate risk						
Expected sales in USD	**160,000**	25,000	65,000	35,000	35,000	-
Expected sales in JPY	**2,400,000**	1,600,000	600,000	200,000	-	-
Expected sales in GBP	**2,500**	1,500	1,000	-	-	-
Expected sales in MXN	**290,000**	180,000	40,000	70,000	-	-
Expected sales in CHF	**-**	-	-	-	-	-
Expected sales in AUD	-	-	-	-	-	-
Expected sales in CAD	**1,500**	500	1,000	-	-	-
Expected sales in CNY	**260,000**	60,000	60,000	60,000	80,000	-
Expected sales in HKD	**8,000**	3,000	5,000	-	-	-
Expected sales in SGD	-	-	-	-	-	-
Expected sales in KRW	**7,500,000**	6,000,000	1,500,000	-	-	-

31 December 2024

(In thousands)	Total expected flows	within 3 months	3 to 6 months	6 to 9 months	9 months to 1 year	over 1 year
Exchange rate risk						
Expected sales in USD	**170,000**	85,000	35,000	45,000	5,000	-
Expected sales in JPY	**3,100,000**	1,200,000	900,000	800,000	200,000	-
Expected sales in GBP	**2,500**	500	2,000	-	-	-
Expected sales in MXN	**300,000**	80,000	200,000	20,000	-	-
VExpected sales in CAD	**500**	500	-	-	-	-
Expected sales in CNY	**220,000**	60,000	90,000	70,000	-	-
Expected sales in HKD	**25,000**	5,000	15,000	5,000	-	-
Expected sales in KRW	**15,000,000**	4,000,000	7,000,000	4,000,000	-	-

The most important hedge, in terms of volumes of notional amounts in foreign currency being hedged, is aimed at mitigating the risk generated by fluctuations in the exchange rate between the Euro and the following currencies: US Dollar, Chinese Renminbi, Japanese Yen, South Korean Won, and Mexican Peso.

From a time viewpoint, hedges lasting over one year showed nil values as at 31 December 2025 as well as at 31 December 2024. The above tables set out the financial recognition dates of underlying assets by currency and the dates on which the impact on the income statement is recognized. This is determined upon the invoicing of the estimated flows, which are the object of the exchange rate hedge, as at 31 December 2025 and 2024.

Below is the impact of the hedged items on the statement of financial position:

Highly probable expected sales

(In thousands of Euro)	Notional amount	Cash flow hedge reserve / change in fair value used to measure ineffectiveness	Carrying amount	
			Line item "other current assets"	Line item "other current liabilities"
31 December 2025	203,638	4,131	5,706	(1,453)
31 December 2024	241,816	(6,981)	1,052	(7,609)

Sensitivity Analysis

The sensitivity analysis carried out in order to assess the Group's exposure to exchange rate risk was undertaken on the basis of percentage increases and decreases in the exchange rates of the various currencies, proportional to their annual volatility, applied to all significant financial assets and liabilities expressed in original currencies. In particular, the analysis involved all currencies and the following items:

- exchange rate derivatives;
- trade and other receivables;
- trade and other payables;
- cash and cash equivalents;
- short- and long-term financial liabilities;
- short- and long-term lease liabilities.

In addition, the table shows the most important impacts and the related currencies, and refers to the exposure to exchange rate risk in accordance with the requirements of IFRS 7; therefore, it does not take into account the effects arising from the translation of financial statements of foreign companies whose functional currency is different from the Euro. Exchange rates were considered for currencies whose changes generate an impact on the income statement and shareholders' equity, in absolute terms, of over one million Euro.

31 December 2025

(In thousands of Euro)		Increase/decrease in underlying foreign exchange rates	Underlying asset	Impact on the income statement	Impact on shareholders' equity
POSITIVE CHANGE	EUR/JPY	8.3%	Derivatives	1,644	999
			Non derivatives	(461)	-
	EUR/USD	6.2%	Derivatives	10,367	7,974
			Non derivatives	(1,007)	-
	EUR/KRW	8.2%	Derivatives	(536)	335
			Non derivatives	(3)	-
	EUR/CNY	4.7%	Derivatives	1,245	1,407
			Non derivatives	(20)	-
	EUR/MXN	9.7%	Derivatives	588	1,218
			Non derivatives	(78)	-
	EUR/GBP	5.0%	Derivatives	233	136
			Non derivatives	(92)	-
	EUR/CAD	5.2%	Derivatives	344	46
			Non derivatives	(17)	-
	EUR/BRL	16.7%	Derivatives	1,111	-
			Non derivatives	-	-
	EUR/HKD	7.5%	Derivatives	456	61
			Non derivatives	(27)	-
Total				**13,747**	**12,176**

31 December 2025

(In thousands of Euro)		Increase/decrease in underlying foreign exchange rates	Underlying asset	Impact on the income statement	Impact on shareholders' equity
NEGATIVE CHANGE	EUR/JPY	(8.3%)	Derivatives	(1,942)	(1,180)
			Non derivatives	542	-
	EUR/USD	(6.2%)	Derivatives	(11,740)	(9,031)
			Non derivatives	1,138	-
	EUR/KRW	(8.2%)	Derivatives	632	(395)
			Non derivatives	3	-
	EUR/CNY	(4.7%)	Derivatives	(1,367)	(1,545)
			Non derivatives	21	-
	EUR/MXN	(9.7%)	Derivatives	(715)	(1,480)
			Non derivatives	90	-
	EUR/GBP	(5.0%)	Derivatives	(258)	(150)
			Non derivatives	101	-
	EUR/CAD	(5.2%)	Derivatives	(382)	(51)
			Non derivatives	19	-
	EUR/BRL	(16.7%)	Derivatives	(1,555)	-
			Non derivatives	-	-
	EUR/HKD	(7.5%)	Derivatives	(529)	(71)
			Non derivatives	31	-
Total				**(15,911)**	**(13,903)**

31 December 2024

(In thousands of Euro)		Increase/decrease in underlying foreign exchange rates	Underlying asset	Impact on the income statement	Impact on shareholders' equity
POSITIVE CHANGE	EUR/JPY	10.8%	Derivatives	1,913	1,853
			Non derivatives	(433)	-
	EUR/USD	7.9%	Derivatives	11,813	11,953
			Non derivatives	(501)	-
	EUR/KRW	7.9%	Derivatives	380	713
			Non derivatives	(21)	-
	EUR/CNY	6.2%	Derivatives	611	1,680
			Non derivatives	(75)	-
	EUR/MXN	13.7%	Derivatives	1,794	1,682
			Non derivatives	(317)	-
	EUR/GBP	5.4%	Derivatives	501	155
			Non derivatives	(42)	-
	EUR/CAD	6.7%	Derivatives	690	21
			Non derivatives	(39)	-
	EUR/BRL	15.2%	Derivatives	553	-
			Non derivatives	-	-
	EUR/HKD	8.0%	Derivatives	1,383	230
			Non derivatives	(65)	-
Total				**18,145**	**18,287**

31 December 2024

(In thousands of Euro)		Increase/decrease in underlying foreign exchange rates	Underlying asset	Impact on the income statement	Impact on shareholders' equity
NEGATIVE CHANGE	EUR/JPY	(10.8%)	Derivatives	(2,376)	(2,302)
			Non derivatives	537	-
	EUR/USD	(7.9%)	Derivatives	(13,834)	(13,998)
			Non derivatives	564	-
	EUR/KRW	(7.9%)	Derivatives	(445)	(834)
			Non derivatives	23	-
	EUR/CNY	(6.2%)	Derivatives	(691)	(1,899)
			Non derivatives	78	-
	EUR/MXN	(13.7%)	Derivatives	(2,365)	(2,217)
			Non derivatives	375	-
	EUR/GBP	(5.4%)	Derivatives	(559)	(172)
			Non derivatives	46	-
	EUR/CAD	(6.7%)	Derivatives	(788)	(24)
			Non derivatives	43	-
	EUR/BRL	(15.2%)	Derivatives	(751)	-
			Non derivatives	-	-
	EUR/HKD	(8.0%)	Derivatives	(1,624)	(271)
			Non derivatives	76	-
Total				**(21,691)**	**(21,717)**

As the above table shows, a positive change in the listed exchange rates (EUR/JPY, EUR/USD, EUR/KRW, EUR/CNY, EUR/MXN, EUR/GBP, EUR/CAD, EUR/BRL, and EUR/HKD) would have resulted in a profit of 13,747 thousand Euro as at 31 December 2025 and of 18,145 thousand Euro as at 31 December 2024; on the other hand, a negative change in exchange rates would have caused a loss of 15,911 thousand Euro as at 31 December 2025 and of 21,691 thousand Euro as at 31 December 2024. The increase in shareholders' equity caused by derivatives designated as hedges, as a result of the assumed positive exchange rate changes, would have amounted to 12,176 thousand Euro as at 31 December 2025 and 18,287 thousand Euro as at 31 December 2024, while the decrease in shareholders' equity as a result of the assumed negative exchange rate changes would have totaled 13,903 thousand Euro as at 31 December 2025 and 21,717 thousand Euro as at 31 December 2024. The sensitivity analysis carried out as described above, which is significantly affected by market volatility in the exchange rates considered, points to a material impact on the Group shareholders' equity from the potential change in the value of hedging derivatives. This is temporarily allocated to the Cash flow hedge reserve and will be recognized through profit or loss in the following years when the expected sales occur. The higher or lower impact on the income statement and on the statement of financial position in each of the years under consideration largely results from the trend of the individual currencies at the reference dates and from the change in the value of financial assets and liabilities exposed to fluctuations in exchange rates.

Liquidity risk

Liquidity risk represents the risk that the Group cannot meet its financial obligations due to problems in obtaining funds at current market price conditions (funding liquidity risk) or in liquidating assets on the market to find the necessary financial resources (asset liquidity risk).

The first consequence is a negative impact on the income statement, should the Company be forced to incur additional costs to meet its commitments.

The factors which mainly influence the Group's liquidity are the resources generated or absorbed by current operating and investing activities, the possible distribution of dividends and the expiry and possibility of renewal of debt or the expiry and possibility of liquidation of financial investments of surplus cash. Liquidity needs or surpluses are monitored on a daily basis by the Parent company in order to guarantee effective sourcing of financial resources or adequate investment of liquidity.

The negotiation and management of credit lines is coordinated by the Parent company with the aim of satisfying the short- and medium-term needs of the Group's individual companies according to efficiency and cost-effectiveness criteria. As at 31 December 2025, committed credit lines totaling 250,000 thousand Euro, fully available in one or more installments (revolving), were outstanding with several bank counterparties. As at the same date, there were also uncommitted short-term credit lines relating to the Parent company and some of its subsidiaries totaling 368,261 thousand Euro.

As at 31 December 2025, the Group had unused committed credit lines (in the form of revolving credit lines or term loans) amounting to 250,000 thousand Euro and uncommitted credit lines totaling 264,539 thousand Euro, against gross debt of 103,722 thousand Euro and an adjusted net financial position amounting to a surplus of 143,868 thousand Euro (439,473 thousand Euro debt when considering also lease liabilities in accordance with IFRS 16). As at 31 December 2025, committed credit lines had a maximum residual maturity of forty-eight months and a weighted average residual maturity of thirty-five months. The credit lines and the related financial operations are spread among leading national and international banks. As at the reporting date, their maximum use is below one year. Some committed credit lines entered into by the Group include a financial covenant requiring an annual assessment of the ratio between adjusted net financial debt/(surplus) and restated EBITDA (EBITDA excluding the impact of the introduction of IFRS 16). For more details, see note 22 "Interest-bearing loans & borrowings – Limitations on the use of financial resources". It has always been the Group's policy to sign and constantly maintain with various and diversified banks a total amount of committed credit lines that is considered consistent with the needs of the individual companies and suitable to ensure at any time the liquidity needed to satisfy and comply with all the Group's financial commitments, at the established economic conditions, as well as guaranteeing the availability of an adequate level of operational flexibility for any expansion programs. Also in FY2025, the Group's policy was to use a significant part of its cash surpluses in time-deposit investments, as well as to take out intercompany loans, regulated at current market conditions, so as to contain the increase in bank debt and the related financial charges.

Cash surpluses are used with reference banks in short- or medium-term (usually between one day and three months) time deposit transactions, referring to the Euribor/risk free rate/sofr rate for the period or the benchmark of the investment currency on the specific interbank market. Liquidity investments are carried out with the prime objectives of making resources available at short notice (in the event of maturities longer than three months, the relevant contracts allow promptly liquidating them without penalties) and neutralizing the risk of capital losses, avoiding speculative transactions. With a view to moderately diversifying the management of its cash position, Salvatore Ferragamo S.p.A. also entered into insurance investments in readily liquidated Branch I or branch-class policies in 2022, and subsequently in 2024 and 2025, in accordance with the liquidity risk management and mitigation policy approved by the Board of Directors of Salvatore Ferragamo S.p.A. in 2023, with the primary objective of ensuring adequate coverage of the financial requirements of the Group companies.

These choices, which also take account of the likely future trend in cash flows together with prompt renegotiation of credit lines (even before their expiry), enable a significant reduction in the exposure to the risk under review and allow to adjust the cost of debt to the best market conditions. The Group has constantly maintained access to a wide range of financing sources at competitive costs, despite the external scenario, which continues to be characterized by rigidity in the credit market. Notwithstanding the Group's overall ability to generate cash flows from current operations, the constant availability of an adequate amount of committed credit lines has allowed to face the most turbulent market phases and volatility in credit flows with confidence. The total financial position of each company and that of the Group overall is measured every month, and compared with the latest Budget/Forecast. Management believes that the funds and credit lines currently available, with the addition of the funds which are likely to be generated from current operations, will enable the Group to safely address the repayment of loans at their natural maturity and to meet the needs arising from investment activities and working capital management.

31 December 2025

(In thousands of Euro)	< 3 months	3-12 months	1-5 years	> 5 years	Total
Trade payables	123,661	3,112	-	-	126,773
Payables to banks	78,789	26,172	-	-	104,961
Other financial payables	1,148	-	-	-	1,148
Lease liabilities	34,862	97,864	335,196	192,614	660,536
Guarantee deposits	276	-	-	383	659
Derivatives – non-hedging component	453	-	-	-	453
Derivatives – hedging component	327	2,206	17	-	2,550
Total	**239,516**	**129,354**	**335,213**	**192,997**	**897,080**

31 December 2024

(In thousands of Euro)	< 3 months	3-12 months	1-5 years	> 5 years	Total
Trade payables	160,891	3,555	-	-	164,446
Payables to banks	85,867	28,136	-	-	114,003
Other financial payables	1,134	-	-	-	1,134
Lease liabilities	37,608	103,438	379,325	248,908	769,279
Guarantee deposits	317	-	-	471	788
Derivatives – non-hedging component	2,269	-	-	-	2,269
Derivatives – hedging component	3,957	8,209	-	-	12,166
Total	**292,043**	**143,338**	**379,325**	**249,379**	**1,064,085**

The analysis conducted on the items representing financial liabilities showed maturities distributed over time, with trade payables concentrated within three months. In 2025, payables to banks had a maximum residual maturity of less than 1 year and, for the most part, less than 3 months.

The reported financial assets have a shorter remaining life, as they mostly relate to cash and cash equivalents.

Credit risk

Credit risk represents the Group's exposure to potential losses arising from failure to meet trade or financial obligations taken on by counterparties. The Group's exposure to credit risk depends on the nature of the activities which have generated the relevant receivables. The Group's exposure to commercial credit risk refers to wholesale sales, and receivables associated with licensing and rental income investment property revenues, which combined represent nearly 21.4% of global turnover; the remaining turnover refers to DTC sales with cash payment or payment by credit or debit cards at the time of purchase. Trade receivables, mainly related to wholesale sales and, to a lesser extent, to e-commerce or DTC sales in department stores, generally have maturities of less than 90 days. The Group usually favors trade dealings with customers with which it has well-established and consolidated relations. It is the Group's policy to check credit ratings of customers that ask for extended payment terms, based both on information which can be obtained from specialist agencies and on the observation and analysis of historical data of established customers. In addition, the balance of trade receivables is constantly monitored during the year in order to ensure prompt intervention and to reduce the risk of losses. The allocation of credit risk among a number of customers helps to further mitigate the risk.

Trade receivables are recorded net of write-downs, which are estimated based on the counterparty's insolvency risk, determined by considering the information available on the customer's solvency, historical data, and forecast economic conditions. It should be noted that the allocation for the period includes considerations about the deterioration of some bad debt positions regarding North American wholesale customers.

Besides obtaining, where possible, guarantees from wholesale customers or the adoption of means of payment which are less risky for the creditor, such as documentary letters of credit, another instrument used to manage commercial credit risk is the subscription of insurance policies, with the aim of preventing the risk of non-payment through careful selection of the customer portfolio jointly with the insurance companies, which agree to guarantee the payment of indemnity in the case of insolvency.

In general, the Company believes that the credit risk management policies implemented enabled overdue and bad debts, which required the adoption of legal credit collection measures, to be kept within reasonable limits.

The credit risk connected to financing, investing and operating activities in derivatives to hedge the exchange rate risk is represented by the inability of the counterparty or the issuer of the instruments to meet their contractual obligations, i.e. the so-called counterparty risk. The Group manages this type of risk by selecting counterparties with high credit ratings, which are considered solvent by the market, and with which it has routine and ongoing trade and banking service relations, as well as by diversifying the accounting currency of surplus cash.

The Group negotiated and entered into master agreements, in accordance with the international standards (ISDA Master Agreement), with all counterparties of derivatives, in order to regulate the various cases.

The credit risk regarding the Group's other financial assets, consisting of cash and cash equivalents, financial assets at amortized cost and some derivatives, has a risk equal to the carrying amount of these assets in case of insolvency of the counterparty.

	31 December 2025		31 December 2024	
(In thousands of Euro)	Current portion	Non-current portion	Current portion	Non-current portion
Financial assets at fair value through profit or loss				
Other financial assets	16	-	13	-
Receivables and loans				
Trade receivables	59,426	-	84,580	-
Receivables due from credit cards	12,800	-	12,793	-
Cash and cash equivalents	207,439	-	238,194	-
Guarantee deposits	-	13,603	-	13,578
Other current financial assets	40,885	-	50,401	-
Derivatives	7,168	50	1,919	-
Total	**327,734**	**13,653**	**387,900**	**13,578**

The table shows how the Group's exposure to both commercial and counterparty credit risk is defined by the carrying amount of the items representing outstanding financial assets as at 31 December 2025 and 31 December 2024, and is almost exclusively limited to the current portion. The non-current portion refers almost entirely to the item "Guarantee deposits", which mainly includes the cash deposits made by various entities for property leases and is recognized at nominal value.

(In thousands of Euro)	31 December 2025	%	31 December 2024	%
Italy	9,735	16.4%	17,558	20.8%
Europe	6,662	11.2%	6,870	8.1%
North America	10,679	18.0%	19,361	22.9%
Japan	4,802	8.1%	5,363	6.3%
Asia Pacific	20,392	34.3%	27,497	32.5%
Central and South America	7,156	12.0%	7,931	9.4%
Total	**59,426**	**100.0%**	**84,580**	**100.0%**

The table shows the concentration of commercial credit risk by geographic area of Group's operations in the two years under review.

(In thousands of Euro)	Receivables neither past due nor impaired	Receivables past due but not impaired					Total
		<30 days	30-60 days	60-90 days	90-120 days	>120 days	
31 December 2025	48,131	4,685	1,826	591	486	3,707	**59,426**
31 December 2024	65,299	6,197	3,314	2,278	1,726	5,766	**84,580**
Figures in % as at 31 December 2025	81.0%	7.9%	3.1%	1.0%	0.8%	6.2%	**100.0%**
Figures in % as at 31 December 2024	77.2%	7.4%	3.9%	2.7%	2.0%	6.8%	**100.0%**

The analysis carried out on the maturity dates of receivables which are past due but not impaired shows they are concentrated within thirty days for the years ended 31 December 2025 and 31 December 2024.

The concentration of sales to the main customers is shown in the table below; for the concentration of sales by geographic area, reference should be made to the specific section above:

Concentration of market risk	2025	2024
Percentage of revenues with the biggest customer	1.5%	1.4%
Percentage of revenues with the 3 biggest customers	3.9%	3.9%
Percentage of revenues with the 10 biggest customers	8.1%	9.4%

Capital management

The main objective of the Group's capital management activity is to ensure that a solid credit rating as well as adequate levels of equity indicators are maintained in order to support the business and optimize value for shareholders. The Group manages the capital structure and modifies it according to changes in economic conditions. To maintain or adjust the capital structure, the Group can modify the dividends paid to shareholders, repay the capital or issue new shares. No change was made to the objectives, policies or procedures during 2025 and 2024.

To this end, the Group's capital management aims to, among other things, ensure compliance with any covenants associated with financial payables to banks that define capital structure requirements.

The Group includes under net debt, interest-bearing loans, lease liabilities, other financial payables, trade and other payables, net of cash and cash equivalents.

"Other financial payables" include the value of agreements for the purchase of minority interests (reference should be made to note 43 "Put and call agreements on minority interests"), which amounted to 1,148 thousand Euro as at 31 December 2025 (1,134 thousand Euro as at 31 December 2024).

The table does not include the values and related effects produced by the derivatives used to manage exchange rate risk.

(In thousands of Euro)	31 December 2025	31 December 2024
Interest-bearing loans	104,301	113,291
Lease liabilities	583,341	676,346
Other financial payables	1,148	1,134
Trade payables and Other payables (net of hedging derivatives)	154,927	198,821
Cash and cash equivalents	207,439	238,194
Net debt	**636,278**	**751,398**
Group shareholders' equity (net of the Cash flow hedge reserve)	588,130	624,396
Minority interests	1,135	995
Shareholders' equity (net of the Cash flow hedge reserve)	**589,265**	**625,391**
Shareholders' equity and net debt	**1,225,543**	**1,376,789**
Net debt/Shareholders' equity	**108.0%**	**120.1%**

4. Business combinations and purchases of minority interests

There were no business combinations during FY2025.

Comments on the main statement of financial position items (assets, shareholders' equity and liabilities)

5. Property, plant and equipment

The breakdown of Property, plant and equipment as at 31 December 2025 and 2024 is shown in the following table:

	31 December 2025			31 December 2024		
(In thousands of Euro)	Historical Cost	Accumulated depreciation	Net value	Historical Cost	Accumulated depreciation	Net value
Land	27,207	-	27,207	28,329	-	28,329
Buildings	100,187	49,515	50,672	103,516	50,138	53,378
Plant and equipment	64,432	55,464	8,968	63,599	52,257	11,342
Industrial and commercial equipment	150,153	125,859	24,294	149,449	122,907	26,542
Other assets	88,737	81,812	6,925	91,067	82,456	8,611
Leasehold improvements	307,939	254,771	53,168	315,032	258,500	56,532
Tangible assets in progress and pay-ments on account	10,521	-	10,521	20,826	-	20,826
Total	**749,176**	**567,421**	**181,755**	**771,818**	**566,258**	**205,560**

The following tables show the changes in property, plant and equipment for the years ended 31 December 2025 and 2024.

(In thousands of Euro)	Value as at 01.01.2025	Translation diff.	Increases	Decreases	Depreciation	Impairment	Value as at 31.12.2025
Land	28,329	(1,122)	-	-	-	-	27,207
Buildings	53,378	(566)	478	-	(2,618)	-	50,672
Plant and equipment	11,342	(11)	998	-	(3,323)	(38)	8,968
Industrial and commercial equipment	26,542	(1,849)	15,417	(364)	(8,472)	(6,980)	24,294
Other assets	8,611	(241)	2,878	(4)	(3,665)	(654)	6,925
Leasehold improvements	56,532	(4,745)	31,052	(251)	(17,067)	(12,353)	53,168
Tangible assets in progress and payments on account	20,826	(1,517)	13,881	(22,669)	-	-	10,521
Total	**205,560**	**(10,051)**	**64,704**	**(23,288)**	**(35,145)**	**(20,025)**	**181,755**

(In thousands of Euro)	Value as at 01.01.2024	Translation diff.	Increases	Decreases	Depreciation	Reclass.	Impairment	Value as at 31.12.2024
Land	28,998	(220)	-	-	-	(449)	-	28,329
Buildings	55,132	248	831	(200)	(2,633)	-	-	53,378
Plant and equipment	14,367	4	771	-	(3,784)	-	(16)	11,342
Industrial and commercial equipment	23,481	181	18,609	(933)	(9,545)	(55)	(5,196)	26,542
Other assets	10,026	45	3,980	(51)	(4,955)	2	(436)	8,611
Leasehold improvements	50,175	1,146	31,426	(595)	(20,069)	53	(5,604)	56,532
Tangible assets in progress and payments on account	18,509	435	27,884	(21,978)	-	(4,024)	-	20,826
Total	**200,688**	**1,839**	**83,501**	**(23,757)**	**(40,986)**	**(4,473)**	**(11,252)**	**205,560**

The increase, net of the decrease in "Tangible assets in progress and payments on account":

- in "Buildings" and "Plant and equipment" largely refers to improvement works at the Osmannoro-Sesto Fiorentino facility, owned by Salvatore Ferragamo S.p.A., and at the New York building, owned by the Ferragamo USA Group;
- in "Industrial and commercial equipment" mainly refers to the opening and renovation of stores;
- in "Other assets" mainly refers to IT equipment (2,535 thousand Euro) and furniture and furnishings (236 thousand Euro);
- in "Leasehold improvements" mainly refers to work carried out for the opening or renovation of stores;
- in "Fixed assets in progress and payments on account" largely refers to expenses incurred and payments on account made for the renovation and opening of stores not yet operational as at the reporting date.

The increase in Tangible assets under "Leasehold improvements" included the costs for the restoration of premises leased from third parties (recognized against the "Provision for risks and charges", note 23), which amounted to 2,452 thousand Euro in 2025 (215 thousand Euro in 2024 and entirely written off).

Decreases mainly refer to assets (not fully depreciated) relating to stores which have been renovated or closed during the year.

As required by the procedure adopted by the Group to analyze impairment indicators, at the end of the year an assessment was made of the possible presence of impairment indicators that could be identified through internal or external information sources. External sources typically consist of changes in the technological, economic and legal framework in which the Group operates, while internal sources are corporate strategies which can change the use of assets.

As required by IAS 36 and as provided for in the relevant Group's procedure, the presence of any internal and external impairment indicators is analyzed at least once a year. The analyses carried out revealed signs of impairment in some cash-generating units of the Group, leading to the recognition of impairment losses on this balance sheet item amounting to 18,142 thousand Euro, as well as impairment losses of 1,883 thousand Euro on the Parent Company, relating mainly to improvements to third-party assets incurred in previous financial years which no longer align with the Group's business strategies. For more details, please refer to note 10 "Impairment of property, plant and equipment, Right-of-use assets, Intangible assets with a finite useful life, and Investment property".

6. Investment property

The breakdown of the item as at 31 December 2025 and 2024 is set out in the following table:

	31 December 2025			31 December 2024		
(In thousands of Euro)	Historical Cost	Accumulated depreciation	Net value	Historical Cost	Accumulated depreciation	Net value
Land	6,551	1,573	4,978	7,175	1,573	5,602
Buildings	13,905	13,079	826	15,375	14,514	861
Right-of-use assets - Buildings	97,576	97,576	-	110,358	110,358	-
Total	**118,032**	**112,228**	**5,804**	**132,908**	**126,445**	**6,463**

Investment property refers to buildings located in the United States and, starting from 2024, to the building to be used for general interest production activities at the area owned by Salvatore Ferragamo S.p.A., located in the municipality of Sesto Fiorentino-Osmannoro.

The following tables show the change in investment property for the years ended 31 December 2025 and 2024:

(In thousands of Euro)	Value as at 01.01.2025	Translation difference	Depreciation	Value as at 31.12.2025
Land	5,602	(624)	-	4,978
Buildings	861	(1)	(34)	826
Right-of-use assets - Buildings	-	-	-	-
Total	**6,463**	**(625)**	**(34)**	**5,804**

(In thousands of Euro)	Value as at 01.01.2024	Translation difference	Increases	Depreciation	Reclassifications	Impairment	Value as at 31.12.2024
Land	5,065	323	-	-	1,788	(1,574)	5,602
Buildings	38	2	-	(35)	2,685	(1,829)	861
Right-of-use assets - Buildings	17,563	367	2,481	(4,198)	-	(16,213)	-
Total	**22,666**	**692**	**2,481**	**(4,233)**	**4,473**	**(19,616)**	**6,463**

Please note that the right-of-use assets that qualify as investment property are classified in this line item.

The increase in Right-of-use assets – Buildings included the costs for the restoration of premises leased from third parties under leases that fall within the scope of IFRS 16, recognized against the "Provision for risks and charges" (note 23), which were not present in 2025, while amounted to 2,481 thousand Euro in 2024.

As required by IAS 36 and as provided for in the relevant Group's procedure, the presence of any internal and external impairment indicators is analyzed at least once a year. The analyses carried out did not reveal any indications of impairment in respect of the item 'Right-of-use assets – Buildings', which was written off in full in 2024. For more details, please refer to note 10 "Impairment of property, plant and equipment, Right-of-use assets, Intangible assets with a finite useful life, and Investment property".

In addition, the Group periodically assesses the fair value of investment property recorded in the financial statements; on the basis of these estimates, the fair values are higher than the book values.

7. Goodwill

The amount of Goodwill was entirely acquired in 2020 through the business combination of Arts S.r.l. and Aura 1 S.r.l. and is attributable to the synergies and other economic benefits arising from the combination of the assets of the acquirees with those of Salvatore Ferragamo S.p.A., with respect to the design and manufacturing of men's footwear. Net of the fair value of the assets acquired and liabilities assumed, the residual amount allocated to goodwill arising from the acquisition totaled 6,679 thousand Euro. This item was unchanged in 2024 and 2024.

As required by the procedure adopted by the Group to analyze impairment indicators, and as required by IAS 36, goodwill is tested annually, and in any case when events occur that suggest an impairment loss, to determine the recoverable amount.

In reviewing its impairment indicators, the Group considers, among other factors, the ratio of its market capitalization to its carrying amount. As at 31 December 2025, the Group's market capitalization comfortably exceeded the carrying amount of equity, hence the Group did not record any impairment on this item.

8. Right-of-use assets

The following table shows the breakdown of Right-of-use assets as at 31 December 2025 and 2024:

	31 December 2025			31 December 2024		
(In thousands of Euro)	Historical Cost	Accumulated depreciation	Net value	Historical Cost	Accumulated depreciation	Net value
Buildings	1,068,438	618,027	450,411	1,127,090	601,463	525,627
Vehicles	6,182	3,160	3,022	6,278	3,278	3,000
Equipment and other assets	103	31	73	16	16	-
Total	**1,074,723**	**621,218**	**453,506**	**1,133,384**	**604,757**	**528,627**

The following table shows the changes in Right-of-use assets for the years ended 31 December 2025 and 2024.

(In thousands of Euro)	Value as at 01.01.2025	Translation difference	Increases	Decreases	Depreciation	Impairment	Value as at 31.12.2025
Buildings	525,627	(24,703)	83,348	(13,808)	(94,679)	(25,374)	450,411
Vehicles	3,000	(2)	1,728	(143)	(1,561)	-	3,022
Equipment and other assets	-	-	87	-	(14)	-	73
Total	**528,627**	**(24,705)**	**85,163**	**(13,951)**	**(96,254)**	**(25,374)**	**453,506**

(In thousands of Euro)	Value as at 01.01.2024	Translation difference	Increases	Decreases	Depreciation	Impairment	Value as at 31.12.2024
Buildings	613,518	10,264	77,702	(2,258)	(121,027)	(52,572)	525,627
Vehicles	3,086	(3)	1,765	(82)	(1,672)	(94)	3,000
Equipment and other assets	8	-	-	-	(7)	(1)	-
Total	**616,612**	**10,261**	**79,467**	**(2,340)**	**(122,706)**	**(52,667)**	**528,627**

The line item "Buildings" includes Right-of-use assets largely relating to leases of stores (accounting for approximately 92% of Right-of-use assets – Buildings) and, to a lesser extent, leases of offices, company lodgings, and other premises. The main increases recorded during the year refer to new leases entered into during the period or to extensions of existing leases, mainly for stores, while the main decreases concern leases that were terminated early or for which a reduction in future lease payments has been negotiated.

The increase in Right-of-use assets – Buildings included the costs for the restoration of premises leased from third parties under leases that fall within the scope of IFRS 16, recognized against the "Provision for risks and charges" (note 23), which amounted to 1,133 thousand Euro in 2025 (2,031 thousand Euro in 2024).

For more details on cash outflows related to leases, see notes 26 "Lease liabilities" and 36 "Breakdown by nature of income statement cost items".

As required by IAS 36 and as provided for in the relevant Group's procedure, the presence of any internal and external impairment indicators is analyzed at least once a year. The analyses carried out revealed impairment indicators for some of the Group's cash-generating units, which resulted in the recognition of an impairment loss of 25,373 thousand Euro on this item in the financial statements. For more details, please refer to note 10 "Impairment of property, plant and equipment, Right-of-use assets, Intangible assets with a finite useful life, and Investment property".

9. Intangible assets with a finite useful life

The breakdown of intangible assets with a finite useful life as at 31 December 2025 and 2024 is shown in the following table:

	31 December 2025			31 December 2024		
(In thousands of Euro)	Historical Cost	Accumulated amortization	Net value	Historical Cost	Accumulated amortization	Net value
Industrial patents and use of intellectual property rights	29,663	28,518	1,145	31,259	29,735	1,524
Concessions, licenses and trademarks	10,260	8,780	1,480	9,939	8,440	1,499
Development costs	120,758	101,530	19,228	115,057	93,647	21,410
Others	23,451	20,233	3,218	24,563	20,442	4,121
Intangible assets with a finite useful life in progress	2,254	-	2,254	3,318	-	3,318
Total	**186,386**	**159,061**	**27,325**	**184,136**	**152,264**	**31,872**

The following tables show the changes in intangible assets with a finite useful life for the years ended 31 December 2025 and 2024:

(In thousands of Euro)	Value as at 01.01.2025	Translation diff.	Increases	Decreases	Amortization	Impairment	Value as at 31.12.2025
Industrial patents and use of intel-lectual property rights	1,524	(113)	783	-	(705)	(344)	1,145
Concessions, licenses and trade-marks	1,499	-	321	-	(340)	-	1,480
Development costs	21,410	-	5,701	-	(7,883)	-	19,228
Others	4,121	(124)	257	-	(1,036)	-	3,218
Intangible assets with a finite use-ful life in progress	3,318	(3)	5,123	(6,184)	-	-	2,254
Total	**31,872**	**(240)**	**12,185**	**(6,184)**	**(9,964)**	**(344)**	**27,325**

(In thousands of Euro)	Value as at 01.01.2024	Translation diff.	Increases	Decreases	Amortization	Impairment	Value as at 31.12.2024
Industrial patents and use of in-tellectual property rights	1,503	37	997	(156)	(817)	(40)	1,524
Concessions, licenses and trade-marks	1,587	1	260	-	(349)	-	1,499
Development costs	23,547	-	8,353	-	(8,798)	(1,692)	21,410
Others	4,858	61	265	-	(1,032)	(31)	4,121
Intangible assets with a finite useful life in progress	5,377	-	6,482	(8,541)	-	-	3,318
Total	**36,872**	**99**	**16,357**	**(8,697)**	**(10,996)**	**(1,763)**	**31,872**

In 2025, Intangible assets with a finite useful life, net of the decrease in Intangible assets with a finite useful life in progress, rose mainly due to new investment in software application development costs (recognized under "Development costs") and software license costs (item "Industrial patents and use of intellectual property rights"), net of the amortization for the period.

The item "Development costs" mainly includes the capitalization of costs for the development of business software applications (SAP accounting system, ERP, reporting systems, e-commerce platform development costs, "New Pos Solution" project aimed at implementing the new cash and back-office system). As at 31 December 2025, the Group reported no intangible assets arising from internal development.

The item "Others" primarily includes the know-how arising from the fair value measurement of the assets acquired and liabilities assumed in the business combination with Arts S.r.l. and Aura 1 S.r.l., which occurred in 2020 (net amount of 1,794 thousand Euro as at 31 December 2025); the item "Others" also includes to the so-called key money, i.e., the sums paid to obtain the use of leased property by taking over existing contracts or by obtaining the withdrawal of the lessees in such a way as to be able to enter into new leases with the lessors (net amount of 434 thousand Euro as at 31 December 2025).

As required by IAS 36 and as provided for in the relevant Group's procedure, the presence of any internal and external impairment indicators is analyzed at least once a year. The analyses carried out revealed impairment indicators for some of the Group's cash-generating units, which resulted in the recognition of an impairment loss of 344 thousand Euro on this item in the financial statements. For more details, please refer to note 10 "Impairment of property, plant and equipment, Right-of-use assets, Intangible assets with a finite useful life, and Investment property".

10. Impairment of property, plant and equipment, Right-of-use assets, Intangible assets with a finite useful life, and Investment property

2025, like the previous year, continues to be characterized by a complex market environment, marked by ongoing geopolitical tensions and macroeconomic uncertainties, which are having an impact on the demand for luxury goods. The sector has experienced a period of slowdown, primarily due to a challenging global environment for the wholesale channel and the slowdown in Asian markets, particularly in China, along with the contraction of the consumer base, resulting in increased pressure on aspirational consumption. Furthermore, uncertainty regarding market developments resulting from the escalation of the trade war and the resulting uncertainty in trade policies could further hamper short- and long-term growth prospects; these risk factors have been taken into account in the calculation of the WACC.

This market environment continues to have a negative impact on the financial results. As required by IAS 36, the Group performed an analysis to identify any indicators of impairment and/or impairment losses for Property, plant and equipment, Investment property, Right-of-use assets, and Intangible assets with a finite useful life, by preparing checklists aimed at identifying the presence of external indicators (such as general macroeconomic conditions, industry and market considerations, market capitalization, significant changes with a negative effect on the technological, market, economic or regulatory environment in which the entity operates or on the market to which an asset is directed) or internal indicators (such as significant changes with a negative effect on the entity in the extent to which, or in the way in which an asset is used or expected to be used, the economic performance of the asset is, or will be, worse than expected, with negative or declining cash flows).

Following this analysis, the CGUs where both external and/or internal indicators of impairment were identified were subjected to impairment tests, with the continued support of an external advisor.

As in the past, impairment tests were carried out by considering the individual geographic areas in which the Group operates as CGUs (Cash Generating Units). Said areas usually coincide with the Group's individual legal entities, except where multiple legal entities of the Group operate in the same country or in neighboring territories or markets with a shared and homogeneous customer base.

The recoverable amount of the CGU was estimated based on the value in use, i.e. using the Discounted Cash Flow method, which considers the ability to generate cash flows as the fundamental element for the purpose of measuring the target CGU by discounting them on the basis of an appropriate discount rate. For the purpose of discounting operating cash flows, the rate was identified as the weighted average cost of post-tax capital. Therefore, the application of the financial method to determine the recoverable amount and the subsequent comparison with the respective carrying amounts resulted, for the CGUs tested for impairment, in the estimation of: the post-tax WACC, the value of the operating cash flows derived from the 2026 budget and from the 2027-2030 cash flows prepared by company management, the terminal value (TV), and the growth rate used for the projection of flows beyond the plan horizon.

The main assumptions to determine the recoverable amount are given below:

- the discount rate (Weighted Average Cost of Capital – WACC) was estimated according to the formulation of the unconditional Extended Capital Asset Pricing Model ("CAPM") for the cost of equity, while the cost of debt was estimated as the sum of the risk-free rate of the country of reference and the interest coverage ratio of the panel companies for estimating beta and debt equity ratio;

- The growth rate "g" was determined as the inflation rate expected to prevail over the medium-long term in the reference market.
- The terminal value was determined using the perpetuity model with a long-term growth rate "g".

The Board of Directors of Salvatore Ferragamo S.p.A. approved the impairment test procedure, the WACC, the growth rate (g), and the operating cash flows derived from the 2026 budget and from the 2027-2030 cash flows prepared by company management, used for the impairment test.

For more details, please refer to paragraph "Basis of presentation", section "Impairment/Reversal of impairment of Property, plant and equipment, Investment property, Intangible assets with a finite useful life, Right-of-use assets, and Goodwill".

The main assumptions to determine the recoverable amount are given below.

CGUs tested for impairment	WACC (discount rate)	Growth rate "g"
Ferragamo Monte-Carlo S.A.M.	9.3%	0.8%
Ferragamo France S.A.S.	10.1%	0.8%
Ferragamo Suisse	7.0%	0.7%
Ferragamo U.K. Limited	11.1%	2.0%
Ferragamo Deutschland GmbH	9.7%	2.2%
Ferragamo Retail Netherland B.V.	9.6%	2.0%
Ferragamo Belgique SA	9.9%	1.7%
Ferragamo USA Inc.	10.8%	2.2%
Ferragamo Chile S.A.	11.4%	3.0%
Ferragamo Mexico S. de R.L. de C.V.	15.8%	3.0%
Ferragamo Argentina S.A.	22.6%	7.5%
Ferragamo Japan K.K.	8.6%	2.0%
Ferragamo Korea Ltd.	10.1%	2.0%
Ferragamo Retail Macau Limited	10.4%	2.2%
Ferragamo (Malaysia) Sdn. Bhd.	10.2%	2.0%
Ferragamo Australia Pty Ltd.	11.1%	2.5%
Ferragamo Retail Taiwan Limited	8.1%	1.6%
Ferragamo China	8.5%	2.0%
Ferragamo (Thailand) Limited	8.4%	1.8%
Ferragamo Retail HK Ltd.	9.7%	2.5%

For the sake of completeness, the main assumptions used to determine the recoverable amount for the CGUs tested for impairment on 31 December 2024 are also reported below.

CGUs tested for impairment	WACC (discount rate)	Growth rate "g"
Ferragamo Monte-Carlo S.A.M.	8.9%	1.5%
Ferragamo France S.A.S.	9.9%	1.5%
Ferragamo Suisse	7.2%	1.0%
Ferragamo U.K. Limited	11.2%	2.0%
Ferragamo Deutschland GmbH	9.2%	2.0%
Ferragamo Austria GmbH	9.9%	2.1%
Ferragamo Retail Netherland B.V.	9.2%	2.0%
Ferragamo Belgique SA	10.0%	2.0%
Ferragamo USA Inc.	11.3%	2.1%
Ferragamo Chile S.A.	11.3%	3.0%
Ferragamo Mexico S. de R.L. de C.V.	17.2%	3.0%
Ferragamo Brazil Roupas e Acessorios Ltda.	21.0%	3.0%
Ferragamo Argentina S.A.	30.5%	8.0%
Ferragamo Japan K.K.	8.0%	2.0%
Ferragamo Korea Ltd.	9.8%	2.0%
Ferragamo (Singapore) Pte Ltd.	9.7%	2.0%
Ferragamo Retail Macau Limited	10.3%	2.2%
Ferragamo (Malaysia) Sdn. Bhd.	10.8%	2.0%
Ferragamo Australia Pty Ltd.	11.0%	2.5%
Ferragamo Retail Taiwan Limited	8.6%	1.5%
Ferragamo China	8.8%	2.0%
Ferragamo (Thailand) Limited	9.2%	2.0%
Ferragamo Retail HK Ltd.	10.3%	2.5%

The impairment test prepared by the Group determined an impairment loss of the carrying amount of the following CGUs, allocated proportionally to Property, plant and equipment, Intangible assets with a finite useful life, Investment property, and Right-of-use assets, as summarized in the table below.

(in thousands of Euro)	Property, plant and equipment	Intangible assets with a finite useful life	Right-of-use assets	Total
Ferragamo Korea Ltd.	7,529	12	8	7,549
Ferragamo China*	10,363	332	23,629	34,324
Ferragamo Retail HK Limited	68	-	492	560
Ferragamo Retail Macau Limited	57	-	621	678
Ferragamo (Malaysia) Sdn. Bhd.	125	-	624	749
Subtotal	**18,142**	**344**	**25,374**	**43,860**
Salvatore Ferragamo S.p.A.**	1,883	-	-	1,883
Subtotal	**1,883**	**-**	**-**	**1,883**
Total	**20,025**	**344**	**25,374**	**45,743**

* This refers to Ferragamo Fashion Trading (Shanghai) Co. Ltd and Ferragamo Moda (Shanghai) Co. Ltd.
** The impairment relates entirely to a specific write-down of improvements to third-party property and other assets incurred by the Parent Company in respect of assets that no longer align with the company's strategies

For the sake of completeness, the impairment of assets affecting the CGUs subject to an impairment test as at 31 December 2024 is also set out below.

(in thousands of Euro)	Property, plant and equipment	Intangible assets with a finite useful life	Right-of-use assets	Investment property	Total
Ferragamo Retail Nederland B.V.	10	-	183	-	193
Ferragamo France S.A.S.	89	31	3,689	-	3,809
Ferragamo Deutschland GmbH	259	-	3,312	-	3,571
Ferragamo Austria GmbH	7	-	770	-	777
Ferragamo U.K. Limited	256	-	7,776	-	8,032
Ferragamo (Suisse) SA	388	-	4,305	-	4,693
Ferragamo Monte-Carlo S.A.M.	136	-	1,474	-	1,610
Ferragamo USA	-	-	-	16,213	16,213
Ferragamo Mexico S. de R.L. de C.V.	6,929	40	7,239	-	14,208
Ferragamo Australia Pty Ltd.	359	-	4,029	-	4,388
Ferragamo Retail HK Limited	1,431	-	6,981	-	8,412
Ferragamo Retail Taiwan Limited	368	-	1,167	-	1,535
Ferragamo Retail Macau Limited	18	-	3,030		3,048
Ferragamo (Singapore) Pte Ltd	84	-	6,418	-	6,502
Ferragamo (Thailand) Limited	530	-	737	-	1,267
Ferragamo (Malaysia) Sdn. Bhd.	388	-	1,557	-	1,945
Total	**11,252**	**71**	**52,667**	**16,213**	**80,203**

Furthermore, with reference to ESMA's provisions on monitoring the effects of climate change and its impact on impairment tests of non-financial assets, the Group has developed a risk analysis using quantitative tools such as an econometric model to estimate the relationships between climate-related variables and the main economic and financial indicators of interest to the CGU. The analysis did not reveal any significant impact of climate issues on the Group's impairment test. This risk analysis was carried out by management, with the support of an external advisor, covering various macroeconomic and business variables as well as specific sensitivity analyses on the g-rate (+/- 0.5%) and WACC (+/- 0.5%); these revealed some potential, albeit insignificant, effects on some CGUs, which are being closely monitored by management.

11. Other non-current assets

The breakdown of the item "Other non-current assets" as at 31 December 2025 and 31 December 2024 is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Due from tax authorities	1,013	1,508	(495)
Other non-current assets	1,479	2,204	(725)
Other receivables for long-term hedge derivatives	50	-	50
Total	**2,542**	**3,712**	**(1,170)**

The item "Due from tax authorities" mainly refer to the non-current portion of the Research and development, design and aesthetic conception, and technological innovation tax credit as well as the Tax credit for donations in support of cultural activities (known as "Art Bonus"), which the Parent company was eligible for.

The item "Other non-current assets" mainly includes the long-term portion of the contributions to customers relating to the fit-out of tailored single-brand stores and/or stores-in-stores for 790 thousand Euro (1,396 thousand Euro as at 31 December 2024), and the impact relating to the straight-line charging of lease income arising from operating leases (as lessor) related to investment property in the USA for 551 thousand Euro (665 thousand Euro as at 31 December 2024), as provided for by the relevant standards.

12. Other non-current financial assets

"Other non-current financial assets", totaling 13,603 thousand Euro (13,583 thousand Euro as at 31 December 2024), refer to guarantee deposits, mainly for existing leases (as lessee), and are accounted for at amortized cost.

13. Inventories

Inventories include the following categories:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Gross value of raw materials, accessories and consumables	27,702	30,476	(2,774)
Provision for obsolete inventory	(6,973)	(6,806)	(167)
Raw materials, accessories and consumables	**20,729**	**23,670**	**(2,941)**
Gross value of finished products and goods for resale	337,501	366,962	(29,461)
Provision for obsolete inventory	(79,604)	(82,744)	3,140
Finished products and goods for resale	**257,897**	**284,218**	**(26,321)**
Total	**278,626**	**307,888**	**(29,262)**

The change in raw materials compared to 2024 depends on production volumes for the period; the relevant provision reflects the obsolescence of raw materials (mainly leather goods and accessories) which are no longer deemed suitable for the production plans. Inventories of finished products decreased by 26,321 thousand Euro compared to 31 December 2024 (-9,3%). For a better understanding of how the above provisions for obsolete inventory were calculated, please see note 2 "Basis of presentation" paragraph "Discretionary valuations and significant accounting estimates".

Net (uses of) and/or allocations to the provision for obsolete inventory were as follows:

(In thousands of Euro)	2025	2024	Change 2025 vs. 2024
Raw materials	167	654	(487)
Finished products	1,373	16,573	(15,200)
Total	**1,540**	**17,227**	**(15,687)**

14. Right of return assets

Concerning the right of return under "Revenues from contracts with customers", the line item "Right of return assets", amounting to 3,448 thousand Euro (5,911 thousand Euro as at 31 December 2024), includes the estimated cost of the products expected to be returned, equal to the lower of the previous carrying amount of inventories (estimated cost of production) and net realizable value, less potential future costs associated with their recovery.

15. Trade receivables

The breakdown of the item is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Trade receivables	69,936	89,253	(19,317)
Provision for bad debt	(10,510)	(4,673)	(5,837)
Total	**59,426**	**84,580**	**(25,154)**

Trade receivables, mainly referring to wholesale sales and, to a lesser extent, to e-commerce or DTC sales in department stores, decreased by 22% from 31 December 2024. They are interest-free and generally have a maturity of less than 90 days. The related provision for bad debt is considered adequate to meet any cases of insolvency. In particular, the provision includes considerations about the impairment of some bad debt positions relating to North American wholesale customers. In addition, during the year the Group reported 141 thousand Euro in credit losses after writing off non-performing trade receivables.

The changes in the provision for bad debt during 2025 were as follows:

(In thousands of Euro)	Value as at 01.01.2025	Translation difference	Provisions	Uses	Value as at 31.12.2025
Provision for bad debt	**4,673**	(428)	7,463	(1,198)	**10,510**

For an analysis of past due but not impaired trade receivables, reference should be made to note 3 "Management of financial risks – Credit risk".

16. Tax receivables

The breakdown of the item is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Due from tax authorities (value added tax and other taxes)	20,252	18,193	2,059
Due from tax authorities for direct taxes	10,513	7,563	2,950
Withholding taxes	14	66	(52)
Total	**30,779**	**25,822**	**4,957**

Tax receivables mainly refer to VAT receivables and amounts due from tax authorities for income taxes relating to advances paid during the year. They were up 4,957 thousand Euro year-on-year.

17. Other current assets

The breakdown of other current assets is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Other receivables	33,629	36,798	(3,169)
Accrued income	3	-	3
Prepaid expenses	8,058	7,615	443
Short-term hedging derivatives	6,022	1,612	4,410
Total	**47,712**	**46,025**	**1,687**

As at 31 December 2025, "Other receivables" mainly include:

- the corporate income tax (IRES) advance payment receivable from the Holding company Ferragamo Finanziaria S.p.A., in the amount of 13,343 thousand Euro (it was a receivable of 12,576 thousand Euro as at 31 December 2024), attributable to Salvatore Ferragamo S.p.A., accrued as part of the Italian tax consolidation regime;
- receivables due from credit card management companies for DTC sales amounting to 12,800 thousand Euro (12,793 thousand Euro as at 31 December 2024);
- advances to suppliers amounting to 3,409 thousand Euro (3,614 thousand Euro as at 31 December 2024).

Please note that the receivable of Salvatore Ferragamo S.p.A. as at 31 December 2024 amounting to 1,440 thousand Euro, due from the Region of Tuscany and the Ministry of Economic Development, relating to the Innovation Agreement (I-SUCCEED project), was paid out in May 2025. For further details, please refer to the Directors' Report, under the heading "Significant events during the financial year".

Prepaid expenses mainly include 3,249 thousand Euro in contributions to customers relating to the fit-out of tailored single-brand stores and/or stores-in-stores, 660 thousand Euro in insurance premiums, and 515 thousand Euro in rents outside the scope of the standard IFRS 16.

"Short-term hedging derivatives", amounting to 6,022 thousand Euro (1,612 thousand Euro as at 31 December 2024), refer to the fair value measurement of outstanding derivative contracts (hedging component) entered into by the Parent company to manage exchange rate risk on sales in currencies other than the Euro.

18. Other current financial assets

The breakdown of the item "Other current financial assets" is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Derivatives	1,146	307	839
Other current financial assets	40,901	50,414	(9,513)
Total	**42,047**	**50,721**	**(8,674)**

The item "Derivatives", amounting to 1,146 thousand Euro as at 31 December 2025 (307 thousand Euro as at 31 December 2024), refers to the fair value measurement of derivatives for the non-hedging component. "Other current financial assets" comprise 40,885 thousand Euro relating to an insurance investment in readily liquidated multi-branch policies (40,443 thousand Euro as at 31 December 2024), with a view to continuing the process of diversifying the Group's liquidity initiated in previous financial years; it should be noted that in 2024 there was an investment in short-term Italian government securities (Ordinary Treasury Bills) totaling 9,957 thousand Euro.

19. Cash and cash equivalents

The breakdown of the item is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Time deposits	25,694	53,785	(28,091)
Bank and post-office sight deposits	180,739	183,422	(2,683)
Cash and values on hand	1,006	987	19
Total	**207,439**	**238,194**	**(30,755)**

Time deposits at banks have maturities ranging from one day to 3 months and, in any case, can be promptly liquidated without penalties. Bank and post office deposits refer to temporary cash holdings maintained mainly to meet imminent payments.

Also in FY2025, the Group's policy was to use a significant part of its cash surpluses in time-deposit investments, as well as to take out intercompany loans, regulated at current market conditions, so as to contain its bank debt.

As at 31 December 2025, the Group had unused credit lines amounting to 505,345 thousand Euro; as at 31 December 2024, unused credit lines totaled 709,531 thousand Euro. For more details, see note 22 "Interest-bearing loans & borrowings".

For the purposes of the consolidated statement of cash flows, the item "Cash and cash equivalents" as at 31 December 2025 and 2024 was broken down as follows:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Cash and bank sight deposits	181,745	184,409	(2,664)
Time deposits	25,694	53,785	(28,091)
Bank overdrafts	(5,700)	(1,109)	(4,591)
Total	**201,739**	**237,085**	**(35,346)**

Below is the reconciliation of the liabilities from financing activities, as reported on the statement of cash flows for the years ended 31 December 2025 and 2024.

		Cash flow					
(In thousands of Euro)	Value as at 01.01.2025	for principal repaid/ received	for interest paid/ received	Translation difference	New leases	Other non-cash changes	Value as at 31.12.2025
Current interest-bearing loans & borrowings (excluding bank overdrafts)	112,182	(3,023)	(3,583)	(10,557)	-	3,582	98,601
Non-current lease liabilities	552,344	-	-	(25,684)	81,854	(142,931)	465,583
Current lease liabilities	124,002	(122,796)	(21,472)	(8,264)	-	146,288	117,758
Total liabilities from financing activities	**788,528**	**(125,819)**	**(25,055)**	**(44,505)**	**81,854**	**6,939**	**681,942**

		Cash flow					
(In thousands of Euro)	Valore al 01,01,2024	for principal repaid/ received	for interest paid/ received	Translation difference	New leases	Other non-cash changes	Value as at 31.12.2024
Current interest-bearing loans & borrowings (excluding bank overdrafts)	78,600	29,565	(4,690)	4,017	-	4,690	112,182
Non-current lease liabilities	596,603	-	-	10,944	75,821	(131,024)	552,344
Current lease liabilities	114,439	(124,903)	(22,563)	3,571	-	153,458	124,002
Total liabilities from financing activities	**789,642**	**(95,338)**	**(27,253)**	**18,532**	**75,821**	**27,124**	**788,528**

The column "Other non-cash changes" includes the reclassification of debt into the non-current and current portions of Interest-bearing loans & borrowings and Lease liabilities, interest on Interest-bearing loans & borrowings and Lease liabilities accrued during the period, as well as the effect of the early termination of some leases or the negotiation of a reduction in future lease payments on Lease liabilities.

20. Assets held for sale, net

The item "Assets held for sale" of 59 thousand Euro refers to a property in the United States that the Board of Directors, at its meeting held on 3 August 2023, decided to sell as it is no longer used in the Group's operations.

21. Share capital and reserves

The authorized, subscribed, and paid-up share capital of the Parent company as at 31 December 2025 totaled 16,879,000 Euro and consisted of 168,790,000 ordinary shares. During FY2025, there were no changes in the number of shares issued.

The treasury share reserve, amounting to 53,676 thousand Euro, consisted of 3,113,302 shares in Salvatore Ferragamo S.p.A., at an average unit price of 17.24 Euro; this reserve was formed with the purchases made in 2018, 2019, 2021 and 2022 (no. 14,000, no. 136,000, no. 624,163, and no. 2,601,637, respectively), and the free assignment to the former CEO and General Manager – which took place in 2023 and in 2024 – of 114,766 and 147,732 shares, respectively, under and in pursuance of the provisions of the Restricted Shares Plan for 2022 and 2023 (for details of which see note 42 "Share-based payments" in the Explanatory Notes to these financial statements).

Share capital contributions, totaling 2,995 thousand Euro and referring entirely to the Parent company, were paid in a lump sum in 2003 by the Holding company Ferragamo Finanziaria S.p.A. and were reduced in 2007, due to the demerger.

The legal reserve of 4,188 thousand Euro was set up in previous years and refers entirely to the Parent company.

The extraordinary reserve of 613,373 thousand Euro, which refers entirely to the Parent company, was set up with retained earnings; the change recorded in the period was due to a decrease of 70,535 thousand Euro, relating to Salvatore Ferragamo S.p.A.'s loss for the year 2024.

The cash flow hedge reserve was positive for 3,140 thousand Euro and is the result of the measurement of the financial instruments defined as cash flow hedges as at 31 December 2025, against exchange rate risk hedging transactions, and is shown net of the tax effect.

The translation reserve, positive for 6,844 thousand Euro, reflects changes in the value of the Group's interest in the shareholders' equity of consolidated companies, due to changes in the exchange rates of the companies' functional currencies against the presentation currency of the consolidated financial statements.

Retained earnings, amounting to 38,134 thousand Euro, include profits/losses capitalized during the years, taking due account of consolidation adjustments, in particular unrealized profit on inventories. The change in this reserve during 2025 was the result of several factors. It increased i) by 2,448 thousand Euro mainly due to the capitalization of the result for the 2024 financial year, net of the result of the Parent company allocated to the extraordinary reserve, and ii) by 145 thousand Euro due to minor effects, and it decreased by 14 thousand Euro due to the recognition of put and call agreements on pre-existing minority interests (see note 43 "Put and call agreements on minority interests" in these Financial Statements).

As at 31 December 2025, the items "Other reserves" and "Effect IAS 19 equity" (net total of 8,824 thousand Euro) include the amounts recognized for the valuation differences required by IFRSs compared to the local standards of Group's companies. The item "Other reserves" mainly comprises the Stock Grant reserve, amounting to 6,059 thousand Euro, relating to the three incentive plans for senior management in place as at 31 December 2025, and decreased by 2,215 thousand Euro as a result of the cost (net of the release) of the plans in the 2025 financial year, for details of which please refer to note 42 "Share-based payments"; during the 2025 financial year, the increase of 238 thousand Euro relates to the actuarial valuation of the defined benefit plans in place at some Group companies.

The amounts are net of the tax effects where applicable.

The changes in shareholders' equity items occurred in 2025 and 2024 are shown in the related statements. Here below is a breakdown of reserves and retained earnings:

(In thousands of Euro)	Reserves made up of profits	Translation reserve	Other reserves	Total
31 December 2025				
Treasury share reserve	-	-	(53,676)	(53,676)
Share capital contributions	-	-	2,995	2,995
Legal reserve	4,188	-	-	4,188
Extraordinary reserve	613,373	-	-	613,373
Cash flow hedge reserve	-	-	3,140	3,140
Translation reserve	-	6,844	-	6,844
Retained earnings	38,134	-	-	38,134
Other reserves	-	-	8,824	8,824
Total	**655,695**	**6,844**	**(38,717)**	**623,822**
31 December 2024				
Treasury share reserve	-	-	(53,676)	(53,676)
Share capital contributions	-	-	2,995	2,995
Legal reserve	4,188	-	-	4,188
Extraordinary reserve	683,908	-	-	683,908
Cash flow hedge reserve	-	-	(5,305)	(5,305)
Translation reserve	-	(8,078)	-	(8,078)
Retained earnings	35,555	-	-	35,555
Other reserves	-	-	10,712	10,712
Total	**723,651**	**(8,078)**	**(45,274)**	**670,299**

22. Interest-bearing loans & borrowings

A breakdown of current and non-current interest-bearing loans & borrowings is given below:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Short-term financial payables to banks	98,601	112,182	(13,581)
Bank overdrafts	5,700	1,109	4,591
Total	**104,301**	**113,291**	**(8,990)**

As at 31 December 2025, short-term financial payables to banks decreased mainly due to the reduced use of uncommitted credit lines.

During the 2025 financial year, given its healthy cash position and with a view to managing financial costs, the Group – while making no significant changes to its financial structure and maintaining cash reserves well in excess of its actual requirements – deemed it appropriate to reduce its existing committed and uncommitted credit lines with various counterparties, whilst at the same time working to extend the terms of these facilities.

As it has in the past, the Group used a significant part of its cash surplus in order to take out or extend intercompany loans, which are regulated at current market conditions. As a result, as at 31 December 2025, at the Group level there were no term loans drawn down, although an amount deemed adequate of credit lines remains available for use, if required. The Group's loans and credit lines are at floating rates. The cost of debt is benchmarked to the market rate for the period (usually Euribor/risk free rate/sofr or the benchmark of the loan currency on the specific interbank market), increased by a spread which depends on the type of credit line used. The margins applied are in line with the best market standards.

The financial instruments used are:

i) uncommitted credit lines made available in the currency and country of residence of the individual company in order to meet short-term financial needs linked to the management of working capital;

ii) short- and medium/long-term committed revolving credit lines, negotiated on a bilateral basis by the Parent company.

As at 31 December 2025, committed credit lines had a maximum residual duration of forty-eight months and a weighted average residual duration of thirty-five months. The credit lines and the related financial operations are spread among leading national and international banks. At the end of the reporting period, there were no outstanding drawdowns on committed lines, while drawdowns on uncommitted lines were less than one year.

As far as financial payables to banks are concerned, the following table provides a breakdown by type of the credit lines granted to the Group and the relevant uses:

	31 December 2025		31 December 2024	
(In thousands of Euro)	Agreed	Used	Agreed	Used
Committed credit lines	250,000	-	380,000	-
Revolving credit lines	250,000	-	380,000	-
Term loans	-	-	-	-
Uncommitted credit lines	368,261	103,722	442,447	112,916
Total	**618,261**	**103,722**	**822,447**	**112,916**

The following table provides the breakdown of, and changes in, the net financial position as at 31 December 2025 and 31 December 2024, presented in accordance with the model included in CONSOB Communication no. DEM/6064293 of 28 July 2006 as supplemented by CONSOB's Warning no. 5/21.

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
A. Cash	181,745	184,409	(2,664)
B. Cash equivalents	25,694	53,785	(28,091)
C. Other current financial assets	42,047	50,721	(8,674)
D. Cash and cash equivalents (A+B+C)	**249,486**	**288,915**	**(39,429)**
E. Current financial payables (including debt instruments)	105,618	116,135	(10,517)
F. Current portion of non-current financial payables*	117,758	124,002	(6,244)
G. Current financial debt (E+F)	**223,376**	**240,137**	**(16,761)**
H. Current financial debt, net (G-D)	**(26,110)**	**(48,778)**	**22,668**
I. Non-current financial payables (excluding debt instruments)*	465,583	552,344	(86,761)
J. Debt instruments	-	-	-
K. Trade and other current payables	-	-	-
L. Non-current financial debt (I+J+K)	**465,583**	**552,344**	**(86,761)**
M. Net financial debt (H+L)	**439,473**	**503,566**	**(64,093)**

* As at 31 December 2025, the "Current portion of non-current financial payables" included 19,225 thousand Euro in Current lease liabilities to related parties (10,954 thousand Euro as at 31 December 2024). As at 31 December 2025, "Non-current financial payables" included 85,647 thousand Euro in Non-current lease liabilities to related parties (84,155 thousand Euro as at 31 December 2024). For more details, please refer to note 45 "Transactions with related parties".

Limitations on the use of financial resources

Some committed credit lines entered into by the Group include a financial covenant requiring an annual assessment of the ratio between adjusted net financial debt/(surplus) and restated EBITDA (EBITDA excluding the impact of the introduction of IFRS 16).

Financial covenants are included in some local loan agreements entered into by Asian companies, even though these are uncommitted credit lines.

As at 31 December 2025, the financial and non-financial covenants were complied with by all the companies involved.

23. Provisions for risks and charges

The breakdown of, and changes in, the item are provided in the following table:

(In thousands of Euro)	Value as at 01.01.2025	Translation difference	Additions	Uses	Value as at 31.12.2025
Legal and tax disputes	3,073	(88)	952	(1,546)	2,391
Provision for other risks	19,441	(2,095)	5,773	(1,091)	22,028
Total	**22,514**	**(2,183)**	**6,725**	**(2,637)**	**24,419**

Legal and tax disputes refer to allocations against likely future liabilities relating to legal proceedings against the Parent company and some proceedings regarding subsidiaries, as well as labor disputes with reference to both litigation and estimated amounts that Group companies expect to incur in pre-litigation settlement. The use of the provision for legal disputes mainly refers to the settlement during the period of a number of legal and labor proceedings and/or disputes related to the Parent company and some subsidiaries.

The amounts set aside are primarily associated with tax, labor and legal disputes that arose during 2025; for more details on tax disputes, reference should be made to the Directors' Report on Operations, section "Significant events occurred during the year – Tax and customs audits and disputes".

The provision for other risks mainly includes allocations against likely future liabilities that concerns expenses for the restoration of premises leased from third parties recognized pursuant to the contractual obligations under the relevant leases (22,028 thousand Euro as at 31 December 2025 and 19,366 thousand Euro as at 31 December 2024). The provision for the period relates to site restoration costs.

As regards contingent liabilities at Group level, for which no provisions have been made, reference should be made to the Directors' Report on Operations, section "Significant events occurred during the year – Tax and customs audits and disputes".

24. Employee benefit liabilities

The following table shows the breakdown of employee benefits as at 31 December 2025 and 31 December 2024:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Employee defined benefit liabilities	5,078	5,659	(581)
Other employee benefit liabilities	255	367	(112)
Total	**5,333**	**6,026**	**(693)**

The item "Employee defined benefit liabilities" includes employee severance indemnities of Salvatore Ferragamo S.p.A. and other employee defined benefit liabilities of some of the Group's foreign companies.

The following table shows the changes in employee defined benefit liabilities in 2025 and 2024:

(In thousands of Euro)	31 December 2025			31 December 2024		
	Employee benefit obligations	Fair value of plan assets	Employee defined benefit liabilities	Employee benefit obligations	Fair value of plan assets	Employee defined benefit liabilities
Value as at 01.01	**11,978**	**(6,319)**	**5,659**	**12,954**	**(6,200)**	**6,754**
Current service cost	158	-	**158**	453	-	**453**
Financial charges/(income)	370	(176)	**194**	395	(154)	**241**
Changes included in net profit/(loss) for the period	**528**	**(176)**	**352**	**848**	**(154)**	**694**
Returns on plan assets	-	(207)	**(207)**	-	(252)	**(252)**
Actuarial loss/(gain) arising from:						
- financial assumptions	(77)	-	**(77)**	(164)	-	**(164)**
- demographic assumptions	(8)	-	**(8)**	(7)	-	**(7)**
- experience-based adjustments	6	-	**6**	(229)	-	**(229)**
Translation differences	(660)	540	**(120)**	158	(73)	**85**
Changes included in other comprehen-sive income	**(739)**	**333**	**(406)**	**(242)**	**(325)**	**(567)**
Contributions paid by the employer	(138)	138	**-**	(660)	659	**(1)**
Benefits paid	(676)	149	**(527)**	(922)	(299)	**(1,221)**
Other changes	**(814)**	**287**	**(527)**	**(1,582)**	**360**	**(1,222)**
Value as at the end of the period	**10,953**	**(5,875)**	**5,078**	**11,978**	**(6,319)**	**5,659**

Employee defined benefit liabilities of Salvatore Ferragamo S.p.A. amounted to 4,020 thousand Euro, down by 324 thousand Euro compared to 31 December 2024.

Here below are the main financial assumptions used in determining the present value of employee severance indemnities:

	31 December 2025	31 December 2024
Annual rate of salary increase	2.61%	2.83%
Annual discount rate	2.98%	2.44%
Inflation rate	2.00%	2.10%

As regards the demographic assumptions used in determining defined benefit liabilities of Salvatore Ferragamo S.p.A., the figure used as a benchmark for the mortality rate is that for the Italian population recorded by ISTAT in 2000, less 25%, broken down by age and gender; meanwhile, the staff turnover rate has been estimated at 5.47% per year.

Employee defined benefit liabilities of the Group's non-Italian companies refer to Ferragamo Japan KK, Ferragamo Retail Taiwan Limited, Ferragamo France S.A.S., Ferragamo Monte-Carlo SAM, Ferragamo Belgique SA, Ferragamo Mexico S.de R.L. de C.V., Ferragamo USA Inc., Ferragamo (Thailand) Limited, Ferragamo (Suisse) SA, Ferragamo Hong Kong Ltd., Ferragamo Retail HK Limited and Ferragamo Australia Pty Ltd. They amounted to 1,058 thousand Euro, down by 256 thousand Euro compared to 31 December 2024. The value is net of the fair value of plan assets, mainly consisting of insurance policies.

Here below are the main financial assumptions used in determining the present value of employee benefit liabilities:

	31 December 2025	31 December 2024
Annual rate of salary increase	2.55% - 5.50%	1.86% - 5.50%
Annual discount rate	1.38% -9.72%	0.99% -10.81%

As for the demographic assumptions used in measuring the defined benefit liabilities of the Group's non-Italian companies, the figure used as a benchmark for the mortality rate is the standard one for each local population, broken down by age and gender, while for the staff turnover rate annual frequencies have been calculated based on the individual companies' data.

Here below is a quantitative sensitivity analysis for the main assumptions as at 31 December 2025 and 31 December 2024 concerning the employee benefit obligation of Salvatore Ferragamo S.p.A., which has the highest impact on total employee defined benefit obligations:

		2025		2024	
(In thousands of Euro)	Change %	Increases	Decreases	Increases	Decreases
Annual discount rate	+/- 0.5%	(137)	145	(157)	167
Mortality rate	+/- 0.025%	-	-	-	-
Staff turnover rate	+/- 0.5%	2	(2)	-	-

The above sensitivity analyses are based on reasonable changes in the key assumptions at the end of the two reporting periods being compared.

The average number of employees (in terms of full-time equivalents) by category is shown in the following table:

(Full-time equivalent)	2025	2024
Top managers, middle managers and store managers	660	683
White collars	2,299	2,469
Blue collars	307	308
Temporary agency staff	84	99
Total	**3,350**	**3,559**

The average headcount was broadly in line with that of the 2024 financial year.

25. Other non-current liabilities

The breakdown of the item is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Payables for deferred liabilities	11,447	13,478	(2,031)
Other payables	784	1,245	(461)
Total	**12,231**	**14,723**	**(2,492)**

The item "Payables for deferred liabilities" (amounting to 11,447 thousand Euro as at 31 December 2025) largely refer to the straight-lining of the amounts received from lessors for the costs incurred to fit out the stores.

As at 31 December 2025, the item "Other payables" refers to amounts payable to Group's employees for long-term variable bonuses, and for 383 thousand Euro to security deposits received for leases (as lessor) (471 thousand Euro as at 31 December 2024).

26. Lease liabilities

Below are the changes in lease liabilities occurred in 2025 and 2024, broken down between current and non-current.

	Lease liabilities		
(In thousands of Euro)	non-current	current	Total
Value as at 01.01.2025	552,344	124,002	**676,346**
Translation difference	(25,684)	(8,264)	**(33,948)**
Increases	81,854	-	**81,854**
Decreases	(16,594)	-	**(16,594)**
Repayment of lease liabilities	-	(122,796)	**(122,796)**
Interest expense on lease liabilities paid	-	(21,472)	**(21,472)**
Other changes	(126,337)	146,288	**19,951**
Value as at the end of the period	**465,583**	**117,758**	**583,341**

	Lease liabilities		
(In thousands of Euro)	non-current	current	Total
Value as at 01.01.2024	596,603	114,439	**711,042**
Translation difference	10,944	3,571	**14,515**
Increases	75,821	-	**75,821**
Decreases	(2,492)	-	**(2,492)**
Repayment of lease liabilities	-	(124,903)	**(124,903)**
Interest expense on lease liabilities paid	-	(22,563)	**(22,563)**
Other changes	(128,532)	153,458	**24,926**
Value as at the end of the period	**552,344**	**124,002**	**676,346**

The average weighted IBR applicable to leases outstanding as at 31 December 2025 was 3.56% (3.43% in 2024). As for the other cash outflows related to leases, see note 36 "Breakdown by nature of income statement cost items".

27. Trade payables

The breakdown of trade payables was as follows:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Trade payables	123,532	162,801	(39,269)
Advances from customers	3,241	1,645	1,596
Total	**126,773**	**164,446**	**(37,673)**

Trade payables do not bear interest and usually become due after 60/90 days.

This item consists of payables relating to the normal commercial activity carried out by Group companies, in particular costs for the purchase of raw materials, parts and costs relating to manufacturing.

28. Refund liabilities

Concerning the right of return under "Revenues from contracts with customers", the line item "Refund liabilities" totaled 6,268 thousand Euro as at 31 December 2025 (11,481 thousand Euro as at 31 December 2024) and refers to the liability to customers for the amount of the products expected to be returned.

29. Tax payables

The breakdown of tax payables was as follows:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Due to tax authorities (value added tax and other taxes)	10,341	7,686	2,655
Due to tax authorities for direct taxes	1,361	9,844	(8,483)
Other tax payables	1,083	1,726	(643)
Total	**12,785**	**19,256**	**(6,471)**

Compared with 2024, there was a decrease in tax liabilities, mainly attributable to lower tax liabilities due to the tax authorities in respect of direct taxes on foreign subsidiaries.

30. Other current liabilities

The breakdown of the item "Other current liabilities" is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Other payables	5,099	4,526	573
Payables to employees	15,880	21,877	(5,997)
Payables to social security institutions	5,063	5,185	(122)
Accrued expenses	890	975	(85)
Deferred income	1,222	1,812	(590)
Hedging derivatives	1,453	9,776	(8,323)
Total	**29,607**	**44,151**	**(14,544)**

The item "Payables to employees" includes the Group's payables to employees for amounts accrued but not yet paid at the reporting date (15,880 thousand Euro, down from 21,877 thousand Euro as at 31 December 2024).

The item "Payables to social security institutions" refers to amounts due to social security institutions, paid in the month after the end of the reporting period, relating to amounts due to employees.

The item "Hedging derivatives" shows the fair value measurement at the end of the year of outstanding derivatives (hedging component) entered into by the Parent company to manage exchange rate risk. For further details, please refer to note 32 "Financial instruments and fair value measurement".

31. Other current financial liabilities

The breakdown of the item "Other current financial liabilities" is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Short-term derivatives	169	1,710	(1,541)
Other current financial payables	1,148	1,134	14
Total	**1,317**	**2,844**	**(1,527)**

The item "Short-term derivatives" mainly refers to the fair value of financial derivatives with a negative mark-to-market at the reporting date. For further details, please refer to note 32 "Financial instruments and fair value measurement".

The item "Other current financial payables" refers to the value of the put option granted to the minority shareholders of Ferragamo Japan K.K. to sell to Salvatore Ferragamo S.p.A. their equity interest in the Japanese company, which is measured according to the terms of the agreement between the parties. This put option was recognized under Group shareholders' equity. For more details, reference should be made to note 43 "Put and call agreements on minority interests".

32. Financial instruments and fair value measurement

The classification of financial instruments under IFRS 9 involves various line items. The following table sets out the carrying amount of outstanding financial instruments, broken down by category, compared to the corresponding fair values, as at 31 December 2025 and 31 December 2024.

Classification of financial instruments and presentation of their fair value

FINANCIAL ASSETS

	31 December 2025			31 December 2024		
	Carrying amount			Carrying amount		
(In thousands of Euro)	Current portion	Non-current portion	Fair Value	Current portion	Non-current portion	Fair Value
Financial assets at fair value through profit or loss						
Derivatives – non-hedging component	1,146	-	1,146	307	-	307
Securities held for speculative purposes	16	-	16	13	-	13
Assets measured at amortized cost						
Receivables due from credit cards	12,800	-	12,800	12,793	-	12,793
Trade receivables	59,426	-	59,426	84,580	-	84,579
Guarantee deposits	-	13,603	13,603	-	13,578	13,578
Other current financial assets	40,885		40,885	50,401	-	50,401
Cash and cash equivalents	207,439	-	207,439	238,194		238,194
Financial assets at fair value through other comprehensive income						
Derivatives – hedging component	6,022	50	6,072	1,612	-	1,612
Total	**327,734**	**13,653**	**341,387**	**387,900**	**13,578**	**401,477**

FINANCIAL LIABILITIES

	31 December 2025			31 December 2024		
	Carrying amount			Carrying amount		
(In thousands of Euro)	Current portion	Non-current portion	Fair Value	Current portion	Non-current portion	Fair Value
Liabilities measured at amortized cost						
Trade payables and payments on account	126,773	-	126,773	164,447	-	164,447
Payables to banks	104,301	-	104,301	113,291	-	113,291
Other financial payables	1,148	-	1,148	1,134	-	1,134
Guarantee deposits	276	383	659	317	471	788
Lease liabilities	117,758	465,583	n/a*	124,002	552,344	n/a*
Financial liabilities at fair value through profit or loss						
Derivatives – non-hedging component	169	-	169	1,711	-	1,711
Financial liabilities at fair value through other comprehensive income						
Derivatives – hedging component	1,453	-	1,453	9,776	-	9,776
Total	**351,878**	**465,966**	**234,503**	**414,678**	**552,815**	**291,147**

*Pursuant to IFRS 16, Lease liabilities are not measured at fair value.

The table shows that most outstanding financial assets and liabilities refer to short-term financial items, except for lease liabilities; taking into account their nature, the carrying amount of most of these items is a reasonable approximation of their fair value.

In all other cases, fair value is measured according to methods which can be classified in Level 2 of the hierarchy of significance of data used in determining fair value as defined by IFRS 13.

The Group uses internal valuation models, which are generally used in finance, on the basis of prices provided by market participants or prices collected on active markets through leading info-providers.

To determine the fair value of derivatives, the Company uses a pricing model based on market values of interest rates and exchange rates at the measurement date.

As for "Guarantee deposits", the carrying amount is a reasonable approximation of the fair value. There have been no changes in the measurement methods used compared to previous years or transfers from one level to another in the hierarchy of assets or liabilities measured at fair value.

The Group calculates non-performance risk, i.e. the risk that one of the parties may not fulfill its contractual obligations due to a potential default before the derivative expires, both in reference to counterparty risk (Credit Value Adjustment: CVA), and to its own risk (Debt Risk Adjustment: DVA), applying it to the market value of the risk-free portfolio. Taking into account the type of derivatives in the portfolio (solely sales and purchases through currency forward contracts), the relevant maturity (not over twelve months), and the Group's and counterparties' ratings, these adjustments are immaterial.

In addition, it should be noted that, in compliance with the ISDA Master Agreements and the existing framework agreements relating to derivatives, it is generally possible to offset (through netting) all the outstanding financial assets and liabilities arising from these derivatives.

The table summarizes the impacts on the Income Statement and Shareholders' Equity with reference to each category of financial instruments outstanding for the Group in 2025 and 2024.

(In thousands of Euro)	2025	2024
Net gains/(losses) on financial instruments recognized in profit or loss:		
Financial assets/liabilities held for trading	17,730	(13,078)
Derivatives – hedging component	12,983	4,842
Net gains/(losses) on financial instruments recognized in shareholders' equity:		
Derivatives – hedging component	11,112	(12,533)
Interest income/expense (calculated using the internal rate of return method) accrued on financial assets/liabilities not at FVTPL:		
Interest income	6,210	10,417
Interest expense	3,717	4,923
Interest expense on lease liabilities	21,271	22,464
Expenses and fees not included in the effective interest rate:		
regarding financial liabilities	784	1,011
Interest income accrued on financial instruments written-off		
Provisions for impairment on financial assets:		
Receivables/loans	7,676	545

Comments on the main income statement items

For a better understanding of the development in income statement items, reference should also be made to the comments in the Directors' report on operations relating to the comparison between the data for 2025 and 2024.

33. Revenues from contracts with customers

In the years ended 31 December 2025 and 31 December 2024, revenues from contracts with customers totaled 973,468 thousand Euro and 1,031,651 thousand Euro, respectively. The tables below provide the breakdown by channel and geographic area of the main categories of revenues from contracts with customers for the years 2025 and 2024.

2025

(In thousands of Euro)	DTC	Wholesale	Licenses and services	Total Revenues from contracts with customers
Europe	155,198	80,593	15,511	251,302
North America	254,807	56,451	372	311,630
Japan	78,102	1,040	-	79,142
Asia Pacific	204,738	46,333	351	251,422
Central and South America	69,897	10,042	33	79,972
Total	**762,742**	**194,459**	**16,267**	**973,468**

2024

(In thousands of Euro)	DTC	Wholesale	Licenses and services	Total Revenues from contracts with customers
Europe	151,103	95,333	16,672	263,108
North America	244,720	62,983	343	308,046
Japan	83,828	127	-	83,955
Asia Pacific	230,668	62,888	385	293,941
Central and South America	70,773	11,698	130	82,601
Total	**781,092**	**233,029**	**17,530**	**1,031,651**

The Group discloses the disaggregation of revenues using a qualitative-quantitative approach.

The Group recognizes revenues from the sale of goods through both the DTC and wholesale channels when control over the asset is transferred to the customer, generally upon delivery; in the case of licenses and services, revenues are recognized when the service is rendered to customers.

The item "Licenses and services" includes royalties deriving from the license agreements with the Marchon, Timex e Inter Parfums Inc groups for the production and distribution of Salvatore Ferragamo-branded glasses, watches and fragrances, respectively. Revenues from royalties are accounted for based on the stage of completion of the licensee's sales.

34. Rental income investment properties

Revenues from rental income investment properties are entirely attributable to the Ferragamo USA Group for renting space in owned or leased and sub-leased properties. In 2025, they amounted to 3,063 thousand Euro, down -11.3% over 2024, when they totaled 3,455 thousand Euro.

35. Cost of goods sold and operating costs

Cost of goods sold and operating costs in the years ended 31 December 2025 and 31 December 2024 totaled 1,016,231 thousand Euro and 1,108,112 thousand Euro, respectively, and were classified by purpose as follows:

(In thousands of Euro)	2025	2024	Change 2025 vs. 2024
Cost of goods sold	311,531	295,098	16,433
Style, product development and logistics costs	42,000	47,038	(5,038)
Sales & distribution costs	427,342	496,519	(69,177)
Communication and marketing costs	80,868	86,661	(5,793)
General and administrative costs	124,815	157,093	(32,278)
Other operating costs	29,675	25,703	3,972
Total	**1,016,231**	**1,108,112**	**(91,881)**

The cost structure optimization program led to a reduction in operating costs of 91,881 thousand Euro compared with the previous financial year, representing a decrease of 8.3%. Compared with 2024, it should be noted that the largest decreases were attributable to "Sales and distribution costs" and "General and administrative costs" (down by 13.9% and 20.5% respectively), having been affected by the impairment losses on assets recorded during 2025 amounting to 45,743 thousand Euro (83,606 thousand Euro in the 2024 financial year). Net of these write-downs, the items would have recorded a decrease of 11.6% and 9.8%, respectively. For more details, please refer to note 10 "Impairment of property, plant and equipment, Right-of-use assets, Intangible assets with a finite useful life, and Investment property".

36. Breakdown by nature of income statement cost items

The breakdown by nature of the cost of goods sold and operating costs is set out in the following table:

(In thousands of Euro)	2025	2024	Change 2025 vs. 2024
Raw materials, finished products and consumables used	194,362	177,671	16,691
Costs for services	388,672	408,761	(20,089)
Personnel costs	216,382	231,758	(15,376)
Amortization and depreciation of tangible and intangible assets	45,143	52,017	(6,874)
Depreciation of right-of-use assets	96,254	126,904	(30,650)
Write-downs of tangible/intangible assets, right-of-use assets and investment property	45,743	85,298	(39,555)
Other charges	29,675	25,703	3,972
Total	**1,016,231**	**1,108,112**	**(91,881)**

Compared with 31 December 2024, there was a decrease in "Costs for services", mainly due to the reduction in variable costs linked to the decline in sales and the process of optimizing the cost structure.
"Personnel costs" were lower than in 2024, when they included remuneration relating to the employment relationship of the former Chief Executive Officer and General Manager, as well as the estimated variable bonus and remuneration for the period under share-based payment plans (totaling 4,419 thousand Euro). As at 31 December 2025, the cost relating to the former Chief Executive Officer amounted to 2,576 thousand Euro and included remuneration relating to the employment relationship up to 6 March 2025 and the compensation agreed between the parties for the termination of the employment relationship (net of the positive adjustment to the income statement amounting to 2,511 thousand Euro relating to the closure of the Special Award Plan 2022–2026 to reflect the failure to meet the condition of continued service).

The item "Write-downs of tangible and intangible assets, right-of-use assets and investment property" includes 43,860 thousand Euro for the impairment loss recognized as a result of the impairment tests carried out to verify the recoverability of the value of these assets across some CGUs (Cash Generating Units) of the Group, as well as 1,883 thousand Euro for impairment losses on the Parent Company relating mainly to improvements to third-party assets incurred in previous financial years and no longer in line with corporate strategies. Depreciation and amortization of property, plant and equipment, intangible assets and right-of-use assets decreased compared with the 2024 financial year, as a result of the write-downs recorded on the assets as at 31 December 2024 and 30 June 2025.

The following table shows the impacts of leases on the income statement, broken down by nature, in the years 2025 and 2024:

(In thousands of Euro)	2025	% of Total	2024	% of Total	Change 2025 vs. 2024
Depreciation of right-of-use assets	96,254	59.4%	126,904	62.8%	(30,650)
Interest and expenses on lease liabilities	21,271	13.1%	22,466	11.1%	(1,194)
Income from lease liabilities	(1,203)	(0.7%)	(173)	(0.1%)	(1,030)
Costs relating to short-term leases	1,492	0.9%	3,031	1.5%	(1,539)
Costs relating to low-value leases	665	0.4%	735	0.4%	(70)
Costs relating to leases with variable payments not included in the measurement of lease liabilities	43,668	26.9%	49,207	24.3%	(5,539)
Total	**162,147**	**100.0%**	**202,170**	**100.0%**	**(40,022)**

Some of the Group's leases provide for variable lease payments linked to the revenues generated by stores (DOS), in leased premises that are not included in the measurement of lease liabilities, and are recognized on an accrual basis. As at 31 December 2025, overall variable lease payments accounted for 26.9% of the total expense recognized in the income statement related to leases either included or not in the lease liability as per the accounting standard IFRS 16. Variable lease payments depend on sales, and therefore on economic performance in subsequent years. The Group estimates that in the future variable lease payments will continue to be proportionate to the sales of finished goods.

In general, the Group's leases include clauses that prohibit subleasing the leased asset, but do not require the Group to comply with financial covenants.

The Group does not have any early termination options that it intends to exercise but did not consider when measuring the lease liability. With respect to renewal options, under its accounting policy for determining the lease term the Group considered the renewal options it intends to exercise.

The Group reports commitments for short-term leases expected for 2026 in line with those reported in the 2025 income statement. Below is the breakdown of "Other operating costs":

(In thousands of Euro)	2025	2024	Change 2025 vs. 2024
Losses on disposal of tangible and intangible assets	624	1,918	(1,294)
Windfall losses	1,578	1,374	204
Provisions for risks and charges	952	1,683	(731)
Write-down of current assets	7,676	690	6,986
Other taxes	16,071	16,855	(784)
Other operating costs	2,774	3,183	(409)
Total	**29,675**	**25,703**	**3,972**

Other operating costs increased by 15.4% compared to the previous year.
The item "Other taxes" is largely related to the real estate tax on Ferragamo USA Group's properties.

The write-down of current assets rose from 690 thousand Euro to 7,676 thousand Euro and includes the credit risk calculated by the US subsidiary following a significant deterioration in the creditworthiness of some customers.

Provisions for risks and charges decreased compared to 2024. They mainly refer to labor, legal and tax disputes related to ongoing legal proceedings, as well as to the estimated potential outflows from Group companies, required to reach a pre-litigation settlement.

37. Other income

Other income is broken down as follows:

(In thousands of Euro)	2025	2024	Change 2025 vs. 2024
Expense recovery	1,621	1,604	17
Rental income from operating properties	327	205	122
Advertising contributions	115	264	(149)
Other income and revenues	14,234	14,951	(717)
Gains on disposal of tangible/intangible assets	16	11	5
Windfall profit	1,960	6,970	(5,010)
Total	**18,273**	**24,005**	**(5,732)**

The item "Other income" includes benefits granted by the governments of the countries in which the Group operates, notably the contribution received by the US subsidiary relating to the ERTC (Employee Retention Tax Credit) amounting to 4,843 thousand Euro. The item also includes the release of the provision for bad debts and the provision for risks and charges totaling 3,478 thousand Euro, following the settlement, during the financial year, of some legal disputes and litigation concerning the Parent Company and some subsidiaries. Finally, the item includes compensation for improvement works in favor of the tenant amounting to 3,362 thousand Euro.

38. Financial operations

Financial operations are broken down as follows:

Financial charges

(In thousands of Euro)	2025	2024	Change 2025 vs. 2024
Interest expense	3,583	4,690	(1,107)
Discount charges and other financial charges	2,109	2,371	(262)
Interest expense on lease liabilities	21,271	22,464	(1,193)
Expenses on lease liabilities	1	2	(1)
Losses on exchange rate differences	45,703	12,537	33,166
Financial charges for fair value adjustment of derivatives	15,174	22,679	(7,505)
Total	**87,841**	**64,743**	**23,098**

Financial income

(In thousands of Euro)	2025	2024	Change 2025 vs. 2024
Interest income	5,571	7,644	(2,073)
Other financial income	640	2,773	(2,133)
Income from lease liabilities	1,203	173	1,030
Gains on exchange rate differences	16,449	17,976	(1,527)
Financial income for fair value adjustment of derivatives	32,905	9,601	23,304
Total	**56,768**	**38,167**	**18,601**

The item "Interest expense" includes mainly interest on short-term bank loans.

The item "Discount charges and other financial charges" refers mainly to bank charges and, to a lesser extent, to financial charges on employee benefits, in relation to the valuation of defined-benefit plans pursuant to IAS 19, and discount charges.

Interest expense on lease liabilities was recognized following the introduction of the IFRS 16 accounting standard and amounted to 21,271 thousand Euro.

Interest income of 5,571 thousand Euro decreased by 2,073 thousand Euro compared to 2024, due to lower yields obtained on invested cash, as a result of the general decrease in interest rates and lower credit exposure.

Gains and losses on exchange rate differences were recorded mainly by the Parent company Salvatore Ferragamo S.p.A., and derive from sales in currencies other than the Euro to both Group companies (intercompany level) and to third parties. During 2025, net exchange rate losses amounted to 29,254 thousand Euro, compared to 5,439 thousand Euro in net exchange rate gains in 2024.

Financial income/(charges) for fair value adjustment of derivatives refer to the premium or discount on transactions to hedge the exchange rate risk undertaken by the Parent company and the changes in the fair value of non-hedging derivatives and are closely related to net gains and losses on exchange rate differences. In 2025, the Group reported 17,731 thousand Euro in net financial income for the fair value adjustment of derivatives, compared to 13,078 thousand Euro in net financial charges in 2024.

39. Income taxes

The taxes recorded in the income statement were as follows:

(In thousands of Euro)	2025	2024	Change 2025 vs. 2024
Current taxes	(4,034)	(10,668)	6,634
Deferred taxes	7,363	19,285	(11,922)
Use/(Provision) for taxes from previous years	18	(1,109)	1,127
Total	**3,347**	**7,508**	**(4,161)**
Tax rate	**na**	**na**	

As of 1 January 2024, the Salvatore Ferragamo Group, as a multinational group exceeding the revenue threshold of 750 million Euro for two out of the previous four financial years, falls within the scope of the Pillar Two income taxes provided for by Directive (EU) 2022/2523, adopted in Italy by Italian Legislative Decree no. 209 of 27 December 2023, which aims to ensure a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union (known as global minimum tax).

Based on the information available and the analyses carried out, it is believed that, as was the case in the previous financial year, the Group will continue to meet the transitional simplifications known as 'transitional safe harbors' in the jurisdictions in which it operates as at 31 December 2025. Based on further detailed analysis, it is expected that no additional Top-up tax will need to be recognized in 2025.

Deferred taxes include a net increase during the year in deferred tax assets relating to tax losses of 4,123 thousand Euro, relating mainly to Salvatore Ferragamo S.p.A. and Ferragamo USA Inc.

Deferred tax assets and liabilities

The following table provides a breakdown by nature of deferred tax assets and liabilities as at 31 December 2025 and 31 December 2024.

	Statement of Financial Position		Other Comprehensive Income		Income Statement	
(In thousands of Euro)	31 December 2025	31 December 2024	31 December 2025	31 December 2024	2025	2024
Deferred tax assets						
- on employee benefits	642	837	2,236	607	(109)	(282)
- on tangible assets	15,461	11,673	-	-	4,386	2,360
- on intangible assets	559	920	-	-	(361)	(361)
- on right-of-use assets and lease liabilities	22,985	29,101	-	-	(4,064)	12,665
- on the cash flow hedge reserve	-	1,677	(1,677)	1,677	-	-
- on the valuation of inventories	19,847	19,643	-	-	1,211	3,866
- on the elimination of the profit unrealized in inventories	45,129	45,360	-	-	(231)	(11,186)
- on tax losses	24,920	22,167	-	-	4,123	15,242
- on taxed provisions	4,401	3,855	-	-	885	(1,861)
- for other temporary differences	9,790	9,909	-	-	650	(864)
Deferred tax assets	**143,734**	**145,142**	**559**	**2,284**	**6,490**	**19,579**
Deferred tax liabilities						
- on employee benefits	(25)	(26)	-	-	-	106
- on tangible assets	(881)	(1,683)	-	-	709	(150)
- on the cash flow hedge reserve	(990)	-	(990)	-	-	-
- on the valuation of inventories	(2,919)	(3,014)	-	-	95	(294)
- for other temporary differences	(889)	(959)	-	-	69	44
Deferred tax liabilities	**(5,704)**	**(5,682)**	**(990)**	**-**	**873**	**(294)**
Net effect	**138,030**	**139,460**	**(431)**	**2,284**	**7,363**	**19,285**

Deferred taxes reflect the net tax effect of temporary differences between the carrying amount and the taxable amount of assets and liabilities.

The recognition of deferred tax assets was duly adjusted to take account of the effective possibility of realization. Deferred tax assets on previous tax losses, recognized after assessing the actual probability that future taxable profit will be available against which they can be utilized, as at 31 December 2025 and 31 December 2024 were as follows:

31 December 2025

	Expiry		
(In thousands of Euro)	Previous tax losses	Tax rate	Deferred tax assets
Without time limits	94,125	25.49%	23,992
Within 1 year	1,126	30.64%	345
Total	**95,251**	**25.55%**	**24,337**

31 December 2024

	Expiry		
(In thousands of Euro)	Previous tax losses	Tax rate	Deferred tax assets
Without time limits	81,555	25.82%	21,058
Within 1 year	3,799	29.19%	1,109
Total	**85,354**	**25.97%**	**22,167**

The following table shows the tax losses of Group companies as at 31 December 2025 and 31 December 2024 on which deferred tax assets have not been calculated, as it is not probable that future taxable profit will be available against which the Group can utilize the relevant benefits, along with the relevant expiry dates:

31 December 2025

	Expiry				
(In thousands of Euro)	Without time limits	Within 1 year	1 to 3 years	3 to 5 years	over 5 years
188,291	122,199	6,668	21,035	37,115	1,274

31 December 2024

	Expiry				
(In thousands of Euro)	Without time limits	Within 1 year	1 to 3 years	3 to 5 years	over 5 years
201,895	128,316	7,087	20,129	35,922	10,441

The reconciliation between the theoretical tax charge and the effective tax charge is as follows:

(In thousands of Euro)	2025	2024
Profit/(loss) before taxes	**(52,500)**	**(75,577)**
IRES rate in force for the year	(24.0%)	(24.0%)
Theoretical tax charge	**12,600**	**18,138**
IRAP effect	(304)	(233)
(Non-deductible costs) net of non-taxable income	37	(6,351)
Differences arising from different rates – foreign countries	(2,091)	(1,865)
Other effects	(667)	(655)
Effects from non-registration of deferred taxes	(7,239)	(1,442)
Patent Box impact (IRES and IRAP)	993	1,025
Effect of taxes from previous years	118	(1,109)
Total differences	**(9,253)**	**(10,630)**
Total taxes	**3,347**	**7,508**
Effective tax rate	**na**	**na**

40. Earnings per share

As required by IAS 33, information is provided on the data used to calculate the earnings per share and the diluted earnings per share. Basic earnings per share are calculated by dividing the profit or loss for the period attributable to the shareholders of the Parent company by the weighted average number of outstanding shares during the reporting period, considering also the weighted average impact of treasury shares during the reporting period. Below are the amounts used to calculate basic and diluted earnings per share.

	2025	2024
Net profit/(loss) – shareholders of the Parent company (Euro)	(49,430,369)	(68,087,735)
Average number of ordinary shares	165,629,069	165,629,069
Basic earnings per share – ordinary shares (Euro)	**(0.298)**	**(0.411)**
Average number of ordinary shares	165,629,069	165,629,069
Dilutive effect of stock grant plans	-	205,255
Diluted average number of ordinary shares	165,629,069	165,629,069
Diluted earnings per share – ordinary shares (Euro)	**(0.298)**	**(0.411)**

It should be noted that the diluted earnings per share for the year ended 31 December 2025 were calculated without considering the dilutive effect of stock grant plans, as there was a loss for the year.

Other information

41. Dividends

Pursuant to the resolution passed by the Shareholders' Meeting held on 16 April 2025, the Parent Company Salvatore Ferragamo S.p.A. fully covered the 70,534,828 Euro loss for the year 2024 by drawing an equivalent amount from the Extraordinary Reserve.

Other Group companies with third-party minority shareholders did not approve and/or pay any dividends during FY2025.

42. Share-based payments

As announced in a specific press release dated 3 February 2025, on the same date the Company and Marco Gobbetti reached a mutual agreement on the termination of employment and administrative relationship, effective from the date of approval of the draft financial statements for FY2024, i.e. 6 March 2025, with concurrent waiver of the 2024 STI and Restricted Shares 2024 LTI and Special Award 2022-2026 Plan.

Restricted Shares Plan

The Restricted Shares Plan, approved by the Shareholders' Meeting of 14 December 2021 and as amended by the Shareholders' Meeting of 26 April 2023, provided for the assignment of shares in the Company to the CEO and General Manager Marco Gobbetti (the "Recipient"), insofar as it pertains to the relevant employment relationship.

The plan was aimed at strengthening the alignment of interests between the Recipient and all the Group's stakeholders, particularly fostering his motivation and loyalty to the Company and the Group, which are key to the implementation of the major change in the Group's business and strategic plan.

There have been no changes to the stock grant reserve in relation to this plan.

Special Award 2022-2026 Plan

a) Plan description

The Special Award Plan is intended to strengthen the alignment of interests between top management and all the Ferragamo Group's stakeholders in order to create value, providing recipients with an incentive to meet the Company's medium/long-term targets – also reflected in the business plan – and boosting retention.

In consideration and for the purpose of pursuing these targets, the Special Award Plan provides for a single cycle subject to a five-year performance period. This timeframe is considered to be appropriate for the achievement of the aforementioned long-term targets pursued through the Special Award Plan.

The beneficiary of the Special Award Plan was the Chief Executive Officer and General Manager of the Company, for whom the service condition ceased to apply. As at 31 December 2025 and as at the date of this Report, no further beneficiaries have been identified who may be designated by the Board of Directors (either at the start of the Plan or during the Vesting Period, applying, in which case, a pro-rata parameter to recalculate the Special Award Bonus, ta-

king into account the actual length of service during the Vesting Period), at its sole discretion, from among the senior managers who currently hold or will hold the role of directors, employees and/or collaborators of the Company and its subsidiaries.

Object of the Plan

The Special Award Plan provides for the disbursement of a "Special Award Bonus" in two installments, respectively: (a) at the end of the first three-year period from 1 January 2022 (i.e. 31 December 2024), once the first target has been reached; and (b) at the end of the following two-year period (i.e. 31 December 2026), once the second target has been reached, subject to the existence at such dates of a management and/or employment relationship between each Recipient and the Company or Subsidiary, on a case by case basis. The disbursement of the "Special Award Bonus", for both installments, will be paid 50% in cash and the remaining 50% in Company shares.

Each installment shall be equal to a percentage (determined by the Company's competent bodies and equal to 0.50% for the Managing Director and General Manager) of the Company's average capitalization in a period between the three months before and after the end of the first three-year period and the subsequent two-year period from the start of the relationship (the "Average Value").

For the portion of the Special Award Bonus that will be paid through the free allocation of Company shares, this shall take place using treasury shares arising from purchases authorized by the Shareholders' Meeting, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code, and/or any specific share capital increases pursuant to Article 2349, paragraph 1, of the Italian Civil Code.

The shares allocated to recipients will be locked up for 3 months.

The Plan's incentive is subject to ex-post adjustment mechanisms under the Company's remuneration policies (including claw back clauses, limited to any conduct that constitutes malice attributable to the recipients).

b) Changes to the Stock Grant Reserve and Plan Cost

	31 December 2025	31 December 2024
(Fair Value in thousands of Euro)	Fair value	Fair value
Rights to receive shares assigned to the CEO and General Manager		
- at the start of the year	7,737	5,153
- assigned in the year	-	-
- canceled in the year	(7,737)	-
- at the end of the period	-	7,737

(In thousands of Euro)	2025	2024
Cost of share-based payment transactions (payment in shares)	(2,505)	2,584
(Cost adjustment)/Cost of share-based payment transactions (payment in cash)	(6)	(345)

Following the mutual agreement on the termination of the relationship between the Company and the CEO, on 3 February 2025, with the simultaneous waiver of the 2024 STI and Restricted Shares 2024 LTI bonuses known as "special award" 2022-2026, the following should be noted with reference to the Special Award Plan 2022-2026:

- the first installment (for the 2022-2024 three-year period) was due on 31 December 2024, therefore, as a result of the waiver, in 2025 there will be no disbursements and/or changes in the accumulated cost recognized under personnel costs during the three-year period (2022-2024), which amounts to 5,231 thousand Euro;
- the second installment (for the 2025-2026 two-year period), has not yet accrued, and in 2025 it determined a positive change in the income statement of 2,511 thousand Euro, to reflect the failure to achieve the condition of remaining in service.

Performance and Restricted Shares 2023-2025 Plan

a) Plan description

The Performance and Restricted Shares 2023-2025 Plan, approved by the Shareholders' Meeting of 26 April 2023, is intended to strengthen, as part of the recipients' overall remuneration package, the alignment of management interests with all the Group's stakeholders, boosting specifically their motivation and loyalty (with a view to retention) to Salvatore Ferragamo S.p.A. and the Group, in a logic of sustainability and value creation in the medium and long term. For these reasons, the Plan is divided into three cycles, each with a three-year vesting period. This timeframe seems appropriate to achieve the above objectives.

The Performance and Restricted Shares Plan 2023-2025 is reserved for selected employees and/or directors and/or collaborators of Salvatore Ferragamo S.p.A. and/or other companies belonging to the Ferragamo Group who are considered key to the pursuit of sustainable success in the medium to long term and who have been identified by the Board of Directors of Salvatore Ferragamo S.p.A., after consulting with the Nomination and Remuneration Committee (for each of the Plan cycles) at its sole discretion ("Recipients").

As at 31 December 2025, the Recipients of the Plan were 69 (279,327 rights granted) and they have been identified among the employees of Salvatore Ferragamo S.p.A. and the following subsidiaries: Ferragamo USA Inc., Ferragamo Brasil Roupas e Acessorios Ltda., Ferragamo Japan K.K., Ferragamo Korea Ltd., Ferragamo Hong Kong Ltd., Ferragamo Fashion Trading (Shanghai) Co. Ltd. and Ferragamo Retail HK Limited.

A member of the Board of Directors is among the recipients of the plan.

The Board of Directors, at its sole discretion, may identify additional recipients (during the first vesting year of each cycle, with the application, in this case, of a pro-rata temporis parameter that re-proportions rights taking into account the actual period of service during the Vesting Period) among the top managers who hold and will hold the role of directors, employees and/or collaborators of the Company and of subsidiaries.

Object of the Plan

The Plan is divided into three Cycles. The first covers the 2023-2025 vesting period, the second covers the 2024-2026 vesting period, and the third covers the 2025-2027 vesting period.

Each individual cycle of the Performance and Restricted Shares 2023-2025 Plan includes:

a) the free allocation to the Recipients of a certain number of initial rights (the "Initial Rights") to acquire (each) ownership of 1 share of Salvatore Ferragamo S.p.A., subject to the achievement of retention and performance targets, and, in the aggregate, any number of additional rights at the end of each vesting period;

b) the definition of performance indicators for each cycle during the allocation of Initial Rights;

c) the allocation of shares to the Recipients, depending on the level of the performance indicators achieved and in relation to the achievement of the retention targets, at the end of each vesting period and subject to the verification of the fulfillment of the conditions set out in the Performance and Restricted Shares 2023-2025 Plan.

The vesting of the Initial Rights – divided into an amount equal to 75% of the same, linked to the achievement of retention and performance targets (the "Performance Rights"), and the remaining amount equal to 25% linked to the achievement of retention-only targets (the "Retention Rights") – and the corresponding allocation of the shares will be subject to verification by the Board of Directors:

a) for Performance Rights, of the achievement of the condition of continued employment and/or collaboration and/or management relationship between the recipient and Salvatore Ferragamo S.p.A. and/or any other company of the Ferragamo Group (the "Relationship") at the end of the vesting period of each cycle of the Plan and the achievement of one or more performance indicators at the end of the vesting period of each cycle of the Plan; and

b) for Retention Rights, of the achievement of the sole condition of continued Relationship at the end of the vesting period of each cycle of the Plan.

The relevant indicators for the vesting of Performance Rights for the first Plan Cycle (2023-2025) and the second Plan Cycle (2024-2026) are divided between economic and financial performance indicators (in line with the Business Plan) and ESG indicators (in accordance with the recommendations of the Corporate Governance Code and market best practices) and are as follows:

a) average % growth relating to product net sales, which is defined as the sum of DTC and wholesale channel sales (as shown in the financial statements) net of allocations and returns (i.e. excluding other revenue components such as royalties, cash flow hedging effect on revenues, rental income investment properties, etc.);

b) cumulative EBITDA over the 2023-2025 three-year period (for the first Plan Cycle) and over the 2024-2026 three-year period (for the second Plan Cycle), which is defined as operating profit (as shown in the financial statements) before amortization, depreciation and write-downs of tangible/intangible assets and right-of-use assets;

c) i. average ROIC over the 2023-2025 three-year period, which is defined as net income for the period (as reported in the Salvatore Ferragamo Group's annual consolidated financial statements for the reporting year) divided by average adjusted net invested capital (the latter represented by net invested capital excluding right-of-use assets and assets classified as investment property), applicable to the first Plan Cycle only;

ii. Net Cash Flow: difference between Adjusted net financial debt/(surplus) at the end of the 2024-2026 three-year period and Adjusted net financial debt/(surplus) at the end of FY2023, only applicable for the second Cycle;

d) ESG, which represents the level of achievement of targets related to the environmental and social sustainability of the Group's operations.

These targets, with reference to the first Cycle, are:

i. climate metrics: 100% renewable energy in all company locations worldwide by 2029;

ii. Gender pay gap measurement for employees of Salvatore Ferragamo S.p.A. and subsidiaries in North America, Korea and China;

iii. Uni PdR 125/22 certification (i.e. certification on the effective adoption of the gender equality management system in 6 main areas: Culture and strategy, Governance, HR processes, Opportunities for growth and inclusion of women in business, Gender pay equity, Parental protection and work-life balance).

These targets, with reference to the second Cycle, are:

i. Metric on Supply chain: increase the supply chain transparency by mapping 60% of leather suppliers (tier 1 and 2) and acquiring ESG information (focus on social aspects and governance);

ii. measurement of the Gender pay gap: certification of the result, definition of a roadmap, and implementation of initiatives to bridge the gap;

iii. Engagement: Measuring employee engagement by 2024 and improving it in 2026.

The number of Initial Rights is determined by the Board of Directors, subject to the favorable opinion of the Nomination and Remuneration Committee, on the basis of an indicator equal to a multiple/percentage of the fixed remuneration of each recipient and dividing this monetary amount by the average of the official price of the Shares during the 30 days preceding the 1st of January of the year in which each cycle of the Plan begins.

Moreover, at the end of the vesting period of each cycle of the Plan, each recipient will be granted, free of charge, an additional number of rights calculated on the basis of the Initial Rights accrued and the cumulative amount of dividends per Share distributed to the shareholders of Salvatore Ferragamo S.p.A. during the period between the first day of the vesting period and the day preceding the date of grant of the Shares, both inclusive.

The allocation of Shares is further dependent on:

a) continued Relationship (not in notice period); and

b) the absence of particularly serious violations of the Group's Code of Ethics leading to termination of employment.

The shares, in the number corresponding to the total number of rights, will be allocated to the recipients by means of a communication from Salvatore Ferragamo S.p.A. no later than the thirtieth calendar day following the date of approval of the consolidated financial statements for the last year of each cycle.

Shares are to be awarded free of charge under the Plan by using treasury shares arising from purchases authorized by the Shareholders' Meeting, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code.

It should be noted that on 23 October 2025 – taking into account: i) the particular volatility of the market; ii) the difficulty in identifying, by 31 December 2025, reliable targets against which to measure the performance objectives of the third cycle (2025–2027) of the "Performance and Restricted Shares 2023 - 2025" LTI Plan, with the consequent potential loss of effectiveness of the Plan and the associated costs in relation to the objective of incentivizing and retaining managers to pursue the Company's sustainable success in the medium to long term; and iii) the fact that the possible implementation of the third cycle of the Plan, as currently conceived, could prevent the Company from launching a new medium-to-long-term management incentive plan, once the Group's new plan has been defined and approved, as it would overlap, in whole or in part, with a further incentive plan that could ensure greater alignment of senior management with the new strategy - the Board of Directors, following a favorable opinion from the Control and Risks Committee acting as the Related Party Transactions Committee, the Nomination and Remuneration Committee and the Board of Statutory Auditors, resolved to temporarily suspend the third cycle (2025–2027) of the "Performance and Restricted Shares 2023 - 2025" LTI Plan approved by the Shareholders' Meeting on 26 April 2023 and intended for the Company's managers, reserving the right to subsequently cancel the aforementioned third cycle of the Plan should a new long-term variable incentive plan be established.

In implementation of the above, on 11 March 2026, the Board of Directors resolved to definitively cancel the Third Cycle (2025–2027) of the "Performance and Restricted Shares 2023 –2025" LTI Plan, given the concurrent decision to submit a new "Performance and Restricted Shares" LTI Plan for the period 2026–2028 for approval at the Shareholders' Meeting convened for 23 April 2026.

Changes in the period in the number of rights to receive shares assigned*

		31 December 2025	31 December 2024
(i)	Outstanding at the start of the year	390,716	160,149
(ii)	Assigned in the period	-	257,069
(iii)	Canceled in the period	111,389	26,502
(iv)	Exercised in the period	-	-
(v)	Expired in the period	-	-
(vi)	Outstanding at the end of the period	279,327	390,716
(vii)	Exercisable at the end of the period	-	-

* The average price for the period has not been indicated since it is a plan with free assignment of shares.

b) Changes to the Stock Grant Reserve

	2025		2024	
(Fair Value in thousands of Euro)	Number	Fair value	Number	Fair value
Rights to receive shares assigned to employees of Salvatore Ferragamo S.p.A.				
- at the start of the year	201,996	218	80,247	100
- assigned in the year	-	-	137,313	7
- canceled in the year	73,962	92	15,564	19
- at the end of the period	128,034	362	201,996	218
Rights to receive shares assigned to employees of subsidiaries				
- at the start of the year	188,720	230	79,902	99
- assigned in the year	-	-	119,756	6
- canceled in the year	37,427	53	10,938	14
- at the end of the period	151,293	465	188,720	230
Total rights to receive shares assigned				
- at the start of the year	390,716	448	160,149	199
- assigned in the year	-	-	257,069	13
- canceled in the year	111,389	145	26,502	33
- at the end of the period	279,327	827	390,716	448

With regard to the first Cycle, with 2023-2025 vesting period, at the starting date of the Plan (which took place in October 2023, following the completion of the verifications in preparation for the communication of the plan to the recipients identified by the Board of Directors, and their formal acceptance), the recipients of the Plan were 47 and 164,475 rights had been assigned. The recipients were initially identified among the employees of Salvatore Ferragamo S.p.A. and the following subsidiaries: Ferragamo USA Inc., Ferragamo Mexico S. de R.L. de C.V., Ferragamo Brasil Roupas e Acessorios Ltda., Ferragamo Japan K.K., Ferragamo Korea Ltd., Ferragamo Hong Kong Ltd., Ferragamo Fashion Trading (Shanghai) Co. Ltd., Ferragamo Retail Taiwan Limited and Ferragamo Retail HK Limited. As at 31 December 2025, there are 25 beneficiaries of the Plan (90,074 rights granted), following the departure, during the three-year period 2023–2025, of 12 employees from subsidiaries and 10 employees from Salvatore Ferragamo S.p.A. A member of the Board of Directors is among the recipients of the plan.

Based on the forecast data prepared by company management, which represents the best estimate that the Group can make of the economic conditions expected in the three-year period of the first Plan Cycle (2023-2025), the estimates for the achievement of the economic and financial performance targets and ESG indicators have been revised, adjusting the relevant costs also with respect to 2023 and 2024, as required by accounting standards in the case of the non-market condition. Therefore, the number of rights that will be exercised at the end of the plan was estimated to be 41,094; the stock grant reserve as at 31 December 2025 reflects this adjustment.

With regard to the second Cycle, with 2024-2026 vesting period, at the starting date of the Plan (which took place in December 2024, following the completion of the verifications in preparation for the communication of the plan to the recipients identified by the Board of Directors, and their formal acceptance), the recipients of the Plan were 56 and 257,069 rights had been assigned. The recipients were identified among the employees of Salvatore Ferragamo S.p.A. and the following subsidiaries: Ferragamo USA Inc., Ferragamo Brasil Roupas e Acessorios Ltda., Ferragamo Japan K.K., Ferragamo Korea Ltd., Ferragamo Hong Kong Ltd. and Ferragamo Fashion Trading (Shanghai) Co. Ltd. As at 31 December 2025, there were 44 beneficiaries of the Plan (189,253 rights granted), following the departure, during 2025, of 5 employees from subsidiaries and 7 employees from Salvatore Ferragamo S.p.A. A member of the Board of Directors is among the recipients of the plan. Based on the forecast data prepared by company management, which represents the best estimate that the Group can make of the economic conditions expected in the three-year period of the second Plan Cycle (2023-2026), the estimates for the achievement of the economic and financial performance targets and ESG indicators have been revised, adjusting the relevant costs also with respect to 2024, as required by accounting standards in the case of the non-market condition. Therefore, the number of rights that will be exercised at the end of the plan was estimated to be 89,893; the stock grant reserve as at 31 December 2025 reflects this adjustment.

c) Fair value measurement

The fair value measurement of the rights assigned was based on the financial market conditions valid at the measurement date, using a methodology consistent with the risk neutral approach typical for these plans. In order to quantify the Additional Rights for the purpose of estimating the average stock value as at December 2025 and December 2026, the stochastic simulation with the Monte Carlo Method was used which, based on the appropriate assumptions, allowed to define a substantial number of alternative scenarios in the timeframe considered. In particular, in each scenario, the projection of the share price was carried out starting from the initial value, according to a Brownian geometric movement. Expected dividends are included in estimated fair value measurement.

Measurement at assignment	
Date of assignment	11 October 2023
Share price at the assignment date (Euro)	12.03
Expected volatility*	32.43%
Outflow rate	0%
Rate of Return on Salvatore Ferragamo S.p.A. Shares**	3.58%

* Reasonable estimate based on historical volatility calculated with reference to the measurement date.
** Derived from the interest rate swap curve at the measurement date with reference to the maturity of the plan

The main assumptions for the evaluation of the Performance and Restricted Shares Plan 2023-2025 at the assignment date, relative to the second Cycle, are as follows.

Measurement at assignment	
Date of assignment	27 December 2024
Share price at the assignment date (Euro)	6.815
Expected volatility*	44.31%
Outflow rate	0%
Rate of Return on Salvatore Ferragamo S.p.A. Shares**	2.19%

* Reasonable estimate based on historical volatility calculated with reference to the measurement date.
** Derived from the interest rate swap curve at the measurement date with reference to the maturity of the plan

43. Put and call agreements on minority interests

In recent years the Salvatore Ferragamo Group has expanded largely through internal growth. In some areas, mainly in Asia, it has also grown through partnerships with local distributors. In relation to these partnerships, the Shareholders' Agreements regulate dealings between the partners, define the governance rules and contain some provisions on put and call options which shareholders can exercise under certain conditions.

As at 31 December 2025, the only remaining agreement on minority interests relates to Ferragamo Japan K.K. and allows minority shareholders, collectively holding, since July 2022, a 10.87% (previously 29%) stake, to sell their shares to Salvatore Ferragamo S.p.A. at a contractually set price in the case of proven financial need or in the case of a change in their investment strategies in the luxury sector. Consequently, since the financial statements as at 31 December 2010, the Group has been recognizing a financial liability to take into account the possibility of minority shareholders exercising the put option on their stake; as at 31 December 2025, the liability amounted to 1,148 thousand Euro, while as at 31 December 2024 it amounted at 1,334 thousand. Since the Salvatore Ferragamo Group believes it does not have access to the economic benefits associated with this interest, at each measurement date, any changes in the value of the put are recognized directly in equity.

44. Segment reporting

Accounting Standard IFRS 8 – Operating segments requires that detailed information is provided for each operating segment, understood as a component of an entity whose operating results are regularly reviewed by the entity's top management to make decisions about resources to be allocated to the segment and assess its performance.

At management level, the organization of the Salvatore Ferragamo Group is based on a matrix structure, divided by distribution channel, geographic area, and product category. Operating segments cannot therefore be identified, and top management reviews financial performance across the Group as a whole. Therefore, the Group's activity has been represented as a single reportable segment pursuant to IFRS 8.

(In thousands of Euro)	2025	2024
DTC revenues	752,302	776,700
Wholesale revenues	191,917	232,579
Net sales	**944,219**	**1,009,279**
Cash Flow Hedging Effect on Revenues	12,982	4,842
Licenses and services	16,267	17,530
Rental income investment properties	3,063	3,455
Revenues	**976,531**	**1,035,106**
of which in Italy	111,198	122,016
Gross profit	**665,000**	**740,008**
Gross Profit %	**68.1%**	**71.5%**
Personnel costs	(201,947)	(217,893)
Rental costs	(64,353)	(72,391)
Amortization, depreciation and write-downs of non current assets	(186,962)	(264,079)
Communication costs	(74,266)	(79,300)
Other costs (net of other income)	(158,899)	(155,346)
Operating profit/(loss)	**(21,427)**	**(49,001)**
Net financial (charges)/income	(31,073)	(26,576)
Profit/(loss) before taxes	**(52,500)**	**(75,577)**
Income taxes	3,347	7,508
Net profit/(loss)	**(49,153)**	**(68,069)**
EBITDA*	**165,713**	**215,218**

* As regards the definition of EBITDA, reference should be made to the specific paragraph in the Directors' report on operations on alternative performance measures.

(In thousands of Euro)	31 December 2025	31 December 2024
Inventories and Right of return assets	282,074	313,799
Trade receivables	59,426	84,580
Tangible assets and Investment property	187,559	212,023
Right-of-use assets	453,506	528,627
Intangible assets with a finite useful life and Goodwill	34,004	38,551
Other assets	238,370	234,284
Assets held for sale, net	59	67
Total assets gross of cash and cash equivalents and current financial receivables	**1,254,998**	**1,411,931**
Net financial debt	439,473	503,566
Trade payables and Refund liabilities	133,041	175,927
Other liabilities	90,079	112,352
Shareholders' equity	592,405	620,086
Total liabilities and shareholders' equity (net of cash and cash equivalents and current financial receivables)	**1,254,998**	**1,411,931**

As regards the information required by IFRS 8, reference should be made to the Directors' Report on Operations for details and the relevant comments on revenues, broken down by geographic area, distribution channel and product category.

Below is the information relating to non-current assets (excluding financial instruments and deferred tax assets) broken down by geographical area.

(In thousands of Euro)	Italy	Europe (excluding Italy)	North America	Japan	Asia Pacific	Central and South America	Consolidated
31 December 2025	253,627	143,847	191,287	32,875	58,969	10,559	691,164
31 December 2024	285,628	162,669	220,139	30,961	90,842	6,257	796,496

45. Transactions with related parties

It should be noted that, with effect from 1 July 2025, companies linked to Mr Peter K. C. Woo have also been deemed to be related parties; Mr Woo indirectly holds Majestic Honour Limited (hereinafter "MHL" – incorporated under the laws of Hong Kong with its registered office at 20 Pedder Street, 23rd Floor, Wheelock House, Hong Kong). MHL holds a stake in Salvatore Ferragamo S.p.A. amounting to 5.99% of the company's share capital, corresponding to 3.64% of the total voting rights, and is also party to a shareholders' agreement with Ferragamo Finanziaria S.p.A., which will expire on 29 June 2026 (hereinafter the "Shareholders' Agreement"). The Shareholders' Agreement constitutes a significant agreement within the meaning and for the purposes of Article 122(1) of the TUF, namely a voting syndicate, in which a total of 193,328,220 voting rights are pooled, representing 69.481% of the voting rights relating to the Company (of which 183,223,620 held by Ferragamo Finanziaria S.p.A. and 10,104,600 held by MHL).

This section describes the transactions with related parties undertaken in the years ended 31 December 2025 and 2024.

31 December 2025

(In thousands of Euro)	Revenues	Cost of goods sold and Operating costs (net of other income)	Financial charges	Right-of-use assets	Trade receivables	Other current assets and other non-current financial assets	Trade payables	Other current and non-current liabilities	Lease liabilities
Holding company									
Ferragamo Finanziaria S.p.A. (company which exercises management and coordination on Salvatore Ferragamo S.p.A.)	58	(88)	(14)	332	18	13,343	-	-	(370)
Related companies									
Palazzo Feroni Finanziaria S.p.A.	58	(9,576)	(3,119)	60,771	22	-	(74)	-	(71,809)
Lungarno Alberghi S.r.l.	2	(3,002)	(503)	11,324	-	48	(274)	-	(13,543)
Ferragamo Foundation	2	(190)	-	-	-	-	(51)	-	-
Harbour City Estates Limited	-	(1,089)	(74)	6,329	-	576	-	-	(6,844)
Times Square Ltd.	-	(120)	(4)	55	-	-	(29)	-	(104)
Harriman Leasing Limited	-	-	-	-	-	111	-	-	-
Long Jin Complex Development (Chengdu) Co. Ltd	-	(286)	(90)	5,273	-	760	-	-	(8,969)
Dalian Times Square Commercial Co. Ltd.	-	(88)	(12)	173	-	186	-	-	(625)
OIS Realty Limited	-	(113)	(8)	588	-	94	-	-	(517)
Shanghai Wheelock Square Development Co. Ltd.	-	(18)	(16)	56	-	40	-	-	(1,597)
Wharf IFS (Chengdu) Property Management Limited Company	-	(75)	-	-	-	-	-	-	-
Shanghai Harriman Property Management Co. Ltd.	-	(57)	-	-	-	190	-	-	-
Chongquing Jiayi Real Estate Development Co Ltd.	-	(343)	(6)	70	-	96	-	-	(447)
Chengdu Times Outlets Commerce Co., Ltd	-	(80)	-	-	-	4	-	-	-
Companies connected to members of the Board of Directors									
Dal Borro S.r.l.	25	(6)	-	-	14	-	-	-	-
Il Borro S.r.l. Società agricola	-	(3)	-	-	-	-	-	-	-
Rubino S.r.l.	-	(46)	(1)	47	-	2	-	-	(47)
Other related parties									
Massimo Ferragamo	-	**(137)**	-	-	-	-	**(10)**	-	-
Riccardo Ferragamo	-	**(86)**	-	-	-	-	-	**(3)**	-
Giovanna Ferragamo	-	**(90)**	-	-	-	-	-	-	-
Angiolo Anichini	-	**(160)**	-	-	-	-	-	**(10)**	-
Directors, Statutory Auditors and Managers with strategic responsibilities									
Directors, Statutory Auditors and Managers with strategic responsibilities	**14**	**(6,794)**	-	-	**17**	-	-	**(439)**	-
Total	**159**	**(22,447)**	**(3,847)**	**85,018**	**71**	**15,450**	**(438)**	**(452)**	**(104,872)**
Group total	**976,531**	**(997,957)**	**(87,841)**	**453,506**	**59,426**	**61,315**	**(126,773)**	**(41,838)**	**(583,341)**
% ratio	**0.0%**	**2.2%**	**4.4%**	**18.7%**	**0.1%**	**25.2%**	**0.3%**	**1.1%**	**18.0%**

31 December 2024

(In thousands of Euro)	Revenues	Cost of goods sold and Operating costs (net of other income)	Financial charges	Right-of-use assets	Trade receivables	Other current assets and other non-current financial assets	Trade payables	Other current and non-current liabilities	Lease liabilities
Holding company									
Ferragamo Finanziaria S.p.A. (company which exercises management and coordination on Salvatore Ferragamo S.p.A.)	58	(87)	(17)	416	-	12,576	-	-	(455)
Related companies									
Palazzo Feroni Finanziaria S.p.A.	25	(9,370)	(3,248)	69,411	1	-	(53)	-	(79,035)
Lungarno Alberghi S.r.l.	12	(2,995)	(574)	13,427	-	-	(84)	-	(15,619)
Ferragamo Foundation	2	(189)	-	-	-	-	(50)	-	-
Companies connected to members of the Board of Directors									
Dal Borro S.r.l.	56	(8)	-	-	35	-	-	-	-
Club Swan Racing S.r.l.	22	(22)	-	-	-	-	-	-	-
Il Borro S.r.l. Società agricola	2	(1)	-	-	-	-	-	-	-
Il Borro Tuscan Bistro S.r.l.	-	(2)	-	-	-	-	-	-	-
Rubino S.r.l.	-	(61)	(1)	-	-	5	(1)	-	-
Sole Studio S.r.l.	1	-	-	-	-	-	-	-	-
Halldis Italia S.r.l.	-	-	-	-	1	-	-	-	-
Other related parties									
Massimo Ferragamo	-	(140)	-	-	-	-	(12)	-	-
Riccardo Ferragamo	-	(76)	-	-	-	-	-	(6)	-
Giovanna Ferragamo	-	(90)	-	-	-	-	-	-	-
Angiolo Anichini	-	(182)	-	-	-	-	-	(32)	-
Directors, Statutory Auditors and Managers with strategic responsibilities									
Directors, Statutory Auditors and Managers with strategic responsibilities	-	(6,658)	-	-	-	-	-	(277)	-
Total	**178**	**(19,881)**	**(3,840)**	**83,254**	**37**	**12,581**	**(200)**	**(315)**	**(95,109)**
Group total	**1,035,106**	**(1,084,107)**	**(64,743)**	**528,627**	**84,580**	**59,608**	**(164,446)**	**(58,874)**	**(676,346)**
% ratio	**0.0%**	**1.8%**	**5.9%**	**15.7%**	**0.0%**	**21.1%**	**0.1%**	**0.5%**	**14.1%**

Sales and purchases between related parties are carried out at normal market prices. The outstanding balances at the end of the period are not backed by guarantees, do not generate interest, and are settled in cash. Bank guarantees were issued in favor of Palazzo Feroni Finanziaria S.p.A. (2,560 thousand Euro), in favor of Lungarno Alberghi S.r.l. (488 thousand Euro), and in favor of Ferragamo Finanziaria S.p.A. (23 thousand Euro): they concerned the leasing of properties owned by said companies. There are no other guarantees, given or received, relating to receivables and payables with related parties. The Group has not set aside any provision for bad debt in relation to amounts due from related parties.

Below are the comments to the above tables:

Holding company

Ferragamo Finanziaria S.p.A.

Under the Italian tax consolidation regime in which Salvatore Ferragamo S.p.A. participates together with Ferragamo Finanziaria S.p.A. (consolidating entity), Other current assets included a receivable of 13,343 thousand Euro, mainly referring to IRES net credit relating to advances paid during 2024 and not utilized by Salvatore Ferragamo S.p.A. at the end of the year.

Assets held under a right-of-use basis and lease liabilities, operating costs and finance charges relate to a lease agreement with Ferragamo Finanziaria S.p.A. concerning the rental of a warehouse adjacent to the Osmannoro plant, which the Parent Company has used as a pattern-making facility for the development of leather goods.

Related companies

These transactions mainly refer to trade transactions that affected revenues, operating costs, and trade receivables and payables. They include mainly:

- sale of products;
- leases; if they fall within the scope of IFRS 16, they are accounted for accordingly (i.e. by recognizing right-of-use assets, lease liabilities, depreciation expense, and financial charges), otherwise lease payments are recognized through profit or loss on a straight-line basis over the lease term and the relevant payables are included in Trade payables;
- rendering of services.

In particular, the following transactions should be noted:

Palazzo Feroni Finanziaria S.p.A.

Revenues (and the related accounts receivable) largely refer to IT and administrative services.
Right-of-use assets and lease liabilities, operating costs, and finance expense largely refer to leases for the headquarters in Florence and some stores of the Italian chain, which mostly fall within the scope of IFRS 16. Trade payables relate to service charges associated with the aforementioned lease agreements.

Lungarno Alberghi S.r.l.

Revenues refer to product sales; right-of-use assets, lease liabilities, operating costs, and financial charges largely refer to the lease of a space used as a store of the Italian DTC chain, which falls within the scope of IFRS 16. Trade payables relate to costs incurred during the financial year.

Ferragamo Foundation

Costs (and the related accounts payable) refer for 100 thousand Euro to the services provided for the management of the Salvatore Ferragamo historical archive (99 thousand Euro in 2024) and for 90 thousand Euro to donations to support the institutional activities of the Foundation (90 thousand Euro in 2024).

Harbour City Estates Limited

Right-of-use assets and lease liabilities, operating costs, and financial charges largely refer to leases for premises in Hong Kong, including the Canton Road flagship store, which mostly fall within the scope of IFRS 16. Other assets refer to the relevant guarantee deposits.

Long Jin Complex Development (Chengdu) Co. Ltd

Right-of-use assets and lease liabilities, operating costs, and financial charges refer to the lease of a store of Ferragamo Fashion Trading Shanghai Co. Ltd., most of which falls within the scope of IFRS 16, while the remaining assets relate to the associated security deposit.

Dalian Times Square Commercial Co. Ltd.

Right-of-use assets and lease liabilities, operating costs, and financial charges refer to the lease of a store of Ferragamo Fashion Trading Shanghai Co. Ltd., falling within the scope of IFRS 16, while the other assets relate to the associated security deposit.

OIS Realty Limited

Right-of-use assets and lease liabilities, operating costs, and financial charges refer to the lease for the offices of Ferragamo Hong Kong Limited and Ferragamo Retail Hong Kong Ltd, which falls within the scope of IFRS 16, whereas other assets refer to the relevant guarantee deposit.

Shanghai Wheelock Square Development Co. Ltd.

Right-of-use assets and lease liabilities, operating costs, and financial charges refer to the lease of the offices of Ferragamo Fashion Trading Shanghai Co. Limited, which falls within the scope of IFRS16, whereas other assets refer to the relevant guarantee deposits.

Chongquing Jiayi Real Estate Development Co Ltd.

Right-of-use assets and lease liabilities, operating costs, and financial charges refer to the lease of the offices of Ferragamo Fashion Trading Shanghai Co. Limited, which falls within the scope of IFRS16, whereas other assets refer to the relevant guarantee deposits.

Companies connected to members of the Board of Directors

These transactions mainly refer to trade transactions that affected revenues, operating costs, and trade receivables and payables. They include mainly:

- sale of products;
- leases; if they fall within the scope of IFRS 16, they are accounted for accordingly (i.e. by recognizing right-of-use assets, lease liabilities, depreciation expense, and financial charges), otherwise lease payments are recognized through profit or loss on a straight-line basis over the lease term and the relevant payables are included in Trade payables;
- rendering of services.

Other related parties

With respect to the other related parties, costs, and the relevant payables, refer to the cost incurred primarily by the Company under the cooperative relationship in place during the year.

Directors, Statutory Auditors and Managers with strategic responsibilities

For information on Directors and Statutory Auditors, please refer to note 46 "Fees paid to Directors and Statutory Auditors".

The Managers with strategic responsibilities are listed in the following table:

Full name	Role
Giacomo Ferragamo	Chief Product Officer
Pierre Giorgio Sallier de La Tour	Chief Financial Officer and Manager Responsible for the Preparation of Corporate Financial Statements and Sustainability Reporting*
Paolo La Morgia	Chief Financial Officer and Manager Responsible for the Preparation of Corporate Financial Statements and ad interim Manager Responsible for Sustainability Reporting**

*In office until 26 September 2025
**To take office on 29 September 2025

Costs related to Managers with strategic responsibilities refer to the cost incurred by the Company in connection with the existing employment relationship, including the variable bonus, if applicable, and the imputed cost of the Performance and Restricted Shares 2023-2025 Plan. In 2025, they amounted to 1,027 thousand Euro (compared to 809 thousand Euro in 2024). Typically, managers with strategic responsibilities receive non-monetary benefits such as cars, mobile phones, and insurance policies.

46. Fees paid to Directors and Statutory Auditors

Directors

(In thousands of Euro)				2025						
				Fees						
Full name	Position held	Term of office	End of term of office	for the position held	for committee attendance	Non-monetary benefits	Salaries, bonuses and other incentives	Other fees	Stock Grant	Total
Leonardo Ferragamo	Executive Chairman	1.01-31.12	a)	728	-	c)	28	-	-	756
Angelica Visconti	Deputy Chair	1.01-31.12	a)	200	-		5	-	-	205
Marco Gobbetti	CEO and General Manager	1.01-06.03	b)	21	-	c) d) e) f)	5,087	-	(2,511)	2,597
Giacomo Ferragamo	Director*	1.01-31.12	a)	116	-	c) d) e)	688	-	33	837
Patrizia Michela Giangualano	Director	1.01-31.12	a)	50	55		-	-	-	105
Umberto Tombari	Director	1.01-31.12	a)	50	-		-	16	-	66
Laura Donnini	Director	1.01-31.12	a)	50	42		-	-	-	92
Niccolò Ferragamo	Director	1.01-31.12	a)	50	20		-	-	-	70
Sara Ferrero	Director	1.01-31.12	a)	50	62		-	-	-	112
Ernesto Greco	Director*	1.01-31.12	a)	937	-	d) e) f)	285	117	-	1,339
Total				**2,252**	**179**		**6,093**	**133**	**(2,478)**	**6,179**

*Director with delegated powers from 6 March 2025
a) upon approval of the 2026 financial statements.
b) mutual agreement on the termination of employment effective from the date of approval of the draft financial statements for FY2024, i.e. 6 March 2025
c) car; d) mobile phone; e) insurance policies; f) accommodation.

Statutory Auditors

(In thousands of Euro)		2025					
Full name	Position held	Term of office	End of term of office	Fees for the position held	Other fees*	Other fees received from subsidiaries	Grand total
Andrea Balelli	Chair	01,01-31,12	a)	64	4	-	68
Paola Caramella	Acting Statutory Auditor	01,01-31,12	a)	48	12	-	60
Giovanni Crostarosa Guicciardi	Acting Statutory Auditor	01,01-31,12	a)	48	12	-	60
Total				**160**	**28**	**-**	**188**

a) upon approval of the financial statements for the year ended 31 December 2025
* Other fees refer to amounts due for the position as Chair or member of the Supervisory Body pursuant to Italian Legislative Decree 231/2001. Mr Balelli resigned from his position as Chair of the Supervisory Body with effect from 16 April 2025 and, with effect from the same date, Mr Carlo Longari was appointed to replace him as Chair of the Supervisory Body. Please note that the members of the Board of Statutory Auditors have not received other fees from Group companies.

It should be noted that for Directors and Statutory Auditors no severance indemnities are envisaged.

47. Commitments and risks

The breakdown of commitments and risks is as follows:

(In thousands of Euro)	31 December 2025	31 December 2024
Sureties and guarantees provided by third parties to third parties in the interests of Group companies	26,746	25,950
Guarantees provided by Group companies to third parties in the interests of Group companies	78,601	60,034
Total	**105,347**	**85,984**

The sureties and guarantees provided by third parties in the interests of Group companies largely refer to sureties and guarantees on leases entered into by Group companies, including a guarantee for 6 million US Dollars (equal to 5,106 thousand Euro) relating to a lease of the Ferragamo USA Group.

The guarantees provided by Group companies are mainly in favor of banks to guarantee credit lines which may be used locally.

48. Public funds – Disclosure as per Article 1, paragraphs 125-129 of Italian Law 124/2017

Pursuant to Article 1, paragraph 125, of Italian Law 124/2017, as for the requirement to disclose in the explanatory notes any sums of money received during the financial year by way of grants, contributions, paid assignments, or other economic benefits of any kind from public administrations and entities referred to in paragraph 125 of the same Article, in 2025 Salvatore Ferragamo S.p.A. did not receive any grants, contributions, paid assignments, or other economic benefits of any kind from public administrations. In accordance with Article 3-quater of Italian Law Decree 135/2018, converted with the relevant amendments into Law no. 12 of 11 February 2019, with respect to the funds received, please refer to the information in the National State Aid Register as per Article 52 of Italian Law no. 235 of 24 December 2012.

49. Significant non-recurring events and transactions

During FY2025, the Salvatore Ferragamo Group did not carry out significant non-recurring transactions, and no significant non-recurring events occurred.

50. Transactions arising from atypical and/or unusual transactions

The Group did not undertake atypical and/or unusual transactions, i.e. those transactions which, due to their importance/size, the counterparties involved, the subject of the transaction, the means of determining the transfer price, and the timing of the event, may give rise to doubts about the fairness/completeness of the information provided in the financial statements, conflicts of interest, the safeguarding of the company's equity, and the protection of minority interests.

51. Subsidiaries highlights

Subsidiaries highlights are shown in the table below.

(In thousands)		2025		2024	
Company	Currency	Revenues	Shareholders' equity	Revenues	Shareholders' equity
Ferragamo Australia Pty Ltd.	AUD	20,993	23,304	20,873	23,099
Ferragamo Japan K.K.	JPY	13,197,041	1,916,909	13,592,373	1,487,800
Ferragamo Korea Ltd.	KRW	82,849,728	77,500,466	85,877,141	84,020,923
Ferragamo Espana S.L.	EUR	22,000	4,768	20,207	4,475
Ferrimag Limited	HKD	-	44,308	-	44,013
Ferragamo Retail HK Limited	HKD	140,085	(398,304)	156,673	(377,938)
Ferragamo Retail Taiwan Limited	TWD	440,941	476,069	516,820	439,591
Ferragamo Mexico S. de R.L. de C.V.	MXN	1,194,924	899,690	1,165,496	874,011
Ferragamo Retail Nederland B.V.	EUR	2,933	1,595	2,640	1,479
Ferragamo Fashion Trading (Shanghai) Co. Ltd.	CNY	855,450	433,608	919,687	685,522
Ferragamo (Singapore) Pte. Ltd.	SGD	16,376	(454)	16,805	(9,983)
Ferragamo (Thailand) Limited	THB	183,715	(56,419)	207,990	(119,862)
Ferragamo (Malaysia) Sdn Bhd	MYR	36,473	13,959	38,304	13,636
Ferragamo Hong Kong Ltd.	USD	61,162	43,891	120,671	90,248
Gruppo Ferragamo USA	USD	348,292	54,023	336,971	63,193
Ferragamo Deutschland GmbH	EUR	8,454	1,394	8,184	507
Ferragamo Belgique SA	EUR	1,361	598	1,274	667
Ferragamo Monte-Carlo S.A.M.	EUR	994	(3,693)	872	(3,537)
Ferragamo (Suisse) SA	CHF	5,425	(1,233)	6,672	(1,748)
Ferragamo U.K. Limited	GBP	14,212	3,033	15,187	1,483
Ferragamo France S.A.S.	EUR	18,863	7,760	18,182	7,562
Ferragamo Chile S.A.	CLP	1,701,915	673,960	1,410,076	712,669
Ferragamo Austria GmbH	EUR	5,618	2,979	3,487	3,233
Ferragamo Retail India Private Limited	INR	-	(492,796)	-	(474,058)
Ferragamo Retail Macau Limited	MOP	55,426	4,771	68,487	(10,315)
Ferragamo Moda (Shanghai) Co.Ltd.	CNY	85,126	(210,241)	143,078	(182,660)
Ferragamo Brasil Roupas e Acessorios Ltda.	BRL	94,675	23,481	77,316	21,898
Ferragamo Argentina S.A.	ARS	2,735,817	(1,970,293)	2,261,441	(34,823)

52. Significant events occurred after 31 December 2025

Further to the announcements already made to the market on 3 February and 6 March 2025, on 27 January 2026, as per the press release issued to the market, the Board of Directors expanded the membership of the Executive Chairman's Advisory Committee supporting Executive Chairman Leonardo Ferragamo – established by the Board of Directors on 6 March 2025 and comprising Directors with delegated powers Giacomo Ferragamo and Ernesto Greco and Chairman Special Advisor Michele Norsa – appointing the Company's Deputy Chair, Angelica Visconti, as a member with immediate effect.

At the meeting held on 11 March 2026, the Board of Directors, inter alia: (i) approved the draft Separate Financial Statements as at 31 December 2025, the Consolidated Financial Statements as at 31 December 2025, and the Directors' Report on Operations for 2025, containing the Ferragamo Group's Sustainability Report prepared in accordance with the new provisions introduced by the Corporate Sustainability Reporting Directive ("CSRD"), implemented by Italian Legislative Decree 125/2024, and with the European Sustainability Reporting Standards ("ESRS") prepared by EFRAG and issued by the European Commission through Delegated Regulation (EU) 2023/277; (ii) approved the Corporate Governance Report for 2025, prepared by the Company pursuant to Article 123-bis of the Consolidated Law on Finance; (iii) approved, with the favorable opinion of the Nomination and Remuneration Committee, the Remuneration Policy Report 2026 and Fees Paid 2024, prepared pursuant to Article 123-ter of the Consolidated Law on Finance, Article 84-quater and Annex 3A, Scheme 7-bis of CONSOB Regulation no. 11971/1999 as amended, and Article 5 of the Corporate Governance Code for listed companies; for approval by the next Shareholders' Meeting. For further details, please refer to the documentation available on the Company's website https://group.ferragamo.com/it/governance/assemblea-degli-azionisti/2026; and (iv) resolved to convene the Ordinary General Meeting of Shareholders of Salvatore Ferragamo S.p.A. on 23 April 2026.

Disclosure pursuant to Article 149-duodecies of the Issuers' Regulation

(In thousands of Euro)

Type of services	Subject providing the service	Recipient	Notes	Total fees for 2025
Audit	Parent company's Independent Auditors	Parent company		382
	Network of the Parent company's Independent Auditors	Parent company		
Other Services	i) Parent company's Independent Auditors	Parent company	1	161
	ii) Network of the Parent company's Independent Auditors	Parent company		
Subtotal				**543**
Audit	i) Parent company's Independent Auditors	Subsidiaries		109
	ii) Network of the Parent company's Independent Auditors	Subsidiaries		615
Other Services	Network of the Parent company's Independent Auditors	Subsidiaries		3
Subtotal				**727**
Total				**1,270**

1) The item primarily refers to the certification of the Consolidated Non-Financial Statement and to the certifications of the Research and Development credit.

Florence, 11 March 2026

On behalf of the Board of Directors

The Chair
Leonardo Ferragamo

Statement pursuant to Article 154-bis of Italian Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Finance)

1. The undersigned Ernesto Greco in his capacity as "Director with delegated powers" and Paolo La Morgia in his capacity as "Financial Reporting Manager" of Salvatore Ferragamo S.p.A. certify, having also taken account of the provisions of art. 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998:

- the adequacy in relation to the company's structure and
- the effective application of the administrative and accounting procedures for the preparation of the consolidated financial statements for the period 1 January-31 December 2025.

2. The adequacy of the administrative and accounting procedures for the preparation of the consolidated financial statements for 2025 has been assessed on the basis of the Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission which is the generally accepted model internationally.

3. It is also certified that

3.1 The consolidated financial statements for the year ended 31 December 2025:

a) have been prepared in accordance with the applicable international accounting standards as endorsed by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and Council, dated 19 July 2002, and subsequent integrations;

b) correspond with accounting books and records;

c) are suitable to provide a true and fair representation of the financial conditions, results of operations and cash flows of the Company and of the group of companies included in the consolidation area.

3.2 The Directors' report on operations includes a reliable analysis of operating performance and results, as well as of the situation of the Company and of the group of companies included in the consolidation area, as well as a description of the main risks and uncertainties to which they are exposed.

Florence, 11 March 2026

Director with delegated powers
Ernesto Greco

Financial Reporting Manager
Paolo La Morgia

FERRAGAMO
FERRAGA

INDEPENDENT AUDITOR'S REPORT

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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Salvatore Ferragamo S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Salvatore Ferragamo Group (the "group"), which comprise the statement of financial position as at 31 December 2025, the income statement and the statements of comprehensive income, cash flows and changes in equity for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Salvatore Ferragamo Group as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Salvatore Ferragamo S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Measurement of finished products

Notes to the consolidated financial statements: note 2 "Basis of presentation" and note 13 "Inventories"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2025 include finished products of €257.9 million, net of an allowance for write-down of €79.6 million. Determining the allowance for write-down is a complex accounting estimate, entailing a high level of judgement as it is affected by many factors, including: • the characteristics of the group's business sector and the geographical segments in which it operates; • the market performance and fashion trends; • the age of the collection in stock; • pricing policies and sales ability through the different distribution channels. For the above reason, we believe that the measurement of finished products is a key audit matter.	Our audit procedures included: • understanding the process for the measurement of finished products and assessing the design and implementation of relevant controls; • checking changes in inventories during the year, considering finished products' expected life cycle based on their age: – analysing documents and discussing the assumptions adopted to calculate the allowance for write-down with the relevant internal departments, in order to understand the assumptions underlying the expectations of how finished products will be sold and comparing those assumptions with historical figures and the group's operating environment; – assessing the appropriateness of the disclosures provided in the notes about finished products.

Impairment losses on property, plant and equipment, right-of-use assets, intangible assets with a finite useful life and investment property

Notes to the consolidated financial statements: note 2 "Basis of preparation" and note 10 "Impairment of property, plant and equipment, right-of-use assets, intangible assets with a finite useful life and investment property"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2025 include property, plant and equipment, right-of-use assets, intangible assets with a finite useful life and investment property of €181.8 million, €453.5 million, €27.3 million and €5.8 million, respectively. The group tests these assets for impairment whenever there are triggering events. In the case of an asset that does not generate cash inflows that are largely independent of those from other assets, the group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset is allocated. The analysis of the triggering events, carried out in accordance with the impairment testing procedure approved by the board of directors, identified indicators of impairment of certain CGUs. Accordingly, the group calculated the recoverable amount of its property, plant and equipment, right-of-use assets and intangible assets with a finite useful life. As a result of its impairment testing, carried out with the assistance of	Our audit procedures, which also involved our own specialists, included: • understanding the process adopted to prepare the impairment test; • checking any discrepancies between the previous year business plans' figures and actual figures, in order to check the accuracy of the estimation process adopted by the directors; • understanding the process adopted for preparing the expected cash flows used for impairment testing; • analysing the reasonableness of the main assumptions used by the directors to prepare the expected cash flows; • assessing the reasonableness of the impairment testing model and the main assumptions adopted

Key audit matter	Audit procedures addressing the key audit matter
an external advisor, the group recognised impairment losses of €20.0 million, €25.4 million and €0.3 million on property, plant and equipment, right-of-use assets and assets with a finite useful life, respectively, in 2025. As described by the directors, the group calculated the recoverable amount based on the expected cash flows of each CGU discounted using an appropriate rate (discounted cash flow model). Impairment testing involves complex accounting estimates and requires a high level of judgement, especially in relation to: • the expected cash flows, which reflect management estimates of the group's future performance, based on internal and external sources, calculated starting from the 2026 budget and the 2027-2030 cash flow projections prepared by management. After 2030, the group applied the perpetual method and a growth (g) rate determined on the basis of the expected inflation of the reference market in the medium to long term; • the financial parameters used to calculate the discount rate. For the above reasons and due to the materiality of the relevant captions, we believe that the recoverability of property, plant and equipment, right-of-use assets, intangible assets with a finite useful life and investment property is a key audit matter.	by the directors, including by means of a comparison with external data and information; • assessing the appropriateness of the disclosures provided in the notes about property, plant and equipment, right-of-use assets, intangible assets with a finite useful life and investment property and the related impairment tests.

Other matters - Management and coordination

As required by the law, the parent disclosed the key figures from the latest financial statements of the company that manages and coordinates it in the notes to its own consolidated financial statements. Our opinion on the consolidated financial statements of the Salvatore Ferragamo Group does not extend to such data.

Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 18 April 2019, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2020 to 31 December 2028.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2025 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2025 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's directors' report and report on corporate governance and ownership structure at 31 December 2025 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the consolidated financial statements;
- express an opinion on the compliance of the directors' report, excluding the section that includes the consolidated sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the group's consolidated financial statements at 31 December 2025.

Moreover, in our opinion, excluding the section which includes the consolidated sustainability statement, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on compliance with the applicable law does not extend to the directors' report's section which includes the consolidated sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Florence, 31 March 2026

KPMG S.p.A.

(signed on the original)

Andrea Rossi
Director of Audit

SEPARATE FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2025

Separate Financial Statements as at 31 December 2025

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Financial Statements

Statement of Financial Position – Assets

(In Euro)	Notes	31 December 2025	of which with related parties	31 December 2024	of which with related parties
NON-CURRENT ASSETS					
Property, plant and equipment	5	87,029,780		97,318,742	
Investment property	6	1,038,514		1,064,337	
Right-of-use assets	7	132,818,261	72,474,213	149,633,780	83,253,575
Goodwill	8	6,679,274		6,679,274	
Intangible assets with a finite useful life	9	24,832,805		29,203,346	
Investments in subsidiaries	10	143,567,179		128,514,369	
Other non-current assets	11	1,050,866		1,495,705	
Other non-current financial assets	12	226,541	2,000	231,707	4,800
Deferred tax assets	41	26,969,740		26,579,603	
TOTAL NON-CURRENT ASSETS		**424,212,960**	**72,476,213**	**440,720,863**	**83,258,375**
CURRENT ASSETS					
Inventories	13	68,061,951		76,298,538	
Right of return assets	14	10,979,786		10,499,661	
Trade receivables	15	195,302,441	178,342,352	173,040,051	148,720,975
Tax receivables	16	14,865,963		13,318,334	
Other current assets	17	28,432,225	13,391,025	24,871,364	12,575,552
Other current financial assets	18	197,968,636	155,937,384	243,540,289	192,835,346
Cash and cash equivalents	19	132,723,478		172,324,249	
TOTAL CURRENT ASSETS		**648,334,480**	**347,670,761**	**713,892,486**	**354,131,873**
TOTAL ASSETS		**1,072,547,440**	**420,146,974**	**1,154,613,349**	**437,390,248**

Statement of Financial Position – Liabilities and Shareholders' Equity

(In Euro)	Notes	31 December 2025	of which with related parties	31 December 2024	of which with related parties
SHAREHOLDERS' EQUITY					
Share capital	20	16,879,000		16,879,000	
Reserves	20	613,449,645		677,525,128	
Net profit/(loss) for the period		6,365,851		(70,534,828)	
TOTAL SHAREHOLDERS' EQUITY		**636,694,496**		**623,869,300**	
NON-CURRENT LIABILITIES					
Provisions for risks and charges	22	34,912,192		43,030,990	
Employee benefit liabilities	23	4,019,892		4,344,112	
Other non-current liabilities	24	195,273		506,296	
Non-current lease liabilities	25	129,829,919	74,117,036	145,808,564	84,155,031
Deferred tax liabilities	41	3,887,602		2,897,557	
TOTAL NON-CURRENT LIABILITIES		**172,844,878**	**74,117,036**	**196,587,519**	**84,155,031**
CURRENT LIABILITIES					
Trade payables	26	200,147,251	109,493,575	259,662,739	151,284,741
Refund liabilities	27	20,007,344		20,170,277	
Interest-bearing loans & borrowings	21	6,049,531	6,049,531	5,575,218	5,575,218
Tax payables	28	2,723,491		2,584,472	
Other current liabilities	29	11,630,984	452,471	24,037,055	314,407
Current lease liabilities	25	22,280,292	11,652,370	20,416,135	10,954,156
Other current financial liabilities	30	169,173		1,710,634	
TOTAL CURRENT LIABILITIES		**263,008,066**	**127,647,947**	**334,156,530**	**168,128,522**
TOTAL LIABILITIES		**435,852,944**	**201,764,983**	**530,744,049**	**252,283,553**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**1,072,547,440**	**201,764,983**	**1,154,613,349**	**252,283,553**

Income statement

(In Euro)	Notes	2025	of which with related parties	2024	of which with related parties
Revenues from contracts with customers	32	593,579,746	406,903,141	630,795,200	427,957,766
Change in inventories of finished products		(4,816,121)		178,009	
Costs for raw materials, goods and consumables	33	(150,219,038)	(127,265)	(166,075,290)	(74,422)
Costs for services	34	(223,176,052)	(11,977,481)	(244,177,403)	(17,388,975)
Personnel costs	35	(75,851,297)	(3,924,244)	(80,901,143)	(5,560,399)
Amortization, depreciation and write-downs	36	(44,690,135)	(11,648,635)	(48,983,815)	(11,441,763)
Other operating costs	37	(106,657,194)	(103,546,244)	(149,077,244)	(142,875,219)
Other income	38	12,390,022	2,887,258	19,683,114	6,958,358
Operating profit/(loss)		**559,931**		**(38,558,572)**	
Financial charges	39	(68,502,449)	(3,847,697)	(77,376,327)	(3,846,373)
Financial income	40	73,420,730	8,248,056	38,859,546	9,131,455
Profit/(loss) before taxes		**5,478,212**		**(77,075,353)**	
Income taxes	41	887,639		6,540,525	
Net profit/(loss) for the period		**6,365,851**		**(70,534,828)**	

Statement of Comprehensive Income

(In thousands of Euro)	Notes	2025	2024
Net profit/(loss) for the period (A)		**6,366**	**(70,535)**
Other income/(losses) that will be subsequently reclassified to net profit/(loss) for the period			
- Net gain/(loss) from cash flow hedge	3	11,112	(12,533)
- Tax consequences on components that will be subsequently reclassified to net profit/(loss) for the period		(2,667)	3,008
Total other gains/(losses) that will be subsequently reclassified to net profit/(loss) for the period, net of taxes (B1)		**8,445**	**(9,525)**
Other income/(losses) that will not be subsequently reclassified to net profit/(loss) for the period			
- Net gain/(loss) from recognition of defined-benefit plans for employees	23	184	105
- Tax consequences on components that will not be subsequently reclassified to net profit/(loss) for the period		(44)	(25)
Total other income/(losses) that will not be subsequently reclassified to net profit/(loss) for the period, net of taxes (B2)		**140**	**80**
Total other income/(losses) for the period, net of taxes (B1+B2 = B)		**8,585**	**(9,445)**
Total comprehensive income for the period, net of taxes (A+B)		**14,951**	**(79,980)**

Statement of Cash Flows

In Euro	Notes	2025	of which with related parties	2024	of which with related parties
Net profit/(loss) for the period		**6,365,851**		**(70,534,828)**	
Adjustments to reconcile net profit (loss) to net cash from/(used in) operating activities:					
Amortization, depreciation and write-downs of tangible/intangible assets, right-of-use assets and investment property	5-6-7-9	44,690,135	11,441,763	48,983,815	11,441,763
Income taxes	41	(887,639)		(6,540,525)	
Provision for employee benefit plans	23	105,974		124,827	
Allocation to/(use of) the provision for obsolete inventory	13	(1,082,153)		6,482,516	
Allocation to/(use of) the provisions for risks and charges	22	75,146		428,835	
Losses and net provisions for bad debt	15	(1,770,009)		395,410	
Losses/(gains) on disposal of tangible and intangible assets		44,492		202,852	
Write-down/(revaluation) of equity investments in subsidiaries	10	(13,770,364)		41,120,665	
Stock grant plan costs	35	(2,366,850)	(2,472,211)	2,356,366	2,258,574
Interest expense and interest expense on lease liabilities	39	6,269,867	3,847,697	5,899,614	3,846,373
Interest income	40	(11,927,060)	(8,248,056)	(15,650,032)	(9,131,455)
Other non-monetary items		(977,540)		(2,884,458)	
Changes in operating assets and liabilities:					
Trade receivables	15	(24,545,913)	(29,621,377)	12,287,720	1,513,895
Inventories	13	9,318,740		(3,096,285)	
Trade payables	26	(59,515,488)	(41,791,166)	81,523,385	96,266,323
Other tax receivables and payables	16-28	(2,850,101)		3,929,289	
Employee benefits payments	23	(246,361)		(557,965)	
Other assets		1,621,277	(812,673)	(3,603,316)	(12,555,675)
Other liabilities		(4,129,082)	138,064	(5,470,439)	(9,343,103)
Other net	22	(475,430)		(4,827,288)	
Income taxes paid		(54,635)		(18,645,525)	
Interest expense and interest expense on lease liabilities paid		(6,376,886)	(3,927,821)	(5,866,743)	(3,885,448)
Interest received		11,927,060	8,248,056	15,650,032	9,131,455
Net cash from/(used in) operating activities		**(50,556,969)**	**(63,197,724)**	**81,707,922**	**89,542,702**
Cash flow from investing activities:					
Purchase of tangible assets	5	(3,079,547)		(11,204,132)	
Purchase of intangible assets	9	(4,893,032)		(8,265,649)	
Proceeds from the sale of tangible and intangible assets		14,786		28,078	
Equity investments in subsidiaries	10	(8,719,821)	(8,719,821)	(5,077,496)	(5,077,496)
Net change in Other current financial assets	18	46,412,982	36,897,962	(59,629,291)	(44,469,052)
Net cash from/(used in) investing activities		**29,735,368**	**28,178,141**	**(84,148,490)**	**(49,546,548)**
Cash flow from financing activities:					
Net change in financial payables	21	474,313	474,313	5,575,218	5,575,218
Repayment of lease liabilities	25	(19,253,483)	(10,128,931)	(17,422,255)	(8,589,520)
Dividends paid	20			(16,567,670)	(10,785,488)
Net cash from/(used in) financing activities		**(18,779,170)**	**(9,654,618)**	**(28,414,707)**	**(13,799,790)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(39,600,771)		(30,855,275)	
Opening net cash and cash equivalents		**172,324,249**		**203,179,524**	
Increase/(decrease) in cash and cash equivalents		(39,600,771)		(30,855,275)	
CLOSING NET CASH AND CASH EQUIVALENTS	**19**	**132,723,478**		**172,324,249**	

Statement of changes in shareholders' equity

Note 20

(In thousands of Euro)	Share capital	Treasury share reserve	Legal reserve	Share capital contributions	Extraordinary reserve	Revaluation reserve	Cash flow hedge reserve	Effect IAS 19 Equity	Other reserves	Net profit/ (loss) for the period	Total shareholders' equity
As at 01.01.2025	**16,879**	**(53,676)**	**4,188**	**2,995**	**683,908**	**25,478**	**(5,305)**	**(1,175)**	**21,112**	**(70,535)**	**623,869**
Profit/(loss) for 2025										6,366	6,366
Other comprehensive income/(losses)							8,445	140			8,585
Total comprehensive income/(loss)	-		-	-	-	-	**8,445**	**140**	-	**6,366**	**14,951**
Allocation of 2024 result					(70,535)					70,535	-
Distribution of dividends											-
Treasury share award											-
Stock Grant Reserve									**(2,126)**		**(2,126)**
As at 31.12.2025	**16,879**	**(53,676)**	**4,188**	**2,995**	**613,373**	**25,478**	**3,140**	**(1,035)**	**18,986**	**6,366**	**636,694**

Note 20

(In thousands of Euro)	Share capital	Treasury share reserve	Legal reserve	Share capital contributions	Extraordinary reserve	Revaluation reserve	Cash flow hedge reserve	Effect IAS 19 Equity	Other reserves	Net profit/ (loss) for the period	Total shareholders' equity
As at 01.01.2024	**16,879**	**(56,223)**	**4,188**	**2,995**	**613,476**	**25,478**	**4,220**	**(1,255)**	**20,827**	**87,000**	**717,585**
Profit/(loss) for 2024										(70,535)	(70,535)
Other comprehensive income/(losses)							(9,525)	80			(9,445)
Total comprehensive income/(loss)	-		-	-	-	-	**(9,525)**	**80**		**(70,535)**	**(79,980)**
Allocation of 2023 result					87,000					(87,000)	-
Distribution of dividends					(16,568)						(16,568)
Treasury share award		2,547							(2,547)		-
Stock Grant Reserve									**2,832**		**2,832**
As at 31.12.2024	**16,879**	**(53,676)**	**4,188**	**2,995**	**683,908**	**25,478**	**(5,305)**	**(1,175)**	**21,112**	**(70,535)**	**623,869**

Explanatory Notes to the Separate Financial Statements

1. Corporate information

Salvatore Ferragamo S.p.A. is incorporated in Italy, with registered office in via Tornabuoni 2 Florence, as a joint-stock company under Italian law and adopts a conventional administration and control model, with the Shareholders' Meeting, the Board of Directors, and the Board of Statutory Auditors. The Company's Shares are traded on Euronext Milan (formerly known as Mercato Telematico Azionario), organized and operated by Borsa Italiana S.p.A.

The Company is one of the main players in the luxury sector and dates back to 1927.
The separate financial statements for the year ended 31 December 2025 were approved by the Board of Directors of Salvatore Ferragamo S.p.A. by resolution dated 11 March 2026.

The Company is active in the creation, production and sale of luxury goods for men and women: footwear, leather goods, apparel, silk goods, jewels, and other accessories. The product range also includes fragrances, eyewear, and watches manufactured under license by third parties. Salvatore Ferragamo S.p.A. is also active in the licensing of the Salvatore Ferragamo brand.

The Salvatore Ferragamo Group is present in more than 90 countries around the world, directly through subsidiaries in 26 countries, and sells its products primarily through a network of Salvatore Ferragamo single-brand stores, either directly operated (DOS) or operated through third parties, as well as through a significant and well-established presence in department stores and multi-brand specialty stores, and through the e-commerce channel. For further details on the of the Company's main activities, reference is made to the Directors' Report on Operations.

1.1 Management and coordination

Pursuant to Article 2497 et seq. of the Italian Civil Code, the Company Salvatore Ferragamo S.p.A. is subject to management and coordination by Ferragamo Finanziaria S.p.A., whose consolidated financial statements are available at the registered office in Florence, Via Tornabuoni, 2.

In compliance with the provisions of Article 2497-bis, paragraph 4 of the Italian Civil Code, the key data from the financial statements of the Holding company Ferragamo Finanziaria S.p.A. as at 31 December 2024 and 2023 is given below.

Ferragamo Finanziaria S.p.A.

(In Euro)	31 December 2024	31 December 2023
STATEMENT OF FINANCIAL POSITION		
ASSETS		
B) Fixed assets	179,467,671	178,205,886
C) Current assets	40,924,300	33,403,828
D) Accruals and deferrals	24,774	49,584
TOTAL ASSETS	**220,416,745**	**211,659,298**
LIABILITIES AND SHAREHOLDERS' EQUITY		
A) Shareholders' equity		
- Share capital	49,749,960	49,749,960
- Reserves	149,002,491	132,261,860
- Profit/(loss) for the year	8,429,840	24,394,471
B) Provisions for risks and charges	-	-
D) Payables	13,205,020	5,152,163
E) Accruals and deferrals	29,434	100,844
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**220,416,745**	**211,659,298**
INCOME STATEMENT		
A) Value of production	469,219	470,930
B) Costs of production	(2,715,284)	(2,398,774)
Difference between value and costs of production	**(2,246,065)**	**(1,927,844)**
C) Financial income and charges	10,618,744	25,938,008
Profit before taxes	**8,372,679**	**24,010,164**
Income taxes for the year, current and deferred	57,161	384,307
Profit/(loss) for the year	**8,429,840**	**24,394,471**

2. Statement of compliance with IFRS and basis of presentation

The Separate Financial Statements of Salvatore Ferragamo S.p.A. have been prepared in compliance with the International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB"), endorsed by the European Union and in force at the reporting date. The explanatory notes to the separate financial statements have been supplemented with the extra information requested by CONSOB and by the provisions it has issued in implementation of Article 9 of Italian Legislative Decree 38/2005 (resolutions 15519 and 15520) dated 27 July 2006 and communication DEM/6064293 dated 28 July 2006, pursuant to Article 78 of the Issuers' Regulation, the EC document of November 2003 and, where applicable, the Italian Civil Code. The term "IFRS" used herein includes International Accounting Standards ("IAS") which are still in force as well as all the interpretations issued by the IFRS Interpretation Committee, previously referred to as International Financial Reporting Interpretations Committee ("IFRIC") and, before that, Standing Interpretations Committee ("SIC").

Financial statement structure adopted

The separate financial statements of Salvatore Ferragamo S.p.A. as at 31 December 2025 comprise the statement of financial position, the income statement, the statement of comprehensive income, the statement of cash flows, the statement of changes in shareholders' equity and the related explanatory notes.

The statement of financial position, the income statement and the statement of cash flows are presented in Euro, while the statement of comprehensive income and the statement of changes in shareholders' equity and the related explanatory notes are presented in thousands of Euro, unless otherwise indicated.

The Company's statement of financial position distinguishes between current and non-current assets and liabilities, where:

- non-current assets refer to positive balances to be realized after more than 12 months and include intangible, tangible and financial assets, as well as deferred tax assets;
- current assets refer to positive balances to be realized within 12 months;
- non-current liabilities refer to liabilities due after more than 12 months, including financial payables, provisions for risks and charges and employee benefit liabilities, as well as deferred tax liabilities;
- current liabilities refer to liabilities due within 12 months, including the short-term portion of medium/long-term loans, provisions for risks and charges, and employee benefit liabilities.

The income statement is shown in accordance with a classification of costs by nature. The statement of cash flows has been prepared according to the indirect method and is presented in compliance with IAS 7, breaking down financial flows into operating, investing and financing activities.

It should be noted that in reference to CONSOB Resolution no. 15519 of 27 July 2006 and Communication no. DEM/6064293 of 28 July 2006, the financial statements show significant transactions with related parties, in order to provide better disclosure.

All amounts are expressed in Euro and are rounded to the nearest thousand Euro, unless otherwise indicated.

Accounting standards

General notes

The Separate Financial Statements have been prepared according to the historical cost principle, except for derivatives and financial assets classified as held for sale, which are recorded at fair value and on a going concern basis.

The accounting standards adopted in the separate financial statements as at 31 December 2025 are the same as those adopted in previous years, with the exception of international accounting standards newly adopted in 2025. For more details on newly adopted principles, please refer to the section "Changes in international accounting standards".

Discretionary valuations and significant accounting estimates

The preparation of the Separate Financial Statements has entailed the use of estimates and assumptions, both in determining some assets and liabilities, and in assessing contingent assets and liabilities, by using the best available information. Actual results might not fully correspond to estimates.
The main estimated data refer to:

- provisions for obsolete inventory of raw materials, accessories and finished products; since the Company's products are subject to market trends and changes in fashion trends, product inventories at the end of the season are subject to impairment. Specifically, the provision for obsolete inventory of finished products reflects management's estimate of the expected impairment losses on the products of the collections of previous seasons, considering the ability to sell them through the Company's various distribution channels. Generally, impairment assumptions involve percentages of impairment that become greater the older the collections are, so as to reflect the decline in selling prices in secondary channels (mainly outlets) on the one hand, and on the other hand, the decrease in the probability of selling them as time goes by. This percentage is based on both a statistical analysis of the change in inventory age and an assessment of the consistency in the use of percentages over time. In case of changes in available information, the percentages are reassessed and adjusted as needed. The provision for obsolete raw materials reflects management's estimates of the decline in the probability they will be used based on the calculation of slow-moving raw materials;
- impairment/reversal of impairment of non-current assets: for more details, please refer to the section "*Impairment/Reversal of impairment of Property, plant and equipment, Right-of-use assets, Intangible assets with a finite useful life, Investment property, Equity investments, and Goodwill*" below.
- provision for bad debt relating to wholesale sales, which is linked to the solvency and standing of customers with which the Company has well-established and consolidated relations; the Company uses a matrix to calculate Expected Credit Losses (ECLs) on trade receivables. The provisioning rates are based on the days past due for each customer category grouped in the different segments that present similar historical loss experiences (for instance, by geographic area, product type, customer type, rating, and guarantees). The matrix is initially based on the Company's historical observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (for example, country risk) are expected to deteriorate over the next year, which can lead to an increased number of defaults in the country concerned, the historical default rates are adjusted accordingly. At every reporting date, the Company updates historical observed default rates and analyzes changes in forward-looking estimates. The assessment of the correlation between historical observed default rates, forecast economic conditions, and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and in forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. For more details on the analysis of credit risks, please refer to notes 3 and 15;
- provisions for risks and charges, specifically expected future expenses and costs for ongoing or foreseeable disputes;

- rights of return to adjust revenues from contracts with customers, where envisaged under contracts to sell items or customary business practices. The Company has concluded that the expected value method is the most appropriate to estimate the amount of variable consideration on sales of goods with rights of return, considering the large number of contracts with similar characteristics;
- useful life of property, plant and equipment and intangible assets, as well as ensuring that development costs meet the recognition and measurement requirements for intangible assets;
- employee benefits, which are measured using actuarial assumptions; for the main actuarial assumptions, reference should be made to note 23 "Employee benefit liabilities";
- deferred tax assets, which are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences or any tax losses can be utilized. In this regard, the Company's management estimates the likely timing and amount of future taxable profit;
- fair value of financial instruments, chief among them derivative instruments, which the Company uses extensively to hedge exchange rate risk; for details about the assumptions underlying the measurement of fair value, reference should be made to notes 3 and 31;
- fair value of share-based payment plans, settled in either cash or shares, that the Company uses to provide incentives to the Group's management; for details about the assumptions underlying the measurement of share-based payment plans at fair value, reference should be made to note 43; risk of defeat in the disputes involving the Company; the Company recognizes a liability when facing legal disputes and lawsuits if it believes it is probable that they will require an outflow of financial resources and a reliable estimate can be made of the amount of the potential losses. Given the uncertainty surrounding the outcome of these proceedings, it is hard to reliably estimate the outflow of resources that will be required to settle them, therefore the amount of the provisions for legal disputes may change as a result of future developments in the outstanding proceedings. The Company monitors the status of ongoing lawsuits and proceedings and consults with its legal advisors as well as legal experts. Moreover, the Company assesses uncertain tax positions and, if required, recognizes a liability.

With reference to IFRS 16, the Company, in its capacity as lessee, made the significant accounting estimates reported below:

- Lease term: the identification of the lease term is a very significant issue, as the form, regulations, and business practices related to property leases vary significantly from one jurisdiction to another, and assessing the impact on the estimated lease term of the options to renew the lease at the end of the non-cancellable period requires using assumptions. The IFRS Interpretation Committee clarified that, for the purposes of identifying the enforceable period, a lessee shall consider the contractual moment when both parties may exercise their right to terminate the contract without incurring penalties that are not immaterial; the concept of penalty is not to be interpreted in a strictly contractual sense, but shall rather be viewed considering all the economics of the contract. The Company has considered these conclusions in identifying the lease term. In defining the lease term, the Company considered whether either the lessee or lessor, or both, have renewal and termination options, respectively. When renewal options exercisable by both parties to the agreement exist, the Company considered whether there are significant economic disincentives to refuse the renewal request, in accordance with paragraph B34 of IFRS 16. When there are options exercisable by only one of the two parties, the Company considered paragraph B35 of IFRS 16.
  Applying the above, considering the specific facts and circumstances as well as the estimate of whether it will be reasonably certain that the option will be exercised, resulted in the following:
- For annual leases that are automatically renewed except in the event of termination, an average term of five years was considered, based on historical analyses;
- In the other cases, if only the Company can exercise the option, a lease term up to the end of the second renewal period was considered, based on historical evidence and the fact that a renewal beyond the second term could not be considered reasonably certain.

After the lease commencement date, the Company reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the Company and affects whether the lessee is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

- Definition of the discount rate: as most leases entered into by the Company do not contain an implicit interest rate, the Company calculated an Incremental Borrowing Rate (IBR). To determine the IBR it should use to discount future lease payments, the Company identified existing leases as a portfolio of leases with similar characteristics and determined the relevant IBR as the interest rate of a risk-free instrument in Italy (where the leases were entered into), based on the different lease terms, increased by the Group's Credit spread.

The estimates and the assumptions are made by directors with the assistance of company departments and, when appropriate, independent experts, and are periodically reviewed – recognizing, if necessary, the impact of each change in the income statement in the period in which these estimates and assumptions should differ from actual circumstances.

Impairment/Reversal of impairment of Property, plant and equipment, Right-of-use assets, Intangible assets with a finite useful life, Investment property, Equity investments, and Goodwill

The Company constantly monitors its business to assess whether there is any indication that any of its non-current assets may be impaired, including goodwill, investment property, intangible assets with a finite useful life (including intangible assets in progress), tangible assets, right-of-use assets, and equity investments.

Goodwill and intangible assets in progress are tested for impairment at least once a year (as at 31 December) or more often, when circumstances indicate that the carrying amount may be subject to impairment.

As required by IAS 36, at each reporting date the Company performs an analysis to identify any indicators of impairment and/or impairment losses for Property, plant and equipment, Investment property, Right-of-use assets, Intangible assets with a finite useful life, Goodwill, and Equity investments. Following these analyses, CGUs showing impairment indicators are tested for impairment.
With regard to equity investments, the impairment test is carried out by considering the individual geographic areas in which the subsidiaries operate as cash-generating units ("CGUs").

The impairment loss for Goodwill is determined by measuring the recoverable amount of the cash-generating unit (or group of cash-generating units) to which Goodwill has been allocated.
If indicators of impairment exist, the carrying amount of an asset is reduced to its recoverable amount, which is the higher of its fair value less the costs of sale and its value in use. The recoverable amount is determined for the individual asset, unless the asset generates incoming cash flows that are largely independent of the incoming cash flows from other assets or groups of assets, in which case the asset is tested as part of the CGU to which the asset belongs.

The calculation of the fair value less the costs of sale is based on the data available relating to sale transactions between free and independent parties involving similar assets or observable market prices, less the extra costs relating to the disposal of the asset. The value in use is calculated based on discounted cash flow models using a pre-tax discount rate which reflects the current market estimate of the cost of money over time and the specific risks of the asset. Value in use is the present value of the future cash flows (DCF: Discounted Cash Flow) expected to arise from the asset.

The recoverable amount of the CGU was estimated based on the value in use, i.e. using the Discounted Cash Flow (DCF) method, which considers the ability to generate cash flows as the fundamental element for the purpose of measuring the target CGU by discounting them on the basis of an appropriate discount rate.

The main assumptions to determine the recoverable amount are given below:

- the discount rate (Weighted Average Cost of Capital – WACC) was estimated according to the formulation of the unconditional Extended Capital Asset Pricing Model ("CAPM") for the cost of equity, while the cost of debt was estimated as the sum of the risk-free rate of the country of reference and the interest coverage ratio of the panel companies for estimating beta and debt equity ratio.
- The growth rate "g" is determined as the inflation rate expected in the medium-long term in the reference market.
- The terminal value is determined using the perpetuity model with a long-term growth rate "g".

The cash flows are taken from the estimates made by management, which represent the best estimate made by the Company on the economic conditions set for the plan period, also taking into account studies by sector analysts. Such flows do not include restructuring activities for which the Company does not have a current obligation, or significant future investments which will increase the yield on the assets that make up the cash-generating unit that is being valued. The recoverable amount is very dependent on the discount rate used in the discounted cash flow model and also on the expected future incoming cash flows and on the growth rate used for the purposes of the extrapolation.

The plan forecasts cover a maximum timeframe of five years, in line with the provisions of IAS 36, and the long-term growth rate (g) used to estimate the terminal value of the asset was assumed to be equal to the rate of inflation expected to prevail over the medium-long term in the main markets where the Group operates, as published in the major databases available. Therefore, according to what is suggested by the doctrine, the growth rate g thus defined represents the growth rate that the company can reasonably maintain indefinitely, taking into account the maturity of the sector and geographical markets in which the Group operates; in any case, it is difficult to sustain growth above that of the economy as a whole over the long term.

The recoverable amount is very dependent on the discount rate used in the discounted cash flow model and also on the expected future incoming cash flows and on the growth rate used for the purposes of the extrapolation.
An impairment loss is recognized when the recoverable amount is lower than the carrying amount.

The results of the valuations carried out to determine the recoverable amount for all the CGUs tested for impairment are compared with the related carrying amount and, if the net carrying amount of the CGU (including the allocated goodwill) is higher than the Recoverable Amount, an impairment loss is recognized for the difference between the two amounts. In each CGU, the loss will be recognized in the following order:

a. reduction of the carrying amount of the goodwill allocated to the unit (until it is zeroed), if the reduction refers to the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated;
b. proportional reduction of the carrying amount of the unit's other assets, excluding current assets already measured at their recoverable amount.

The recognition of impairment for Goodwill cannot be reversed in subsequent reporting periods.

It should be noted that, as part of the impairment process, a sensitivity analysis is also carried out, which aims to evaluate the results obtained even if the main cash flows, the WACC parameters and the growth rate g change.

Disclosure on impairment

Based on the provisions of the Impairment test procedure approved by the Board of Directors on 27 January 2026, the Company analyzed the presence of any impairment indicators and/or impairment losses in relation to its non-current assets, or whether the reasons that had led to the recognition of impairment losses during previous years no longer exist.

In FY2025, the Company reported an operating profit with an improvement from the previous year, despite the complex market environment. The uncertainty surrounding the demand for luxury goods leads to maintaining a cautious stance regarding near-term expectations.
The analysis carried out identified performance below expectations only in relation to certain equity investments, which were consequently subjected to impairment tests, as well as other relevant external and/or internal indicators. The outcome of the impairment tests resulted in a write-down of 2.9 million Euro on the equity investments account, in addition to 1.9 million Euro on some property, plant and equipment that no longer aligned with the corporate strategies of Salvatore Ferragamo S.p.A. Furthermore, with regard to equity investments written down in previous financial years, it was decided to carry out some reversals of impairment losses, totaling 17.7 million Euro, in view of the positive results achieved over the years and the fact that the circumstances underlying the previous write-downs no longer apply. For further details, please refer to notes 5 "Property, plant and equipment" and 10 "Investments in subsidiaries" of this document.

Climate change impact assessment

As indicated in the section entitled "Main risks and uncertainties" of the Directors' Report, the Group recognizes the growing significance of the effects of climate change and the potential impacts these may have. In order to understand, assess and manage these effects in a structured and effective manner, the Company has for some years implemented a Climate Change Risk Management Framework which is subject to periodic updates. This enables a detailed examination of how challenges related to climate change may affect the Group's business and allows for the testing of its resilience in the medium to long term. Physical risk analyses cover the main extreme natural events (such as floods, tornadoes, hailstorms, etc.) and focus on a scope comprising the major assets considered representative of business activities: Ferragamo-owned assets, DOS (Directly Operated Stores) significant in terms of net sales, and assets of key suppliers in terms of the type and scale of supply. In order to identify assets at material physical risk, using specific climate tools (e.g. IPCC WGI Interactive Atlas, Copernicus, etc.), first the exposure to physical climate risks in the short term is assessed, net of adaptation measures. The exposure is then stress-tested in the medium (2030) and long term (2050), considering changes in the main climate variables in accordance with the scenario set out in RCP/SSP 8.5 of the IPCC – i.e. the worst case scenario. Overall, the results of the analyses show a mature level of climate adaptation, above all thanks to extended insurance cover, which significantly reduces the potential financial impact arising from physical risks.

Over the years, the Group has strengthened its proactive approach to the dynamics associated with climate change, and several measures have been implemented in 2025 to mitigate potential exposure to sustainable transition risks. These include:

- The Performance and Restricted Shares Plan 2023-2025, approved by the Shareholders' Meeting of 26 April 2023 – reserved for selected employees and/or directors and/or collaborators of Salvatore Ferragamo S.p.A. and/or other companies belonging to the Ferragamo Group, who are considered key to the pursuit of sustainable success in the medium-long term – provides for ESG goals, including those related to environmental sustainability. For more details, please refer to note 42 "Share-based payments" in the Consolidated Financial Statements.
- In 2025, the Group developed the Back to Earth capsule collection, introducing innovative materials and processes, including cotton sourced from entirely Italian supply chains and production solutions based on the use of natural materials and treatments.

- During 2025, the Group extended its Life Cycle Assessment (LCA) analysis to raw materials, with a focus on leather and cotton. The project included an engagement activity with suppliers to actively involve them and ensure transparent assessment along the production chain.
- The Group has formalized its commitment by providing financial support for an ongoing research project with the DAGRI Department of the University of Florence, in collaboration with the Regional Association of Livestock Farmers of Tuscany (ARAT), following a study completed in 2025.

For further details, please refer to the section entitled "Consolidated Sustainability Report pursuant to Legislative Decree No. 125 of 6 September 2024 implementing Directive 2022/2464/EU" in the Directors' Report.
Recognizing that climate change is a constantly evolving phenomenon and with the aim of keeping the approach to the Climate Change Risk Management Framework aligned with best practices, the Group will continue to maintain and update the Model.

Property, plant and equipment

Tangible assets are recorded at historic cost, including the additional costs directly attributable and necessary to use the asset for the purpose for which it has been bought. This cost includes the costs to replace part of the plant and equipment when incurred, if they comply with the recognition criteria. The net value (cost less accumulated depreciation and accumulated impairment) of parts of replaced plant and equipment is recognized in the income statement at the time of replacement.

Maintenance and repair expenses, which do not involve the creation of value from and/or extension of the residual life of the assets, are recognized in the income statement in the year in which they are incurred, otherwise they are capitalized.

Tangible assets are shown net of the related accumulated depreciation and any accumulated impairment determined in accordance with the method described below. Depreciation is calculated on a straight-line basis according to the estimated useful life of the asset, which is reviewed on an annual basis and any changes, if necessary, are applied on a prospective basis.

The useful lives of the main classes of tangible assets are as follows:

	Useful life
Buildings	33 years
Plant and Equipment	5 years
Industrial and commercial equipment	5 years
Other assets:	
- Office furniture and furnishings	5.5 years
- Electronic machines	3 years
- Historic collection	5 years
- Vehicles	4 years
Leasehold improvements	The shorter of the useful life of the asset and the remaining term of the asset lease agreement

The residual value of the asset, its useful life, and the depreciation methods applied are reviewed at the end of each year and adjusted on a prospective basis if necessary.

Should significant parts of these tangible assets have different useful lives, these components are accounted for separately. Land, whether it is free of construction or attached to buildings, is recorded separately and is not depreciated since it has an unlimited useful life.

The carrying amount of property, plant and equipment is subject to review to record any impairment, should events or changed situations indicate that the carrying amount cannot be recovered. If there is an indication of impairment, and should the carrying amount exceed the presumed realizable value, assets are written down to reflect their realizable value. The realizable value of property, plant and equipment is the higher of the net sale price and the value in use.

In defining the value in use, the expected future cash flows are discounted using a pre-tax discount rate which reflects the current market estimate of the cost of money over time and the specific risks of the asset. The realizable value of

an asset which does not generate broadly independent cash flows is determined in relation to the cash-generating unit to which this asset belongs. Impairment is recognized in the income statement under amortization, depreciation and write-down costs. Impairment is reversed should the reasons for it no longer exist.

The carrying amount of an item of property, plant and equipment and each initially recognized significant component is derecognized on disposal (i.e. on the date the buyer obtains control over it) or when no future economic benefits are expected from its use or disposal. The gain/loss arising from the derecognition of the asset (calculated as the difference between the net carrying amount of the asset and the consideration received) is included in profit or loss when the item is derecognized.

Investment property

Tangible assets held for income purposes and not for instrumental use are shown in a specific item called "Investment property", in accordance with IAS 40, and are recognized at cost. The assets which fall under this category are represented by land and/or buildings (or parts of buildings) held by the owner or lessee under a financial or operating lease in order to lease them out.
These types of property are classified separately from other property assets held. Investment property is shown net of the relevant accumulated depreciation and any impairment. The useful life of investment property is 33 years.
The carrying amount of investment property is subject to review to record any impairment, should events or changed situations indicate that the carrying amount cannot be recovered. Impairment is recognized in the income statement under amortization, depreciation and write-down costs. Impairment is reversed should the reasons for it no longer exist.
Investment property is derecognized on disposal (i.e., on the date the buyer obtains control over it) or when the investment is permanently unusable and no future economic benefits are expected from its disposal. The amount of consideration to be taken in account to calculate the gain or loss on the derecognition of an investment property is determined in accordance with transaction pricing requirements in IFRS 15.

Leases

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. The contract is, or contains, a lease if it provides the right to control the use of a specific asset for a period of time in exchange for consideration.

The Company uses the exemption under IFRS 16 for intangible assets.

The Company as lessee

The Company applies a single accounting model for all leases to which it is lessee, except for short-term leases and leases of low-value assets. The Company recognizes a financial lease liability and a right-of-use asset.

Right-of-use assets:

The Company recognizes a Right-of-use asset at the lease commencement date (that is the date on which the underlying asset is available for use by the lessee). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses determined as described below, and adjusted for any remeasurement of lease liabilities. The cost of Right-of-use assets includes the amount of the recognized lease liability, initial direct costs incurred, lease payments made at or before the commencement less any lease incentives received, and the estimate of costs to be incurred by the Company in restoring the underlying asset to its original condition, if required by the lease.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, depreciation is calculated on a straight-line basis over the shorter of the lease term and the useful life of the asset as follows:

	Useful life
Buildings	33 years
Equipment and other assets	3-5 years
Vehicles	3-4 years

Right-of-use assets are tested for impairment should events or changes in circumstances indicate that the carrying amount cannot be recovered. If there is an indication of impairment, and should the carrying amount exceed the presumed realizable value, assets are written down to reflect their realizable value. The realizable value is the higher of the net sale price and the value in use. In defining the value in use, the expected future cash flows are discounted using a pre-tax discount rate which reflects the current market estimate of the cost of money over time and the specific risks of the asset. The realizable value of an asset which does not generate broadly independent cash flows is determined in relation to the cash-generating unit to which this asset belongs. Impairment is recognized in the income statement under amortization, depreciation and write-down costs. Impairment is reversed should the reasons for it no longer exist.

Lease liabilities:
At the commencement date of the lease, the Company recognizes a lease liability measured at the present value of future lease payments to be made over the lease term. Future payments include fixed payments, less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the Company is reasonably certain to exercise the option to terminate. The variable lease payments that do not depend on an index or a rate, but that in the case of the Company mainly depend on sales volumes, continue to be recognized as costs for services in profit or loss. In calculating the present value of future payments, the Company uses the Incremental Borrowing Rate (IBR) at the lease commencement date. Subsequently, the lease liability is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the lease liability is remeasured to account for any change in the terms of the lease.

Short-term leases and leases of low-value assets:
the Company has elected not to apply IFRS 16 to short-term leases (leases with a lease term of 12 months or less) and leases for which the underlying asset is of low value (less than 5,000 Euro). Payments on these leases are recognized as expense on a straight-line basis in accordance with the terms and conditions of the lease.

The Company as lessor
Lease contracts in which the Company largely retains all the risks and benefits of ownership of the asset are classified as operating leases.
Initial direct costs incurred in obtaining an operating lease are capitalized and recognized as an expense over the lease term on the same basis as the lease income.

Business combinations and goodwill

Business combinations are accounted for using the purchase method.
The acquisition cost is valued as the total of the transferred consideration measured at fair value at the acquisition date and the amount of any minority interests in the acquired company.
Business combinations between entities subject to joint control do not fall within the scope of application of IFRS 3. Should the business combination between entities subject to joint control not be of an economic nature but a mere corporate reorganization, the company will apply the business combination accounting method called "pooling of interest", thus aggregating the assets and liabilities to the book values on a line-by-line basis.

Intangible assets

Intangible assets are recorded among assets at purchase cost when the use of the asset is likely to generate future income and when the cost of the asset can be reliably established. Intangible assets acquired through business combinations are recorded at fair value as established at the acquisition date, if this value can be reliably established. Intangible assets with a finite useful life are amortized on a straight-line basis over their estimated useful life; the useful life is reviewed on an annual basis and any changes, where necessary, are applied on a prospective basis.

Intangible assets are shown net of the related accumulated amortization and any accumulated impairment determined in accordance with the method described below.

The useful lives of the main categories of intangible assets with a finite useful life are the following:

	Useful life
Industrial patents and intellectual property rights	2-5 years
Concessions, licenses and trademarks	10 years
Development costs	3-5 years
Know-how	8 years

An intangible asset is derecognized on disposal (i.e. on the date the buyer obtains control over it) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss.

The carrying amount of intangible assets is subject to review to record any impairment, should events or changed situations indicate that the carrying amount cannot be recovered. Impairment is recognized in the income statement under amortization, depreciation and write-down costs. Impairment is reversed should the reasons for it no longer exist.

Development costs

Research costs are charged to the income statement when they are incurred.
Development costs incurred in relation to a particular project are capitalized only when the Company can demonstrate the technical possibility of completing the intangible asset in such a way as to make it available for use or for sale, as well as its intention to complete the asset in order to use it or sell it, the means by which it will generate probable future income, the availability of technical, financial or other resources to complete the development and its ability to make a reliable assessment of the cost attributable to the asset during its development.

During the development period, the asset is reviewed annually to assess any impairment. Following the initial recognition, development costs are assessed at cost less any accumulated amortization or impairment loss. Amortization of the asset starts when the development is completed and the asset is available for use. It is amortized with reference to the period in which the project is likely to generate revenues for the Company.

Industrial patents and intellectual property rights
Industrial patents and intellectual property rights refer to costs for software licenses and to costs for the filing and registration of trademarks and patents relating to Company products.

Concessions, licenses, trademarks and similar rights
This item refers to costs for the filing and registration of the Salvatore Ferragamo trademark. Purchase costs are amortized over the useful life of the right purchased.

Know-how
The item includes the know-how acquired through the business combination of Arts S.r.l. and Aura 1 S.r.l., recognized at its fair value at the acquisition date. This charge is amortized over 8 years.

Financial Instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The general rule in IFRS 9 is that an entity shall recognize a financial asset or a financial liability on its balance sheet when, and only when, the entity becomes a party to the contractual provisions of the instrument.

Financial assets
On initial recognition, financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The assessment of the contractual cash flow characteristics is known as the SPPI (Solely Payments of Principal and Interest) test and is conducted for each instrument. However, identical financial instruments may be analyzed in groups, since the outcome of the test would not be different than under an individual or separate assessment.

The Company's business model for managing financial assets refers to how the Company manages financial assets in order to generate cash flows. The business model determines whether the cash flows will result from the collection of contractual cash flows, sales proceeds, or both. Based on these characteristics, financial assets are classified into four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through other comprehensive income with reclassification of cumulative gains and losses (debt instruments);
- Financial assets at fair value through other comprehensive income without reclassification of cumulative gains or losses on disposal (equity instruments);
- Financial assets at fair value through profit or loss.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

After initial recognition, the Company measures financial assets at amortized cost, at fair value through other comprehensive income, and at fair value through profit or loss.

Financial assets at amortized cost (debt instruments)
The Company measures financial assets at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in the statement of profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost include trade receivables, loans to subsidiaries, and guarantee deposits.

Financial assets at fair value through other comprehensive income (debt instruments)
The Company measures debt instruments at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through other comprehensive income, gains and losses are recognized through other comprehensive income except for changes resulting from exchange differences and impairment losses, as well as reversals, which are recognized in the statement of profit or loss. Upon derecognition, the cumulative fair value change recognized in other comprehensive income is recycled to profit or loss; the amounts recognized through profit or loss are the same that would have been recognized if the financial assets had always been measured at amortized cost. The Company currently does not have this type of instruments.

Investments in equity instruments
Under IFRS 9, all equity instruments, including derivatives on these instruments, shall be measured at fair value through profit or loss on the assumption that they do not give rise to the contractual cash flows required to pass the SPPI test. However, upon initial recognition, the Company may irrevocably classify its equity investments as equity instruments at fair value through other comprehensive income when they meet the definition of equity instruments as per IAS 32 "Financial Instruments: Presentation" and are not held for trading. The classification is determined for each individual instrument. This category includes Equity investments in subsidiaries.

Equity investments
Equity investments in subsidiaries are measured at purchase cost, in compliance with the provisions of IAS 27.
Should there be indications that the cost is no longer recoverable in full or in part, the carrying amount is reduced to the relevant recoverable amount, in accordance with the provisions of IAS 36. When, subsequently, this loss is reversed or reduced, the carrying amount is increased to the new estimated recoverable amount, which cannot exceed the original cost.

Financial assets at fair value through profit or loss

In general, IFRS 9 defines the classification at fair value through profit or loss as a residual category to be applied to all those financial assets that, because of their contractual characteristics, are not measured at amortized cost or at fair value through other comprehensive income. However, the Company may, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so would eliminate or significantly reduce an accounting mismatch that would otherwise arise from recognizing the gains and losses on the asset on different bases. Although this may be considered an accounting policy choice, the standard does not require applying it consistently to all similar transactions.

Financial instruments at fair value through profit or loss are carried in the statement of financial position at fair value, with net changes in fair value recognized in the statement of profit or loss.

This category includes derivative instruments. Derivatives, including separated embedded derivatives, are classified as financial instruments held for trading, unless they are designated as effective hedging instruments.

A derivative embedded in a non-derivative hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss.

Reclassification

A financial asset is reclassified only if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be expected or the Company changes its business model for managing financial assets. The reclassification shall be applied prospectively from the date of reclassification, without restating any previously recognized gains, losses, and interest.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred the right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party and (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, whereby it retains the contractual rights to receive cash flows from the asset, but assumes a contractual obligation to pay the cash flows to one or more recipients, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When all the risks and rewards of ownership of the financial assets are substantially transferred, the Company derecognizes the financial asset and recognizes any rights and obligations created or retained as separate assets or liabilities; otherwise, the financial asset continues to be recognized. When it has neither transferred nor retained substantially all of the risks and rewards, nor lost control over the asset, the Company continues to recognize the asset to the extent of its continuing involvement; when control over the financial assets is not retained, the Company derecognizes the financial asset and recognizes any rights and obligations created or retained as separate assets or liabilities. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. Specifically, the impairment model applies to all financial assets measured at amortized cost and at fair value through other comprehensive income, but not to financial assets at fair value through profit or loss. In addition, the following types of instruments also fall within the scope of the model:

- Loan Commitments not measured at FVTPL;
- Financial guarantees within the scope of IFRS 9;
- Lease receivables within the scope of IFRS 16;
- Contract Assets within the scope of IFRS 15.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The cash flows that the Company expects to receive depend on the probability of a default by the counterparty and the amount it expects to be able to recover; the expected cash flows will therefore include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Under the general approach of the Standard, the impairment of financial assets is determined based on the monitoring of the counterparties' credit standing. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. More specifically, for the above financial assets, the Company adopts the practical expedient of the provision matrix to calculate impairment, i.e. has established a matrix system based on historical collection information, adjusted for forward-looking factors specific to the debtors and the economic environment, as a means to determine expected credit losses.

Financial liabilities

Financial liabilities are classified and measured at amortized cost using the effective interest rate method, except for those financial liabilities that are classified at fair value through profit or loss because they do not meet the conditions for the measurement at amortized cost. This is the case of financial liabilities held for trading. In addition, the Company may, at initial recognition, irrevocably designate a financial liability as at fair value through profit or loss if doing so would result in more relevant information, as:

- it eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases;

- a group of financial assets or liabilities is managed and measured at fair value in accordance with a risk management policy or based on an investment strategy, and information about the group is provided internally on that basis to key management personnel.

Derivatives with negative fair values are also classified and measured at fair value through profit or loss, except for those held as effective hedging instruments. All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings as well as payables, directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

The measurement of financial liabilities depends on their classification as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost (loans and borrowings).

Financial liabilities at fair value through profit or loss: financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of settling or transferring them in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities are designated at fair value through profit or loss upon initial recognition, only if the criteria in IFRS 9 are satisfied. Upon initial recognition, the Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortized cost (loans and borrowings): after initial recognition, loans are measured at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included as finance costs in the statement of profit or loss.
It is not possible to reclassify financial liabilities.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as currency forward contracts, to hedge financial risks relating to exchange rate fluctuations affecting commercial transactions in foreign currency. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into, and are subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. As allowed under IFRS 9 paragraph 7.2.21, the Company elected to apply IAS 39 for the purpose of hedge accounting.

In keeping with the provisions of IAS 39.88 and IFRS 9.6.4.1, hedging derivatives are eligible for hedge accounting only when:

- at the inception of the hedge, there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge;
- the hedge is likely to be highly effective;
- for cash flow hedges, the forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to the measurement of cash flows that may have an impact on the income statement;
- the effectiveness can be reliably measured; and
- the hedge itself is highly effective during the various accounting periods for which it is designated.

All derivatives are measured at fair value. When derivatives possess the necessary features to be accounted for in accordance with hedge accounting, the following accounting treatments are applied:

- Fair value hedge – if a derivative is designated as a hedge against changes in the current value of an asset or a liability or a firm commitment that may have an impact on the income statement, the change in the fair value of the hedging instrument is recognized in the income statement and the change in the fair value of the hedged instrument attributable to the hedged risk is recognized as part of the carrying value of the item being hedged and is also recognized in the income statement. In the case of a firm commitment, the fair value of the component related to the hedged risk is recognized as an asset or liability, adjusting the line item in the statement of financial position that will be affected by the firm commitment upon its realization.
- Cash flow hedge – if a derivative is designated as a hedge against the changes in cash flows from an asset or liability or from a transaction which is considered as highly likely or a firm commitment and which could affect the income statement, the effective portion of the gains or losses on the derivative is recorded under shareholders' equity and accounted for in the statement of comprehensive income; the accumulated gain or loss is reversed from shareholders' equity and charged to the income statement in the same period in which the hedged transaction is recorded; the gain or loss associated with a hedge or that part of the hedge which has become ineffective, is recorded in the income statement when its ineffectiveness is recognized.

Should the conditions to apply hedge accounting not occur, the effects arising from the fair value assessment of the derivative are charged directly to the income statement.

Cash and cash equivalents

Cash and short-term deposits refer to cash on hand and sight/short-term deposits, in the latter case originally expiring in no more than three months.

Treasury shares

Treasury shares are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale or cancellation of treasury shares. Any difference between the purchase value and the consideration, in the event of a sale and/or grant, is recognized in a reserve in Equity.

Inventories

Inventories are measured at the lower of purchase and/or production cost, determined using the weighted average cost method, and the net realizable value. Purchase cost includes ancillary charges; production cost includes direct costs and a share of indirect costs which may be reasonably attributable to products. The presumed net realizable value is the normal estimated sale price less the estimated costs to complete the product and the estimated costs to complete the sale.

Provisions for risks and charges

Provisions for risks and charges are allocated when the Company must meet a current (legal or implicit) obligation resulting from a past event, whose occurrence is deemed as likely and whose amount can be reasonably estimated.

When the Company believes that an allocation to the provision for risks and charges will be partly or fully reimbursed, for example in the case of risks covered by insurance policies, the indemnity is recorded separately among assets if, and only if, it is almost certain. In this case, in the income statement the cost of any allocation is shown net of the amount recorded for the indemnity.

If there is a significant effect from discounting the value of money, the allocations are discounted using a pre-tax discount rate which reflects, where appropriate, the specific risks of the liabilities. When the discounting is carried out, the increase in the allocation due to the passing of time is recorded as a financial charge.

Employee benefit liabilities

The Company's net obligation deriving from defined-benefit plans is calculated separately for each plan by estimating the amount of the future benefit which employees have accrued in return for the service provided in the current and previous years; this benefit is discounted in order to calculate the current value. Actuarial gains and losses are recorded directly in the statement of comprehensive income, as provided for by IAS 19.

Effective 1 January 2007, the 2007 Budget Law and the relevant enabling legislation have introduced significant changes to employee severance indemnities, requiring to allocate them to either supplementary pension schemes or the Treasury Fund of the Italian Social Security Institute (INPS). Starting from said date, in accordance with IAS 19, severance indemnities are classified as "Defined-contribution plans", while the amounts paid into the provision for employee severance indemnities up to 31 December 2006 still qualify as "Defined-benefit plans".

The actuarial assessment of liabilities has been entrusted to an independent actuary.

Fair Value

IFRS 13 establishes a single source of guidance for fair value measurement and for the relevant disclosures when such measurement is required or permitted. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets or liabilities whose fair value is measured or recognized are categorized based on the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 – Valuation techniques using unobservable inputs for the asset or liability.

The fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
The methods for determining fair value in reference to financial instruments, for accounting or disclosure purposes, are summarized below in reference to the main financial instrument categories, to which they have been applied:

- Derivatives: adequate pricing models have been adopted, based on the market values of interest and exchange rates;
- Receivables and payables and unquoted financial assets: for financial instruments expiring after more than one year, the Discounted Cash Flow method has been applied, i.e. the discounting of expected cash flows given current interest rate and creditworthiness conditions;
- Quoted financial instruments: the market value at the reference date is used.

Costs

Costs are recognized when related to goods or services sold or consumed during the period or systematically allocated, or when it is not possible to identify their future usefulness.
Advertising and research costs, in accordance with IAS 38, are charged in full to the income statement, when the service has been provided and delivered to the Company.
Costs are recognized according to their nature considering the standards applicable under IFRS.

Revenues from contracts with customers

Revenues from contracts with customers are recognized when control of goods or services is transferred to the customer in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Sale of goods

Revenues from the sale of goods are recognized when control of the good passes to the customer, generally upon shipment depending on the terms applied.
The Company considers whether the contract includes other promises representing performance obligations to which part of the consideration for the transaction must be allocated (for example guarantees). When determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Right of return
Some contracts allow customers to return goods within a specified period of time. The Company uses the expected value method to estimate the goods that will not be returned, as this method better predicts the amount of variable consideration to which the Company will be entitled. The guidance in IFRS 15 regarding the constraints on the recognition of variable consideration applies to the determination of the amount of variable consideration that can be included in the transaction price. The Company adjusts revenues for the goods expected to be returned, and recognizes a liability for the refunds. The right of return of an asset (and the corresponding adjustment to the changes in inventories of finished products) is recognized also for the right to recover goods from customers.

Royalties
Revenues from royalties derive from sales-based royalties arrangements with customers, and are therefore recognized based on the stage of completion of the licensee's sales in accordance with the terms of the agreement.

Right of return assets
A right of return asset represents the Company's right to recover goods expected to be returned from customers. The asset is measured at the previous carrying amount of inventories less any costs for its recovery, including any impairment of the returned products. The Company regularly updates the estimated amount of returns from customers as well as any additional impairment of the returned products.

Refund liabilities
The refund liability represents the obligation to refund some or all of the consideration received (or to be received) from the customer and is measured based on the amount the Company expects will have to be refunded to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Share-based payment plans
The Company recognizes additional benefits to some employees, directors and collaborators holding key positions, through equity-settled share-based payments, which provide for the physical delivery of shares, and through cash-settled plans based on share value.

Equity-settled transactions
In accordance with the provisions of IFRS 2 – Share-based payments – rights in favor of employees are valued at fair value when the recipient is informed of their allocation, and this value is determined using the binomial model. This model takes account of all the features of the rights (duration, exercise price and conditions, etc.), as well as the value of the underlying shares at the grant date and their expected volatility.
If the right can be exercised after a certain period (vesting period) and on the occurrence of specific performance conditions, the cost of transactions settled with equity instruments, together with the corresponding increase in shareholders' equity, is recorded in the period in which the conditions relating to the achievement of objectives and/or the provision of the service are satisfied, ending at the time the recipients have fully accrued the right to receive payment ("vesting date").

At the end of each year, the fair value of the rights which has been determined previously is not reviewed, but on this date the estimate of the number of rights which will vest up to the expiry is updated. The accumulated costs recorded for these transactions at the end of each year up to the vesting date are proportionate to the expiries of the vesting period and to the best available estimate of the number of options which will actually vest. The cost or revenue recorded in the income statement for the year represents the change in the accumulated cost recorded at the start and at the end of the year.

No cost is recorded for rights which do not ultimately vest, except in the case of rights whose allocation is subordinate to market conditions.
The impact of the dilution of the rights not yet exercised is reflected in the calculation of the dilution of earnings per share.

Cash-settled transactions

In case of cash-settled share-based transactions, the cost of the cash-settled transactions is initially valued at the fair value at the date the recipient is informed of their allocation. This fair value is recognized in the income statement in the period until vesting, with the recognition of a corresponding liability. Until the liability is settled, the fair value is recalculated at each year-end date and at the settlement date, charging the related changes to the income statement. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

Financial income and charges

Financial income and charges are recorded on an accrual basis according to the interest accrued on the net value of the related financial assets and liabilities, using the effective interest rate.

Dividends

Dividends are recognized when the shareholders' right to receive payment arises.

Government grants

Government grants are recognized when there is reasonable certainty that said grants will be received, and all the conditions of said grants are met. Grants related to income are shown as a positive component in the income statement.

Income taxes

Current taxes

Current income taxes are determined in relation to taxable income and in compliance with the rates and provisions in force; payables for current taxes are recognized in the statement of financial position, net of any tax advances paid. The Company regularly assesses the position taken in its income tax filings where tax regulations are subject to interpretation and makes provisions, when appropriate.
Current taxes relating to items recorded directly under shareholders' equity or in the statement of comprehensive income are also charged directly to shareholders' equity or to the statement of comprehensive income.

Deferred taxes

Deferred taxes are calculated on the temporary differences existing at the reporting date between the fiscal values taken as a reference for assets and liabilities and the values recognized in the financial statements.

Deferred tax liabilities are recorded for all taxable temporary differences, except:

- when the deferred tax liabilities derive from the initial recognition of goodwill or of an asset or a liability in a transaction which is not a business combination and which, at the time of the transaction, has no effect on the profit/(loss) for the year calculated for financial statement purposes or on the profit or loss calculated for tax purposes;
- in reference to taxable temporary differences relating to equity interests in subsidiaries, associated companies and joint ventures, when the reversal of temporary differences may be managed and it is not likely to occur in the foreseeable future.

Deferred tax assets are recorded against all deductible temporary differences and for tax assets and liabilities which are carried forward, to the extent that adequate future tax profits are likely to exist which make it possible to use the deductible temporary differences and the tax assets and liabilities which have been carried forward, except when:

- the deferred tax asset connected to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction which is not a business combination and which, at the time of the transaction, does not affect profit/(loss) for the year calculated for financial statement purposes or the profit or loss calculated for tax purposes;
- in reference to taxable temporary differences relating to equity interests in subsidiaries, associated companies and joint ventures, deferred tax assets are only recorded to the extent that the deductible temporary differences are likely to be reversed in the immediate future and there are adequate tax profits against which the temporary differences may be used.

The value to be recorded for deferred tax assets is reviewed at each reporting date and is reduced to the extent that it is no longer likely that sufficient tax profits will be available in the future so as to allow all or part of this credit to be used. Unrecognized deferred tax assets are reviewed annually at the reporting date and are recorded to the extent that it has become likely that the tax profit is sufficient to ensure that these deferred tax assets can be recovered.

To determine whether taxable profit will be available against which a deductible temporary difference can be utilized, the entity shall consider whether local tax laws restrict the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference.

Deferred tax assets and liabilities are measured on the basis of the tax rates which are expected to be applied in the year in which the assets are realized or the liabilities are settled, taking into account the rates in force and those already issued or basically issued at the reporting date.

Current and deferred taxes relating to items recorded directly under shareholders' equity or in the statement of comprehensive income are also charged directly to shareholders' equity or to the statement of comprehensive income.

Deferred tax assets and liabilities are offset when there is a legal right to offset current tax assets against current tax liabilities and the deferred taxes refer to the same fiscal entity and the same tax authority.

Value added tax

Revenues, costs and assets are recorded net of value added tax, except when:

- this tax, applied to the purchase of goods or services, is non-deductible, in which case it is recognized as part of the purchase cost of the asset or part of the cost item recognized in the income statement;
- it refers to trade receivables and payables for which the invoice has already been issued or received and which are shown including the tax amount.

The net amount of indirect taxes on sales and purchases which may be recovered from or paid to the Inland Revenue Office is recorded among tax receivables or payables depending on the nature of the balance.

Put and call agreements on minority interests

Put and call agreements are financial instruments in compliance with the provisions of IFRS 9.
The fair value of the financial instruments traded on an active market is determined at each reporting date with reference to market prices or operators' prices (ask price for long-term positions and bid price for short-term positions), without any deduction for transaction costs.

For financial instruments which are not traded on an active market, the fair value is determined using a valuation technique. This technique may include: the use of recent transactions at market conditions; reference to the current fair value of another instrument which is substantially the same; an analysis of discounted cash flows or other valuation models.
The accounting policy chosen by the Company envisages the recognition in the income statement and the recognition under financial liabilities of the fair value at the valuation date.

Changes in international accounting standards

The Company has not adopted in advance any standards, interpretations or improvements that have been issued but are not yet in force.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In 2020 and 2022, the IASB issued amendments to IAS 1 to clarify the requirements for classifying liabilities as current or non-current, including in relation to liabilities subject to covenants, and to define the disclosures required in the financial statements. The amendments are effective for annual periods beginning on or after 1 January 2024, and must be applied retrospectively. These amendments had no impact on the Company.

Amendments to IFRS 16 Leases: Lease liability in a sale and leaseback

In September 2022, the IASB issued amendments to IFRS16 to clarify the parameters that the lessor/seller should use to recognize variable lease payments in a "Sale and Leaseback" transaction. The amendments introduce a new model for accounting for variable payments and will require the lessor/seller to reassess and potentially reformulate sale and leaseback transactions entered into as from 2019. The amendments are effective for annual periods beginning on or after 1 January 2024, and must be applied retrospectively to Sale and Leaseback transactions entered into after the date of initial application of IFRS16. Earlier application is permitted, provided that this fact is disclosed. These amendments had no impact on the Company.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments to clarify the characteristics of financial arrangements with suppliers and to require additional disclosures in the financial statements. The more detailed information required is intended to enable readers of the financial statements to understand the impact of financial arrangements with suppliers on liabilities, cash flows and exposure to liquidity risk. The amendments are effective for annual periods beginning on or after 1 January 2024; however, earlier application is permitted, provided that this fact is disclosed. The transition provisions clarified that application is not required in interim reporting in the year of first application; therefore, the amendments had no impact on the Company's financial statements.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates

On 15 August 2023, the IASB published an amendment entitled "Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: *Lack of Exchangeability*". The document requires an entity to identify a methodology to be applied consistently in order to determine whether one currency can be converted into another and, where this is not possible, how to determine the exchange rate to be used and the disclosures to be provided in the notes to the financial statements. The adoption of this amendment had no impact on the financial statements.

Standards issued but not yet in force

Set out below are the standards which, when preparing the separate financial statements, had already been issued but were not yet in force. The list refers to the standards and interpretations which the Company expects will in all likelihood be applicable in the future. The Company intends to adopt these standards when they come into force.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which supersedes IAS 1 – Presentation of Financial Statements. The standard was officially adopted by the European Commission through Regulation (EU) 2026/338 of 13 February 2026. IFRS 18 introduces new requirements for the presentation of the income statement, including specific totals and subtotals. Moreover, entities will be required to classify all costs and revenues in the income statement into five categories: operating, investing, financing, income taxes, and discontinued operations, the first three of which are new.

The standard also requires:

- disclosure based on the new definition of management-defined performance measures (MPMs);
- the inclusion of subtotals for costs and revenues, operating profit and profit before interest and taxes;
- the inclusion of new provisions for the aggregation and disaggregation of financial information based on the identified roles of the "primary" financial statements (PFS) and the notes.

Amendments have also been made to IAS 7 – Statement of Cash Flows, including changing the starting point for determining cash flows from operating activities using the indirect method: from profit or loss to operating profit or loss, also removing the option to classify cash flows related to dividends and interest. Moreover, consequential amendments were made to a number of other accounting standards. IFRS 18, and the amendments to the other standards, will apply to annual reporting periods beginning on or after 1 January 2027, and earlier application is permitted subject to disclosure, and such adoption shall be applied retrospectively. The Company is currently assessing the impact of the amendments on its financial statements and explanatory notes to the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (together with Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures published on 21 August 2025)

In May 2024, the IASB issued IFRS 19, while the related Amendments were published in August 2025. The new standard allows "eligible" entities that meet certain requirements to elect to reduce their disclosure requirements while continuing to apply the recognition, measurement and disclosure requirements in other IFRS accounting standards. To be "eligible", an entity must be a subsidiary as defined in IFRS 19 at the end of the financial year, it must not have "public accountability" and it must have an ultimate or intermediate parent company that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. IFRS 19 will apply to annual reporting periods beginning on or after 1 January 2027, and earlier application is permitted. Considering that the shares of the Company are publicly listed, the Company is not eligible for the application of IFRS 19.

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued the document "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)", which clarifies a number of issues that arose from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary when ESG objectives are met (i.e. green bonds). In particular, the amendments aim to:

- clarify the classification of financial assets with variable returns linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used in assessing the SPPI test;
- establish that the date of settlement of liabilities through electronic payment systems is the date on which the liability is settled. However, an entity is permitted to adopt an accounting policy that allows it to deem a financial liability that will be settled in cash using an electronic payment system to be discharged before the settlement date if specified criteria are met.

With these amendments, the IASB also introduced additional disclosure requirements for investments in equity instruments measured at FVOCI. The amendments will apply for annual periods beginning on or after 1 January 2026. The Company is assessing whether the amendments will have an impact on the financial statements.

Annual Improvements Volume 11

On 18 July 2024, the IASB published a document called "Annual Improvements Volume 11" which includes clarifications, simplifications, corrections and amendments aimed at improving the consistency of several IFRS Accounting Standards. The amended standards are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and related guidance on the implementation of IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

The amendments are effective for annual periods beginning on or after 1 January 2026; however, earlier application is permitted. The Company is assessing whether the amendments will have an impact on the financial statements.

Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

On 18 December 2024, the IASB issued an amendment called "Contracts Referencing Nature-dependent Electricity (Amendment to IFRS 9 and IFRS 7)", to assist entities in reporting the financial effects of contracts for the purchase of electricity produced from renewable sources (often structured as Power Purchase Agreements). Based on these contracts, the amount of electricity generated and purchased may vary due to uncontrollable factors such as the weather. The IASB has made targeted amendments to IFRS 9 and IFRS 7. The amendments include:

- a clarification regarding the application of the "own use" requirements to this type of contracts;
- criteria to allow for the recognition of such contracts as hedging instruments; and,
- new disclosure requirements to enable users of financial statements to understand the effects of these contracts on an entity's financial performance and cash flows.

The amendments will apply to financial years starting from 1 January 2026, but early adoption is permitted. The Company is assessing whether the amendments will have an impact on the financial statements.

Translation to a Hyperinflationary Presentation Currency – Amendment to IAS 21

In November 2025, the IASB published a document entitled "Translation to a Hyperinflationary Presentation Currency – Amendment to IAS 21", which clarifies the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:

- its functional currency is that of a non-hyperinflationary economy and it is converting its financial results and financial position into the currency of a hyperinflationary economy; or,
- it is converting the financial results and financial position of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, into the currency of a hyperinflationary economy.

The Company does not expect the adoption of this amendment to have any impact on its financial statements.

3. Management of financial risks (IFRS 7)

Salvatore Ferragamo S.p.A. monitors, also on a Group basis, the exposure in different measure to the various financial risks related to its business, in particular to the market risk category which includes the following types of risk:

- interest rate risks relating to the impact of changes in market interest rates;
- exchange rate risks, due to operations in currency areas other than that of the accounting currency;
- liquidity risks relating to the availability of financial resources and the ease of access to the credit market and connected to the need to fulfill the Group's financial commitments in the short term;
- credit, commercial or counterparty risks, representing the risks of default on commercial or financial obligations assumed by the various counterparties and arising from normal commercial transactions or from use, financing and risk hedging activities.

Financial risks are managed on the basis of guidelines defined by the Company, in compliance with the goals set centrally by the Board of Directors. This enables the supervision and coordination of the operations of the individual Group companies, also through more effective financial planning and control, the systematic monitoring of the levels of exposure to financial risks as well as the trend in cash management, and the provision of useful indications in order to optimize the management of dealings with the reference credit institutions.
In accordance with these directives, control over the management of individual financial risks is ensured through intervention aimed at containing their impact, also by using derivatives. Derivatives are used for hedging purposes only. In accordance with IFRS, some derivatives have been classified as held for trading, although they have been entered into solely for hedging purposes.

Financial liabilities largely consist of trade payables, payables to banks (if any), other financial payables, and lease liabilities following the introduction of the accounting standard IFRS 16. The management of these liabilities is largely aimed at financing the Group's operations.

Interest rate risk

Movements in market interest rates affect the level of net financial charges and the market value of financial assets and liabilities.
Interest rate risk can be classified as follows:

- flow risk, which refers to the variability in interest income and expense received and paid following changes in market interest rates;
- price risk, relating to the sensitivity of the market value of assets and liabilities to changes in the level of interest rates (it refers to fixed-rate assets or liabilities).

Salvatore Ferragamo S.p.A. is mainly exposed to flow risk, i.e. to the risk of recording in the income statement an increase in financial charges due to an unfavorable change in interest rates. The Company uses third-party financial resources largely in the form of floating-rate bank debt and deploys the available liquidity mainly in money market instruments. Changes in market interest rates only affect the cost of loans and the yield on uses and thus the level of the Company's financial charges and income, and not their fair value.

Bank debt is represented by short-term, floating-rate loans, if any. The cost of bank debt is benchmarked to the market rate (generally Euribor/risk free rate/SOFR for the period or the benchmark of the loan currency on the specific interbank market) in the period, increased by a spread which depends on the type of line of credit used. As at 31 December 2025, there were no drawdowns. The margins applied are in line with best market standards.

Cash surpluses are held in current accounts or used in short-term time deposits opened with reference banks, which bear interest at the Euribor/risk rate free/SOFR rate or the benchmark of the currency on the specific interbank market, in cash-pooling structures or invested in intercompany loans, regulated at current market conditions, in order to limit the Group's exposure to the banking system, counterparty risk, and the impact of financial charges.

With a view to moderately diversifying its cash management, the Company also entered into readily liquidated insurance investments under Branch I or multi-branch policies in 2022, and subsequently in 2024 and 2025.

Sensitivity to interest rate risk is monitored by keeping the overall exposure in due consideration, through coordinated management of debt and available liquidity and of the relevant due dates.

At the reporting date there were no outstanding interest rate risk hedge derivatives aimed at transforming floating-rate debt into fixed-rate debt, nor did the Company make use of such derivatives in the previous year.

The Company carried out the sensitivity analysis of the interest rate risk to which it is exposed by considering the financial statement items which give rise to floating-rate interests and by assuming parallel increases or decreases in the benchmark interest rate curves by individual currency in proportion to the respective annual volatility observed on the market. The result of the analysis undertaken on risk factors that generate significant exposure (interest rate curves in Canadian Dollar, Swiss Franc, Chinese Renmimbi, Euro, British Pound Sterling, Hong Kong Dollar, Japanese Yen, Mexican Peso, Singapore Dollar, Thai Baht and US Dollar) showed potential losses or profits in the income statement amounting to 1,262 thousand Euro, compared to potential losses or profits in the income statement of 1,629 thousand Euro for 2024.

The possible upward or downward change in the market's benchmark interest rates continues having a minor impact on the Company's income statement.

Sensitivity analysis of interest rate risk on floating rate items

31 December 2025

(In thousands of Euro)	Underlying asset	Increase/ decrease in underlying interest rates	Impact on the income statement
POSITIVE CHANGE	CAD	0.45%	30
	CHF	0.00%	0
	CNY	0.50%	47
	EUR	0.34%	253
	GBP	0.44%	16
	HKD	0.70%	61
	JPY	0.16%	27
	MXN	0.49%	6
	SGD	0.07%	3
	THB	0.33%	27
	USD	0.75%	792
Total			**1,262**
NEGATIVE CHANGE	CAD	-0.45%	(30)
	CHF	0.00%	0
	CNY	-0.50%	(47)
	EUR	-0.34%	(253)
	GBP	-0.44%	(16)
	HKD	-0.70%	(61)
	JPY	-0.16%	(27)
	MXN	-0.49%	(6)
	SGD	-0.07%	(3)
	THB	-0.33%	(27)
	USD	-0.75%	(792)
Total			**(1,262)**

31 December 2024

POSITIVE CHANGE	CAD	0.70%	61
	CHF	0.37%	18
	EUR	0.41%	651
	GBP	0.34%	17
	HKD	0.37%	14
	JPY	0.23%	39
	MXN	0.97%	9
	SGD	0.28%	20
	THB	0.20%	20
	USD	0.68%	780
Total			**1,629**
NEGATIVE CHANGE	CAD	-0.70%	(61)
	CHF	-0.37%	(18)
	EUR	-0.41%	(651)
	GBP	-0.34%	(17)
	HKD	-0.37%	(14)
	JPY	-0.23%	(39)
	MXN	-0.97%	(9)
	SGD	-0.28%	(20)
	THB	-0.20%	(20)
	USD	-0.68%	(780)
Total			**(1,629)**

Exchange rate risk

The exposure to exchange rate risk derives from operations in currencies other than the accounting currency, i.e. the Euro.

In particular, the exchange rate risk can be classified based on the nature of the exposure and of the effects on operating results due to the different relevance of costs and revenues in foreign currency compared to the moment when the price conditions were defined (economic risk) and due to the translation of trade or financial receivables and payables denominated in foreign currency (settlement risk).

The Company operates internationally and therefore is exposed to risks arising from exchange rates fluctuations, which have an impact on the operating results and on the value of shareholders' equity.

The objective of the exchange rate risk hedging policy is to minimize the economic and settlement exchange rate risks, i.e. the risks arising from the possibility that currency parity changes unfavorably during the period between the moment in which a commitment to pay or a right to collect a currency other than the Euro is expected for a future date (definition of budgets, setting of price lists, arrangement of orders), the registration of the accounting document (invoicing) and the moment in which the receipt or payment effectively occurs, generating an effect in terms of translation differences, with an impact on the income statement.

In keeping with the exchange rate risk management policy adopted in recent years, the Company manages exchange rate risk arising from its business, in line with the provisions of the exchange rate risk management policy and the risk management objectives that are periodically established, through the systematic hedging of commercial flows arising from sales forecast in currencies other than the Euro, to both subsidiaries and third parties, with the aim of mitigating the expected risk of variability in margins arising from sales relating to future collections.

The Group has a strong presence in international markets, including through commercial companies located in countries which use currencies other than the Euro, mainly the US Dollar and Chinese Renminbi. In the year ended 31 December 2025, around 37% of the Company's net revenues were denominated in US Dollars, around 8% in Chinese Renminbi, around 5% in Japanese Yen, around 5% in Mexican Peso, and around 4% in South Korean Won. In the year ended 31 December 2024, around 33% of the Company's net revenues were denominated in US Dollars, around 10% in Chinese Renminbi, around 6% in Japanese Yen, around 5% in South Korean Won, and around 5% in Mexican Peso. The currency risks originate mainly from exports of the Company in US Dollars, Chinese Renminbi, Japanese Yen, South Korean Won, and Mexican Peso.
In relation to its business model, the Group incurs a significant part of its costs in Euro (costs relating to production and management of the corporate structure borne by Salvatore Ferragamo S.p.A.), while the revenues and costs recorded by Group companies are mainly expressed in the local currencies of the respective reference markets. Exchange rate risk management is mostly centralized at the Company, through direct invoicing in the subsidiary's accounting currency in order to hedge, by entering into derivatives, the exposure arising from sales in currencies other than the Euro. In particular, the Company is exposed to changes in the exchange rate between the Euro and the US Dollar, in relation to sales in Dollars both on the North American market and on few other markets, mainly Asian ones. In this context, the Company is exposed to changes in the exchange rates of the currencies in which sales are denominated. This implies the risk that the corresponding value in Euro of revenues determined at the moment of collection is insufficient to cover production costs or to achieve the desired profit margin. This risk is heightened during the significant period between the moment when the sale prices of a collection are set and the moment when revenues are converted into Euro, which extends up to 18 months.

The Company (as a manufacturing company) enters into currency forward contracts or options, to establish the conversion rate in advance, or a predefined range of conversion rates at future dates with an estimated period of maximum 24 months. In the years under examination, the Company hedged its exchange rate risk almost exclusively through currency forward contracts.

To this end, on the basis of market expectations and conditions, before establishing price lists, and in any case not after the beginning of the sales campaign, hedging is arranged for an amount generally between 50% and 90% of forecast sales in foreign currency. This proportion is calculated based on the expected overall exposure, rather than the individual foreign currency. In the period following the preparation of the price list, the total outstanding hedge is added for the orders effectively managed and put into production. This way, the Company limits the commercial risk just to the risk arising from sales volumes, excluding the risk arising from the exchange rate.

In addition, the Company controls the exposure and the related exchange rate risk management procedures of some Asian and Latin American subsidiaries that purchase goods in US Dollars or Euro and sell in the currency of the country in which they operate. The values of the contracts involved are, nonetheless, significantly lower than those concluded directly by the Company to mitigate the exchange rate risk arising from sales in the accounting currency of the various subsidiaries.

In addition, the Company controls and hedges exposure deriving from changes, due to exchange rate fluctuations, in the value of assets or liabilities denominated in currencies other than the accounting currency of the individual company, which may affect the income statement (typically intercompany financial receivables/payables) by offsetting financial receivables and payables denominated in the same currency or through financial instruments, whose recognition in accordance with IFRS follows the rules of fair value hedge: the profit or loss arising from subsequent assessments of the present value of the hedging instrument is recognized in the income statement as well as the profit or loss on the hedged item.

The hedges of the Company's future transactions in foreign currencies (which can be classified as cash flow hedges pursuant to IFRSs) are accounted for in accordance with hedge accounting rules.

The following table shows the changes in the cash flow hedge reserve for the years ended 31 December 2025 and 31 December 2024:

Exchange rate risk

(In thousands of Euro)	2025	2024
Opening balance	**(6,981)**	**5,552**
+ increases for recognition of new positive effectiveness	25,335	4,535
- decreases for recognition of new negative effectiveness	(1,240)	(12,226)
- decreases due to the transfer of effectiveness from the Cash flow hedge reserve and recognition of income in profit or loss	(15,965)	(6,765)
+ increases due to the transfer of effectiveness from the Cash flow hedge reserve and recognition of cost in profit or loss	2,982	1,923
Closing balance	**4,131**	**(6,981)**

Overall, this Reserve, which consists of the value changes in hedges for expected transactions in foreign currency, increased by 11,112 thousand Euro during 2025, whereas it had decreased by 12,533 thousand Euro in 2024. The changes in value reflect the performance of the Euro against the main hedged currencies. The increase is mainly due to the weakening of the US dollar and the Chinese renminbi over the course of the year. The amount transferred from the Reserve to "Revenues from sales" on occurrence of the underlying flows was a positive total of 12,983 thousand Euro in 2025, compared to a positive 4,841 thousand Euro in 2024. In 2025, no hedge was interrupted and hedges were one hundred percent effective for the whole duration of the underlying asset.

A hedge may become ineffective as a result of:

- differences in the timing of cash flows of the hedged item and the hedging instrument;
- changes in the expected amount of cash flows of the hedged item and the hedging instrument.

The following tables set out the average time horizon and the relevance by risk factor of exchange rate hedges held by the Company at the end of 2025 and 2024. The number of foreign currencies in the tables shows how exchange rate risk management is all but centralized at the Parent company.

Cash flow analysis (hedged items)

31 December 2025

(In thousands)	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total expected flows
Currency forward contracts						
Notional amount in USD	20,000	30,000	35,000	60,000	45,000	**190,000**
Average forward exchange rate (EUR/USD)	1.069	1.110	1.110	1.190	1.183	
Notional amount in CAD	1,000	-	1,500	-	-	**2,500**
Average forward exchange rate (EUR/CAD)	1.566	-	1.594	-	-	
Notional amount in CNY	40,000	60,000	90,000	30,000	90,000	**310,000**
Average forward exchange rate (EUR/CNY)	7.620	7.888	8.056	8.245	8.170	
Notional amount in GBP	1,000	1,500	-	-	-	**2,500**
Average forward exchange rate (EUR/GBP)	0.865	0.873	-	-	-	
Notional amount in HKD	-	-	-	8,000	-	**8,000**
Average forward exchange rate (EUR/HKD)	-	-	-	9.051	-	
Notional amount in JPY	400,000	1,100,000	800,000	500,000	-	**2,800,000**
Average forward exchange rate (EUR/JPY)	155.900	156.697	166.653	170.686	-	
Notional amount in KRW	4,000,000	2,000,000	8,000,000	1,500,000	-	**15,500,000**
Average forward exchange rate (EUR/KRW)	1,507.600	1,467.750	1,530.800	1,641.000	-	
Notional amount in MXN	30,000	60,000	180,000	40,000	70,000	**380,000**
Average forward exchange rate (EUR/MXN)	23.304	22.953	23.111	23.047	23.023	

31 December 2024

(In thousands)	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total expected flows
Currency forward contracts						
Notional amount in USD	15,000	60,000	60,000	40,000	40,000	**215,000**
Average forward exchange rate (EUR/USD)	1.104	1.093	1.101	1.104	1.085	
Notional amount in CAD	2,000	500	-	-	-	**2,500**
Average forward exchange rate (EUR/CAD)	1.501	1.516	-	-	-	
Notional amount in CNY	30,000	80,000	50,000	100,000	40,000	**300,000**
Average forward exchange rate (EUR/CNY)	7.795	7.797	7.782	7.792	7.719	
Notional amount in GBP	500	-	1,500	1,000	-	**3,000**
Average forward exchange rate (EUR/GBP)	0.847	-	0.850	0.856	-	
Notional amount in HKD	5,000	5,000	10,000	15,000	-	**35,000**
Average forward exchange rate (EUR/HKD)	8.601	8.509	8.610	8.505	-	
Notional amount in JPY	400,000	800,000	1,000,000	900,000	400,000	**3,500,000**
Average forward exchange rate (EUR/JPY)	159.448	155.798	155.395	155.401	156.120	
Notional amount in KRW	4,000,000	4,000,000	4,000,000	9,000,000	2,000,000	**23,000,000**
Average forward exchange rate (EUR/KRW)	1,433.000	1,470.000	1,481.000	1,480.167	1,467.750	
Notional amount in MXN	60,000	90,000	80,000	200,000	20,000	**450,000**
Average forward exchange rate (EUR/MXN)	20.043	21.093	22.926	22.768	21.922	

Cash flow analysis (hedged items): impact on the income statement

31 December 2025

(In thousands)	Total expected flows	within 3 months	3 to 6 months	6 to 9 months	9 months to 1 year	over 1 year
Exchange rate risk						
Expected sales in USD	**160,000**	25,000	65,000	35,000	35,000	-
Expected sales in JPY	**2,400,000**	1,600,000	600,000	200,000	-	-
Expected sales in GBP	**2,500**	1,500	1,000	-	-	-
Expected sales in MXN	**290,000**	180,000	40,000	70,000	-	-
Expected sales in CHF	**-**	-	-	-	-	-
Expected sales in AUD	**-**	-	-	-	-	-
Expected sales in CAD	**1,500**	500	1,000	-	-	-
Expected sales in CNY	**260,000**	60,000	60,000	60,000	80,000	-
Expected sales in HKD	**8,000**	3,000	5,000	-	-	-
Expected sales in SGD	**-**	-	-	-	-	-
Expected sales in KRW	**7,500,000**	6,000,000	1,500,000	-	-	-

31 December 2024

(In thousands)	Total expected flows	within 3 months	3 to 6 months	6 to 9 months	9 months to 1 year	over 1 year
Exchange rate risk						
Expected sales in USD	**170,000**	85,000	35,000	45,000	5,000	-
Expected sales in JPY	**3,100,000**	1,200,000	900,000	800,000	200,000	-
Expected sales in GBP	**2,500**	500	2,000	-	-	-
Expected sales in MXN	**300,000**	80,000	200,000	20,000	-	-
Expected sales in CHF	**-**	-	-	-	-	-
Expected sales in AUD	**-**	-	-	-	-	-
Expected sales in CAD	**500**	500	-	-	-	-
Expected sales in CNY	**220,000**	60,000	90,000	70,000	-	-
Expected sales in HKD	**25,000**	5,000	15,000	5,000	-	-
Expected sales in SGD	**-**	-	-	-	-	-
Expected sales in KRW	**15,000,000**	4,000,000	7,000,000	4,000,000	-	-

The most important hedge, in terms of volumes of notional amounts in foreign currency being hedged, is aimed at mitigating the risk generated by fluctuations in the exchange rate between the Euro and the following currencies: US Dollar, Chinese Renminbi, Japanese Yen, South Korean Won, and Mexican Peso.

From a time viewpoint, hedges lasting over one year showed substantially nil values as at 31 December 2025 as well as at 31 December 2024. The above tables set out the financial recognition dates of underlying assets by currency and the dates on which the impact on the income statement is recognized. This is determined upon the invoicing of the estimated flows, which are the object of the exchange rate hedge, as at 31 December 2025 and 2024.

Below is the impact of the hedged items on the statement of financial position:

(In thousands of Euro)	Highly probable expected sales			
			Carrying amount	
	Notional amount	Cash flow hedge reserve / change in fair value used to measure ineffectiveness	Line item "other current assets"	Line item "other current liabilities"
31 December 2025	203,638	4,131	5,706	(1,453)
31 December 2024	241,816	(6,981)	1,052	(7,609)

Sensitivity Analysis

The sensitivity analysis carried out in order to assess the Company's exposure to exchange rate risk was undertaken on the basis of percentage increases and decreases in the exchange rates of the various currencies, proportional to their annual volatility, applied to all significant financial assets and liabilities expressed in original currencies.

In particular, the analysis involved all currencies and the following items:

- exchange rate derivatives;
- trade and other receivables;
- trade and other payables;
- cash and cash equivalents;
- short- and long-term financial liabilities;
- short- and long-term lease liabilities.

In addition, the table shows the most important impacts and the related currencies, and refers to the exposure to exchange rate risk in accordance with IFRS requirements. Exchange rates were considered for currencies whose changes generate an impact on the Income Statement and Shareholders' Equity, in absolute terms, of over one million Euro.

Sensitivity analysis: exchange rate risk

31 December 2025

(In thousands of Euro)		Increase/ decrease in underlying foreign exchange rates	Underlying asset	Impact on the income statement	Impact on shareholders' equity
POSITIVE CHANGE	EUR/JPY	8.3%	Derivatives	1,644	999
			Non derivatives	(1,939)	-
	EUR/USD	6.2%	Derivatives	10,367	7,974
			Non derivatives	(9,275)	-
	EUR/KRW	8.2%	Derivatives	(536)	335
			Non derivatives	317	-
	EUR/CNY	4.7%	Derivatives	1,245	1,407
			Non derivatives	(394)	-
	EUR/MXN	9.7%	Derivatives	588	1,218
			Non derivatives	(749)	-
	EUR/GBP	5.0%	Derivatives	233	136
			Non derivatives	(35)	-
	EUR/THB	6.9%	Derivatives	518	-
			Non derivatives	(566)	-
	EUR/CAD	5.2%	Derivatives	344	46
			Non derivatives	(231)	-
	EUR/BRL	16.7%	Derivatives	1,111	-
			Non derivatives	(1,463)	-
	EUR/HKD	7.5%	Derivatives	456	61
			Non derivatives	(637)	
Total				**998**	**12,176**
NEGATIVE CHANGE	EUR/JPY	(8.3%)	Derivatives	(1,942)	(1,180)
			Non derivatives	2,290	-
	EUR/USD	(6.2%)	Derivatives	(11,740)	(9,031)
			Non derivatives	10,504	-
	EUR/KRW	(8.2%)	Derivatives	632	(395)
			Non derivatives	(374)	-
	EUR/CNY	(4.7%)	Derivatives	(1,367)	(1,545)
			Non derivatives	433	-
	EUR/MXN	(9.7%)	Derivatives	(715)	(1,480)
			Non derivatives	910	-
	EUR/GBP	(5.0%)	Derivatives	(258)	(150)
			Non derivatives	39	-
	EUR/THB	(6.9%)	Derivatives	(595)	-
			Non derivatives	650	-
	EUR/CAD	(5.2%)	Derivatives	(382)	(51)
			Non derivatives	256	-
	EUR/BRL	(16.7%)	Derivatives	(1,555)	-
			Non derivatives	2,048	-
	EUR/HKD	(8.0%)	Derivatives	(529)	(71)
			Non derivatives	740	
Total				**(955)**	**(13,903)**

31 December 2024

(In thousands of Euro)		Increase/ decrease in underlying foreign exchange rates	Underlying asset	Impact on the income statement	Impact on shareholders' equity
POSITIVE CHANGE	EUR/JPY	10.8%	Derivatives	1,913	1,853
			Non derivatives	(2,569)	-
	EUR/USD	7.9%	Derivatives	11,813	11,953
			Non derivatives	(7,107)	-
	EUR/KRW	7.9%	Derivatives	380	713
			Non derivatives	89	-
	EUR/CNY	6.2%	Derivatives	611	1,680
			Non derivatives	(606)	-
	EUR/MXN	13.7%	Derivatives	1,794	1,682
			Non derivatives	102	-
	EUR/GBP	5.4%	Derivatives	501	155
			Non derivatives	(114)	-
	EUR/THB	8.7%	Derivatives	788	-
			Non derivatives	(841)	-
	EUR/CAD	6.7%	Derivatives	690	21
			Non derivatives	(429)	-
	EUR/BRL	15.2%	Derivatives	553	-
			Non derivatives	(991)	-
	EUR/HKD	8.0%	Derivatives	1,383	230
			Non derivatives	(1,461)	
Total				**6,499**	**18,287**
NEGATIVE CHANGE	EUR/JPY	(10.8%)	Derivatives	(2,376)	(2,302)
			Non derivatives	3,192	-
	EUR/USD	(7.9%)	Derivatives	(13,834)	(13,998)
			Non derivatives	8,323	-
	EUR/KRW	(7.9%)	Derivatives	(445)	(834)
			Non derivatives	(104)	-
	EUR/CNY	(6.2%)	Derivatives	(691)	(1,899)
			Non derivatives	686	-
	EUR/MXN	(13.7%)	Derivatives	(2,365)	(2,217)
			Non derivatives	(135)	-
	EUR/GBP	(5.4%)	Derivatives	(559)	(172)
			Non derivatives	127	-
	EUR/THB	(8.7%)	Derivatives	(937)	-
			Non derivatives	1,001	-
	EUR/CAD	(6.7%)	Derivatives	(788)	(24)
			Non derivatives	490	-
	EUR/BRL	(15.2%)	Derivatives	(751)	-
			Non derivatives	1,345	-
	EUR/HKD	(8.0%)	Derivatives	(1,624)	(271)
			Non derivatives	1,716	
Total				**(7,729)**	**(21,717)**

As the above table shows, a positive change in the listed exchange rates (EUR/JPY, EUR/USD, EUR/KRW, EUR/CNY, EUR/MXN, EUR/GBP, EUR/SGD, EUR/THB, EUR/CAD, EUR/BRL, and EUR/HKD) would have resulted in a profit of 998 thousand Euro as at 31 December 2025 and of 6,499 thousand Euro as at 31 December 2024; on the other hand, a negative change in exchange rates would have caused a loss of 955 thousand Euro as at 31 December 2025 and of 7,729 thousand Euro as at 31 December 2024. The increase in shareholders' equity caused by derivatives designated as hedges, as a result of the assumed positive exchange rate changes, would have amounted to 12,176 thousand Euro as at 31 December 2025 and 18,287 thousand Euro as at 31 December 2024, while the decrease in shareholders' equity as a result of the assumed negative exchange rate changes would have totaled 13,903 thousand Euro as at 31 December 2025 and 21,717 thousand Euro as at 31 December 2024. The sensitivity analysis carried out as described above, which is significantly affected by market volatility in the exchange rates considered, points to a material impact on the Company shareholders' equity from the potential change in the value of hedging derivatives. This is temporarily allocated to the cash flow hedge reserve and will be recognized through profit or loss in the following years when the expected sales occur. The higher or lower impact on the income statement and on the statement of financial position in each of the years under consideration largely results from the trend in the individual currencies at the reference dates and from the change in the value of financial assets and liabilities exposed to fluctuations in exchange rates.

Liquidity risk

Liquidity risk represents the risk that the Company cannot meet its financial obligations due to problems in obtaining funds at current market price conditions (*funding liquidity risk*) or in liquidating assets on the market to find the necessary financial resources (*asset liquidity risk*).

The first consequence is a negative impact on the income statement, should the Company be forced to incur additional costs to meet its commitments.

The factors which mainly influence the Company's liquidity are the resources generated or absorbed by current operating and investing activities, the possible distribution of dividends and the expiry and possibility of renewal of debt or the expiry and possibility of liquidation of financial investments of surplus cash.

Liquidity needs or surpluses are monitored on a daily basis by the Company's Treasury Department in order to guarantee effective sourcing of financial resources or adequate investment of liquidity.
The negotiation and management of credit lines is coordinated by the Company at Group level with the aim of satisfying the short and medium/long-term needs of the individual companies according to efficiency and cost-effectiveness criteria.

As at 31 December 2025, there were outstanding *uncommitted* short-term credit lines with a number of banks made available to the Company to meet financing needs connected to the management of working capital for a total of 129,043 thousand Euro, as well as *committed* short- and medium/long-term credit lines negotiated on a bilateral basis by the Company for a total of 250,000 thousand Euro, entirely revolving.

As at 31 December 2025, Salvatore Ferragamo S.p.A. had no drawdowns on either committed and *uncommitted* credit lines. As at 31 December 2025, the Parent company had a net financial position amounting to a surplus of 172,363 thousand Euro, also considering lease liabilities under IFRS 16 accounting standard; as at 31 December 2024, the Company's net financial position amounted to a surplus of 242,353 thousand Euro.

As at 31 December 2025, *committed* credit lines had a maximum residual maturity of forty-eight months and a weighted average residual maturity of thirty-five months. The Parent company's current *committed* revolving credit lines do not require compliance with financial covenants. For more details, see note 21 "Interest-bearing loans & borrowings – Limitations on the use of financial resources".

The credit lines and the related financial operations are spread among leading national and international banks. It has always been the Company's policy to sign and constantly maintain with various and diversified banks a total amount of *committed* credit lines that is considered consistent with the needs of the individual companies and suitable to ensure at any time the liquidity needed to satisfy and comply with all the Group's financial commitments, at the established economic conditions, as well as guaranteeing the availability of an adequate level of operational flexibility for any expansion programs. Also during FY2025, the policy of Salvatore Ferragamo S.p.A. was to use a significant part of its cash surpluses in *time-deposit* investments, as well as to take out *intercompany* loans, regulated at current market conditions, so as to contain the increase in bank debt and the related financial charges. Cash surpluses are used with reference banks in short- or medium term (usually between one day and three months) time deposit transactions, referring to the Euribor/risk free rate/sofr rate for the period or the benchmark of the investment currency on the specific interbank market. Liquidity investments are carried out with the prime objectives of making resources available at short notice (in the event of maturities longer than three months, the relevant contracts allow promptly liquidating them without penalties) and neutralizing the risk of capital losses, avoiding speculative transactions. With a view to moderately diversifying its cash management, the Company also entered into readily liquidated insurance investments under Branch I or multi-branch policies in 2022, and subsequently in 2024 and 2025.

In 2022, with the aim of more efficient cash and liquidity management at Group level, Salvatore Ferragamo S.p.A. also entered into a cash pooling agreement with a number of subsidiaries. For more details, please refer to notes 18 and 21. In 2023, the Board of Directors of the Company also approved a policy for the management and mitigation of liquidity risk, the main objective of which is to ensure adequate coverage of the financial needs of Group companies.

These choices, which also take account of the likely future trend in cash flows together with prompt renegotiation of credit lines (even before their expiry), enable a significant reduction in the exposure to the risk under review and allow to adjust the cost of debt to the best market conditions. The Company has constantly maintained access to a wide range of financing sources at competitive costs, despite the external scenario, which continues to be characterized by rigidity in the credit market. Despite the Group's ability to generate high cash flows from current operations, the constant availability of an adequate amount of *committed* credit lines has allowed to face the most turbulent market phases and volatility in credit flows with confidence. The financial position of the Company and of the Group is measured on a monthly basis and compared with the latest Budget/Forecast. Management believes that the funds and credit lines currently available, with the addition of the funds which are likely to be generated from current operations, will enable the Company to safely address the repayment of loans at their natural maturity and to meet the needs arising from investment activities and working capital management.

Liquidity risk – Maturity analysis

31 December 2025

(In thousands of Euro)	< 3 months	3-12 months	1-5 years	> 5 years	Total
Trade payables	90,221	831			91,052
Payables to banks	109,095				109,095
Other financial payables	6,092				6,092
Lease liabilities	6,761	19,015	86,395	65,966	178,137
Derivatives – non-hedging component	453	-	-	-	453
Derivatives – hedging component	327	2,206	17	-	2,550
Total	**212,949**	**22,052**	**86,412**	**65,966**	**387,379**

Liquidity risk – Maturity analysis

31 December 2024

(In thousands of Euro)	< 3 months	3-12 months	1-5 years	> 5 years	Total
Trade payables	107,519	1,046	-	-	108,565
Payables to banks	151,098	-	-	-	151,098
Other financial payables	5,581	-	-	-	5,581
Lease liabilities	6,375	18,052	87,716	85,778	197,921
Derivatives – non-hedging component	2,268	-	-	-	2,268
Derivatives – hedging component	**3,957**	**8,209**	-	-	**12,166**
Total	**276,798**	**27,307**	**87,716**	**85,778**	**477,599**

The analysis conducted on the items representing financial liabilities showed maturities distributed over time, with trade payables mainly concentrated within three months. In 2025, there were no payables to banks and other lenders, while the financial assets recognized in the financial statements have a maximum residual maturity of less than three months, as they mainly relate to cash and cash equivalents.

Credit risk

Credit risk represents the Company's exposure to potential losses arising from failure to meet trade or financial obligations taken on by counterparties.
The Company's exposure to credit risk depends on the nature of the activities which have generated the relevant receivables.

The Company's exposure to commercial credit risk refers mainly to sales to third parties and to receivables arising from revenues generated by licensing activities, which combined represent around 17.0% of global turnover: the remaining turnover refers to intercompany and DTC sales with cash payment or payment by credit or debit cards at the time of purchase. Trade receivables mainly relate to wholesale sales and generally have maturities of less than 90 days.

The Company usually favors trade dealings with customers with which it has well-established and consolidated relations. It is Salvatore Ferragamo S.p.A.'s policy to check credit ratings of customers who ask for extended payment terms, based both on information which can be obtained from specialist agencies and on the observation and analysis of historical data of established customers. In addition, the balance of trade receivables is constantly monitored during the year in order to ensure prompt intervention and to reduce the risk of losses. The allocation of credit risk among a number of customers and obtaining, where possible, guarantees or the adoption of means of payment which are less risky for the creditor, such as documentary letters of credit, are all actions aimed at further mitigating this risk. In this regard, it is also worth noting that an insurance policy was taken out during the year to cover the credit risk associated with shipments to third parties.
Trade receivables are recorded net of write-downs, which are estimated based on the counterparty's insolvency risk, determined by considering the information available on the customer's solvency and historical data.
In general, the Company believes that the credit risk management policies implemented enabled overdue and bad debts, which required the adoption of legal credit collection measures, to be kept within reasonable limits.
The credit risk connected to financing, investing and operating activities in derivatives to hedge the exchange rate risk is represented by the inability of the counterparty or the issuer of the instruments to meet their contractual obligations, i.e. the so-called counterparty risk. The Company manages this type of risk by selecting counterparties with high credit ratings, which are considered solvent by the market and with which it has routine and ongoing trade and banking service relations. The Company negotiated and entered into master agreements, in accordance with the international standards (ISDA Master Agreement), with all counterparties of derivatives, in order to regulate the various cases.
The credit risk regarding the Company's other financial assets, consisting of cash and cash equivalents, financial assets at amortized cost and some derivatives, has a risk equal to the carrying amount of these assets in case of insolvency of the counterparty.

Maximum credit risk exposure

	31 December 2025		31 December 2024	
(In thousands of Euro)	Current portion	Non-current portion	Current portion	Non-current portion
Financial assets at fair value through profit or loss				
Other financial assets				
Receivables and loans	195,302	-	173,040	-
Trade receivables	155,937	-	192,835	-
Receivables due from credit cards	602	-	366	-
Cash and cash equivalents	132,723		172,324	
Guarantee deposits	-	262	-	267
Other current financial assets	40,885	-	50,400	-
Derivatives	7,168	50	1,917	-
Total	**532,617**	**312**	**590,882**	**267**

The table shows how the Company's exposure to both commercial and counterparty credit risk is defined by the carrying amount of the items representing outstanding financial assets as at 31 December 2025 and 31 December 2024, and is almost exclusively limited to the current portion. The non-current portion refers to the item "Guarantee deposits" which mainly includes the cash deposits made by the Company for property leases and is recognized at nominal value.

Concentration of credit risk by geographic area

(In thousands of Euro)	31 December 2025	%	31 December 2024	%
Italy	9,735	5.0%	17,557	10.2%
Europe	19,686	10.1%	19,047	11.0%
North America	101,253	51.7%	72,089	41.7%
Japan	2,056	1.1%	4,520	2.6%
Asia Pacific	36,269	18.6%	33,293	19.2%
Central and South America	26,303	13.5%	26,534	15.3%
Total	**195,302**	**100.0%**	**173,040**	**100.0%**

The table shows the concentration of commercial credit risk by geographic area of the Company's activity in the two years under review.

		Receivables past due but not impaired					
(In thousands of Euro)	Receivables neither past due nor impaired	*<30 days*	*30-60 days*	*60-90 days*	*90-120 days*	*>120 days*	Total
31 December 2025	134,275	7,920	7,432	18,028	14,530	13,117	195,302
31 December 2024	144,686	8,027	3,705	2,459	2,894	11,269	173,040
Figures in % as at 31 December 2025	68.8%	4.1%	3.8%	9.2%	7.4%	6.7%	100.0%
Figures in % as at 31 December 2024	83.7%	4.6%	2.1%	1.4%	1.7%	6.5%	100.0%

The table provides an analysis of the maturities of receivables which are past due but not impaired for the years ended 31 December 2025 and 31 December 2024.
The concentration of sales to the main third-party customers is shown in the table below; for the concentration of sales by geographic area, reference should be made to the specific section above:

Concentration of market risk

	2025	2024
Percentage of revenues with the biggest customer	12.5%	6.8%
Percentage of revenues with the 3 biggest customers	20.1%	14.9%
Percentage of revenues with the 10 biggest customers	33.5%	29.1%

Capital management

The main objective of the Company's capital management activity is to ensure that a solid credit rating as well as adequate levels of share capital indicators are maintained in order to support business and optimize value for shareholders.

The Company manages the capital structure and modifies it according to changes in economic conditions. To maintain or adjust the capital structure, the Company can modify the dividends paid to shareholders, repay the capital or issue new shares. No change was made to the objectives, policies or procedures during 2025 and 2024.

To this end, the Company's capital management aims to, among other things, ensure compliance with any covenants associated with financial payables to banks that define capital structure requirements.

The Company includes under net debt, if any, interest-bearing loans, other financial payables, lease liabilities, trade and other payables, net of cash and cash equivalents. The table does not include the values and related effects produced by the derivatives used to manage exchange rate risk.

(In thousands of Euro)	31 December 2025	31 December 2024
Interest-bearing loans	6,050	5,575
Lease liabilities	152,110	166,225
Trade payables and Other payables (net of hedging derivatives)	210,325	273,924
Cash and cash equivalents	132,723	172,324
Net debt	**235,762**	**273,400**
Total Shareholders' equity (net of the Cash flow hedge reserve)	**633,554**	**629,174**
Shareholders' equity and net debt	**869,316**	**902,574**
Debt/Shareholders' equity ratio	**37.21%**	**43.45%**

4. Business combinations

There were no business combinations during FY2025.
It should be noted that:

- On 03 September 2025, Ferragamo Singapore Pte Ltd SA issued new shares for a total of 10.1 million SGD, fully subscribed by Salvatore Ferragamo S.p.A. through a cash payment for a total of 6,730 thousand Euro.
- On 11 September 2025, Ferragamo (Thailand) Ltd issued new shares for a total of 75 million Bath, fully subscribed by Salvatore Ferragamo S.p.A. through cash payment for a total of 1,989 thousand Euro.

Comments on the main statement of financial position items (assets, shareholders' equity and liabilities)

5. Property, plant and equipment

The breakdown of "Property, plant and equipment" as at 31 December 2025 and 2024 is shown in the following table:

	31 December 2025			31 December 2024		
(In thousands of Euro)	Historical Cost	Accumulated depreciation	Net value	Historical Cost	Accumulated depreciation	Net value
Land	17,561	-	17,561	17,561	-	17,561
Buildings	70,149	23,598	46,551	69,752	21,469	48,283
Plant and equipment	63,174	54,299	8,875	62,220	51,049	11,171
Industrial and commercial equipment	24,377	21,520	2,857	24,213	20,735	3,478
Other assets	54,015	49,662	4,353	52,834	47,145	5,689
Leasehold improvements	35,223	28,756	6,467	34,094	24,525	9,569
Tangible assets in progress and payments on account	366	-	366	1,568	-	1,568
Total	**264,865**	**177,835**	**87,030**	**262,242**	**164,923**	**97,319**

The following tables show the changes in the item "Property, plant and equipment" for the years ended 31 December 2025 and 2024.

(In thousands of Euro)	Value as at 01.01.2025	Increases	Decreases	Depreciation	Impairment	Value as at 31.12.2025
Land	17,561	-	-	-	-	17,561
Buildings	48,283	397	-	(2,129)	-	46,551
Plant and equipment	11,171	978	-	(3,271)	(3)	8,875
Industrial and commercial equipment	3,478	560	(55)	(1,126)	-	2,857
Other assets	5,689	1,187	-	(2,221)	(302)	4,353
Leasehold improvements	9,569	1160	(5)	(2,679)	(1,578)	6,467
Tangible assets in progress and payments on account	1,568	1,257	(2,459)	-	-	366
Total	**97,319**	**5,539**	**(2,519)**	**(11,426)**	**(1,883)**	**87,030**

(In thousands of Euro)	Value as at 01.01.2024	Increases	Decreases	Depreciation	Impairment	Value as at 31.12.2024
Land	18,010	-	-	-	(449)	17,561
Buildings	50,489	124	(200)	(2,130)	-	48,283
Plant and equipment	14,152	735	-	(3,716)	-	11,171
Industrial and commercial equipment	2,019	2,560	(8)	(1,093)	-	3,478
Other assets	6,398	2,191	(18)	(2,882)	-	5,689
Leasehold improvements	5,124	6,729	(3)	(2,281)	-	9,569
Tangible assets in progress and payments on account	6,729	9,640	(10,777)	-	(4,024)	1,568
Total	**102,921**	**21,979**	**(11,006)**	**(12,102)**	**(4,473)**	**97,319**

The increase in 2025 in the item:

- "Buildings" refers to works at the Osmannoro-Sesto Fiorentino facility;
- "Plant and equipment" refers mainly to the purchase and installation of new equipment at the Osmannoro-Sesto Fiorentino facility;
- "Industrial and commercial equipment" refers largely to the purchase of new furniture and equipment for the stores that were renovated during the year;
- Other assets" mainly relates to the purchase of IT equipment;
- "Improvements to third-party properties" refers to the completion of the refurbishment of the Milan offices in Corso Matteotti and to works carried out on the network of Italian shops.

The item "Tangible assets in progress and payments on account" mainly includes expenses incurred and advances disbursed, pertaining to store renovations not yet completed at the end of the year, as well as some works at the Osmannoro-Sesto Fiorentino facility.

As required by the procedure adopted by the Company to analyze impairment indicators, at the end of the year an assessment was made of the possible presence of impairment indicators that could be identified through internal or external information sources. As required by the procedure adopted by the Company to analyze impairment indicators, at the end of the year an assessment was made of the possible presence of impairment indicators that could be identified through internal or external information sources. The impairment of 1,883 thousand Euro relates primarily to improvements to third-party assets incurred in previous financial years which no longer align with the Company's strategies. The analyses carried out did not show any further indicators of impairment as regards this item.

6. Investment property

Investment property refers to the building to be used for general interest production activities at the area owned by Salvatore Ferragamo S.p.A., located in the municipality of Sesto Fiorentino-Osmannoro.
The following table shows the changes in investment property for the year ended 31 December 2025.

	31 December 2025			31 December 2024		
(In thousands of Euro)	Historical Cost	Accumulated depreciation	Net value	Historical Cost	Accumulated depreciation	Net value
Land	1,788	1,574	214	1,788	1,574	214
Buildings	2,686	1,861	825	2,685	1,835	850
Total	**4,474**	**3,435**	**1,039**	**4,473**	**3,409**	**1,064**

The following table shows the changes in Right-of-use assets for the year ended 31 December 2025 and 2024.

(In thousands of Euro)	Value as at 01.01.2025	Translation difference	Value as at 31.12.2025
Land	214	-	214
Buildings	850	(25)	825
Total	**1,064**	**(25)**	**1,039**

(In thousands of Euro)	Value as at 01.01.2024	Riclassifica	Translation difference	Depreciation	Value as at 31.12.2024
Land	-	1,788	-	(1,574)	214
Buildings	-	2,685	(7)	(1,828)	850
Total	**-**	**4,473**	**(7)**	**(3,402)**	**1,064**

As required by the procedure adopted by the Company to analyze impairment indicators, at the end of the year an assessment was made of the possible presence of impairment indicators that could be identified through internal or external information sources. The analyses carried out did not show any indicators of impairment as regards this item. In addition, the Company periodically assesses the fair value of investment property recorded in the financial statements; on the basis of these estimates, the fair values are higher than the book values.

7. Right-of-use assets

The breakdown of "Right-of-use assets" as at 31 December 2025 and 2024 is shown in the following table:

	31 December 2025			31 December 2024		
(In thousands of Euro)	Historical Cost	Accumulated depreciation	Net value	Historical Cost	Accumulated depreciation	Net value
Right-of-use assets:						
- Buildings	224,743	94,882	129,861	222,634	75,966	146,668
- Vehicles	**5,789**	**2,905**	**2,884**	**5,881**	**2,915**	**2,966**
- Equipment and other assets	87	14	73	-	-	-
Total	**230,619**	**97,801**	**132,818**	**228,515**	**78,881**	**149,634**

The following tables show the changes in Right-of-use assets for the years ended 31 December 2025 and 2024.

(In thousands of Euro)	Value as at 01.01.2025	Increases	Decreases	Depreciation	Value as at 31.12.2025
Right-of-use assets:					
- Buildings	146,668	4,024	(252)	(20,579)	129,861
- Vehicles	2,966	1,555	(139)	(1,498)	2,884
- Equipment and other assets	-	87	-	(14)	73
Total	**149,634**	**5,666**	**(391)**	**(22,091)**	**132,818**

(In thousands of Euro)	Value as at 01.01.2024	Increases	Decreases	Depreciation	Value as at 31.12.2024
Right-of-use assets:					
- Buildings	141,767	26,104	(1,229)	(19,974)	146,668
- Vehicles	2,910	1,683	(78)	(1,549)	2,966
- Equipment and other assets	-	-	-	-	-
Total	**144,677**	**27,787**	**(1,307)**	**(21,523)**	**149,634**

The item "Buildings" includes Right-of-use assets largely relating to leases of stores (accounting for approximately 79% of Right-of-use assets – Buildings as at 31 December 2025) and, to a lesser extent, leases of offices, company lodgings, and other premises. The main increases recorded during the year refer to new leases entered into during the period, in addition to increases primarily driven by lease payment indexation, while the main decreases concern leases that were terminated early or for which a reduction in future lease payments has been negotiated.
For more details on cash outflows related to leases, see notes 25 Lease Liabilities and 34 Costs for services.
As required by the procedure adopted by the Company to analyze impairment indicators, at the end of the year an assessment was made of the possible presence of impairment indicators that could be identified through internal or external information sources. The analyses carried out did not show any indicators of impairment as regards this item.

8. Goodwill

The amount of Goodwill, totaling 6,679 thousand Euro, was entirely acquired in 2020 as a result of the acquisition and subsequent merger of Arts S.r.l. and Aura 1 S.r.l. This item was unchanged in FY2025.

As required by the procedure adopted by the Company to analyze impairment indicators, and as required by IAS 36, goodwill is tested at least annually, and in any case when events occur that suggest an impairment loss, to determine the recoverable amount.

In reviewing its impairment indicators, the Company considers, among other factors, the ratio of its market capitalization to its carrying amount. As at 31 December 2025, the Company's market capitalization comfortably exceeded the carrying amount of equity, hence the Company did not record any impairment on this item.

9. Intangible assets with a finite useful life

The breakdown of the item "Intangible assets with a finite useful life" as at 31 December 2025 and 2024 is shown in the following table:

	31 December 2025			31 December 2024		
(In thousands of Euro)	Historical Cost	Accumulated amortization	Net value	Historical Cost	Accumulated amortization	Net value
Development costs	120,758	101,529	19,229	115,057	93,647	21,410
Know-how	6,380	4,586	1,794	6,380	3,788	2,592
Industrial patents and use of intellectual property rights	19,998	19,857	141	19,998	19,613	385
Concessions, licenses and trademarks	10,260	8,779	1,481	9,939	8,440	1,499
Intangible assets with a finite useful life in progress	2,188	-	2,188	3,317	-	3,317
Total	**159,584**	**134,751**	**24,833**	**154,691**	**125,488**	**29,203**

The following tables show the changes in "Intangible assets with a finite useful life" for the years ended 31 December 2025 and 2024:

(In thousands of Euro)	Value as at 01.01.2025	Increases	Decreases	Amortization	Value as at 31.12.2025
Development costs	21,410	5,701	-	(7,882)	19,229
Know-how	2,592	-	-	(798)	1,794
Industrial patents and use of intellectual property rights	385	-	-	(244)	141
Concessions, licenses and trademarks	1,499	321	-	(339)	1,481
Intangible assets with a finite useful life in progress	**3,317**	**5,056**	**(6,185)**	**-**	**2,188**
Total	**29,203**	**11,078**	**(6,185)**	**(9,263)**	**24,833**

(In thousands of Euro)	Value as at 01.01.2024	Increases	Decreases	Amortization	Impairment	Value as at 31.12.2024
Development costs	23,547	8,353	-	(8,798)	(1,692)	21,410
Know-how	3,389	-	-	(797)		2,592
Industrial patents and use of intellectual property rights	602	97	-	(314)		385
Concessions, licenses and trademarks	1,587	261	-	(349)		1,499
Intangible assets with a finite useful life in progress	**5,377**	**6,482**	**(8,542)**	-		**3,317**
Total	**34,502**	**15,193**	**(8,542)**	**(10,258)**	**(1,692)**	**29,203**

The increase in 2025 in the item:

- "Development costs" mainly relate to the capitalization of expenditure on the development of software applications designed to support business processes. As at 31 December 2025, the Company reported no intangible assets arising from internal development;
- "Concessions, licenses and trademarks" refers to the costs incurred for filing and registering the Salvatore Ferragamo trademark.

The item "Know-how" refers to the determination of know-how resulting from the fair value measurement of the assets and liabilities acquired in 2020 as a result of the acquisition and subsequent merger of the entities Arts S.r.l. and Aura 1 S.r.l.; for more details, see the 2020 Annual Report.

Intangible assets in progress as at 31 December 2025 are mainly represented by the investment in software development to support business processes.

As required by the procedure adopted by the Company to analyze impairment indicators, at the end of the year an assessment was made of the possible presence of impairment indicators that could be identified through internal or external information sources. The analyses carried out did not show any indicators of impairment as regards this item.

10. Investments in subsidiaries

The changes in "Investments in subsidiaries" are shown in the following table:

(In thousands of Euro)	% investment	Value as at 01.01.25	Restatement	Writedowns	Stock Grant	Value as at 31.12.25
Ferragamo Mexico S, de R,L, de C,V,	99.73	538	-	-	-	538
Ferragamo Austria Gmbh	100	2,804	-	-	-	2,804
Ferragamo Deutschland GmbH	100	-	-	-	-	-
Ferragamo Belgique SA	100	611	-	-	-	611
Ferragamo U,K, Limited	100	-	-	-	-	-
Ferragamo Australia Pty Ltd,	100	4,132	-	-	-	4,132
Ferragamo France S,A,S,	100	-	-	-	-	-
Ferragamo Espana S,L,	100	1,001	5,099	-	-	6,100
Ferragamo USA Inc,	100	57,990	-	-	137	58,127
Ferragamo Hong Kong Ltd,	100	12,839	-	-	76	12,915
Ferragamo (Malaysia) Sdn, Bhd,	100	2,856	-	(2,856)	-	-
Ferragamo Korea Ltd,	100	36,052	-	-	30	36,082
Ferragamo Retail Nederland B,V,	100	1,337	-	-	-	1,337
Ferragamo Japan K,K,	89.13	7,481	10,744	-	- 17	18,208
Ferragamo Chile S,A,	99	870		-	-	870
Ferragamo Retail India Private Limited	100	-	-	-	-	-
Ferragamo Brasil Roupas e Acessorios Ltda.	99	4	1,830	-	9	1,843
Total		**128,515**	**17,673**	**(2,856)**	**235**	**143,567**

For details on the item "Stock Grant" reference should be made to note 43.

As required by the procedure adopted by the Company to analyze impairment indicators, at the end of the year an assessment was made of the possible presence of impairment indicators and/or impairment losses that could be identified through internal or external information sources, regarding the value of subsidiaries, or of whether the reasons that had led to the impairment of the investments in previous years no longer exist.

In particular, an assessment was made of the recoverability of the residual value of equity investments in order to ensure that they are not recognized at a value higher than their recoverable amount.

Following this analysis, the equity investments for which external and/or internal indicators of impairment were identified were also tested for impairment with the support of an external advisor, as shown in the table below. The Company has not identified indicators of impairment for the other equity investments.

With regard to the equity investments written down in previous financial years (Spain, Japan and Brazil), it should be noted that it has been decided to reverse some of these write-downs, in view of the positive results achieved over the years, as well as a change in the estimates used at the time of the last write-down, which has consequently rendered the grounds for the previous write-downs no longer valid.

The recoverable amount of the equity investments was estimated based on the value in use, i.e. using the Discounted Cash Flow method, which considers the ability to generate cash flows as the fundamental element for the purpose of measuring the target equity investment. For the purpose of discounting operating cash flows, the rate is identified as the weighted average cost of post-tax capital. Therefore, the application of the financial method to determine the recoverable amount and the subsequent comparison with the respective carrying amounts resulted, for the equity investments tested for impairment, in the estimation of: the post-tax WACC, the value of the operating cash flows derived from the 2026 budget and from the 2027-2030 cash flows prepared by company management, the terminal value (TV), and the growth rate used for the projection of flows beyond the plan horizon. For more details, please refer to paragraph "Basis of presentation", section "Impairment/Reversal of impairment of Property, plant and equipment, Right-of-use assets, Intangible assets with a finite useful life, Investment property, Equity investments, and Goodwill".

The Board of Directors of Salvatore Ferragamo S.p.A. approved the impairment test procedure, the WACC, the growth rate (g), and the operating cash flows derived from the 2026 budget and from the 2027-2030 cash flows prepared by company management, used for the impairment test.

The main assumptions to determine the recoverable amount are given below.

Investments subject to impairment testing	WACC (discount rate)	Growth rate "g"
Ferragamo (Malaysia) Sdn, Bhd	10.2%	2.0%
Ferragamo Belgique SA	9.9%	1.7%
Ferragamo Chile S,A,	11.4%	3.0%
Ferragamo Espana S,L,	9.9%	2.0%
Ferragamo Japan K,K	8.6%	2.0%
Ferragamo Brasil Roupas e Acessorios Ltda	20.1%	2.9%

The main assumptions to determine the recoverable amount are given below:

- the discount rate (Weighted Average Cost of Capital – WACC) was estimated according to the formulation of the unconditional Extended Capital Asset Pricing Model ("CAPM") for the cost of equity, while the cost of debt was estimated as the sum of the risk-free rate of the country of reference and the interest coverage ratio of the panel companies for estimating beta and debt equity ratio.
- The growth rate "g" was determined as the inflation rate expected to prevail over the medium-long term in the reference market.
- The terminal value was determined using the perpetuity model with a long-term growth rate "g".

The impairment test resulted in an impairment of 2,856 thousand Euro, zeroing out the value of the investment in Ferragamo (Malaysia) Sdn. Bhd and a partial write-back of 17,673 thousand Euro on the value of the investments in Ferragamo Espana S.L., Ferragamo Japan K.K. and Ferragamo Brasil Roupas e Acessórios Ltda.

The following table illustrates the changes in the Provision for excess write-downs of equity investments, showing under the "Provisions" and "Releases" columns the amount deemed appropriate, based on the value of the subsidiary's shareholders' equity, to cover the remaining losses (applying the due percentage) after the carrying amount of the equity investment is set to zero.

(In thousands of Euro) Company	% investment	Value as at 01.01.25	Increases/ (Decr.)	Provisions	Releases	Value as at 31.12.25
Ferragamo (Singapore) Pte Ltd	100	(7,048)	6,730			(301)
Ferragamo Argentina S,A,	95	(31)	-	(1,070)	-	(1,101)
Ferragamo (Thailand) Ltd	100	(3,360)	1,989	(145)	-	(1,516)
Ferragamo Monte-Carlo S,A,M,	100	(3,537)	-	(156)	-	(3,693)
Ferragamo Moda (Shanghai) Co, Ltd,	100	(24,087)	-	(1,470)	-	(25,557)
Ferragamo Retail Macau Limited	100	(1,243)	-	-	1,243	-
Ferragamo (Suisse) SA	100	(1,857)	-	-	534	(1,323)
Total		**(41,163)**	**8,719**	**(2,841)**	**1,794**	**(33,491)**

The increase:

- of 6,730 thousand Euro in Ferragamo Singapore Pte Ltd is related to the issue, on 3 September 2025, of new shares (for a total of 10.1 million Singapore dollars) fully subscribed by Salvatore Ferragamo S.p.A. through a cash payment;
- of 1,989 thousand Euro in Ferragamo (Thailand) Ltd is related to the issue of new shares on 11 September 2025 (for a total of 75 million Thai Bath), fully subscribed by Salvatore Ferragamo S.p.A. through cash payment.

The following table shows the key data from the financial statements of the subsidiaries, together with the historical cost of the equity investments as well as the Provision for write-downs and/or the Provision for excess write-downs of equity investments, if any, as at 31 December 2025:

Subsidiaries (In thousands of Euro)	% Equity investment	Total Shareholders' Equity	Profit/(loss) for the year	Historical equity investment	Prov. for write-downs and excess write-downs equity investments	Net value Equity Subsidiaries investment
Ferragamo Austria Gmbh	100	2,979	(254)	4,434	(1,630)	2,804
Ferragamo Deutschland Gmbh	100	1,394	887	9,246	(9,246)	-
Ferragamo Belgique SA	100	598	(71)	1,066	(455)	611
Ferragamo France S,A,S,	100	7,760	180	12,332	(12,332)	-
Ferragamo Espana S,L,	100	4,768	294	6,857	(757)	6,100
Ferragamo U,K, Limited	100	3,476	1,808	10,478	(10,478)	-
Ferragamo Retail Nederland B,V,	100	1,595	116	2,291	(954)	1,337
Ferragamo Australia Pty Ltd,	100	13,255	117	4,132	-	4,132
Ferragamo USA Inc,*	100	45,977	(8,623)	58,127	-	58,127
Ferragamo Mexico S, de R,L, de C,V,	99.73	42,603	1,183	538	-	538
Ferragamo Hong Kong Ltd,	100	37,354	(41,101)	12,915	-	12,915
Ferragamo (Malaysia) Sdn, Bhd,	100	2,928	67	2,856	(2,856)	-
Ferragamo Retail India Private Limited	100	(4,667)	(190)	10,211	(10,211)	-
Ferragamo Korea Ltd,	100	45,671	(4,091)	36,082	-	36,082
Ferragamo Japan K,K,	89.13	10,413	2,555	33,953	(15,745)	18,208
Ferragamo Chile S,A,	99	639	(36)	3,671	(2,801)	870
Ferragamo Brasil Roupas e Acessorios Ltda,	99	3,648	241	17,746	(15,903)	1,843
Subtotal equity investments in subsidiaries				**226,935**	**(83,368)**	**143,567**
Ferragamo Monte-Carlo S,A,M,	100	(3,693)	(157)	1,063	(4,756)	(3,693)
Ferragamo Argentina S,A,	95	(1,159)	(1,368)	4,877	(5,978)	(1,101)
Ferragamo Moda (Shanghai) Co, Ltd,	100	(25,557)	(3,397)	3,732	(29,289)	(25,557)
Ferragamo (Thailand) Limited	100	(1,516)	(331)	7,143	(8,659)	(1,516)
Ferragamo (Singapore) Pte Ltd	100	(301)	(387)	39,783	(40,084)	(301)
Ferragamo Retail Macau Limited	100	508	1,662	4,432	(4,432)	-
Ferragamo (Suisse) SA	100	(1,323)	689	890	(2,213)	(1,323)
Subtotal equity investments with Provision for excess write-downs of equity investments				**61,920**	**(95,411)**	**(33,491)**
Total				**288,855**	**(178,779)**	**110,076**

* Data refer to the Ferragamo USA Group.

11. Other non-current assets

The item "Other non current assets" of 1,051 thousand Euro (1,496 thousand Euro as at 31 December 2024) refers to the non-current portion of certain tax credits, specifically the non-current portion of the Tax Credit for research and development, design and aesthetic conception, and technological innovation, and the Tax Credit for donations in support of cultural activities (the so-called "Art Bonus").

12. Other non-current financial assets

"Other non current financial assets", totaling 227 thousand Euro (232 thousand Euro in the previous year), refer to guarantee deposits, mainly for existing rental contracts, and are accounted for at amortized cost.

13. Inventories

The breakdown of "Inventories" as at 31 December 2025 and 2024 is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Gross value of raw materials, accessories and consumables	27,702	30,476	(2,774)
Provision for obsolete inventory	(6,973)	(6,806)	(167)
Raw materials, accessories and consumables	20,729	23,670	(2,941)
Gross value of finished products and goods for resale	74,526	81,071	(6,545)
Provision for obsolete inventory	(27,193)	(28,442)	1,249
Finished products and goods for resale	**47,333**	**52,629**	**(5,296)**
Total	**68,062**	**76,299**	**(8,237)**

The stocks of raw materials, accessories and consumables decreased by 2,941 thousand Euro compared to 2024; the related provision reflects the obsolescence of raw materials (leather goods and accessories) which are no longer suitable for the Company's production plans for future collections. Raw materials also include leather and materials sent to third parties for subsequent processing.

Stocks of finished products show a net decrease of 5,296 thousand Euro. The related provision reflects the difference between the purchase or production cost and the estimated realizable value of products belonging primarily to past collections.

For a better understanding of how the above provisions for obsolete inventory were calculated, please see note 2 "Statement of compliance with IFRS and Basis of presentation – Discretionary valuations and significant accounting estimates".

Net (uses of) and/or allocations to the provision for obsolete inventory were as follows:

(In thousands of Euro)	2025	2024	Change 2025 vs. 2024
Raw materials	167	654	(487)
Finished products	(1,249)	5,828	(7,077)
Total	**(1,082)**	**6,482**	**(7,564)**

14. Right of return assets

Concerning the right of return under "Revenues from contracts with customers", the line item "Right of return assets", amounting to 10,980 thousand Euro as at 31 December 2025 (10,500 thousand Euro as at 31 December 2024), includes the estimated cost of the products expected to be returned, equal to the lower of the previous carrying amount of inventories (estimated cost of production) and net realizable value, less potential future costs associated with their recovery. This item is closely related to Refund liabilities (see note 27 "Refund liabilities") and largely refers to the Group's European companies as well as, to a lesser extent, external customers.

15. Trade receivables

The breakdown of "Trade receivables" as at 31 December 2025 and 2024 is shown in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs. 2024
Trade receivables from third parties	18,697	27,073	(8,376)
Provision for bad debt - third parties	(1,665)	(2,717)	1,052
Trade receivables from subsidiaries	183,051	154,183	28,868
Provision for bad debt - subsidiaries	(4,781)	(5,499)	718
Total	**195,302**	**173,040**	**22,262**

Trade receivables from third parties mainly refer to the credit exposure arising from sales made in the wholesale channel, they are interest-free and are generally due in 90 days or less. The related provision for bad debt is considered adequate to meet any cases of insolvency.

For detailed information on trade receivables from subsidiaries reference should be made to note 45 "Transactions with related parties".

The changes in the provision for bad debt during 2025 were as follows:

(In thousands of Euro)	Value as at 01.01.2025	Uses	Value as at 31.12.2025
Provision for bad debt - third parties	2,717	1,052	1,665
Provision for bad debt - subsidiaries	5,499	718	4,781
Total	**8,216**	**1,770**	**6,446**

For an analysis of past due but not impaired trade receivables, reference should be made to note 3 "Management of financial risks – Credit risk". The 718 thousand Euro charge to the "Provision for bad debt – subsidiaries" refers to the adjustment to year-end exchange rates of the provision for bad debt recognized for Ferragamo Retail India Private Limited, set up in previous years and referring to foreign currency trade receivables.

16. Tax receivables

The breakdown of the item is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Due from tax authorities (value added tax and other taxes)	5,450	4,491	959
Due from tax authorities for direct taxes	7,580	6,710	870
Withholding taxes	1,836	2,117	(281)
Total	**14,866**	**13,318**	**1,548**

There was a slight increase compared with the previous financial year in the VAT receivable due from the tax authorities, due to the credit generated during the year which has not been claimed for a refund.

As at 31 December 2025, the item "Other tax receivables" mainly included:

- the Research and development, design and aesthetic conception, and technological innovation tax credit, totaling 6,380 thousand Euro, of which 226 thousand Euro relating to the current portion of the credit estimated for 2025; the remainder refers to current portions accrued in previous periods. The non-current portion of said credit is recognized under "Other non-current assets";
- the 1,010 thousand Euro current portion of the tax credit for donations in support of cultural activities (known as "Art Bonus") made in 2025 and in previous years; the 243 thousand Euro non-current portion was included within "Other non-current assets"; the 202 thousand Euro tax credit for 2025, relating to donations made in 2025, was recognized in the income statement under "Other income".

17. Other current assets

The breakdown of "Other current assets" as at 31 December 2025 and 2024 is shown in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Other receivables for short-term hedging derivatives	6,022	1,612	4,410
Prepaid expenses	4,087	3,991	96
Other receivables	4,279	6,190	(1,911)
Receivables from the Holding company	13,361	12,576	785
Receivables due from credit card management companies	602	366	236
Receivables from social security institutions	81	136	(55)
Total	**28,432**	**24,871**	**3,561**

Hedging derivatives, totaling 6,022 thousand Euro (1,612 thousand Euro in the previous year), refer to the fair value measurement of outstanding derivative contracts (hedging component) entered into by the Company to manage exchange rate risk on sales in currencies other than the Euro.

Prepaid expenses included 1,776 thousand Euro (2,039 thousand Euro as at 31 December 2024) in contributions for the fit-out of tailored single-brand stores and/or stores-in-stores operated by third parties (TPOS).

The receivable from the Holding company Ferragamo Finanziaria S.p.A., in the amount of 13,361 thousand Euro, mainly refers to the corporate income tax (IRES) first advance payment paid in 2024.

18. Other current financial assets

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Financial receivables due from subsidiaries	51,556	76,664	(25,108)
Financial receivables due from subsidiaries (cash pooling)	104,381	116,171	(11,790)
Short-term derivatives	1,147	305	842
Other current financial assets	40,885	50,400	(9,515)
Total	**197,969**	**243,540**	**(45,571)**

Financial receivables from subsidiaries include loans granted to the subsidiaries Ferragamo Fashion Trading Shanghai, Ferragamo Monte-Carlo S.A.M., Ferragamo Japan K.K., Ferragamo Canada Inc, Ferragamo Retail Hong Kong and Ferragamo (Thailand) Limited. From 2022 on, in order to manage cash and liquidity more efficiently at the Group level, the Company entered into a cash pooling agreement with a number of subsidiaries; specifically, the Company's credit exposure as at 31 December 2025 was 104,381 thousand Euro (116,171 thousand Euro as at 31 December 2024). For detailed information on financial receivables due from subsidiaries, reference should be made to note 45 "Transactions with related parties" below.

The item "Short-term derivatives" totaled 1,147 thousand Euro and refers to the fair value measurement of derivatives for the non-hedging component (305 thousand Euro as at 31 December 2024). For further details, please refer to note 31 "Financial instruments and fair value measurement".

"Other current financial assets" comprise 40,885 thousand Euro relating to an insurance investment in readily liquidated multi-branch policies (40,443 thousand Euro as at 31 December 2024), with a view to continuing the process of diversifying liquidity initiated in previous financial years; it should be noted that in 2024 there was an investment in short-term Italian government securities (Ordinary Treasury Bills) totaling 9,957 thousand Euro.

19. Cash and cash equivalents

The breakdown of "Cash and cash equivalents" as at 31 December 2025 and 2024 is shown in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Time deposits	14,000	51,000	(37,000)
Bank and post-office sight deposits	118,431	121,087	(2,656)
Cash and values on hand	292	237	55
Total	**132,723**	**172,324**	**(39,601)**

Time deposits at banks have maturities ranging from one day to three months and, in any case, can be promptly liquidated without penalties. Bank and post office deposits refer to temporary cash holdings maintained mainly to meet imminent payments.

Also in FY2025, the Company's policy was to use a significant part of its cash surpluses in time-deposit investments, as well as to take out intercompany loans, regulated at current market conditions, so as to contain its bank debt.

As at 31 December 2025, the Company had unused credit lines amounting to 379,043 thousand Euro; as at 31 December 2024, unused credit lines totaled 558,502 thousand Euro. For more details, see note 21 "Interest-bearing loans & borrowings".

The item "Cash and cash equivalents" as at 31 December 2025 and 2024 is broken down as follows:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Cash and bank sight deposits	118,723	121,324	(2,601)
Time deposits	14,000	51,000	(37,000)
Total	**132,723**	**172,324**	**(39,601)**

20. Share capital and reserves

The authorized, subscribed, and paid up share capital of the Company as at 31 December 2025 totaled 16,879,000 Euro and consisted of 168,790,000 ordinary shares. During 2025, there were no changes in the number of shares issued.

The treasury share reserve, amounting to 53,676 thousand Euro, consisted of 3,113,302 shares in Salvatore Ferragamo S.p.A., at an average unit price of 17.24 Euro, purchased in 2018, 2019, 2021 and 2022 (no. 14,000, no. 136,000, no. 624,163, and no. 2,601,637, respectively), net of the free assignment to the former CEO and General Manager, in the first half of 2023 and 2024, of 114,766 and 147,732 shares, respectively, under and in pursuance of the provisions of the Restricted Shares Plan (for details of which see note 43 "Share-based payments").

Share capital contributions, totaling 2,995 thousand Euro, were paid in a lump sum in 2003 by the Holding company Ferragamo Finanziaria S.p.A. and were reduced in 2007, due to the demerger.

The legal reserve of 4,188 thousand Euro was set up in previous years.
The extraordinary reserve, amounting to 613,373 thousand Euro, consists of retained earnings; the change recorded during the period was due to a decrease of 70,535 thousand Euro, relating to the loss for the 2024 financial year.
The revaluation reserve, totaling 25,478 thousand Euro, is broken down as follows:

- Revaluation reserve as per Italian Law 342/00, amounting to 4,593 thousand Euro;
- Revaluation reserve as per Italian Law 350/03, amounting to 7,420 thousand Euro;
- Revaluation reserve as per Italian Law 266/05, amounting to 13,465 thousand Euro.

No deferred taxes have been allocated to the revaluation reserves based on the assumption that full taxation for these reserves will be indefinitely deferred. Indeed, no transactions are likely to be carried out which would cause their distribution.

The Cash flow hedge reserve was positive for 3,140 thousand Euro and is the result of the valuation of the financial instruments defined as cash flow hedges as at 31 December 2025, given the hedges of the Company against exchange rate risk, and is shown net of the tax effect.

The IAS 19 Equity reserve, negative for 1,035 thousand Euro, is the result of the valuation of actuarial gains and losses charged to shareholders' equity, as envisaged by IAS 19, and is shown net of the tax effect. This valuation was made by an independent actuary.

The item "Other reserves" totaled 18,986 thousand Euro and included the changes arising from the application of IASs/IFRSs instead of Italian accounting standards with reference to the Company's opening balance of shareholders' equity as at 1 January 2010 and the closing balance as at 31 December 2010, in addition to the changes arising from the application of IASs/IFRSs that concern Salvatore Ferragamo S.p.A. following the merger of Ferragamo Parfums S.p.A. into the Parent company in 2021.

In addition, the item "Other reserves" includes:

- the 2016-2020 Stock Grant Reserve, totaling 920 thousand Euro;
- the Stock Grant Reserve relating to prior years, totaling 5,037 thousand Euro;
- the Stock Grant reserve for the incentive plans for top management in place as at 31 December 2025, in the amount of 6,059 thousand Euro (for details, please refer to note 43 below).

Finally, the item "Other reserves" includes the 1.4 thousand Euro Provision as per art. 55 of Italian Presidential Decree 597/1973 relating to VAT recovery pursuant to art. 15 of Italian Law 26/04/1983.

The amounts are net of the tax effects where applicable.

The following table shows, for each specific item of shareholders' equity, information concerning their possibility of use and distribution, as well as their use in the last three financial years.

(In thousands of Euro) Shareholders' equity	Value as at 31 December 2025	Possibility of use	Amount available	Summary of uses made in the last three years
Share capital	16,879			
Treasury share reserve	(53,676)			
Share capital reserves				
Revaluation reserve Law 342/00	4,593	A - B	4,593	
Revaluation reserve Law 350/03	7,420	A - B	7,420	
Revaluation reserve Law 266/05	13,465	A - B	13,465	
Share capital contributions	2,995	A - B	2,995	
Provision as per Art. 55	1	A - B - C	1	
Net profit reserves				
Legal reserve	4,188	B	812	
Extraordinary reserve	613,373	A - B - C	613,373	**(62,916)**
Reserve for adoption of IASs/IFRSs	6,907	B*	2,007	
Reserve for treasury share price difference	419	A - B - C	419	
Accumulated gains/losses	(357)	B		
Cash flow hedge reserve	3,140			
IAS 19 reserve	(1,035)			
Stock Grant Reserve	12,016	A - B - C	11,189	
Net profit/(loss) for the year	6,366			
Total	**636,694**		**656,274**	**(62,916)**

Key: A - for share capital increase, B - to cover losses, C - for distribution to shareholders. * The available part of the reserve can be used only to cover losses and it must be subsequently reintegrated.

21. Interest-bearing loans & borrowings

A breakdown of current and non-current interest-bearing loans & borrowings is given below:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Financial payables to subsidiaries (cash pooling)	6,050	5,575	475
Total	**6,050**	**5,575**	**475**

During the 2025 financial year, given its healthy cash position and with a view to managing financial costs, the Company – while making no significant changes to its financial structure and maintaining cash reserves well in excess of its actual requirements – deemed it appropriate to reduce its existing committed and uncommitted credit facilities with various counterparties, while at the same time working to extend the terms of these facilities.

As at 31 December 2025, the Company reported zero payables to banks, in line with 31 December 2024. The credit lines used by the Company are arranged at floating rates. The cost of debt is generally benchmarked to the market rate for the period (usually Euribor/risk free rate/SOFR or the benchmark of the loan currency on the specific inter-bank market), increased by a spread which depends on the type of credit line used. In case of drawdowns, the margins applied would be in line with the best market standards.

The financial instruments available are:

i) uncommitted credit lines made available to the Company in order to meet short-term financial needs linked to the management of working capital;

ii) short- and medium/long-term committed revolving credit lines, negotiated on a bilateral basis by the Company.

As at 31 December 2025, available committed credit lines had a maximum residual maturity of forty-eight months and a weighted average residual maturity of thirty-five months. The credit lines and the related financial operations are spread among leading national and international banks.

As of 2022, in order to manage cash and liquidity more efficiently at the Group level, the Company has entered into a cash pooling agreement with a number of subsidiaries; as at 31 December 2025, the Company's credit exposure amounted to 104,381 thousand Euro, while as at 31 December 2024 the Company had a credit exposure of 116,171 thousand Euro. For detailed information on financial receivables due from subsidiaries, reference should be made to note 45 "Transactions with related parties" below.

Further details of the credit lines granted by banks to the Company, broken down by type, are shown in the table below. In both financial years there were no drawdowns:

	31 December 2025		31 December 2024	
(In thousands of Euro)	Agreed	Used	Agreed	Used
Committed credit lines	250,000	-	380,000	-
Revolving credit lines	250,000	-	380,000	-
Term loans	-	-	-	-
Uncommitted credit lines	129,043	-	178,502	-
Total	**379,043**	**-**	**558,502**	**-**

The following table provides the breakdown of, and changes in, the net financial position as at 31 December 2025 and 31 December 2024, presented in accordance with the model included in CONSOB Communication no. DEM/6064293 of 28 July 2006 as supplemented by CONSOB's Warning no. 5/21.

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
A. Cash	118,723	121,324	(2,601)
B. Cash equivalents	14,000	51,000	(37,000)
C. Other current financial assets*	197,969	243,540	(45,571)
D. Cash and cash equivalents (A+B+C)	**330,692**	**415,864**	**(85,172)**
E. Current financial payables (including debt instruments)	6,219	7,286	(1,067)
F. Current portion of non-current financial payables**	22,280	20,416	1,864
G. Current financial debt (E+F)	**28,499**	**27,702**	**797**
H. Current financial debt, net (G-D)	**(302,193)**	**(388,162)**	**85,969**
I. Non-current financial payables (excluding debt instruments)***	129,830	145,809	(15,979)
J. Debt instruments	-	-	-
K. Trade and other current payables	-	-	-
L. Non-current financial debt (I+J+K)	**129,830**	**145,809**	**(15,979)**
M. Net financial debt (H+L)	**(172,363)**	**(242,353)**	**69,990**

* The item includes short-term loans of 155,937 thousand Euro granted to Group companies and a cash pooling agreement with some Group Companies; for further details, reference should be made to note 18 "Other current financial assets" and note 45 "Transactions with related parties" (intra-group transactions).

** The item relates to the current lease liability (note 25 "Lease liabilities"), including 11,652 thousand Euro due to related parties. For more details on related parties, reference should be made to note 45 "Transactions with related parties".

*** The item relates to the non-current lease liability (note 25 "Lease liabilities"), including 74,117 thousand Euro due to related parties. For more details on related parties, reference should be made to note 45 "Transactions with related parties".

Limitations on the use of financial resources

Some committed credit facilities entered into by the Company include a financial covenant requiring an annual assessment of the ratio between adjusted Net Financial Debt/(surplus) and restated EBITDA (EBITDA excluding the impact of the adoption of IFRS 16).

As at 31 December 2025 the Company was in compliance with its financial and non-financial covenants.

22. Provisions for risks and charges

The changes in "Provisions for risks and charges" as at 31 December 2025 are shown in the following table:

(In thousands of Euro)	Value as at 01.01.2025	Additions	Uses	(Increases)/ Decreases	Value as at 31.12.2025
Legal disputes	1,793	110	(482)	-	1,421
Provision for other risks	75	-	(75)	-	-
Provision for excess write-downs of equity investments	41,163	2,841	(1,794)	(8,719)	33,491
Total	**43,031**	**2,951**	**(2,351)**	**(8,719)**	**34,912**

Legal disputes mainly refer to allocations against likely future liabilities relating to legal proceedings against the Company for labor disputes as well as outstanding contractual disputes. Labor disputes refer both to litigations and estimated amounts that the Company expects to incur in pre-litigation settlement.

The provision for the period relates to legal and employment disputes that arose during the 2025 financial year, whilst the drawdown of the provision for legal disputes, amounting to 482 thousand Euro, relates to the resolution during the period of some legal, tax and employment disputes and/or proceedings involving the Company; for further details on tax disputes, please refer to the following section on Tax Liabilities and to the Directors' Report, section "Significant events occurred during the financial year – Tax and customs audits and disputes".

The decrease in the provision for other risks relates to the settlement during the financial year of a supplementary indemnity for a former agent linked to the perfume business operating in Italy.

For detailed information and the changes in the "Provision for excess write-downs of equity investments" reference should be made to note 10 "Equity investments in subsidiaries".

As regards contingent liabilities, for which no provisions have been made, please refer to the section "Significant events occurred during the financial year – Tax and customs disputes and audits".

23. Employee benefit liabilities

This item included 4,020 thousand Euro in "Employee benefit liabilities" as at 31 December 2025 (4,344 thousand Euro as at 31 December 2024). The following table sets out the changes occurred during the period:

(In thousands of Euro)	31 December 2025	31 December 2024
Present value of the obligation at the beginning of the period	4,344	4,882
Financial charge/(income)	106	125
Benefits paid	(246)	(558)
Actuarial loss/(gain) arising from:		
- Financial assumptions	(156)	(58)
- Demographic assumptions	-	-
- Experience-based adjustments	(28)	(47)
Total actuarial loss / (gain)	(184)	(105)
Present value of the obligation at the end of the period	**4,020**	**4,344**

The main assumptions used in determining the present value of employee severance indemnities were as follows:

	2025	2024
Annual rate of salary increase	2.61%	2.83%
Annual discount rate	2.98%	2.44%
Inflation rate	2.10%	2.10%

As regards the demographic assumptions used in determining defined benefit liabilities, the figure used as a benchmark for the mortality rate is that for the Italian population recorded by ISTAT in 2000, less 25%, broken down by age and gender; meanwhile, the staff turnover rate has been estimated at 5.30% per year.

Here below is a quantitative sensitivity analysis for the main assumptions as at 31 December 2025 and 2024 concerning employee benefit obligations:

		2025		2024	
(In thousands of Euro)	**Change %**	Increases	Decreases	Increases	Decreases
Annual discount rate	+/- 0.5%	(137)	145	(157)	167
Mortality rate	+/- 0.025%	-	-	-	-
Staff turnover rate	+/- 0.5%	3	(3)	-	-

The above sensitivity analyses are based on reasonable changes in the key assumptions at the end of the two reporting periods being compared.

The average number of employees (in terms of full-time equivalents) by category is shown in the following table:

Average staff (Full time equivalent)	**2025**	**2024**
Top managers, middle managers and store managers	189	191
White collars	550	556
Blue collars	167	168
Temporary agency staff	17	16
Total	923	931

24. Other non-current liabilities

The item includes payables for leasehold improvement contributions, amounting to 195 thousand Euro (506 thousand Euro as at 31 December 2024), and refers to the straight-lining of amounts received or to be received from lessors for the costs incurred to fit out the stores;

25. Lease liabilities

Below are the changes in lease liabilities occurred in 2025 and 2024, broken down between current and non-current.

	Lease liabilities		
(In thousands of Euro)	**non-current**	**current**	**Total**
Value as at 01.01.2025	145,809	20,416	**166,225**
Increases	5,666	-	**5,666**
Decreases	(420)	-	**(420)**
Reclassifications	(21,225)	21,225	-
Repayment of lease liabilities	-	(19,254)	**(19,254)**
Interest expense on lease liabilities	-	6,002	**6,002**
Interest expense on lease liabilities paid	-	(6,109)	**(6,109)**
Value as at 31.12.2025	**129,830**	**22,280**	**152,110**

	Lease liabilities		
(In thousands of Euro)	**non-current**	**current**	**Total**
Value as at 01.01.2024	140,633	18,256	**158,889**
Increases	26,173	-	**26,173**
Decreases	(1,447)	-	**(1,447)**
Reclassifications	(19,550)	19,550	-
Repayment of lease liabilities	-	(17,423)	**(17,423)**
Interest expense on lease liabilities	-	5,892	**5,892**
Interest expense on lease liabilities paid	-	(5,859)	**(5,859)**
Value as at 31.12.2024	145,809	20,416	**166,225**

The average weighted IBR applicable to leases outstanding as at 31 December 2025 was 3.86%. As for the other cash outflows related to leases, see note 34 "Costs for services".

26. Trade payables

The breakdown of "Trade payables" as at 31 December 2025 and 2024 is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Trade payables to third parties	77,318	94,316	(16,998)
Invoices to be received	13,734	14,250	(516)
Payables to subsidiaries	109,095	151,097	(42,002)
Total	**200,147**	**259,663**	**(59,516)**

Trade payables do not bear interest and usually become due after 60/90 days. This item consists of payables relating to the normal commercial activity carried out by the Company, in particular costs for the purchase of raw materials, parts and manufacturing in outsourcing.

For detailed information on trade payables to subsidiaries, reference should be made to note 45 "Transactions with related parties" below.

27. Refund liabilities

Concerning the right of return under "Revenues from contracts with customers", the line item "Refund Liabilities" (20,007 thousand Euro as at 31 December 2025 and 20,170 thousand Euro as at 31 December 2024) refers to the liability to customers for the amount of the products expected to be returned. This item largely refers to the estimated returns to the Group's European companies and is related to the item "Right of return assets" (see note 14 "Right of return assets").

28. Tax payables

The breakdown of "Tax payables" as at 31 December 2025 and 2024 is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Tax payables due to foreign tax authorities for VAT (EU)	308	309	(1)
Tax payables for withholdings applied	2,414	2,263	151
Other tax payables	1	12	(11)
Total	**2,723**	**2,584**	**139**

29. Other current liabilities

The breakdown of "Other current liabilities" as at 31 December 2025 and 2024 is set out in the following table:

(In thousands of Euro)	31 December 2025	31 December 2024	Change 2025 vs 2024
Payables to staff	4,774	8,207	(3,433)
Payables to social security institutions	3,383	3,580	(197)
Other payables to third parties	759	726	33
Other payables for hedging derivatives	1,453	9,776	(8,323)
Accrued expenses	292	213	79
Deferred income	970	1,535	(565)
Total	**11,631**	**24,037**	**(12,406)**

The item "Payables to staff" mainly includes the Company's payables to employees for amounts accrued but not yet paid at the reporting date.
The item "Payables to social security institutions" refers to amounts due to social security institutions, paid in the month after the end of the reporting period, relating to amounts due to employees.

The item "Hedging derivatives" shows the fair value measurement at the end of the year of outstanding derivatives (hedging component) entered into by the Company to manage exchange rate risk. For further details, please refer to note 31 "Financial instruments and fair value measurement".

The item "Deferred income" mainly includes i) the contribution for advertising activities, scheduled for 2026, relating to the eyewear licensee, ii) royalties invoiced but accruing in future years under the terms of contracts signed with counterparties, and iii) the share pertaining to future years of the key money received from Marchon Europe B.V. (US group Marchon), licensee of the Salvatore Ferragamo trademark for eyewear products (50 thousand Euro).

Other current liabilities include 452 thousand Euro in payables to related parties, of which 439 thousand Euro is included under the heading "Other payables to third parties". For more details, please refer to note 45 "Transactions with related parties".

30. Other current financial liabilities

"Other current financial liabilities", totaling 169 thousand Euro as at 31 December 2025, include short-term derivatives (1,711 thousand Euro as at 31 December 2024) and refers to the fair value of derivatives with a negative mark-to-market at the reporting date. For further details, please refer to note 31 "Financial instruments and fair value measurement".

31. Financial instruments and fair value measurement

The classification of financial instruments under IFRS 9 involves various line items. The following table sets out the carrying amount of outstanding financial instruments, broken down by category, compared to the corresponding fair values, as at 31 December 2025 and 31 December 2024.

Classification of financial instruments and presentation of their fair value

Financial assets

	31 December 2025			31 December 2024		
	Carrying amount			Carrying amount		
(In thousands of Euro)	Current portion	Non-current portion	Fair value	Current portion	Non-current portion	Fair value
Financial assets at fair value through profit or loss						
Derivatives – non-hedging component	1,146	-	1,146	305	-	305
Assets measured at amortized cost						
Receivables due from credit cards	602	-	602	366		366
Trade receivables	195,302	-	195,302	173,040	-	173,040
Receivables for loans due from subsidiaries	155,937	-	155,937	192,835	-	192,835
Guarantee deposits	-	227	227	-	232	232
Other current financial assets	40,885	-	40,885	50,400		50,400
Cash and cash equivalents	132,723	-	132,723	172,324		172,324
Financial assets at fair value through other comprehensive income						
Derivatives – hedging component	6,022	50	6,072	1,612	-	1,612
Total	**532,617**	**277**	**532,894**	**590,882**	**232**	**591,114**

Financial liabilities

(In thousands of Euro)	31 December 2025 Carrying amount Current portion	31 December 2025 Carrying amount Non-current portion	31 December 2025 Fair value	31 December 2024 Carrying amount Current portion	31 December 2024 Carrying amount Non-current portion	31 December 2024 Fair value
Liabilities at amortized cost						
Trade payables and payments on account	200,147	-	200,147	259,663		259,663
Payables for loans due from subsidiaries	6,050	-	6,050	5,575	-	5,575
Lease liabilities*	22,280	129,830	n/a	20,416	145,809	n/a
Financial liabilities at fair value through profit or loss						
Derivatives – non-hedging component	169	-	169	1,711	-	1,711
Financial liabilities at fair value through other comprehensive income						
Derivatives – hedging component	1,453	-	1,453	9,776	-	9,776
Total	**230,099**	**129,830**	**207,819**	**297,141**	**145,809**	**276,725**

*Pursuant to IFRS 16, Lease liabilities are not measured at fair value.

The table shows that most outstanding financial assets and liabilities refer to short-term financial items, except for lease liabilities; taking into account their nature, the carrying amount of most of these items is a reasonable approximation of their fair value.

In all other cases, fair value is measured according to methods which can be classified in Level 2 of the hierarchy of significance of data used in determining fair value as defined by IFRS 13.

The Company uses internal valuation models, which are generally used in finance, on the basis of prices supplied by market operators or prices collected on active markets through leading info-providers.

To determine the fair value of derivatives, the Company uses a pricing model based on market values of interest rates and exchange rates at the measurement date.

Also for "Guarantee deposits", the carrying amount is a reasonable approximation of the fair value.

There have been no changes in the measurement methods used compared to previous years or transfers from one Level to another in the hierarchy of assets or liabilities measured at fair value.

The Company calculates non-performance risk, i.e. the risk that one of the parties may not fulfill its contractual obligations due to a possible default before the derivative expires, both in reference to counterparty risk (Credit Value Adjustment: CVA), and to its own risk (Debt Risk Adjustment: DVA), applying it to the market value of the risk-free portfolio. Taking into account the type of derivatives in the portfolio (solely sales and purchases through currency forward contracts), the relevant maturity (not over twelve months), and the Company's and counterparties' ratings, these adjustments are immaterial.

In addition, it should be noted that, in compliance with the ISDA Master Agreements and the existing framework agreements relating to derivatives, it is generally possible to offset (through netting) all the outstanding financial assets and liabilities arising from these derivatives.

The following table summarizes the impacts on the Income Statement and Shareholders' Equity with reference to each category of financial instruments outstanding for the Company in 2025 and 2024.

(In thousands of Euro)	31 December 2025	31 December 2024
Net gains/(losses) on financial instruments recognized in profit or loss:		
Financial assets/liabilities held for trading	17,733	(13,351)
Derivatives – hedging component	12,983	4,841
Net gains/(losses) on financial instruments recognized in shareholders' equity:		
Derivatives – hedging component	11,112	(12,533)
Interest income/expense (calculated using the internal rate of return method) accrued on financial assets/liabilities not at FVTPL:		
Interest income	11,928	15,650
Interest expense	267	8
Interest expense on lease liabilities	6,002	5,892
Expenses and fees not included in the effective interest rate:		
regarding financial liabilities	*784*	*1,011*
Interest income accrued on financial instruments written-off		
Provisions for impairment on financial assets:		
Receivables/loans	-	597

Comments on the main income statement items

For a better understanding of the development in income statement items, reference should also be made to the comments in the Directors' report on operations relating to the comparison between the data for 2025 and 2024.

32. Revenues from contracts with customers

In 2025 and 2024, revenues from contracts with customers totaled 593,580 thousand Euro and 630,795 thousand Euro, respectively. The tables below provide the breakdown by channel and geographic area of the main categories of revenues from contracts with customers.

2025

(In thousands of Euro)	DTC	Wholesale	Royalties	Other income and services	Total Revenues from contracts with customers
Europe	74,265	114,430	12,326	3,048	204,069
North America	-	174,756	53	9,001	183,810
Asia Pacific	-	127,273	-	3,957	131,230
Japan	-	27,540	-	1,415	28,955
Central and South America	-	43,673	-	1,843	45,516
Total	**74,265**	**487,672**	**12,379**	**19,264**	**593,580**

2024

(In thousands of Euro)	DTC	Wholesale	Royalties	Other income and services	Total Revenues from contracts with customers
Europe	73,339	134,328	13,792	2,854	224,313
North America	-	151,830	53	8,716	160,599
Asia Pacific	-	159,933	-	5,205	165,138
Japan	-	35,505	-	1,321	36,826
Central and South America	-	41,833	-	2,086	43,919
Total	**73,339**	**523,429**	**13,845**	**20,182**	**630,795**

The Company discloses the disaggregation or revenue using a qualitative-quantitative approach. The Company recognizes revenues from the sale of goods through both the DTC and wholesale channels when control over the asset is transferred to the customer, generally upon delivery; in the case of other income and services, revenues are recognized when the service is rendered to customers.

DTC sales mainly refer to revenues generated by sales in directly operated stores (DOS) in Italy and, to a lesser extent, to sales generated through the Company's e-commerce channel.
Wholesale revenues mainly include sales to Group companies and to a lesser extent to retailers.

Revenues from royalties mainly derive from the licensing of the Salvatore Ferragamo trademark with reference to the product categories: eyewear, to the company Marchon Europe B.V.; watches, to the company Vertime B.V. (Timex Group); and fragrances, to the company Inter Parfums Inc. Revenues from royalties are accounted for based on the stage of completion of the licensee's sales.

Other income and services mainly include the recovery of freight and packaging costs as well as services provided to subsidiaries.

For detailed information on revenues from subsidiaries, reference should be made to note 45 "Transactions with related parties" below.

33. Costs for raw materials, goods and consumables

The breakdown of "Costs for raw materials, goods and consumables" as at 31 December 2025 and 2024 is shown in the following table:

(In thousands of Euro)	2025	2024	Change 2025 vs 2024
Raw materials	96,803	107,345	(10,542)
Finished products	45,226	47,808	(2,582)
Packaging	3,934	4,239	(305)
Other purchases of materials	1,058	1,326	(268)
Stationery	258	284	(26)
Change in inventories of raw materials, accessories and consumables	2,940	5,073	(2,133)
Total	**150,219**	**166,075**	**(15,856)**

34. Costs for services

The breakdown of "Costs for services" as at 31 December 2025 and 2024 is set out in the following table:

(In thousands of Euro)	2025	2024	Change 2025 vs 2024
Manufacturing in outsourcing	112,584	123,693	(11,109)
Production, general, administrative and sales costs	98,012	108,633	(10,621)
Costs for the use of third-party assets	12,580	11,851	729
Total	**223,176**	**244,177**	**(21,001)**

As at 31 December 2025, "Production, general, administrative and sales costs" mainly included:

- 37,248 thousand Euro in communication costs (press advertising, public relations, store window display expenses, events and other advertising expenses) (38,889 thousand Euro in 2024);
- 26,359 thousand Euro in consultancy costs and fees to third parties (legal, administrative, product, manufacturing process, IT and other minor costs) (28,367 thousand Euro in 2024);
- transport and logistical costs for 6,948 thousand Euro (7,458 thousand Euro in 2024);
- 7,668 thousand Euro in costs for services provided by subsidiaries (14,736 thousand Euro in 2024); for details on these costs, reference should be made to note 45 "Transactions with related parties" below;
- maintenance and utilities costs for 7,930 thousand Euro (8,373 thousand Euro in 2024);
- 3,078 thousand Euro in fees paid to Directors, Statutory Auditors and the Supervisory Body (1.398 thousand Euro in 2024); for detailed information on these fees, reference should be made to note 46 "Fees paid to Directors and Statutory Auditors" below.

The following table shows the impacts of leases, accounted for both under IFRS 16 and outside the scope of said standard, on the income statement in 2025 and 2024:

(In thousands of Euro)	2025	% of Total	2024	% of Total
Depreciation of right-of-use assets	22,091	70.7%	21,522	70.3%
Net interest on lease liabilities	5,971	19.1%	5,752	18.8%
Costs relating to short-term leases	282	0.9%	312	1.0%
Costs relating to low-value leases	451	1.4%	503	1.6%
Costs relating to leases with variable payments not included in the measurement of lease liabilities	2,453	7.9%	2,549	8.3%
Total	**31,248**	**100.0%**	**30,638**	**100.0%**

Some of the Company's leases contain variable lease payments linked to the revenues generated by stores (DOS), in leased premises that are not included in the measurement of leases, in accordance with the accounting standard IFRS 16, and are recognized on an accrual basis. As at 31 December 2025, overall variable lease payments accounted for 7.9% of the total expense recognized in profit or loss associated with leases either included or not in the lease liability as per the accounting standard IFRS 16. Variable lease payments depend on sales, and therefore on economic performance in subsequent years. The Group estimates that in the future variable lease payments will continue to be proportionate to the sales of finished goods.
In general, the Company's leases include clauses that prohibit subleasing the leased asset, but do not require the Company to comply with financial covenants.

The Company does not have any early termination options that it intends to exercise but did not consider when measuring the lease liability. With respect to renewal options, under its accounting policy for determining the lease term the Company considered the renewal options it intends to exercise.

The Company reports commitments for short-term leases expected for 2026 in line with those reported in the 2025 income statement.

35. Personnel costs

The breakdown of "Personnel costs" as at 31 December 2025 and 2024 is set out in the following table:

(In thousands of Euro)	2025	2024	Change 2025 vs 2024
Salaries and wages	58,872	58,955	(83)
Stock grant plan costs	(2,367)	2,356	(4,723)
MLT incentive plan costs	(240)	(360)	120
Social security and welfare cost	16,072	16,270	(198)
Allocation of severance indemnities and allocation to complementary pension funds	3,514	3,680	(166)
Total	**75,851**	**80,901**	**(5,050)**

"Personnel costs" were lower than in 2024, when they included the remuneration relating to the employment contract of the former Chief Executive Officer and General Manager, as well as the estimated variable bonus and remuneration for the period under share-based payment schemes. As at 31 December 2025, the cost relating to the former Chief Executive Officer amounted to 2,576 thousand Euro and included remuneration relating to his employment until 6 March 2025 and the compensation agreed between the parties for the termination of his employment (net of the positive adjustment to the income statement of 2,511 thousand Euro relating to the closure of the 2022–2026 Special Award Plan to reflect the failure to meet the condition of continued service).

For more details on "Stock grant plan costs", see note 43 "Share-based payments" and note 45 "Transactions with related parties".

36. Amortization, depreciation and write-downs

The breakdown of "Amortization, depreciation and write-downs" as at 31 December 2025 and 2024 is set out in the following table:

(In thousands of Euro)	2025	2024	Change 2025 vs 2024
Depreciation of tangible assets	11,426	12,102	(676)
Depreciation of investment property	26	7	19
Depreciation of right-of-use assets	22,091	21,523	568
Amortization of intangible assets	9,264	10,258	(994)
Write-downs of tangible assets, intangible assets and investment property	1,883	5,094	(3,211)
Total	**44,690**	**48,984**	**(4,294)**

For further details on the item "Write-downs of tangible assets, intangible assets and investment", please refer to Note 5 "Property, plant and equipment".

37. Other operating costs

(In thousands of Euro)	2025	2024	Change 2025 vs 2024
EBIT Adjustment to subsidiaries	82,008	142,704	(60,696)
Other costs for subsidiaries	21,367	-	21,367
Donations	1,062	1,103	(41)
Provision for risks and charges	110	1,034	(924)
Provision for bad debt – third parties	-	321	(321)
Provision for bad debt – subsidiaries	-	276	(276)
Taxes and charges	937	1,102	(165)
Membership fees	463	468	(5)
Other operating costs	681	1,070	(389)
Windfall losses	29	999	(970)
Total other operating costs	**106,657**	**149,077**	**(42,420)**

As at 31 December 2025, the item amounted to 106,657 thousand Euro and mainly included:

- costs relating to subsidiaries amounting to 103,375 thousand Euro: of which i) 21,367 thousand Euro relates to the compensatory adjustment made in 2025 in respect of the Chinese subsidiary Ferragamo Fashion Trading (Shanghai) Co. Ltd. in accordance with the Group's Transfer Pricing Policy, in order to achieve a margin in line with that of independent parties, and ii) 82,008 thousand Euro relating to adjustments to EBIT for subsidiaries attributable to the effect arising from the renewal of the Transfer Pricing Agreement with the Italian Revenue Agency – Central Assessment Directorate – International Ruling Office, which took place on 20 December 2022 and is effective for a further five-year period from 2022 to 2026; this agreement is fully in line with the previous one. For more details, please refer to the Directors' report on operations, section "Significant events occurred during the year", as well as to note 45 "Transactions with related parties" below;
- 1,062 thousand Euro in donations, including donations made in 2025 to support cultural activities (the so-called "Art Bonus") amounting to 310 thousand Euro.

38. Other income

(In thousands of Euro)	2025	2024	Change 2025 vs 2024
Recovery of expenses from subsidiaries	2,218	2,631	(413)
Positive EBIT Adjustment to subsidiaries	666	4,327	(3,661)
Advertising contributions	4,246	5,449	(1,203)
Revenues from Tax Credits	897	1,586	(689)
Grants received for improvements-straight-lining	71	66	5
Operating grants	50	76	(26)
Releases of the Provision for risks and charges and Provision for bad debt	2,014	1,235	779
Insurance refunds	751	56	695
Revenues from museum exhibitions	131	150	(19)
Other income and revenues	1,346	4,107	(2,761)
Total Other income	**12,390**	**19,683**	**(7,293)**

As at 31 December 2025, the item "Other income" amounted to 12,390 thousand Euro and mainly included:

- 666 thousand Euro in income from EBIT Adjustments by subsidiaries. For more details, please refer to the Directors' report on operations, section "Significant events occurred during the year", as well as to note 45 "Transactions with related parties" below;
- 4,246 thousand Euro in advertising contributions from third parties;
- 2,218 thousand Euro in recovery of expenses from subsidiaries;
- 897 thousand Euro in revenues deriving from the recognition of tax credits (including the recognition of estimated Research and development, design and aesthetic conception, and technological innovation tax credit and the tax credit amounting to 65% of donations in support of cultural activities, i.e. the so-called "Art Bonus", made during the year);
- 2,014 thousand Euro in uses of the provision for bad debt and the provision for risks and charges;

39. Financial charges

The breakdown of "Financial charges" as at 31 December 2025 and 2024 is set out in the following table:

(In thousands of Euro)	2025	2024	Change 2025 vs 2024
Financial charges for fair value adjustment of derivatives	15,166	22,507	(7,341)
Write-downs/Provision for excess write-downs of equity investments	5,697	41,289	(35,592)
Losses on exchange rate differences	39,980	6,125	33,855
Interest expense on lease liabilities	6,002	5,892	110
Other financial charges	1,284	1,429	(145)
Financial charges on employee benefits under IAS 19	105	125	(20)
Expenses on lease liabilities	-	1	(1)
Interest expense	268	8	260
Total	**68,502**	**77,376**	**(8,874)**

For more details on "Write-downs/Provision for excess write-downs of equity investments", see note 10 "Equity investments in subsidiaries".

40. Financial income

The breakdown of "Financial income" as at 31 December 2025 and 2024 is set out in the following table:

(In thousands of Euro)	2025	2024	Change 2025 vs 2024
Financial income for fair value adjustment of derivatives	32,900	9,156	23,744
Financial income from lease liabilities	30	140	(110)
Restatement/Releases of Provision for excess write-downs of equity investments	19,467	169	19,298
Gains on exchange rate differences	9,097	13,745	(4,648)
Interest income	3,679	6,688	(3,009)
Interest income from subsidiaries	8,248	8,962	(714)
Total	**73,421**	**38,860**	**34,561**

For further details on the item "Restatement/Releases of Provision for excess write-downs of equity investments", please refer to Note 10 "Investments in subsidiaries".

41. Income taxes

The breakdown of "Income taxes" as at 31 December 2025 and 2024 is set out in the following table:

(In thousands of Euro)	2025	2024	Change 2025 vs 2024
Current taxes	(1,223)	(895)	(328)
Deferred taxes	2,111	7,436	(5,325)
Total income taxes	**888**	**6,541**	**(5,653)**

The pre-tax profit of 5,478 thousand Euro resulted in the recognition of tax assets of 888 thousand Euro, mainly due to the fact that revaluations (net of write-downs) on the investment portfolio were not subject to tax, whereas in the 2024 financial year, the Company had recorded a pre-tax loss of 77,076 thousand Euro, resulting in the recognition of tax assets of 6,541 thousand Euro.

(In thousands of Euro)	2025	2024	Change 2025 vs 2024
Current taxes			
IRES	(943)	(979)	36
IRAP	(280)	83	(363)
Total	**(1,223)**	**(896)**	**(327)**
Deferred taxes:			
- IRES deferred in current year	3,466	12,666	(9,200)
- IRAP deferred in current year	4	99	(95)
Use of IRES deferred in previous years	(1,319)	(4,954)	3,635
Use of IRAP deferred in previous years	(40)	(374)	334
Total	**2,111**	**7,437**	**(5,326)**
Use of/(Allocation) to the provision for risks for taxes from previous years		-	-
Total income taxes	**888**	**6,541**	**(5,653)**

Deferred tax assets and liabilities

The following table provides a breakdown by nature of deferred tax assets and liabilities as at 31 December 2025 and 31 December 2024.

	Statement of Financial Position		Other Comprehensive Income		Income statement	
(In thousands of Euro)	31 December 2025	31 December 2024	31 December 2025	31 December 2024	2025	2024
Deferred tax assets						
- on employee benefits	**355**	**397**	**(44)**	**372**	3	5
- on tangible assets	1,352	1,456	-	-	(104)	350
- on intangible assets	**373**	**746**			(373)	(373)
- on the cash flow hedge reserve	**-**	**1,676**	**(1,676)**	**1,676**	-	-
- on the valuation of inventories	8,200	8,460	-	-	(260)	1,556
- on tax losses	13,319	9,778	-	-	3,541	9,778
- on receivables	417	417	-	-	-	-
- on taxed provisions	397	525	-	-	(128)	(1,227)
- for other temporary differences	2,557	3,125	-	-	(568)	(2,653)
Deferred tax assets	**26,970**	**26,580**	**(1,720)**	**2,048**	**2,111**	**7,436**
Deferred tax liabilities						
- on the Cash Flow Hedge reserve	(990)	-	(990)	-	-	-
- for other temporary differences	(2,898)	(2,898)	-	-	-	-
Deferred tax liabilities	**(3,888)**	**(2,898)**	**(990)**	**-**	**-**	**-**
Net effect	**23,082**	**23,682**	**(2,710)**	**2,048**	**2,111**	**7,436**

Deferred taxes reflect the net tax effect of temporary differences between the carrying amount and the taxable amount of assets and liabilities.
The recognition of deferred tax assets was duly adjusted to take account of the effective possibility of realization.

The reconciliation between the theoretical tax charge and the effective tax charge as at 31 December 2025 and 2024 is as follows:

(In thousands of Euro)	2025	%	2024	%
IRES				
Profit before taxes	**5,478**		**(77,076)**	
Theoretical taxes	1,315	24%	(18,498)	24.0%
Effective taxes	(1,204)	(22.0%)	(6,733)	**8.7%**
Difference due to:	**(2,519)**	**(46.0%)**	**11,765**	**(15.3%)**
i) Effect of pass-through mechanism of taxation of income of foreign companies resident in countries/ territories with a privileged tax regime	-	0.0%	44	**(0.1%)**
ii) Other effects	782	14.3%	934	**(1.2%)**
Increases				
Write-downs of investments	1,367	25.0%	9,909	**(12.9%)**
Other permanent differences	1,439	26.3%	4,113	**(5.3%)**
Decreases				
Restatement value of investments	(4,672)	(85.3%)	(41)	**0.1%**
IRAP deduction	(67)	(1.2%)	-	-
Effect of the Patent Box	(854)	(15.6%)	(882)	1.1%
Tax Credits Impact	(215)	(3.9%)	(380)	0.5%
Other permanent differences	(299)	(5.6%)	(1,932)	2.5%
Total difference	**(2,519)**	**(46.0%)**	**11,765**	**(15.3%)**

(In thousands of Euro)	2025	%	2024	%
IRAP				
Net value of production	**560**		**(38,559)**	
Theoretical taxes	22	3.9%	(1,504)	3.9%
Effective taxes	316	56.4%	192	**(0.5%)**
Difference due to:	**294**	**52.5%**	**1,696**	**(4.4%)**
i) Effect of increases in regional IRAP rates	3	0.5%	-	**0.0%**
ii) Effects from non-registration of deferred taxes	-	-	1,467	**(3.8%)**
ii) Other effects	-	-	**83**	**(0.2%)**
Increases				
Personnel costs	2,908	519.3%	3,106	**(8.1%)**
Other permanent differences	302	54.0%	**413**	**(1.1%)**
Decreases				
Tax wedge	(2,680)	(478.6%)	(3,010)	7.8%
Impact of the Patent Box	(139)	(24.8%)	(143)	0.4%
Tax Credits Impact	(35)	(6.3%)	(62)	0.2%
Other permanent differences	(65)	(11.6%)	(158)	0.4%
Total difference	**294**	**52.5%**	**1,696**	**(4.4%)**

Other information

42. Dividends

Pursuant to the resolution passed by the Shareholders' Meeting held on 16 April 2025, the Parent Company Salvatore Ferragamo S.p.A. fully covered the 70,534,828 Euro loss for the year 2024 by drawing an equivalent amount from the Extraordinary Reserve.

43. Share-based payments

As announced in a specific press release dated 3 February 2025, on the same date the Company and Marco Gobbetti reached a mutual agreement on the termination of employment and administrative relationship, effective from the date of approval of the draft financial statements for FY2024, i.e. 6 March 2025, with concurrent waiver of the 2024 STI and Restricted Shares 2024 LTI Special Award 2022-2026 Plan. For more details, reference should be made to the section "Significant events occurred after 31 December 2024".

Restricted Shares Plan

The Restricted Shares Plan, approved by the Shareholders' Meeting of 14 December 2021 and as amended by the Shareholders' Meeting of 26 April 2023, provides for the assignment of shares in the Company to the CEO and General Manager Marco Gobbetti (the "Recipient"), insofar as it pertains to the relevant employment relationship.

The plan was aimed at strengthening the alignment of interests between the Recipient and all the Group's stakeholders, particularly fostering his motivation and loyalty to the Company and the Group, which are key to the implementation of the major change in the Group's business and strategic plan.

There were no changes to the stock grant reserve in relation to this scheme during the 2025 financial year.

Special Award 2022-2026 Plan

a) Plan description

The Special Award Plan is intended to strengthen the alignment of interests between top management and all the Ferragamo Group's stakeholders in order to create value, providing recipients with an incentive to meet the Company's medium/long-term targets – also reflected in the business plan – and boosting retention.

In consideration and for the purpose of pursuing these targets, the Special Award Plan provides for a single cycle subject to a five-year performance period. This timeframe is considered to be appropriate for the achievement of the aforementioned long-term targets pursued through the Special Award Plan. Recipient of the Special Award Plan was the former Chief Executive Officer and General Manager of the Company, for whom the service condition has ceased to apply.

As at 31 December 2025 and as at the date of this Report, no further beneficiaries have been identified who may be designated by the Board of Directors (at the start of the Plan or during the Vesting Period, applying, in that case, a pro-rata parameter to recalculate the Special Award Bonus, taking into account the actual length of service during the Vesting Period), at its sole discretion, from among the senior managers who currently hold or will hold the position of directors, employees and/or collaborators of the Company and its subsidiaries.

Object of the Plan

The Special Award Plan provides for the disbursement of a "Special Award Bonus" in two installments, respectively: (a) at the end of the first three-year period from 1 January 2022 (i.e. 31 December 2024), once the first target has been reached; and (b) at the end of the following two-year period (i.e. 31 December 2026), once the second target has been reached, subject to the existence at such dates of a management and/or employment relationship between each Recipient and the Company or Subsidiary, on a case by case basis. The disbursement of the "Special Award Bonus", for both installments, will be paid 50% in cash and the remaining 50% in Company shares.

Each installment shall be equal to a percentage (determined by the Company's competent bodies and equal to 0.50% for the Managing Director and General Manager) of the Company's average capitalization in a period between the three months before and after the end of the first three-year period and the subsequent two-year period from the start of the relationship (the "Average Value").

For the portion of the Special Award Bonus that will be paid through the free allocation of Company shares, this shall take place using treasury shares arising from purchases authorized by the Shareholders' Meeting, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code, and/or any specific share capital increases pursuant to Article 2349, paragraph 1, of the Italian Civil Code.

The shares allocated to recipients will be locked up for 3 months.

The Plan's incentive is subject to ex-post adjustment mechanisms under the Company's remuneration policies (including claw back clauses, limited to any conduct that constitutes malice attributable to the recipients).

b) Changes to the Stock Grant Reserve and Plan Cost

(In thousands of Euro)	31 December 2025 Fair value	31 December 2024 Fair value
Rights to receive shares assigned to the CEO and General Manager		
- at the start of the year	7,737	5,153
- assigned in the year	-	-
- canceled in the year	(7,737)	-
- at the end of the period	-	7,737

(In thousands of Euro)	31 December 2025	31 December 2024
Cost of share-based payment transactions (payment in shares)	(2,505)	2,584
(Cost adjustment)/Cost of share-based payment transactions (payment in cash)	(6)	(345)

Following the mutual agreement on the termination of the relationship between the Company and the CEO, on 3 February 2025, with the simultaneous waiver of the 2024 STI and Restricted Shares 2024 LTI bonuses known as "special award" 2022-2026, the following should be noted with reference to the Special Award Plan 2022-2026:

- the first installment (for the 2022-2024 three-year period) was due on 31 December 2024, therefore, as a result of the waiver, in 2025 there will be no disbursements and/or changes in the accumulated cost recognized under personnel costs during the three-year period (2022-2024), which amounts to 5,231 thousand Euro;
- the second installment (for the 2025-2026 two-year period), which is also subject to waiver, has not yet accrued, and in 2025 it has determined a positive change in the income statement of 2,511 thousand Euro, to reflect the failure to achieve the condition of remaining in service.

Performance and Restricted Shares 2023-2025 Plan (LTI Plan)

a) Plan description

The Performance and Restricted Shares 2023-2025 Plan, approved by the Shareholders' Meeting of 26 April 2023, is intended to strengthen, as part of the recipients' overall remuneration package, the alignment of management interests with all the Group's stakeholders, boosting specifically their motivation and loyalty (with a view to retention) to Salvatore Ferragamo S.p.A. and the Group, in a logic of sustainability and value creation in the medium and long term. For these reasons, the Plan is divided into three cycles, each with a three-year vesting period. This timeframe seems appropriate to achieve the above objectives.

The Performance and Restricted Shares Plan 2023-2025 is reserved for selected employees and/or directors and/or collaborators of Salvatore Ferragamo S.p.A. and/or other companies belonging to the Ferragamo Group who are considered key to the pursuit of sustainable success in the medium to long term and who have been identified by the Board of Directors of Salvatore Ferragamo S.p.A., after consulting with the Nomination and Remuneration Committee (for each of the Plan cycles) at its sole discretion ("Recipients").

As at 31 December 2025, the Recipients of the Plan were 69 (279,327 rights granted) and they have been identified among the employees of Salvatore Ferragamo S.p.A. and the following subsidiaries: Ferragamo USA Inc., Ferragamo Brasil Roupas e Acessorios Ltda., Ferragamo Japan K.K., Ferragamo Korea Ltd., Ferragamo Hong Kong Ltd., Ferragamo Fashion Trading (Shanghai) Co. Ltd. and Ferragamo Retail HK Limited.

A member of the Board of Directors is among the recipients of the plan.

The Board of Directors, at its sole discretion, may identify additional recipients (during the first vesting year of each cycle, with the application, in this case, of a pro-rata temporis parameter that re-proportions rights taking into account the actual period of service during the Vesting Period) among the top managers who hold and will hold the role of directors, employees and/or collaborators of the Company and of subsidiaries.

Object of the Plan

The Plan is divided into three Cycles. The first covers the 2023-2025 vesting period, the second covers the 2024-2026 vesting period, and the third covers the 2025-2027 vesting period.

Each individual cycle of the Performance and Restricted Shares 2023-2025 Plan includes:

a) the free allocation to the Recipients of a certain number of initial rights (the "Initial Rights") to acquire (each) ownership of 1 share of Salvatore Ferragamo S.p.A., subject to the achievement of retention and performance targets, and, in the aggregate, any number of additional rights at the end of each vesting period;

b) the definition of performance indicators for each cycle during the allocation of Initial Rights;

c) the allocation of shares to the Recipients, depending on the level of the performance indicators achieved and in relation to the achievement of the retention targets, at the end of each vesting period and subject to the verification of the fulfillment of the conditions set out in the Performance and Restricted Shares 2023-2025 Plan.

The vesting of the Initial Rights – divided into an amount equal to 75% of the same, linked to the achievement of retention and performance targets (the "Performance Rights"), and the remaining amount equal to 25% linked to the achievement of retention-only targets (the "Retention Rights") – and the corresponding allocation of the shares will be subject to verification by the Board of Directors:

a) for Performance Rights, of the achievement of the condition of continued employment and/or collaboration and/or management relationship between the recipient and Salvatore Ferragamo S.p.A. and/or any other company of the Ferragamo Group (the "Relationship") at the end of the vesting period of each cycle of the Plan and the achievement of one or more performance indicators at the end of the vesting period of each cycle of the Plan; and

b) for Retention Rights, of the achievement of the sole condition of continued Relationship at the end of the vesting period of each cycle of the Plan.

The relevant indicators for the vesting of Performance Rights for the first Plan Cycle (2023-2025) and the second Plan Cycle (2024-2026) are divided between economic and financial performance indicators (in line with the Business Plan) and ESG indicators (in accordance with the recommendations of the Corporate Governance Code and market best practices) and are as follows:

a) average % growth relating to product net sales, which is defined as the sum of DTC and wholesale channel sales (as shown in the financial statements) net of allocations and returns (i.e. excluding other revenue components such as royalties, cash flow hedging effect on revenues, rental income investment properties, etc.);

b) cumulative EBITDA over the 2023-2025 three-year period (for the first Plan Cycle) and over the 2024-2026 three-year period (for the second Plan Cycle), which is defined as operating profit (as shown in the financial statements) before amortization, depreciation and write-downs of tangible/intangible assets and right-of-use assets;

c) i. average ROIC over the 2023-2025 three-year period, which is defined as net income for the period (as reported in the Salvatore Ferragamo Group's annual consolidated financial statements for the reporting year) divided by average adjusted net invested capital (the latter represented by net invested capital excluding right-of-use assets and assets classified as investment property), applicable to the first Plan Cycle only;

ii. Net Cash Flow: difference between Adjusted net financial debt/(surplus) at the end of the 2024-2026 three-year period and Adjusted net financial debt/(surplus) at the end of FY2023, only applicable for the second Cycle;

d) ESG, which represents the level of achievement of targets related to the environmental and social sustainability of the Group's operations.

These targets, with reference to the first Cycle, are:

i. climate metrics: 100% renewable energy in all company locations worldwide by 2029;

ii. Gender pay gap measurement for employees of Salvatore Ferragamo S.p.A. and subsidiaries in North America, Korea and China;

iii. Uni PdR 125/22 certification (i.e. certification on the effective adoption of the gender equality management system in 6 main areas: Culture and strategy, Governance, HR processes, Opportunities for growth and inclusion of women in business, Gender pay equity, Parental protection and work-life balance).

These targets, with reference to the second Cycle, are:

i. Metric on Supply chain: increase the supply chain transparency by mapping 60% of leather suppliers (tier 1 and 2) and acquiring ESG information (focus on social aspects and governance);

ii. measurement of the Gender pay gap: certification of the result, definition of a roadmap, and implementation of initiatives to bridge the gap;

iii. Engagement: Measuring employee engagement by 2024 and improving it in 2026.

The number of Initial Rights is determined by the Board of Directors, subject to the favorable opinion of the Nomination and Remuneration Committee, on the basis of an indicator equal to a multiple/percentage of the fixed remuneration of each recipient and dividing this monetary amount by the average of the official price of the Shares during the 30 days preceding the 1st of January of the year in which each cycle of the Plan begins.

Moreover, at the end of the vesting period of each cycle of the Plan, each recipient will be granted, free of charge, an additional number of rights calculated on the basis of the Initial Rights accrued and the cumulative amount of dividends per Share distributed to the shareholders of Salvatore Ferragamo S.p.A. during the period between the first day of the vesting period and the day preceding the date of grant of the Shares, both inclusive.

The allocation of Shares is further dependent on:

a) continued Relationship (not in notice period); and

b) the absence of particularly serious violations of the Group's Code of Ethics leading to termination of employment.

The shares, in the number corresponding to the total number of rights, will be allocated to the recipients by means of a communication from Salvatore Ferragamo S.p.A. no later than the thirtieth calendar day following the date of approval of the consolidated financial statements for the last year of each cycle.

Shares are to be awarded free of charge under the Plan by using treasury shares arising from purchases authorized by the Shareholders' Meeting, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code.

It should be noted that on 23 October 2025 – taking into account: i) the particular volatility of the market; ii) the difficulty in identifying, by 31 December 2025, reliable targets against which to measure the performance objectives of the third cycle (2025–2027) of the "Performance and Restricted Shares 2023 - 2025" LTI Plan, with the consequent potential loss of effectiveness of the Plan and the associated costs in relation to the objective of incentivizing and retaining managers to pursue the Company's sustainable success in the medium to long term; and iii) the fact that the possible implementation of the third cycle of the Plan, as currently conceived, could prevent the Company from launching a new medium-to-long-term management incentive plan, once the Group's new plan has been defined and approved, as it would overlap, in whole or in part, with a further incentive plan that could ensure greater alignment of senior management with the new strategy - the Board of Directors, following a favorable opinion from the Control and Risks Committee acting as the Related Party Transactions Committee, the Nomination and Remuneration Committee and the Board of Statutory Auditors, resolved to temporarily suspend the third cycle (2025–2027) of the "Performance and Restricted Shares 2023 - 2025" LTI Plan approved by the Shareholders' Meeting on 26 April 2023 and intended for the Company's managers, reserving the right to subsequently cancel the aforementioned third cycle of the Plan should a new long-term variable incentive plan be established.

In implementation of the above, on 11 March 2026, the Board of Directors resolved to definitively cancel the Third Cycle (2025–2027) of the "Performance and Restricted Shares 2023 –2025" LTI Plan, given the concurrent decision to submit a new "Performance and Restricted Shares" LTI Plan for the period 2026–2028 for approval at the Shareholders' Meeting convened for 23 April 2026.

Changes in the period in the number of rights to receive shares assigned*	31 December 2025	31 December 2024
(i) Outstanding at the start of the year	390,716	160,149
(ii) Assigned in the period	-	257,069
(iii) Canceled in the period	111,389	26,502
(iv) Exercised in the period	-	-
(v) Expired in the period	-	-
(vi) Outstanding at the end of the period	**279,327**	**390,716**
(vii) Exercisable at the end of the period	-	-

* The average price for the period has not been indicated since it is a plan with free assignment of shares.

b) Changes to the Stock Grant Reserve

Fair value (In thousands of Euro)	2025		2024	
	Number	Fair value	Number	Fair value
Rights to receive shares assigned to employees of Salvatore Ferragamo S.p.A.				
- at the start of the year	201,996	218	80,247	100
- assigned in the year	-	-	137,313	7
- canceled in the year	73,962	92	15,564	19
- at the end of the period	128,034	362	201,996	218
Rights to receive shares assigned to employees of subsidiaries				
- at the start of the year	188,720	230	79,902	99
- assigned in the year	-	-	119,756	6
- canceled in the year	37,427	53	10,938	14
- at the end of the period	151,293	465	188,720	230
Total rights to receive shares assigned				
- at the start of the year	390,716	448	160,149	199
- assigned in the year	-	-	257,069	13
- canceled in the year	111,389	145	26,502	33
- at the end of the period	279,327	827	390,716	448

With regard to the first Cycle, with 2023-2025 vesting period, at the starting date of the Plan (which took place in October 2023, following the completion of the verifications in preparation for the communication of the plan to the recipients identified by the Board of Directors, and their formal acceptance), the recipients of the Plan were 47 and 164,475 rights had been assigned. The recipients were initially identified among the employees of Salvatore Ferragamo S.p.A. and the following subsidiaries: Ferragamo USA Inc., Ferragamo Mexico S. de R.L. de C.V., Ferragamo Brasil Roupas e Acessorios Ltda., Ferragamo Japan K.K., Ferragamo Korea Ltd., Ferragamo Hong Kong Ltd., Ferragamo Fashion Trading (Shanghai) Co. Ltd., Ferragamo Retail Taiwan Limited and Ferragamo Retail HK Limited. As at 31 December 2025, there are 25 beneficiaries of the Plan (90,074 rights granted), following the departure, during the three-year period 2023–2025, of 12 employees from subsidiaries and 10 employees from Salvatore Ferragamo S.p.A. A member of the Board of Directors is among the recipients of the plan.
Based on the forecast data prepared by company management, which represents the best estimate that the Group can make of the economic conditions expected in the three-year period of the first Plan Cycle (2023-2025), the estimates for the achievement of the economic and financial performance targets and ESG indicators have been revised, adjusting the relevant costs also with respect to 2023 and 2024, as required by accounting standards in the case of the non-market condition. Therefore, the number of rights that will be exercised at the end of the plan was estimated to be 41,094; the stock grant reserve as at 31 December 2025 reflects this adjustment.

With regard to the second Cycle, with 2024-2026 vesting period, at the starting date of the Plan (which took place in December 2024, following the completion of the verifications in preparation for the communication of the plan to the recipients identified by the Board of Directors, and their formal acceptance), the recipients of the Plan were 56 and 257,069 rights had been assigned. The recipients were identified among the employees of Salvatore Ferragamo S.p.A. and the following subsidiaries: Ferragamo USA Inc., Ferragamo Brasil Roupas e Acessorios Ltda., Ferragamo Japan K.K., Ferragamo Korea Ltd., Ferragamo Hong Kong Ltd. and Ferragamo Fashion Trading (Shanghai) Co. Ltd. As at 31 December 2025, there were 44 beneficiaries of the Plan (189,253 rights granted), following the departure, during 2025, of 5 employees from subsidiaries and 7 employees from Salvatore Ferragamo S.p.A. A member of the Board of Directors is among the recipients of the plan. Based on the forecast data prepared by company management, which represents the best estimate that the Group can make of the economic conditions expected in the three-year period of the second Plan Cycle (2024-2026), the estimates for the achievement of the economic and financial performance targets and ESG indicators have been revised, adjusting the relevant costs also with respect to 2024, as required by accounting standards in the case of the non-market condition. Therefore, the number of rights that will be exercised at the end of the plan was estimated to be 89,893; the stock grant reserve as at 31 December 2025 reflects this adjustment.

c) Fair value measurement

The fair value measurement of the rights assigned was based on the financial market conditions valid at the measurement date, using a methodology consistent with the risk neutral approach typical for these plans. In order to quantify the Additional Rights for the purpose of estimating the average stock value as at December 2025 and December 2026, the stochastic simulation with the Monte Carlo Method was used which, based on the appropriate assumptions, allowed to define a substantial number of alternative scenarios in the timeframe considered. In particular, in each scenario, the projection of the share price was carried out starting from the initial value, according to a Brownian geometric movement. Expected dividends are included in estimated fair value measurement.

Measurement at assignment	
Date of assignment	11 October 2023
Share price at the assignment date (Euro)	12.03
Expected volatility*	32.43%
Outflow rate	0%
Rate of Return on Salvatore Ferragamo S.p.A. Shares**	3.58%

* Reasonable estimate based on historical volatility calculated with reference to the measurement date.

** Derived from the interest rate swap curve at the measurement date with reference to the maturity of the plan

The main assumptions for the evaluation of the Performance and Restricted Shares Plan 2023-2025 at the assignment date, relative to the second Cycle, are as follows.

Measurement at assignment	
Date of assignment	27 December 2024
Share price at the assignment date (Euro)	6.815
Expected volatility*	44.31%
Outflow rate	0%
Rate of Return on Salvatore Ferragamo S.p.A. Shares**	2.19%

* Reasonable estimate based on historical volatility calculated with reference to the measurement date.

** Derived from the interest rate swap curve at the measurement date with reference to the maturity of the plan

44. Segment reporting

Paragraph 4 of IFRS 8 requires that, should the annual report contain both the consolidated financial statements and the separate financial statements of the Holding company, segment reporting should be presented only by reference to the consolidated financial statements.

45. Transactions with related parties

This section describes the transactions with related parties for the years ended 31 December 2025 and 2024; in particular, the following table shows the overall values of transactions with related parties, excluding transactions with subsidiaries, as detailed below in this paragraph:

	2025								
(In thousands of Euro)	Revenues	Operating costs (net of other income)	Financial charges	Right-of-use assets	Trade receivables	Other assets	Trade payables	Other liabilities	Lease liabilities
Holding company									
Ferragamo Finanziaria S.p.A. (company which exercises management and coordination on Salvatore Ferragamo S.p.A.)	58	(88)	(14)	332	18	13,343	-	-	(370)
Related companies									
Palazzo Feroni Finanziaria S.p.A.	58	(9,576)	(3,119)	60,771	22	-	(74)	-	(71,809)
Lungarno Alberghi S.r.l.	2	(2,939)	(503)	11,324	-	48	(274)	-	(13,543)
Ferragamo Foundation	2	(190)	-	-	-	-	(51)	-	-
Companies connected to members of the Board of Directors									
Dal Borro S.r.l.	25	(5)	-	-	14	-	-	-	-
Il Borro S.r.l. Società agricola	-	(3)	-	-	-	-	-	-	-
Rubino S.r.l.	-	(46)	(1)	47	-	2	-	-	(47)
Other related parties									
Riccardo Ferragamo	-	(86)	-	-	-	-	-	(3)	-
Angiolo Anichini	-	(160)	-	-	-	-	-	(10)	-
Massimo Ferragamo	-	(75)	-	-	-	-	-	-	-
Giovanna Ferragamo	-	(90)	-	-	-	-	-	-	-
Directors, Statutory Auditors and Managers with strategic responsibilities									
Directors, Statutory Auditors and Managers with strategic responsibilities	14	(6,794)	-	-	17	-	-	(439)	-
Total	**159**	**(20,052)**	**(3,637)**	**72,474**	**71**	**13,393**	**(399)**	**(452)**	**(85,769)**
Company's total	**593,580**	**(593,020)**	**(68,502)**	**132,818**	**195,302**	**28,659**	**(200,147)**	**(11,631)**	**(152,110)**
% ratio	**0.0%**	**3.4%**	**5.3%**	**54.6%**	**0.0%**	**46.7%**	**0.2%**	**3.9%**	**56.4%**

	2024								
(In thousands of Euro)	Revenues	Operating costs (net of other income)	Financial charges	Right-of-use assets	Trade receivables	Other assets	Trade payables	Other liabilities	Lease liabilities
Holding company									
Ferragamo Finanziaria S.p.A. (company which exercises management and coordination on Salvatore Ferragamo S.p.A.)	58	(87)	(17)	416	-	12,576	-	-	(455)
Related companies									
Palazzo Feroni Finanziaria S.p.A.	25	(9,370)	(3,248)	69,411	1	-	(53)	-	(79,035)
Lungarno Alberghi S.r.l.	12	(2,995)	(574)	13,427	-	-	(84)	-	(15,619)
Ferragamo Foundation	2	(189)	-	-	-	-	(50)	-	-
Companies connected to members of the Board of Directors									
Dal Borro S.r.l.	56	(6)	-	-	35	-	-	-	-
Club Swan Racing S.r.l.	22	(22)	-	-	-	-	-	-	-
Il Borro S.r.l. Società agricola	2	(1)	-	-	-	-	-	-	-
Il Borro Tuscan Bistro S.r.l.	-	(2)	-	-	-	-	-	-	-
Rubino S.r.l.	-	(61)	(1)	-	-	5	(1)	-	-
Sole Studio S.r.l.	1	-	-	-	-	-	-	-	-
Halldis Italia S.r.l.	-	-	-	-	1	-	-	-	-
Other related parties									
Riccardo Ferragamo	-	(76)	-	-	-	-	-	(6)	-
Angiolo Anichini	-	(182)	-	-	-	-	-	(32)	-
Massimo Ferragamo	-	(75)	-	-	-	-	-	-	-
Giovanna Ferragamo	-	(90)	-	-	-	-	-	-	-
Directors, Statutory Auditors and Managers with strategic responsibilities									
Directors, Statutory Auditors and Managers with strategic responsibilities	-	(6,658)	-	-	-	-	-	(277)	-
Total	**178**	**(19,814)**	**(3,840)**	**83,254**	**37**	**12,581**	**(188)**	**(315)**	**(95,109)**
Company's total	**630,795**	**(669,354)**	**(77,376)**	**149,634**	**173,040**	**25,103**	**(259,663)**	**(24,037)**	**(166,225)**
% ratio	**0.0%**	**3.0%**	**5.0%**	**55.6%**	**0.0%**	**50.1%**	**0.1%**	**1.3%**	**57.2%**

Sales and purchases between related parties are carried out at normal market prices. The outstanding balances at the end of the period are not backed by guarantees, do not generate interest, and are settled in cash. Bank guarantees were issued in favor of Palazzo Feroni Finanziaria S.p.A. (2,560 thousand Euro), in favor of Lungarno Alberghi S.r.l. (488 thousand Euro), and in favor of Ferragamo Finanziaria S.p.A. (23 thousand Euro): they concerned the leasing of properties owned by said companies. There are no other guarantees, given or received, relating to receivables and payables with related parties. The Company did not make any allocations to the provision for bad debt with respect to the amounts due from related parties. Please note that, as of 2017, the Company has recognized a provision for bad debt with respect to the receivables due from the subsidiary Ferragamo Retail India Private Limited, amounting to 4,781 thousand Euro as at 31 December 2025. For further details, please refer to note 15 "Trade receivables".

Holding company

Ferragamo Finanziaria S.p.A.

Under the Italian tax consolidation regime in which Salvatore Ferragamo S.p.A. participates together with Ferragamo Finanziaria S.p.A. (consolidating entity), Other current assets included 13,343 thousand Euro referring to Salvatore Ferragamo S.p.A.'s IRES net credit primarily relating to advances paid during 2024 and unused at the end of the year.

Furthermore, Salvatore Ferragamo S.p.A. has one outstanding lease contract with Ferragamo Finanziaria S.p.A. concerning the lease of an industrial shed adjacent to the Osmannoro facility, which the Parent company converted into a design and prototyping laboratory for the development of leather goods. Since it falls within the scope of IFRS 16, the lease was accounted for by recognizing a right-of-use asset, depreciated over the lease term, and a corresponding lease liability.

Related companies

These transactions mainly refer to trade transactions that affected revenues, operating costs, and trade receivables and payables. They include mainly:

- sale of products;
- leases; if they fall within the scope of IFRS 16, they are accounted for accordingly (i.e. by recognizing right-of-use assets, lease liabilities, depreciation expense, and financial charges), otherwise lease payments are recognized through profit or loss on a straight-line basis over the lease term and the relevant payables are included in Trade payables;
- rendering of services.

In particular, the following transactions should be noted:

Palazzo Feroni Finanziaria S.p.A.

Revenues and the relevant receivables largely refer to IT and administrative services.
Right-of-use assets and lease liabilities, operating costs, and finance expense largely refer to leases for the headquarters in Florence and some stores of the Italian chain, which mostly fall within the scope of IFRS 16.

Lungarno Alberghi S.r.l.

Revenues refer to product sales; right-of-use assets, lease liabilities, operating costs, and financial charges largely refer to the lease of a space used as a store of the Italian DTC chain, which falls within the scope of IFRS 16.

Ferragamo Foundation

Costs (and the related accounts payable) refer for 100 thousand Euro to the services provided for the management of the Salvatore Ferragamo historical archive (99 thousand Euro in 2024) and for 90 thousand Euro to donations to support the institutional activities of the Foundation (90 thousand Euro in 2024).

Companies connected to members of the Board of Directors

These transactions mainly refer to trade transactions that affected revenues, operating costs, and trade receivables and payables. They include mainly:

- sale of products;
- leases; if they fall within the scope of IFRS 16, they are accounted for accordingly (i.e. by recognizing right-of-use assets, lease liabilities, depreciation expense, and financial charges), otherwise lease payments are recognized through profit or loss on a straight-line basis over the lease term and the relevant payables are included in Trade payables;
- rendering of services.

Other related parties

With respect to the other related parties, costs, and the relevant payables, refer to the cost incurred primarily by the Company under the cooperative relationship in place during the year.

Directors, Statutory Auditors and Managers with strategic responsibilities

For information on Directors and Statutory Auditors, please refer to note 46 "Fees paid to Directors and Statutory Auditors".

The Managers with strategic responsibilities are listed in the following table:

Full name	Role
Giacomo Ferragamo	Chief Product Officer
Pierre Giorgio Sallier de La Tour	Chief Financial Officer and Manager Responsible for the Preparation of Corporate Financial Statements and Sustainability Reporting*
Paolo La Morgia	Chief Financial Officer and Manager Responsible for the Preparation of Corporate Financial Statements and ad interim Manager Responsible for Sustainability Reporting**

*In office until 26 September 2025

**To take office on 29 September 2025

Costs related to Managers with strategic responsibilities refer to the cost incurred by the Company in connection with the existing employment relationship, including the variable bonus, if applicable, and the imputed cost of the Performance and Restricted Shares 2023-2025 Plan. In 2025, they amounted to 1,027 thousand Euro (compared to 809 thousand Euro in 2024). Typically, managers with strategic responsibilities receive non-monetary benefits such as cars, mobile phones, and insurance policies.

Intragroup transactions

The following tables show the overall values, in thousands of Euro, of transactions with subsidiaries.

(In thousands of Euro)	Trade receivables		Other current financial assets		Trade payables		Other current financial liabilities	
Company	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Ferragamo Deutschland GmbH	2,045	2,231	2,649	3,685	4,649	5,346	-	-
Ferragamo France S.A.S.	3,140	4,100	-	327	7,855	7,951	475	-
Ferragamo (Suisse) S.A.	535	- 4	5,083	6,641	2,530	3,521	-	-
Ferragamo Monte-Carlo S.A.M.	249	192	2,799	2,050	1	-	-	-
Ferragamo Belgique S.A.	401	473	206	-	484	485	-	-
Ferragamo Espana S.L.	4,331	4,283	-	-	20	6	1,346	1,626
Ferragamo U.K. Limited	1,890	884	4,990	7,598	7,733	7,237	-	-
Ferragamo Austria Gmbh	1,094	700	-	-	246	169	3,142	3,102
Ferragamo Retail Nederland BV	483	393	-	-	302	393	1,087	847
Total Europe	**14,168**	**13,252**	**15,727**	**20,301**	**23,820**	**25,108**	**6,050**	**5,575**
Ferragamo Hong Kong Ltd.	7,127	8,560	37,369	42,173	18,192	51,216	-	-
Ferragamo Retail Hong Kong Ltd.	-	-	6,560	17,351	-	-	-	-
Ferragamo Australia Pty Ltd.	425	437	-	-	-	-	-	-
Ferragamo Japan KK	2,056	4,521	17,111	17,172	130	97	-	-
Ferragamo Moda (Shanghai) Co. Ltd.	155	95	-	-	-	-	-	-
Ferragamo Retail India Private Limited	-	-	-	-	7	10	-	-
Ferragamo Retail Taiwan Limited	70	86	-	-	-	-	-	-
Ferragamo Retail Macau Limited	-	5	-	-	-	-	-	-
Ferragamo Fashion Trading (Shanghai) Co. Ltd	18,545	16,362	12,156	-	25,072	9,886	-	-
Ferragamo Korea Ltd	8,922	7,903	-	-	10,498	7,136	-	-
Ferragamo (Singapore) PTE LTD	61	129	-	7,060	-	-	-	-
Ferragamo Thailand Limited	153	176	8,007	9,895	-	-	-	-
Ferragamo (Malaysia) SDN BHD	51	38	-	-	-	-	-	-
Total Asia Pacific	**37,565**	**38,312**	**81,203**	**93,651**	**53,899**	**68,345**	**-**	**-**
Ferragamo USA Inc. Group	101,236	71,583	59,007	78,885	29,351	40,687	-	-
Total North America	**101,236**	**71,583**	**59,007**	**78,885**	**29,351**	**40,687**	**-**	
Ferragamo Mexico S. de R.L. de C.V.	10,234	12,898	-	-	1,818	15,483	-	-
Ferragamo Chile S.A.	2,176	1,748	-	-	207	269	-	-
Ferragamo Argentina S.A.	2,648	2,149	-	-	-	-	-	-
Ferragamo Brasil Roupas & Acessorios Ltda	10,244	8,742	-	-	-	1,204	-	-
Total Central and South America	**25,302**	**25,537**	**-**	**-**	**2,025**	**16,956**	**-**	**-**
Total	**178,271**	**148,684**	**155,937**	**192,837**	**109,095**	**151,096**	**6,050**	**5,575**

(In thousands of Euro)	Revenues from sales		Revenues from services (including royalties)		Other income		Financial income		Total	
Company	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Ferragamo Deutschland GmbH	3,711	3,296	76	76	55	50	52	180	3,894	3,602
Ferragamo France S.A.S.	7,938	7,178	131	130	101	108	-	3	8,170	7,419
Ferragamo (Suisse) S.A.	2,768	2,690	53	60	32	32	61	109	2,914	2,891
Ferragamo Monte-Carlo S.A.M.	343	147	28	28	9	8	82	89	462	272
Ferragamo Belgique S.A.	615	482	26	26	10	10	2	-	653	518
Ferragamo Espana S.L.	10,718	9,962	127	121	724	446	-	-	11,569	10,529
Ferragamo U.K. Limited	8,250	7,386	111	115	35	43	152	287	8,548	7,831
Ferragamo Austria Gmbh	3,356	1,139	42	34	14	11	-	-	3,412	1,184
Ferragamo Retail Nederland BV	1,761	1,425	34	34	13	13	-	31	1,808	1,503
Total Europe	**39,460**	**33,705**	**628**	**624**	**993**	**721**	**349**	**699**	**41,430**	**35,749**
Ferragamo Hong Kong Ltd.	48,077	98,645	166	438	48	157	2,185	2,450	50,476	101,690
Ferragamo Retail Hong Kong Ltd.	-	-	36	38	33	36	432	214	501	288
Ferragamo Australia Pty Ltd.	-	3,211	345	330	80	104	-	-	425	3,645
Ferragamo Japan KK	27,244	35,206	551	583	248	293	315	154	28,358	36,236
Ferragamo Moda (Shanghai) Co. Ltd.	-	-	38	41	23	61	-	-	61	102
Ferragamo Retail India Private Limited	-	-	-	-	-	-	-	-	-	-
Ferragamo Retail Taiwan Limited	-	-	28	30	42	67	-	-	70	97
Ferragamo Retail Macau Limited	-	-	7	7	12	12	-	-	19	19
Ferragamo Fashion Trading (Shanghai) Co. Ltd	46,548	23,107	310	244	157	196	263	-	47,278	23,547
Ferragamo Korea Ltd	27,880	36,591	494	492	237	304	-	-	28,611	37,387
Ferragamo (Singapore) PTE LTD	-	-	28	29	38	38	156	324	222	391
Ferragamo Thailand Limited	-	-	10	11	40	31	441	449	491	491
Ferragamo (Malaysia) SDN BHD	-	-	14	15	37	39	-	-	51	54
Total Asia Pacific	**149,749**	**196,760**	**2,027**	**2,258**	**995**	**1,338**	**3,792**	**3,591**	**156,563**	**203,947**
Ferragamo USA Inc. Group	168,718	152,273	8,336	7,875	696	4,682	4,107	4,672	181,857	169,502
Total North America	**168,718**	**152,273**	**8,336**	**7,875**	**696**	**4,682**	**4,107**	**4,672**	**181,857**	**169,502**
Ferragamo Mexico S. de R.L. de C.V.	29,775	27,843	586	544	180	198	-	-	30,541	28,585
Ferragamo Chile S.A.	885	390	-	-	2	2	-	-	887	392
Ferragamo Argentina S.A.	603	902	-	-	4	4	-	169	607	1,075
Ferragamo Brasil Roupas & Acessorios Ltda	5,973	4,604	-	-	11	13	-	-	5,984	4,617
Total Central and South America	**37,236**	**33,739**	**586**	**544**	**197**	**217**	**-**	**169**	**38,019**	**34,669**
Total	**395,163**	**416,477**	**11,577**	**11,301**	**2,881**	**6,958**	**8,248**	**9,131**	**417,869**	**443,867**

(In thousands of Euro)	Purchase finished products, raw materials, accessories and consumables		Costs for services		Other operating costs		Financial charges		Total	
Company	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Ferragamo Deutschland GmbH	21	17	-	-	4,648	5,339	-	-	4,669	5,356
Ferragamo France S.A.S.	56	23	-	-	7,843	7,941	34	-	7,933	7,964
Ferragamo (Suisse) S.A.	-	3	-	377	2,530	2,516	-	-	2,530	2,896
Ferragamo Monte-Carlo S.A.M.	3	1	-	-	-	-	-	-	3	1
Ferragamo Belgique S.A.	6	3	-	-	483	483	-	-	489	486
Ferragamo Espana S.L.	34	20	-	-	-	-	62	2	96	22
Ferragamo U.K. Limited	-	-	42	4	7,715	7,237	1	-	7,758	7,241
Ferragamo Austria Gmbh	5	2	-	-	228	165	86	3	319	170
Ferragamo Retail Nederland BV	-	-	-	-	280	392	28	1	308	393
Total Europe	**125**	**69**	**42**	**381**	**23,727**	**24,073**	**211**	**6**	**24,105**	**24,529**
Ferragamo Hong Kong Ltd.	-	-	1,258	1,194	17,226	50,038	-	-	18,484	51,232
Ferragamo Retail Hong Kong Ltd.	-	-	-	-	-	-	-	-	-	-
Ferragamo Australia Pty Ltd.	-	-	-	46	-	-	-	-	-	46
Ferragamo Japan KK	- 1	-	441	569	-	-	-	-	440	569
Ferragamo Moda (Shanghai) Co. Ltd.	-	-	-	-	-	-	-	-	-	-
Ferragamo Retail India Private Limited	-	-	91	150	-	-	-	-	91	150
Ferragamo Retail Taiwan Limited	-	-	-	-	-	-	-	-	-	-
Ferragamo Retail Macau Limited	-	-	-	-	-	-	-	-	-	-
Ferragamo Fashion Trading (Shanghai) Co. Ltd	-	-	3,484	9,642	21,367	-	-	-	24,851	9,642
Ferragamo Korea Ltd	-	-	755	1,101	10,246	6,846	-	-	11,001	7,947
Ferragamo (Singapore) PTE LTD	-	-	-	-	-	-	-	-	-	-
Ferragamo Thailand Limited	-	-	-	-	-	-	-	-	-	-
Ferragamo (Malaysia) SDN BHD	-	-	-	-	-	-	-	-	-	-
Total Asia Pacific	**- 1**	**-**	**6,029**	**12,702**	**48,839**	**56,884**	**-**	**-**	**54,867**	**69,586**
Ferragamo USA Inc. Group	-	-	876	870	28,962	44,950	-	-	29,838	45,820
Total North America	**-**	**-**	**876**	**870**	**28,962**	**44,950**	**-**	**-**	**29,838**	**45,820**
Ferragamo Mexico S. de R.L. de C.V.	-	-	722	800	1,641	15,324	-	-	2,363	16,124
Ferragamo Chile S.A.	-	-	-	-	207	269	-	-	207	269
Ferragamo Argentina S.A.	-	-	-	-	-	-	-	-	-	-
Ferragamo Brasil Roupas & Acessorios Ltda	-	-	-	-	-	1,204	-	-	-	1,204
Total Central and South America	**-**	**-**	**722**	**800**	**1,848**	**16,797**	**-**	**-**	**2,570**	**17,597**
Total	**124**	**69**	**7,669**	**14,753**	**103,376**	**142,704**	**211**	**6**	**111,380**	**157,532**

46. Fees paid to Directors and Statutory Auditor

Directors

				2025						
				Fees						
(In thousands of Euro)										
Full name	Position held	Term of office	End of term of office	for the position held	For attendance on committees	Non-monetary benefits	Salaries, bonuses and other incentives	Other fees	Stock Grant	Total
Leonardo Ferragamo	Executive Chairman	1,01-31,12	a)	728	-	c)	28	-	-	756
Angelica Visconti	Deputy Chair	1,01-31,12	a)	200	-		5	-	-	205
Marco Gobbetti	CEO and General Manager	1,01-31,12	b)	21	-	c) d) e) f)	5,087	-	(2,511)	2,597
Giacomo Ferragamo	Director*	1,01-06,03	b)	116	-	c) d) e)	688	-	33	837
Patrizia Michela Giangualano	Director	1,01-31,12	a)	50	55		-	-	-	105
Umberto Tombari	Director	1,01-31,12	a)	50	-		-	16	-	66
Laura Donnini	Director	1,01-31,12	a)	50	42		-	-	-	92
Niccolò Ferragamo	Director	1,01-31,12	a)	50	20		-	-	-	70
Sara Ferrero	Director	1,01-31,12	a)	50	62		-	-	-	112
Ernesto Greco	Director*	1,01-31,12	a)	937	-	d) and) f)	285	117	-	1,339
Total				**2,252**	**179**		**6,093**	**133**	**(2,478)**	**6,179**

*Director with delegated powers from 6 March 2025

a) upon approval of the 2026 financial statements

b) mutual agreement on the termination of employment effective from the date of approval of the draft financial statements for FY2024, i.e. 6 March 2025

c) car; d) mobile phone; e) insurance policies; f) accommodation.

Statutory Auditors

(In thousands of Euro)		2025					
Full name	Position held	Term of office	End of term of office	Fees for the position held	Othe fees*	Other fees received from subsidiaries	Grand total
Andrea Balelli	Chair	01,01-31,12	a)	64	4	-	68
Paola Caramella	Acting Statutory Auditor	01,01-31,12	a)	48	12	-	60
Giovanni Crostarosa Guicciardi	Acting Statutory Auditor	01,01-31,12	a)	48	12	-	60
Total				**160**	**28**	**-**	**188**

a) upon approval of the financial statements for the year ended 31 December 2025

* Other fees refer to amounts due for the position as Chair or member of the Supervisory Body pursuant to Italian Legislative Decree 231/2001. Mr Balelli resigned from his position as Chair of the Supervisory Body with effect from 16 April 2025 and, with effect from the same date, Mr Carlo Longari was appointed to replace him as Chair of the Supervisory Body. Please note that the members of the Board of Statutory Auditors have not received other fees from Group companies.

It should be noted that for Directors and Statutory Auditors no severance indemnities are envisaged.

47. Commitments and risks

The breakdown of the commitments and risks is as follows:

(In thousands of Euro)	31 December 2025	31 December 2024
Sureties and guarantees provided by third parties to third parties in the interests of the Company	9,777	8,137
Sureties and guarantees provided by third parties to third parties in the interests of Group companies	9,345	9,916
Guarantees provided by the Company to third parties in the interests of Group companies	117,429	109,027
Total	**136,551**	**127,080**

The Sureties and guarantees provided by third parties in the interests of the Company consist of bank sureties and guarantees on leases.

The sureties and guarantees provided by third parties in the interests of Group companies represent the sureties and guarantees on leases entered into by Group companies, including a guarantee for 6 million Dollars (equal to 5,106 thousand Euro) relating to a lease of the Ferragamo USA Group.

The guarantees provided by the Company to third parties in the interests of Group companies are mainly in favor of banks to guarantee credit lines which may be used locally.

48. Public funds – Disclosure as per Article 1, paragraphs 125-129 of Italian Law 124/2017

Pursuant to Article 1, paragraph 125, of Italian Law 124/2017, as for the requirement to disclose in the explanatory notes any sums of money received during the financial year by way of grants, contributions, paid assignments, or other economic benefits of any kind from public administrations and entities referred to in paragraph 125 of the same Article, in 2025 Salvatore Ferragamo S.p.A. did not receive any grants, contributions, paid assignments, or other economic benefits of any kind from public administrations. In accordance with Article 3-quater of Italian Law Decree 135/2018, converted with the relevant amendments into Law no. 12 of 11 February 2019, with respect to the funds received, please refer to the information in the National State Aid Register as per Article 52 of Italian Law no. 235 of 24 December 2012.

49. Significant non-recurring events and transactions

During FY2025, the Company did not carry out significant non-recurring transactions, and no significant non-recurring events occurred.

50. Transactions arising from atypical and/or unusual transactions

The Company did not undertake atypical and/or unusual transactions, i.e. those transactions which, due to their importance/size, the counterparties involved, the subject of the transaction, the means of determining the transfer price and the timing of the event, may give rise to doubts about the correctness/completeness of the information provided in the financial statements, conflicts of interest, the safeguarding of the company's equity and the protection of minority interests.

51. Information on the direct and indirect subsidiaries of Salvatore Ferragamo S.p.A.

The direct and indirect subsidiaries of Salvatore Ferragamo S.p.A. as at 31 December 2025 are detailed below:

				31 December 2025		
				Controlling interest (%)		
Company name	Location	Currency	Share capital	Direct	Indirect	Notes
Ferragamo Retail Nederland B.V.	Amsterdam, the Netherlands	Euro	500,000	100%		
Ferragamo France S.A.S.	Paris, France	Euro	4,334,094	100%		
Ferragamo Deutschland GmbH	Munich, Germany	Euro	3,300,000	100%		
Ferragamo Austria GmbH	Vienna. Austria	Euro	1,853,158	100%		
Ferragamo U.K. Limited	London, United Kingdom	Pound Sterling	7,672,735	100%		
Ferragamo (Suisse) S.A.	Mendrisio, Switzerland	Swiss Franc	1,000,000	100%		
Ferragamo Belgique S.A.	Brussels, Belgium	Euro	750,000	100%		
Ferragamo Monte-Carlo S.A.M.	Principality of Monaco	Euro	304,000	100%		
Ferragamo Espana S.L.	Madrid, Spain	Euro	4,600,000	100%		
Ferragamo USA Inc.	New York, United States	US Dollar	74,011,969	100%		
Ferragamo Canada Inc.	Vancouver. Canada	Canadian Dollar	4,441,461		100%	(1)
S-Fer International Inc.	New York, United States	US Dollar	4,600,000		100%	(1)
Sator Realty Inc.	New York, United States	US Dollar	100,000		100%	(1)
Ferragamo Mexico S. de R.L. de C.V.	Mexico City, Mexico	Mexican Peso	4,592,700	99.73%	0.27%	(1)
Ferragamo Chile S.A.	Santiago, Chile	Chilean Peso	3,187,970,000	99%	1%	(1)
Ferragamo Argentina S.A.	Buenos Aires. Argentina	Argentine Peso	1,050,100,000	95%	5%	(1)
Ferragamo Brasil Roupas e Acessorios Ltda.	Sao Paulo, Brazil	Brazilian Real	55,615,000	99%	1%	(1)
Ferragamo Hong Kong Ltd.	Hong Kong, China	Dollaro di Hong Kong	10,000	100%		
Ferragamo Japan K.K.	Tokyo, Japan	Japanese Yen	305,700,000	89.13%		
Ferragamo Australia Pty Ltd.	Sidney. Australia	Australian Dollar	13,637,003	100%		
Ferrimag Limited	Hong Kong, China	Hong Kong Dollar	109,200,000		100%	(2)
Ferragamo Fashion Trading (Shanghai) Co. Ltd.	Shanghai, China	US Dollar	200,000		100%	(3)
Ferragamo Moda (Shanghai) Co. Ltd.	Shanghai, China	US Dollar	1,400,000	100%		
Ferragamo Retail HK Limited	Hong Kong, China	Hong Kong Dollar	88,000,000		100%	(3)
Ferragamo Retail Taiwan Limited	Taipei. Taiwan	New Taiwanese Dollar	136,250,000		100%	(3)
Ferragamo Retail Macau Limited	Macau, China	Macau Pataca	17,275,000	100%		
Ferragamo Retail India Private Limited	New Delhi. India	Indian Rupee	300,000,000	100%		(4)
Ferragamo Korea Ltd.	Seoul, South Korea	South Korean Won	3,291,200,000	100%		
Ferragamo (Singapore) Pte Ltd.	Singapore	Singapore Dollar	57,700,000	100%		
Ferragamo (Thailand) Limited	Bangkok, Thailand	Baht	295,000,000	100%		
Ferragamo (Malaysia) Sdn. Bhd.	Kuala Lumpur, Malaysia	Malaysian Ringgit	1,300,000	100%		

1.Through Ferragamo USA Inc.;
2.Through Ferragamo Hong Kong Ltd.;
3.Through Ferrimag Limited;
4.Non-operating company.

52. Significant events occurred after 31 December 2024

Further to the announcements already made to the market on 3 February and 6 March 2025, on 27 January 2026, as per the press release issued to the market, the Board of Directors expanded the membership of the Executive Chairman's Advisory Committee supporting Executive Chairman Leonardo Ferragamo – established by the Board of Directors on 6 March 2025 and comprising Executive Directors Giacomo Ferragamo and Ernesto Greco and Chairman Special Advisor Michele Norsa – appointing the Company's Deputy Chair, Angelica Visconti, as a member with immediate effect.

At the meeting held on 11 March 2026, the Board of Directors, *inter alia*: (i) approved the draft Separate Financial Statements as at 31 December 2025, the Consolidated Financial Statements as at 31 December 2025, and the Directors' Report on Operations for 2025, containing the Ferragamo Group's Sustainability Report prepared in accordance with the new provisions introduced by the Corporate Sustainability Reporting Directive ("CSRD"), implemented by Italian Legislative Decree 125/2024, and with the European Sustainability Reporting Standards ("ESRS") prepared by EFRAG and issued by the European Commission through Delegated Regulation (EU) 2023/277; (ii) approved the Corporate Governance Report for 2025, prepared by the Company pursuant to Article 123-bis of the Consolidated Law on Finance; (iii) approved, with the favorable opinion of the Nomination and Remuneration Committee, the Remuneration Policy Report 2026 and Fees Paid 2024, prepared pursuant to Article 123-ter of the Consolidated Law on Finance, Article 84-quater and Annex 3A, Scheme 7-bis of CONSOB Regulation no. 11971/1999 as amended, and Article 5 of the Corporate Governance Code for listed companies; for approval by the next Shareholders' Meeting. For further details, please refer to the documentation available on the Company's website *https://group.ferragamo.com/it/governance/assemblea-degli-azionisti/2026*; and (iv) resolved to convene the Ordinary General Meeting of Shareholders of Salvatore Ferragamo S.p.A. on 23 April 2026.

53. Proposal to approve the financial statements and allocation of profit

The Board of Directors of Salvatore Ferragamo S.p.A., in relation to the results achieved in 2025, proposes to:

1. approve the Separate Financial Statements for 2025;
2. approve the allocation of the profit for the year 2025, amounting to Euro 6,365,851, to the Extraordinary Reserve.

Disclosure pursuant to Article 149-duodecies of the Issuers' Regulation

(In thousands of Euro)				
Type of services	**Subject which supplied the service**	**Recipient**	**Notes**	**Total fees for 2025**
Audit	Parent company's Independent Auditors	Parent company		382
Other services	i) Parent company's Independent Auditors	Parent company	1	161
	ii) Network of the Parent company's Independent Auditors	Parent company		-
Total				**543**

1) The item primarily refers to the certification of the Consolidated Non-Financial Statement and to the certifications of the Research and Development credit.

Florence, 11 March 2026

On behalf of the Board of Directors

The Chair
Leonardo Ferragamo

Statement pursuant to Article 154-bis of Italian Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Finance)

1. The undersigned Ernesto Greco in his capacity as "Managing Director" and Paolo La Morgia in her capacity as "Manager charged with preparing Company's Financial Reports" of Salvatore Ferragamo S.p.A. certify, having also taken account of the provisions of art. 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998:

- the adequacy in relation to the company's structure; and
- the effective application of the administrative and accounting procedures for the preparation of the separate financial statements for the period 1 January-31 December 2025.

2. The adequacy of the administrative and accounting procedures for the preparation of the separate financial statements for 2025 has been assessed on the basis of the Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, which is the generally accepted model internationally.

3. It is also certified that

3.1 The separate financial statements as at 31 December 2025:

a. have been prepared in accordance with the applicable international accounting standards as endorsed by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and Council, dated 19 July 2002, and subsequent integrations;
b. correspond with accounting books and records;
c. are suitable to provide a true and fair representation of the financial conditions, results of operations and cash flows of the Company.

3.2 The Directors' report on operations includes a reliable analysis of operating performance and results, as well as of the situation of the Company, together with a description of the main risks and uncertainties to which it is exposed.

Florence, 11 March 2026

Director with delegated powers
Ernesto Greco

Financial Reporting Manager
Paolo La Morgia

REPORT OF THE BOARD OF STATUTORY AUDITORS

Report of the Board of Statutory Auditors to the Shareholders' Meeting

(pursuant to art. 153 of Leg. Decree 58/1998)

Dear Shareholders,

the Board of Statutory Auditors of Salvatore Ferragamo S.p.A. (hereinafter also "Ferragamo" or "Company"), pursuant to art. 153 of Leg. Decree 58/1998 ("TUF", Consolidated Law on Finance), shall report to the Shareholders' Meeting convened for the approval of the financial statements on the supervisory activities carried out during the year as well as any potentially material omissions or reprehensible events recorded. In addition, the Board of Statutory Auditors may also make proposals to the Shareholders' Meeting regarding the financial statements and their approval as well as the matters within its area of responsibility.

This report concerns the work performed by the Board of Statutory Auditors during the year ended 31 December 2025 (hereinafter also "Report").

The 2025 separate financial statements closed with a profit of 6.4 million Euro compared to a loss of 70.5 million Euro in the previous year. At a consolidated level, the Group loss amounted to 49.4 million Euro, an improvement on a loss of 68.1 million Euro in the previous year.

Introduction

In the year ended 31 December 2025, the Board of Statutory Auditors performed the supervisory activities required by law in accordance with the standards of conduct recommended by the Italian National Board of Accountants and Auditors (*Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili*), Consob's regulations on corporate controls, and the guidance in the Corporate Governance Code approved in January 2020 by the Corporate Governance Committee.

The activities described below were formally recorded in the minutes of the 14 meetings the Board of Statutory Auditors held during 2025 and the 4 meetings held in 2026 up to the date of this Report.

It is noted that the Board met during the year alternating between in-person meetings, also including access to the Company's premises, and remote connections for video calls.

Appointment of the Board of Statutory Auditors

The Board of Statutory Auditors as at the reporting date had been appointed, based on a slate-voting system, in accordance with the law and the bylaws, also taking into account the provisions on gender balance, by the Shareholders' Meeting of 26 April 2023 and consists of Andrea Balelli (Chair), Paola Caramella (Acting Statutory Auditor), and Giovanni Crostarosa Guicciardi (Acting Statutory Auditor).

The same Meeting also appointed the Substitute Statutory Auditors Roberto Coccia and Antonietta Donato.

Supervisory activities pursuant to art. 149 of the TUF

Pursuant to art. 149 of the TUF, the Board of Statutory Auditors supervises:

- compliance with the law and the bylaws;
- adherence to the principles of sound management;
- the adequacy of the Company's organizational structure as far as matters within its area of responsibility are concerned, the internal control system, and the administrative-accounting system – as well as the latter's reliability in presenting the Company's operations fairly;
- the implementation of the corporate governance rules set out in the codes of conduct issued by regulated market operators or trade associations that the Company has formally adopted through public disclosures;
- the adequacy of the instructions the Company gives to subsidiaries pursuant to art. 114, paragraph 2 of the TUF.

Supervision of compliance with the law and the bylaws

The Board of Statutory Auditors acquired the information necessary for the performance of the supervisory duties assigned to it by i) attending, as a body or with the presence of at least one member, all the meetings of the Board of Directors and the Board Committees, ii) the hearings of the Company's and the Group's management and iii) meetings with the audit firm.

In particular, with specific reference to the Board Committees, the Board of Statutory Auditors has always attended the meetings i) of the Control and Risks Committee – which acts also as the Committee responsible for Transactions with Related Parties and for corporate sustainability – and ii) of the Nomination and Remuneration Committee.

Events of significant income, financial and equity impact in 2025

The Board of Statutory Auditors obtained from the Directors on a monthly basis information on the operations carried out and the transactions undertaken by the Company that materially impacted the Company's income, financial and equity performance, as well as the Group's strategic guidelines. The Board of Statutory Auditors can provide reasonable assurance that the transactions authorised and conducted comply with the law and the bylaws and are not manifestly imprudent, risky, in conflict of interest, contrary to the decisions of the Shareholders' Meeting, or such as to compromise the integrity of corporate assets. In addition, there were no atypical or unusual transactions.

Specifically, the Board of Statutory Auditors reports that the following significant transactions and events occurred in 2025.

Transition in governance and in senior management

On 6 March 2025, following the mutual termination agreement reached by the Company and by the Chief Executive Officer and General Manager Marco Gobbetti (announced to the market on 3 February 2025), the Board of Directors:

- acknowledged the resignation of Mr Gobbetti with effect from the same date;
- approved a temporary redistribution of delegated powers to the Chairman Leonardo Ferragamo, to the Director Ernesto Greco and to the Director Giacomo (James) Ferragamo, pending the appointment of the new Chief Executive Officer;
- acknowledged the start of the works of the Chairman's Advisory Committee comprising the directors with delegated powers Giacomo Ferragamo, also as Chief Product Officer, Ernesto Greco, also as Head of Support Functions, and Michele Norsa as Chairman Special Advisor, and
- appointed the Director Patrizia Michela Giangualano as Lead Independent Director pursuant to Recommendation 13 of the Corporate Governance Code.

In addition, at the same meeting, the Company's Board of Directors:

- approved the draft separate financial statements and the consolidated financial statements as at 31 December 2024, containing the 2024 Sustainability Report pursuant to Leg. Decree 125/2024, and
- confirmed Pierre Giorgio Sallier de La Tour as the Manager Responsible for the certification of the Sustainability Report for 2025 pursuant to art. 154-*bis*, para. 5-*ter*, of the TUF.

The Board of Statutory Auditors carefully monitored the governance transition process, verifying that the temporary redistribution of the delegated powers was suitable to guarantee operational continuity and compliance with the principles of sound administration. The Board also acknowledged the start of the process to recruit the new Chief Executive Officer and received periodic updates on the progress of this process.

Shareholders' Meeting of 16 April 2025

On 16 April 2025 the Shareholders' Meeting:

- approved the financial statements as at 31 December 2024 and the proposal to cover the loss for the year of 70,534,828 Euro by using the Extraordinary Reserve;
- approved the 2025 Remuneration Policy and the 2024 Fees Paid Report;
- set at an annual 4,000,000 Euro the maximum limit for the remuneration of directors vested with particular responsibilities;
- approved the reduction in the number of members of the Board of Directors from 10 to 9;
- approved changes to the bylaws to: i) introduce the possibility of appointing one or more deputy chairs; ii) introduce for the Board of Directors the option to appoint a manager other than the financial reporting manager for the certification as set out in art. 154-*bis*, para. 5-*ter* of the TUF.

Appointment of the new Chief Financial Officer (CFO) ad interim and Manager in charge of preparing the accounting documents and sustainability reporting.

On 11 September 2025 the Board of Directors, as a consequence of the resignation on the same date of Pierre Giorgio Sallier de La Tour from the role of the Company's CFO and Manager in charge of preparing the accounting documents and sustainability reporting as from 26 September 2025, appointed Paolo La Morgia as Chief Financial Officer (CFO) *ad interim*, as from 29 September 2025. He was also attributed, again *ad interim* and starting from the same date, with the role of Manager in charge of preparing the corporate accounting documents and sustainability reporting.

Management of financial position

On 18 December 2025 the Board of Directors, with the approval of the Control and Risks Committee, approved:

- the continuance of committed lines of credit for a total amount of 250 million Euro;
- the signing of a new loan with BPER Banca S.p.A. for a maximum of 80 million Euro, in partial substitution of the loan with BNL BNP Paribas which was reduced to 20 million Euro;
- confirmation of the revolving line of credit with Intesa Sanpaolo for 150 million Euro.

This reorganisation of the portfolio of the lines of credit was undertaken at improved conditions compared to the initial proposals, ensuring the Company the availability of adequate finances to support the relaunch plan.

Updates on sustainability and internal control

During 2025 the Board of Directors approved:

- on 30 January 2025: the Regulation of the Manager in charge of the certification of the sustainability report under art. 154-*bis*, paragraph 5-*ter* of the TUF; approval of the Sustainability Reporting Procedure; updating of the Impairment Test procedure; the ERM Framework Policy;
- on 6 March 2025: the Annual Report of the Manager in charge of preparing the corporate accounting documents and of the Manager in charge of sustainability reporting; the 2024 Corporate Governance Report;
- on 16 July 2025 the Artificial Intelligence governance model and the related Responsible AI Policy, in compliance with Regulation (EU), no. 2024/1689 (the "AI Act"*)*;
- on 13 November 2025: the update of the Tax Compliance Model and the Policy for the management of interpretative risk;
- on 18 December 2025: the update of the composition of the Ethics Committee and examination of the preliminary Budget for 2026, subsequently approved in the final version at the meeting of the Board on 27 January 2026.

Sustainable Growth Fund

In November 2025 the final grant order was issued which set out the total funds granted to the Company from the Sustainable Growth Fund of 3,538,000 Euro under the "I-SUCCEED" (Intelligent Supply Chain and Customer Experience from Extended Data) project.

Renewals and openings of the distribution network

During 2025 the Company continued the programme to renew its distribution network, in particular with the inauguration of the new flagship store in Chengdu (China) on 5 November 2025, coinciding with the thirtieth anniversary of the Ferragamo brand in China.

Manufacturing supply chain

The Board of Statutory Auditors has always paid particular attention to the issue of corporate control of the manufacturing supply chain and prevention measures. Monitoring was further intensified following the first order of the Court of Milan no. 10/2024 Prevention Measures Section of 3 April 2024, which was adopted in regard to other companies in the sector. During 2025 five meetings of the Board (three of which held jointly with the Supervisory Body) were dedicated to the specific issue.

The Company undertook a process of strengthening controls (both in regard to the selection of suppliers and sub-suppliers, and to be carried out during the manufacturing process) and the organisational structure to prevent supply chain risks.

On 2 December 2025 the Company received a request for production under art. 248 of the Italian Code of Criminal Procedure, regarding the acquisition of documentation relating to the Company's governance and internal control systems, with particular reference to the management of its manufacturing supply chain. The Company did everything necessary to respond to the Public Prosecutor's request.

On 11 March 2026 the Board of Directors: i) approved the draft separate financial statements and the consolidated financial statements as at 31 December 2025, together with the 2025 Sustainability Report, pursuant to Leg. Decree 125/2024; ii) approved the statements on variable pay linked to the Short-Term Incentive for the Internal Audit Manager in relation to 2025; iii) approved the 2026 Remuneration Policy and the 2025 Fees Paid Report; iv) confirmed Paolo la Morgia, the Group CFO and Manager in charge of preparing the corporate accounting documents, as the Manager in charge of certification of the Sustainability Report for 2026, in compliance with the provisions of art. 154-*bis*, paragraph 5-*ter*, of the TUF.

In addition, the Board of Statutory Auditors notes that during the year:

- it carried out the functions of the Supervisory Body under art. 6 of Leg. Decree 231/2001, as its members had been appointed members of this Body (in April 2025, Carlo Longari was appointed Chairman of the Supervisory Body in place of Mr Balelli), and as such assessed the elements of interest pursuant to the aforementioned Decree, in regard to which no anomalies and significant reprehensible facts emerged;
- held regular meetings with representatives of the audit firm to mutually exchange data and information material to the discharge of the respective duties in accordance with art. 150, paragraph 3, of the TUF. In this regard, there was no material data or information to be disclosed in this report;
- did not receive complaints as per art. 2408 of the Italian Civil Code;
- issued opinions on the remuneration of directors holding specific positions in accordance with art. 2389, paragraph 3 of the Italian Civil Code;

- expressed its obligatory opinion on the appointment of the Financial Reporting Manager under art. 154-*bis* of the TUF;
- issued opinions on fees for services other than auditing provided by the company engaged for the statutory audit, as envisaged by the law in force and by the Company's internal procedure, verifying in particular the impact on independence, with nothing to report in this regard.

In addition, concerning the Company's bodies and functions, the Board of Statutory Auditors reports that:

- the Board of Directors held 12 meetings in 2025;
- the Control and Risks Committee met 15 times in 2025 (of which 11 times also as the Committee responsible for transactions with related parties and 6 times as the Committee for Business Sustainability);
- the Nomination and Remuneration Committee met 18 times in 2025 (of which 8 times as the Nomination Committee);
- the Supervisory Body under Leg. Decree 231/2001 met 16 times in 2025

Supervision of adherence to the principles of sound management and the adequacy of the organizational structure

The Board of Statutory Auditors:

- obtained information on and supervised, within the scope of its responsibilities, the adequacy of the Company's organizational structure and adherence to the principles of sound management through direct observation as well as by gathering information from the heads of corporate departments and meeting with the audit firm to mutually exchange material data and information. The Board of Statutory Auditors has nothing to report in this regard and considers the Company's organizational structure to be essentially suitable for its needs and those of the Group as well as for ensuring adherence to the principles of sound management;
- assessed and supervised the adequacy of the administrative-accounting system, as well as its reliability in presenting fairly the Company's operations, by obtaining information from the heads of the relevant departments, examining business documents, and analysing the work of the audit firm. The Board of Statutory Auditors has nothing to report in this regard.

The Board of Statutory Auditors has ascertained that directors and statutory auditors receive adequate supporting documents about the items on the agenda of Board of Directors' meetings with reasonable advance notice.

Based on the acquired information, the Board of Statutory Auditors acknowledges that management makes decisions in an informed and reasonable manner and directors are aware of the risks and impacts of the transactions carried out. In addition, the Board of Statutory Auditors acknowledges that the directors are paying particular attention to the current corporate governance which is characterised by delegated powers distributed among a number of directors.

The Board of Statutory Auditors itself paid particular attention to overseeing the means of managing the aforementioned governance, verifying that:

- the distribution of operational delegated powers was suitable to ensure business continuity;
- adequate internal control systems were maintained;
- important decisions were taken by the Board of Directors collectively;
- the process to identify the new Chief Executive Officer proceeded in accordance with transparent methods and in compliance with best practices in corporate governance.

The Board of Statutory Auditors did not find any significant atypical and/or unusual transactions, including intragroup transactions as well as intragroup and non-intragroup related party transactions.

In addition, the Board of Statutory Auditors also assessed the adequacy of the information disclosed in the Directors' report on operations on the lack of significant atypical and/or unusual transactions.

Supervision of the actual implementation of corporate governance rules

Pursuant to art. 149, paragraph 1, lett. c-*bis* of the TUF concerning the supervision by the Board of Statutory Auditors of "*the actual implementation of the corporate governance rules set out in the codes of conduct issued by regulated market operators or trade associations that the company has formally adopted through public disclosures*", the Board of Statutory Auditors notes that it supervised:

- the actual implementation of the corporate governance rules set out in codes of conduct that the Company has formally adopted through public disclosures. In accordance with art. 123-*bis* of the TUF, the Company prepared the annual Report on Corporate Governance and Ownership Structure for 2025, prepared in line with the format for the corporate governance and ownership structure report X edition, approved by the Corporate Governance Committee in December 2024, and approved by the Board of Directors on 11 March 2026, which includes information about i) the Company's ownership structure; ii) the Company's actual corporate governance practices; iii) the key characteristics of the existing risk management and internal control systems, including as far as the separate and consolidated financial reporting process is concerned; iv) the functioning of the Shareholders' Meeting, its main powers, the rights of Shareholders, and how they can exercise them; v) the information required by the ESRS on corporate governance, having taken account of the new sustainability reporting obligations as set out in art. 4 of Leg. Decree 125/2024; vi) the composition and functioning of the administration and control bodies and the relevant committees, as well as the other disclosures required by art. 123-*bis* of the TUF;
- the assessments made by directors regarding the Recommendations for 2026 made by the Chairman of the Corporate Governance Committee in his letter of 18 December 2025 sent to, among others, the chairs of the control bodies of listed companies;
- the adoption and implementation of the Remuneration Policy for Directors and Managers with strategic responsibilities, in accordance with the Corporate Governance Code, with particular attention to the extraordinary pay awarded to directors with delegated powers in the transition stage;
- the implementation of the LTI Share Plan called "Performance and Restricted Shares 2023-2025" aimed at Group managers, in line with the provisions of the Corporate Governance Code. In this regard, the Board of Statutory Auditors also expressed its favourable opinion pursuant to art. 2389 of the Italian Civil Code regarding the decision of the Board of

Directors, taken on 11 March 2026, to definitively cancel the Third Cycle (2025- 2027) of this Plan, given the simultaneous decision to put to the Shareholders' Meeting called for 23 April 2026 the approval of a new "Performance and Restricted Shares" LTI Plan for the period 2026-2028; the application of short-term incentive plans (STI) for 2025;
- the implementation of the procedure for the commissioning of services to the audit firm within the Ferragamo Group during the year.

The Board of Statutory Auditors also acknowledges that:

- in accordance with the requirements in art. 148, paragraph 3 of the TUF and the guidance provided by the Italian National Board of Accountants and Auditors as well as the Corporate Governance Code, it verified whether its members met the independence, professional expertise, competence and honesty requirements as per applicable laws;
- it found that the criteria and procedures adopted by the Board of Directors for the annual assessment of the independence of its independent directors were properly implemented, and that the Board of Directors conducted an analysis based on substantiated evidence and consistent with the decisions concerning the identification of Ferragamo's related parties. The assessment of independence was carried out during the year, and the Board has no comments to make in this regard;
- it oversaw the appointment of the Lead Independent Director pursuant to the Recommendation of the Corporate Governance Code;
- it supervised the process aimed at adopting the policy for the remuneration of directors and managers with strategic responsibilities, in line with the provisions of the Corporate Governance Code.

Supervision of the adequacy of the instructions the Company gives to subsidiaries

Pursuant to art. 114, paragraph 2 of the TUF: i) listed issuers give the instructions necessary for the subsidiaries to disclose all information required to meet disclosure requirements in accordance with the law; ii) the subsidiaries provide the requested disclosures in a timely manner.

The Board of Statutory Auditors supervised the adequacy of the instructions given to subsidiaries, and found that the Company is able to promptly and regularly meet disclosure requirements in accordance with the law – including by gathering information from the heads of organisational functions and regularly meeting with the audit firm to mutually exchange material data and information. The Board of Statutory Auditors has nothing to report in this regard.

In addition, the Boards of Directors of the subsidiaries generally include among their members Directors and/or Managers of the Parent company vested with executive powers, thus ensuring a coordinated management and an adequate flow of information supported by appropriate accounting records.

Intragroup or related-party transactions

In accordance with art. 2391-*bis* of the Italian Civil Code as well as Consob resolution no. 17221 of 12 March 2010 containing the "Related-Party Transactions Regulation" (as amended), on 30 March

2011 Ferragamo's Board of Directors, with the favourable opinion of the Related-Party Transactions Committee – which consists only of independent directors (and is appointed for this purpose with a specific resolution of the Board of Directors in accordance with art. 4, paragraph 1 of said Regulation), adopted the "Procedure governing transactions with related parties", which was subsequently updated most recently on 3 August 2023.

Pursuant to art. 4 of said Regulation, we certify that the Procedure adopted by the Company i) is consistent with the principles set out in the Regulation, and ii) is published on the Company's website (*https://group.ferragamo.com*).
Based on the acquired information, in 2025 several transactions with related parties were carried out both within the Group and with third parties. As far as we know, based also on our supervisory work, transactions with related parties were carried out in accordance with said procedure and the Regulation.
The main transactions with related parties approved in 2025 concerned: i) the framework agreement for 2026 with Lungarno Alberghi S.r.l. (related party) for the hosting of guests during events at Fashion Weeks in Milan 2026; ii) the mutual termination agreement with the Chief Executive Officer and director Marco Gobbetti; iii) the suspension and subsequent cancellation, approved respectively at the Board meetings of 23 October 2025 and 11 March 2026, of the third cycle (2025 - 2027) of the "Performance and Restricted Shares 2023-2025" LTI Plan, given also the decision to be put to the Shareholders' Meeting called for 23 April 2026 to approve a new "Performance and Restricted Shares" LTI Plan for the period 2026-2028.
The further infragroup transactions we examined are of an ordinary nature, as they essentially concern commercial services as well as the exchange of administrative, financial and organizational services. The aforementioned transactions were regulated applying normal market conditions, determined in accordance with standard parameters reflecting the actual use of the services concerned, and were in the interest of the Company. The transactions with non-intragroup related parties we examined also appear to be part of the ordinary course of business (as they fall within day-to-day operating activities or the relevant financing activities) and were concluded on arm's length or standard terms. The transactions with related parties are disclosed in the Explanatory notes to the separate and consolidated financial statements along with the relevant economic impact.

In our opinion, all said transactions were carried out in the interest of the Company.

Supervision pursuant to Leg. Decree 39/2010

Pursuant to art. 19 of Leg. Decree no. 39/2010, as amended by Leg. Decree 135/2016, the Board of Statutory Auditors (identified as the "Internal Control and Audit Committee") is charged with:

- notifying the audited entity's administrative body of the audit findings, as well as submitting the additional report as per art. 11 of Regulation (EU) no. 537/2014 to said body along with any observations;
- monitoring the financial reporting process;
- checking the effectiveness of the internal control, internal audit and risk management systems;
- monitoring the statutory audit of the annual and consolidated financial statements;
- verifying and monitoring the independence of independent auditors or audit firms pursuant to arts. 10, 10-*bis*, 10-*ter*, 10-*quater*, and 17 of said decree as well as art. 6 of the EU

Regulation, concerning especially the adequacy of non-audit services provided to the audited entity, in accordance with art. 5 of said Regulation;

- overseeing the procedure for the selection of independent auditors or audit firms and recommending the independent auditors or audit firms to be appointed pursuant to art. 16 of the EU Regulation.

The Board of Statutory Auditors has worked with the Control and Risks Committee of the Board of Directors to coordinate their respective duties and avoid potential overlaps.

In this regard, the practice introduced at Ferragamo of inviting the entire Board of Statutory Auditors to the meetings of the Control and Risks Committee makes relations fluid and facilitates coordination and exchange of information between the two bodies, even when the activities of the Control and Risks Committee refer to issues of specific relevance for the purposes of Legislative Decree No. 39/2010 and the supervisory matters mentioned above.

Concerning specifically the activities set out in Leg. Decree 39/2010 on Statutory Auditing, we report the following.

Disclosure of the audit findings and the Additional Report as per art. 11 of the EU Regulation no. 537/2014 to the Administrative Body

Pursuant to art. 19 of Leg. Decree 39/2010, the Board of Statutory Auditors notified the administrative body of the audit findings as well as submitted the additional report as per art. 11 of the EU Regulation no. 537/2014, issued today by the audit firm.

Supervision of the financial reporting process

The Board of Statutory Auditors has ascertained the existence of rules and procedures concerning the preparation and disclosure of financial information. In this regard, the Report on Corporate Governance and Ownership Structure complies with the guidelines of the internal control and risk management system as well as appropriate financial reporting methods and procedures.

The Board of Statutory Auditors, with the help of the Manager in charge of preparing the corporate accounting documents, examined the procedures concerning the preparation of the Company's financial statements and the consolidated financial statements as well as the other interim financial reports. In addition, the Board of Statutory Auditors obtained evidence of the process allowing the Manager charged with preparing Company's Financial Reports as well as the competent Director to issue the certifications required by art. 154-*bis* of the TUF.

The Board of Statutory Auditors learned that the administrative/accounting procedures for the preparation of the financial statements and any other financial disclosures are overseen by the Manager in charge of preparing the corporate accounting documents, who, together with the delegated Director, certifies their adequacy and actual implementation for the purposes of preparing the separate and consolidated financial statements as well as the half-year report.

On 11 March 2026 the delegated Director and the Manager in charge of preparing the corporate accounting documents issued the certifications of the consolidated and separate financial statements envisaged by article 154-*bis* of the TUF in accordance with the models that conform to the provisions of art. 81-*ter* of Consob Regulation no. 11971/1999 as amended and supplemented.

Therefore, the Board of Statutory Auditors considers the financial reporting process to be adequate and has nothing to report to the Shareholders' Meeting.

Supervision of the effectiveness of the internal control, internal audit and risk management systems

The Board of Statutory Auditors, including together with the Control and Risks Committee, regularly met with the Internal Audit Manager and was informed about both the findings of the audits aimed at verifying the adequacy and operation of the internal control system, compliance with the law, corporate procedures and processes as well as the implementation of the relevant plans for improvement. In addition, it received the 2025 Audit Plan approved by the Board of Directors on 30 January 2025 (on which the Control and Risks Committee and the Board of Statutory Auditors issued a favourable opinion at the meeting held on 24 January 2025), as well as regular updates on the progress on the 2025 Plan and any potential corrective actions. In addition, it received the Report of the Internal Audit Manager for the year 2025 as well as the Control and Risks Committee's six-monthly report.

Please note that the Company adopts an integrated risk management model, in line with ERM ("Enterprise Risk Management") standards and best practices, inspired by the framework issued by the "Committee of Sponsoring Organizations of the Treadway Commission" or "COSO ERM"). The Enterprise Risk Management system is regulated by the "ERM Framework" Policy, approved by the Board of Directors on 30 January 2025. This framework establishes the methods and guidelines to identify, assess, and manage the main corporate risks, as well as the organisation of systems to control and safeguard against them. The ERM process supports senior management in analysing the risks with a direct or indirect impact on achieving the strategic and sustainability targets, regularly involving senior management and the risk owners in assessing the exposure to risks. On the basis of the provisions of the Policy, the Group risks are subject to assessment every six months through a structured approach which integrates qualitative and quantitative criteria. The Group Internal Control and Risk Management function helps management analyse the existing countermeasures and control systems and implement them, in order to guarantee their effectiveness in mitigating the risk. In this context, the ERM Committee was set up chaired by the Chief Executive Officer and coordinated by the Group Internal Control and Risk Management Function, with the participation of the risk owners. The Committee handles the analysis and verification of the Group Risk Map, the assessment of the risks and their interactions, ensuring the adoption of effective strategies to reduce the most significant exposure. The meetings of the ERM Committee are held at least every quarter and during reporting on risks to the Control and Risks Committee and the Board of Directors. Finally, it is noted that the coming into force of the Corporate Sustainability Reporting Directive ("CSRD"), which was transposed in Italy through Leg. Decree 125/2024, expanded the reporting obligations compared to the previous NFRD, introducing new transparency standards on environmental, social and governance (ESG) performance, with the aim of enhancing companies' sustainability and responsibility.

The Board of Statutory Auditors, therefore, expresses its assessment of the substantial adequacy of the internal control system overall and highlights that there are no significant findings to put to the Shareholders' Meeting.

Supervision of the statutory audit of the annual and consolidated financial statements

- the accounts were audited in accordance with the law by the audit firm KPMG which the Shareholders' Meeting of 18 April 2019 appointed as independent auditors for the years 2020-2028;
- the Board of Statutory Auditors held regular meetings with the audit firm KPMG to mutually exchange information to perform their duties, including pursuant to art. 150, paragraph 3 of the TUF. Based on the meetings held, there are no material issues to report concerning auditing activities or significant deficiencies in the integrity of the internal control system as far as specifically the financial reporting process is concerned;
- today, KPMG issued its reports on the separate financial statements and the consolidated financial statements prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standard Board ("IASB") and endorsed by the European Union, as well as in compliance with the provisions issued in implementation of art. 9 of Legislative Decree no. 38/05. Furthermore, in the same report, KPMG issued i) an opinion on compliance with the Single Disclosure Format ("ESEF") provisions of Delegated Regulation (EU) 2019/815 and ii) an opinion on the consistency of the Directors' report on operations and the information in the Corporate Governance Report with the financial statements. This report did not include objections or requests for additional disclosures. In the report on the consolidated financial statements, KPMG states it ensured the Directors approved the Consolidated Sustainability Report.

Independence of the audit firm, specifically concerning the provision of non-audit services

Concerning the annual review of independence requirements, the Board of Statutory Auditors states it received a written confirmation from the audit firm with the submission of the Additional Report issued today in accordance with art. 11 of the EU Regulation.

The Board of Statutory Auditors supervised the independence of the audit firm and, in particular, received evidence on a regular basis of the non-audit services to be assigned (or assigned pursuant to specific regulatory provisions) to the independent auditors. As the Ferragamo Group's consolidated financial statements show, in 2025 KPMG rendered the following services to the Group, including through its network:

Entity and reference period *(Euro/000)*		**Audit services**	**Non-audit services**	**Total**
Salvatore Ferragamo SpA	(2025)	382	161	543
Ferragamo Group	(2025)	724	3	727
Total		**1,106**	**164**	**1,270**

The Board of Statutory Auditors believes the above fees are proportionate to the extent, complexity, and characteristics of the work carried out, and that the non-audit services (and the relevant fees) are not such to compromise the independence of the audit firm. The Board of Statutory Auditors also ensured that the duties assigned to the audit firm are not among those that cannot be assigned to it pursuant to the mentioned EU Regulation.

In relation to the audit firm, the Board of Statutory Auditors reports that the aforementioned Additional Report of KPMG does not reveal any deficiencies in the internal control system in relation to the financial reporting process such that need to be reported to this control body, nor have any cases of actual or alleged non-compliance with laws and regulations or statutory provisions emerged.

Consolidated Sustainability Report

Ferragamo, as a public-interest entity (PIE), is required as from 2024 to publish its Consolidated Sustainability Report in compliance with the provisions of Leg. Decree 125/24, transposing the CSRD. This regulation requires a dual approach, considering both the impacts of the business on society and environment and how sustainability factors influence the company itself.

In compliance with the above regulations, the Consolidated Sustainability Report of the Ferragamo Group for the year ended 31 December 2025, approved by the resolution of the Board of Directors on 11 March 2026 and included in the Annual Financial Report as at 31 December 2025, was prepared to the extent necessary to guarantee understanding of the Group's business, its performance, its results and the impact it produces.

The Board of Statutory Auditors plays a key role in monitoring the adequacy and effective functioning of the internal control and risk management system, with particular reference also to the issues of sustainability and to the new provisions introduced by the CSRD.

In this regard, the Board of Statutory Auditors oversaw compliance with the regulatory obligations on sustainability reporting, verifying that the Company implemented suitable procedures and processes to guarantee the reliability and transparency of the non-financial information. To this end, the Board interacted with the corporate structures responsible for controlling ESG themes, the Control and Risks Committee and the Internal Audit function.

The collection of information took place through a centralised process, which saw the Ferragamo Group functions consolidate the data from all the subsidiaries, under the coordination of the Sustainability function, in collaboration with the DPS.

In addition, the Board of Statutory Auditors monitored the integration of ESG factors into the Company's business models and risk management systems, promoting constant alignment with national and international best practices. Particular attention was also paid to involving the Company in the double materiality analysis required by the CSRD, i.e. the assessment of the company's impact on the environment and on society, as well as the risks and opportunities that sustainability issues can generate for the business.

The Board of Statutory Auditors took active part in the processes to verify and guarantee the sustainability information, also in collaboration with the subject responsible for the statutory audit of the accounts. This work included the assessment of the reliability of the data, the analysis of the methods adopted to measure ESG impacts and the coherence of the reported information with international sustainability standards.

Finally, the Board of Statutory Auditors promoted constant dialogue with the governance bodies and the key stakeholders to favour a proactive and integrated approach to sustainability, helping strengthen the transparency and credibility of the corporate ESG reporting.

With specific regard to the examination of the Sustainability Report, the Board of Statutory Auditors oversaw compliance with the provisions established in Leg. Decree 125/2024, as part of the responsibilities entrusted to it by law. In this regard, it is noted that:

- pursuant to art. 34, paragraph 1, second subparagraph, of Directive 2013/34/EU as amended by the CSRD, on 6 March 2024, the Company engaged KPMG to undertake the limited examination of the Consolidated Sustainability Report of the Ferragamo Group;
- the Board of Statutory Auditors obtained regular updates about the undertaking of the activities that precede the preparation of the Consolidated Sustainability Report;
- today KPMG issued its report stating compliance of the information in the Sustainability Report with the provisions of the Decree which regulate the drafting criteria, with art. 4, paragraph 10 of Leg. Decree 125/2024 and compliance with the disclosure obligations envisaged by art. 8 of Regulation (EU) 2020/852;
- today KPMG issued its report containing the judgment on the conformity of the separate financial statements (hereafter also the "Financial Statements") and the consolidated financial statements, in which it notes it has verified the preparation of the Consolidated Sustainability Report.

The Board of Statutory Auditors is not aware of violations of the related regulatory provisions and therefore expresses its assessment of adequacy of the process to draw up the Sustainability Report and does not hold that there are findings to put to the Shareholders' Meeting.

Separate financial statements, consolidated financial statements, and Directors' report on operations

Ferragamo's draft financial statements, approved by resolution of the Company's Board of Directors on 11 March 2026, were prepared in accordance with the IAS/IFRS international accounting standards issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, as well as with the legislation enacting art. 9 of Leg. Decree no. 38/2005.

Concerning specifically the separate financial statements for the year ended 31 December 2025, the consolidated financial statements as at 31 December 2025, and the Directors' report on operations for the year 2025, the Board of Statutory Auditors reports that:

- the Company's financial statements and the consolidated financial statements were prepared in accordance with the structure and reporting formats required by applicable laws;
- the financial statements are accompanied by the Directors' report on operations, which summarises the main risks and uncertainties as well as describes the Company's outlook. This report complies with applicable laws and is consistent with the resolutions of the administrative body as well as the information in the financial statements. In addition, it includes adequate disclosures of the operations carried out during the year and intragroup transactions. In accordance with IFRS, the section containing related-party transaction disclosures was included in the Explanatory notes to the financial statements;
- the Company also prepared the Corporate Governance and Ownership Structure Report, pursuant to art. 123-*bis* of the TUF, and the Remuneration Report pursuant to art. 123-*ter* of the TUF;
- the Board of Statutory Auditors received the financial statements in time for filing them at the Company's registered office along with this report;

- it verified the rationality of the assessments made and their consistency with international accounting standards;
- it verified the consistency of the financial statements with the events and information it is aware of as a result of the work carried out; therefore, it has nothing to report in this regard;
- as far as the Board of Statutory Auditors knows, the Directors did not depart from the provisions as per art. 2423 of the Italian Civil Code in preparing the financial statements;
- Ferragamo's Board of Directors, in accordance with the joint document issued by the Bank of Italy/Consob/ISVAP on 3 March 2010, independently approved the procedure and results of the impairment test ahead of the approval of the draft financial statements, ensuring their compliance with IAS 36. The information and findings of the assessments carried out are reported in the Explanatory notes to the financial statements.

Proposal to the Shareholders' Meeting

1. Financial Statements as at 31 December 2025

In conclusion, the Board of Statutory Auditors—within the scope of its responsibilities, having noted the information in the Financial Statements as at 31 December 2025, and considering the observations included in this report—proposes that the Shareholders' Meeting approve the Financial Statements as presented by the Board of Directors.

2. Group Remuneration Policy

The Board of Statutory Auditors raises no objection to the 2026 Remuneration Policy submitted to the binding resolution of the Shareholders' Meeting.

Final remarks

In light of the renewal of the control body by the Shareholders' Meeting of 23 April 2026, the Board of Statutory Auditors prepared specific guidelines aimed at shareholders regarding the qualitative and quantitative composition of the new Board, the commitment required to carry out the engagement and the adequacy of the related fee, all made available together with the documentation for the Shareholders' Meeting.

The Board of Statutory Auditors considers it opportune to highlight that 2025 was characterised by a significant transition in the Company's governance, following the resignation of the Chief Executive Officer and the temporary redistribution of the delegated powers among a number of directors.

The Board oversaw this transitory phase with particular attention, verifying that:

- operational and managerial continuity was guaranteed;
- adequate internal control systems were maintained;
- the decision-making process remained in line with the principles of sound administration;
- the information flow to stakeholders was timely and complete;
- the process to find the new Chief Executive Officer went on in accordance with best practice in corporate governance.

The Board acknowledges the strong commitment by directors with delegated powers to managing the transitory phase and hopes for a quick conclusion to the process to select the new Chief Executive Officer, in order to complete the definitive governance arrangements.

The Board of Statutory Auditors has no issues to report concerning the information obtained and the supervisory activities performed; the Board of Statutory Auditors did not find any omissions, reprehensible events, irregularities or circumstances to be reported in this document or to the Supervisory Authority.

Florence, 31 March 2026

THE BOARD OF STATUTORY AUDITORS

Andrea Balelli (Chair)

Paola Caramella (Acting Statutory Auditor)

Giovanni Crostarosa Guicciardi (Acting Statutory Auditor)

INDEPENDENT AUDITOR'S REPORT

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Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Salvatore Ferragamo S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Salvatore Ferragamo S.p.A. (the "company"), which comprise the statement of financial position as at 31 December 2025, the income statement and the statements of comprehensive income, cash flows and changes in equity for the year then ended and notes thereto, which include a summary of the significant accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Salvatore Ferragamo S.p.A. as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG S.p.A.
è una società per azioni
di diritto italiano
e fa parte del network KPMG
di entità indipendenti affiliate a
KPMG International Limited,
società di diritto inglese.

CERTIFIED MANAGEMENT SYSTEM
ISO 9001 - ISO 27001-27701
ISO 30415 - ISO 37001
SA 8000 - UNI PdR 125

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Bologna Bolzano Brescia
Catania Como Firenze Genova
Lecce Milano Napoli Novara
Padova Palermo Parma Perugia
Pescara Roma Torino Treviso
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Measurement of finished products

Notes to the separate financial statements: *note 2 "Statement of compliance with IFRS and basis of presentation" and note 13 "Inventories"*

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2025 include finished products of €47.3 million, net of an allowance for write-down of €27.2 million. Determining the allowance for write-down is a complex accounting estimate, entailing a high level of judgement as it is affected by many factors, including: • the characteristics of the company's business sector; • the market performance and fashion trends; • the age of the collection in stock; • pricing policies and sales ability through the different distribution channels. For the above reason, we believe that the measurement of finished products is a key audit matter.	Our audit procedures included: • understanding the process for the measurement of inventories and assessing the design and implementation of relevant controls; • checking changes in inventories during the year, considering finished products' expected life cycle based on their age; • analysing documents and discussing the assumptions adopted to calculate the allowance for write-down with the relevant internal departments, in order to understand the assumptions underlying the expectations of how finished products will be sold and comparing those assumptions with historical figures and the company's operating environment; • assessing the appropriateness of the disclosures provided in the notes about finished products.

Other matters - Management and coordination

As required by the law, the company disclosed the key figures from the latest financial statements of the company that manages and coordinates it in the notes to its own separate financial statements. Our opinion on the separate financial statements of Salvatore Ferragamo S.p.A. does not extend to such data.

Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 18 April 2019, the company's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2020 to 31 December 2028.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The company's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2025 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2025 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The company's directors are responsible for the preparation of a directors' report and a report on corporate governance and ownership structure at 31 December 2025 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the separate financial statements;
- express an opinion on the compliance of the directors' report, excluding the section that includes the consolidated sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the company's separate financial statements at 31 December 2025.

Moreover, in our opinion, excluding the section which includes the consolidated sustainability statement, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on compliance with the applicable law does not extend to the directors' report's section which includes the consolidated sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Florence, 31 March 2026

KPMG S.p.A.

(signed on the original)

Andrea Rossi
Director of Audit