GEOX

REPORT
ON CORPORATE GOVERNANCE AND OWNERSHIP SET-UPS
Pursuant to Article 123-*bis* of the FCA

GEOX S.p.A.
www.geox.com

2013 ACCOUNTING PERIOD

Approved on 06.03.14

GEOX

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GEOX

GLOSSARY

Code/Code of Best Practice	The Code of Best Practice of listed companies, approved in March 2006 (as amended in March 2010 and in December 2011) by the Corporate Governance Committee.
Civil Code/c.c.	The Italian civil code.
Board	The Issuer's Board of Directors.
Issuer/Company	GEOX S.p.A.
Accounting period	The fiscal year, which refers to the period ended on 31.12.13.
Consob Issuers' Regulations	The Regulations issued by CONSOB under resolution no. 11971/1999 (as subsequently amended) regarding issuers.
Consob Market Regulations	The Regulations issued by CONSOB under resolution no. 16191/2007 (as subsequently amended) regarding markets.
Consob RPT Regulations	The Regulations issued by CONSOB under resolution no. 17221 of 12 March 2010 (as subsequently amended) regarding related party transactions.
Report	This report on corporate governance and ownership set-ups that companies are required to draw up pursuant to Article 123-*bis* of the FCA.
FCA/Finance Consolidation Act	Italian legislative decree no. 58 of 24 February 1998, as subsequently amended.

1. ISSUER PROFILE

MISSION AND VALUES

The footwear and clothing market is extremely competitive.

Geox distinguishes itself from its competitors by allowing its products to “breathe.” The name of the brand Geox derives from the combination of the words “geo” (earth in Greek) on which we all walk and “x”, a letter/element that symbolizes technology.

The origin of the Geox name underlines the vocation and DNA of a company that started from a revolutionary idea and made comfort, well being and health corporate must-haves. The company looks forward by “breathing” internally as well, through the practical application of very strong values of the typically Venetian “do-it” culture, but always with respect for interpersonal relationships and corporate ethics.

Geox’s mission: to offer wellbeing to people from their head to their toes, by continuously developing new technologies and by complying with corporate ethics.

<u>The principles of our mission</u>

Geox’s mission derives from the application of values that are fundamental to the company:

Technology

Constant focus on the product through application of patented innovative and technological solutions invented by Geox.

Focus on the consumer

Cross positioning of our products for men, women and children in the broader medium and medium/high segment of the market (family brand) and promotion of the direct relation with consumers through a widespread retail network.

Brand recognition

The Geox brand enjoys a high level of recognition, thanks to an effective communication strategy and its identification by consumers with the “breathable” concept.

Internationalisation

Growing presence in international markets thanks to the replicability of the business model established in Italy.

The values of people

Each day, Geox’s staff absorbs its fundamental values:

- To work with enthusiasm and dynamically
- To believe in their own ideas and in innovative projects
- Common sense
- Honesty and integrity
- Temperance in conduct (and costs)
- Responsibility towards employees, customers, partners and shareholders

- Recognition of the importance of training
- Respect for the code of conduct
- Sensitivity with regard to environmental pollution
- Trust in the management.

It has been proven that respect for these principles reinforces the value of Geox's corporate culture and our trust in the company's future.

SUMMARY DESCRIPTION OF GEOX S.P.A.'S CORPORATE GOVERNANCE SYSTEM

During 2013, the Company fully abided by the recommendations included in the Code.

The Company intends to provide below complete information on the procedures to implement its corporate governance system and on compliance with the Code, according to the guidelines contained in the experimental format developed by Borsa Italiana, updated in January 2013, as well as according to Article 123-*bis* of the FCA.

This report is based on the Articles of Association of the Company, amended on 6 February 2013 to bring it in line with the new rules and regulations introduced by Law no.120/2011 in relation to the equal gender representation in management and auditing bodies in the companies listed on regulated markets (so-called "pink quotas").

Furthermore, on 19.12.13, the Company's Board of Directors approved the Company's internal regulations amendment, which identify the principles that GEOX abides by in order to ensure the transparency, essential and procedural correctness of transactions with related parties, in application and compliance with Consob's RPT Regulations.

Geox S.p.A.'s corporate bodies are: the Shareholders' Meeting, the Board of Directors, the Executive Committee, the Audit and Risk Committee, the Remuneration Committee, the Appointment Committee, the Board of Statutory Auditors. The Committees represent the internal structure of the Board of Directors and have been established with the aim of improving the functioning and strategic policy capability of the Board.

Moreover, a Committee for Ethics and Sustainable Development composed of Mario Moretti Polegato, Joaquìn Navarro-Valls and Engineer Umberto Paolucci is in place to guide and promote the company's ethical commitment and conduct.

The aim of the corporate governance system is to ensure the correct functioning of the Company and the Group, in general, as well as the development on a global scale of the reliability of its products and, as a consequence, its name.

2. INFORMATION ON THE OWNERSHIP SET-UPS AS OF 31.12.13

a) Share capital structure

The share capital, fully subscribed and paid-in, amounts to Euro 25,920,733.10 and it is divided into 259,207,331 ordinary shares, each with a par value of Euro 0.10 (nought point ten).

The Issuer's share capital structure is shown in the table below.

SHARE CAPITAL STRUCTURE				
	No. of shares	**% of share capital**	**Listed (indicate markets) / not listed**	**Rights and obligations**
Ordinary shares	259.207.331	100%	MTA	Each share is entitled to one vote. The rights and obligations of the shareholders are those laid down by articles 2346 and subsequent articles of the Italian civil code.
Shares with limited voting rights	-	-	-	-
Shares without voting rights	-	-	-	-

The Extraordinary Shareholders' Meeting held on 18 December 2008 resolved a splittable share capital increase, with progressive efficacy and against payment, for a maximum amount of Euro 1,200,000 (one million two hundred thousand\00), by means of the issue of a maximum number of ordinary shares equal to 12,000,000 ordinary shares, with a par value of Euro 0.10 (nought point ten) each, regular divided rights, with the exclusion of the purchase option, and with the latest deadline for subscription established as of 31 December 2020. The shares relating to the aforementioned increase are reserved for the beneficiaries of the share incentive plans (stock option plans), either already approved or future and possible ones.

As of the date of this report, five cycles of stock option plans have been approved:

- the first, approved by the BoD in December 2004, envisaged a cycle for the allocation of options to be carried out as from November 2004. 2,850,000 purchase options were allocated, whose exercise price was established as Euro 4.6 equating to the offer price at the time of the listing. Of these 2,850,000 purchase options assigned, the Board of Directors' meeting held on 5 December 2005 allowed the managers holding these options to bring forward the exercise of 344,000 options, with respect to the dates originally envisaged by the Plan. The accrual period for the options is five years as from the date of allocation of said options (known as the "vesting period") and a maximum period of a further five years for the exercise of said options (known as the "exercise period"). The possibility of exercising the options, which is determined tranche by tranche, is dependent on achieving the performance results, cumulative in the respective *vesting periods*, with reference to the EBIT economic index (*Earnings Before Interest and Tax*) as emerging from the consolidated business plan of the Geox Group.
- the second, approved by the BoD on 15 December 2005, envisaged a cycle for the allocation of options to be carried out as from December 2005. 898,800 purchase options were allocated, whose exercise price equates to the normal value of the shares at the time of the offer of the purchase options, as established by Article 9 of the T.U.I.R. No. 917/86, equating to Euro 9.17. The expiration date is 31 December 2015. The possibility of exercising the options is dependent on achieving the performance results, cumulative in the

respective *vesting periods*, with reference to the GEOX EBIT. The Regulations are essentially identical to those of the 2004 Plan;

- the third, approved by the Shareholders' Meeting held on 7 April 2008, is in favour of the Managing Director and other executives and associates of the Company and of the companies in the Group. A total of 3,395,000 purchase options have been assigned as part of the execution of this plan, the exercise price of which is equal to the normal value of the shares at the time of the purchase option offer, as defined by article 9 of the T.U.I.R. (Income Tax Consolidation Act) no. 917/86, or Euro 9.62. The purchase options can be exercised in two tranches after an accrual period of three and four years respectively. The exercise of the options is also conditioned by achievement of the performance results (EBIT) as set forth in the business plan approved by the BoD on 27 February 2008. The allocation took place during the Board of Directors' meeting held on conclusion of the shareholders' meeting's business;
  On 3 March 2011, the Board of Directors resolved the non-exercising of the first two tranches of options after having detected that performance results (EBIT) established in the plan relative to the three-year period (2008-2009-2010) had not been achieved.
  On 8 March 2011, the Board of Directors resolved the non-exercising of the second two tranches of options after having detected that the performance results (EBIT) established in the plan relative to the four-year period (2008-2009-2010-2011) had not been achieved.
- the fourth, approved by the Shareholders' Meeting held on 21 April 2009, is in favour of the Managing Director and other executives and associates of the Company and of the companies in the Group. A total of 3,690,000 purchase options have been assigned as part of the execution of this plan, the exercise price of which is equal to the normal value of the shares at the time of the purchase option offer, as defined by article 9 of the T.U.I.R. (Income Tax Consolidation Act) no. 917/86, or Euro 5.19. The option rights may be exercised in two tranches after two and three years have lapsed, respectively. Exercise of the options is also conditional on achievement of the performance results (EBIT) contained in the Group's industrial plan of the year 2009-2011 approved by the BoD on 21 April 2009;
  On 3 March 2011, the Board of Directors resolved the non-exercising of the first two tranches of options after having detected that the performance results (EBIT) established in the plan relative to the two-year period (2009-2010) had not been achieved.
  On 8 March 2012, the Board of Directors resolved the non-exercising of the second two tranches of options after having detected that the performance results (EBIT) established in the plan relative to the three-year period (2009-2010-2011) had not been achieved.
  The fifth, approved by the Shareholders' Meeting held on 22 December 2011, is in favour of the Directors with proxies and the other employees and co-workers of the Company and the companies in the Group. This plan regards a maximum number of options equal to 2,830,000 and provides that options be allocated in two different moments, in 2011 and 2012. As an implementation of said plan, no. 1,780,000 option rights were allocated in 2011, and no. 500,000 option rights were allocated in 2012, with an exercise price equal to the fair value of the shares at the time when option rights are offered, as defined in Article 9 T.U.I.R. (Income Taxes Consolidated Act) no. 917/86, amounting, respectively, to Euro 2.29 and Euro 2.08. The exercise of the options is conditional on the achievement of the performance results (EBIT) established in the 2012-2015 industrial plan of the Group approved by the BoD on 13 February 2012.

Further details on the incentive plans are contained in the financial statements as of 31.12.13, as well as in the investor relations section on the website www.geox.com.

Without prejudice to the matters indicated above in relation to the stock option plans, the Company has issued no financial instruments that grant the right to subscribe newly issued shares.

b) Restrictions on transfer of securities

The Company's ordinary shares are freely transferable and contain no restrictions with regard to their transfer. Moreover, there is no limit on ownership of securities and the Company or other securities' holders confer no approval requirements in relation to the transfer of said shares.

The purchase options that were assigned by the Issuer as part of the stock option plans described in paragraph a) above are non-negotiable and cannot be transferred.

c) Significant equity investments in the share capital

As of the date of approval of the Report, the parties who invest directly or indirectly, to an extent greater than 2% of the share capital, in accordance with the information emerging from the communication made in accordance with Article 120 of the FCA, are:

SIGNIFICANT EQUITY INVESTMENTS IN SHARE CAPITAL			
Party	**Direct shareholder**	**% of ordinary share capital**	**% of voting capital**
Mario Moretti Polegato	**LIR S.r.l.**	**71,10%**	**71,10%**
JPMorgan Asset Management Holdings Inc.		**2,0393%**	**2,0393%**

d) Securities with special rights

The Issuer has issued no securities that grant special control rights.

e) Shareholding participation of employees: exercise of voting rights mechanism

There is no mechanism providing for the exercise of employees voting rights.

f) Restrictions on the right to vote

There is no restriction on the right of shareholders to vote.

g) Shareholders' agreements

To the best of the Company's knowledge, there exist no agreements between the Company's shareholders pursuant to article 122 FCA.

h) Change of control clauses and provisions of the articles of association concerning the PPO

The Group has not concluded significant agreements that will enter into effect, become amended or be extinguished in the event of a change of control within the contracting company.

The Articles of Association of Geox do not contain any provisions departing from the provisions on the passivity rule laid down by art. 104, paragraphs 1 and 2, of the CFA nor do they envisage the application of the neutralisation rules laid down in art.104-bis, paragraphs 2 and 3 of CFA.

i) Proxies to increase the share capital and authorisations to purchase treasury shares

Powers to increase the share capital

As of the date of approval of the Report, the Extraordinary Shareholders' Meeting did not grant the Board of Directors authority to increase the share capital pursuant to Articles 2420-*ter* and 2443 of the Civil Code.

Authorisation to purchase treasury shares

At the date of approval of this Report, the Board of Directors is not authorised to purchase treasury shares, since, at June 2013, there is in force the non-authorisation for the purchase of treasury shares stated on 22 December 2011 by the Company's shareholders' assembly pursuant to article 2357 et seq. of the civil code, which has a duration of 18 months starting from the date of approval of the relative resolution.

As at 31.12.13, the Issuer held no treasury shares.

j) Management and co-ordination activities

The Company manages and coordinates the companies belonging to Geox Group S.p.A., including in matters of governance. Despite it being controlled by another company, Geox S.p.A. does not consider itself to be subject to the management and co-ordination activities of third parties, since the decision-making bodies and the management headquarters of the entire Group are concentrated within Geox S.p.A.'s structure.

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With reference to the information relating to the agreements between the company and the Directors which envisage indemnities in the event of resignations or dismissal without just cause or if their employment relationship should cease following a public purchase offer, please refer to the contents of the remuneration report published in compliance with art. 123-ter of the FCA (see Section 7 of this Report).

The information relating to the rules applicable to the appointment and replacement of the Directors and amendments to the Articles of Association, if other than the additional legislative and regulatory rules applicable on a supplementary basis, are set forth in Section 4.1 of the Report.

3. COMPLIANCE

The Company has formally adopted the Code of Best Practice for listed companies drawn up by Borsa Italiana S.p.A.'s Corporate Governance Committee, as approved in March 2006 by means of the BoD meeting held on 22 January 2007.

The Code of Best Practice was amended in March 2010 in its section related to the remuneration of directors and executives having strategic responsibility, and it was updated in December 2011 with the aim, on the one hand, of increasingly adjusting the Code's recommendations to the size of listed companies, and on the other than, of strengthening the central role of the Board of Directors and rationalizing the auditing system.

With reference to the amendments to the Code of Best Practice in December 2011, the issuers were asked to apply such amendments by the accounting year 2012 and provide confirmation of that in the report on corporate governance published in 2013. In this regard, it is pointed out that the Board of Directors which met on 20 December 2012 resolved to make some organizational changes to implement the amendments made to the Code in December 2011, including, in particular, some changes to the Internal Auditing and Risk Management System and to the functions expedient to that. Moreover, during the above-mentioned meeting held on 20 December 2012, the Board of Directors also resolved to create an Appointment Committee, in compliance with Articles 4 and 5 of the Code. The text of the Code of Best Practice is accessible to the public on the website of Borsa Italiana (www.borsaitaliana.it).

Neither the Issuer nor its strategically significant subsidiaries are subject to the provisions of non-Italian laws that influence the Issuer's corporate governance structure.

4. BOARD OF DIRECTORS

4.1 Appointment and replacement of Directors and Article of Association amendments

The provisions applicable for the appointment and replacement of Directors, illustrated below, are indicated under Article 17 of the Articles of Association:

"The Directors are appointed for the first time in the memorandum of association and subsequently by the ordinary shareholders' meeting. Undertaking of the office of Director is dependent on possession of the requisites established by the law, the Articles of Association and by other applicable provisions.

Those who cover more than ten appointments as director or statutory auditor in other companies listed on organized markets (also abroad), in financial, banking and insurance companies or those of a significant size, cannot be appointed to the office of Director of the Company and, if appointed, fall from office.

When the Board of Directors is appointed by the Shareholders' Meeting, the Directors are appointed by the ordinary meeting on the basis of lists presented by the Shareholders, in which the candidates will be listed by means of progressive number.

The lists must be lodged at the registered offices of the company at least twenty-five days before the date established for the Shareholders' Meeting and must be put at the disposal of the public at the registered offices, on the Internet site and with the other procedures laid down by laws and regulations at least twenty-one days before such a meeting.

Each Shareholder may present or contribute towards presenting just one list and each candidate can present on just one list, on penalty of ineligibility. Each Shareholder, as well as the Shareholders belonging to the same group (this being understood to be the party, not necessarily corporate, which controls the same in accordance with Article 93 of Italian Legislative Decree No. 58/1998 as well as the subsidiary and associated companies of the same party), or who comply with a shareholders' agreement pursuant to Article 122 of Italian Legislative Decree No. 58/98, cannot present or contribute towards presenting or voting for – directly, via third parties or trust companies – more than one list.

Only the Shareholders who alone or together with other Shareholders represent at least one fortieth of the share capital (or a lower threshold determined in accordance with legislation in force as of the date of the shareholders' meeting) have the right to present lists.

Ownership of the aforesaid minimum shareholding requirement necessary to present the lists is calculated taking into account the shares registered in the shareholders' name as at the date when the shares are lodged at the Company's registered offices.

In order to prove ownership of the number of shares necessary for presentation of the lists, Shareholders who present or contribute to the presentation of the lists, must present and/or send to the company headquarters a copy of the relevant certificate issued by a broker authorised by law, at least twenty-one days before the Shareholders' Meeting called to deliberate on the appointment of the members of the Board of Directors. The declarations by means of which the individual candidates accept their candidature and declare, at their own liability, the inexistence of the causes of ineligibility and incompatibility envisaged by the law and the Articles of Association, as well as the existence of the requisites which may be laid down by law and by the regulations for the respective offices, must be deposited together with each list. A curriculum vitae will be deposited for each candidate, together with the declarations, regarding the personal and professional characteristics and with the eventual indication of the suitability for qualifying as independent in accordance with current legislation and in observance of the limit on the accumulation of offices described earlier in this report.

The lists in relation to which these provisions have not be observed, will not be considered as presented.

At least one of the members of the Board, if the Board of Directors is made up of a number of members ranging up to seven, or two members of the Board if the Board of Directors is made up of more than seven members, must possess the independence requisites described above. Directors with the requirements of independence, who, subsequent to appointment lose the afore-mentioned independence requisites, must inform the Board of Directors immediately and, in any event, fall from office.

Periodically, the Board will assess the independency and honourable nature of the Directors. In the event that the independence and uprightness requisites do not exist or cease to exist and in the event that the minimum number of Directors established in these Articles of Association ceases to exist, the Board declares the fall from office of the Directors lacking said requisite and sees to the replacement of the same.

Each holder of voting rights can vote for just one list. Every list shall contain a number of candidates equal to the maximum number of members of the Board of Directors indicated in Article 16, and at least two of them shall meet the independence requisites specified above, and unless such lists present a number of candidates lower than three, both genders shall be represented, so that the candidates of the less represented gender are, for the first term of office following one year of the coming into force of Law no. 120/2011, at least 1/5 of the total number and, in the two subsequent terms of office, at least one third of the total number, with rounding off to the higher unit in the case of a fraction.

The election of the directors will take place as follows:

a) from the list that has obtained the majority of the votes of the Shareholders the eight tenths of the Directors to be appointed with a rounding down in case of fractions less than one unit shall be taken in the progressive order with which they are listed on said list;

b) the remaining Directors shall be drawn from the other lists, it being clear that at least one director must be taken from a list that is no way connected, even indirectly, with the members that have presented or voted the list referred to in point a) and that came first in terms of number of votes; for this purpose, the votes obtained from the said lists will be divided subsequently by one, two, three and so on according to the progressive number of the Directors to be appointed. The quotients obtained in this way will be progressively assigned to the candidates in each of these lists, following the relevant order. The quotients attributed in this way to the candidates on the various lists will constitute a single ranking list in a decreasing order. Those who have obtained the highest quotients will be elected. If more than one candidate has obtained the same quotient, the candidate of the list that that has not yet elected any director or that has elected the lower number of Directors shall be elected. In cases where none of these lists have elected a director yet or all have elected the same number of Directors, the candidate of the list that has obtained the greatest number of votes shall be elected. If the votes on the list are tied and with tie in the quotients, a new vote will be cast by the entire Shareholders' Meeting and the candidate obtaining the simple majority of the votes will be elected.

If with the candidates elected with the above-mentioned proceedings the appointment of a Director with the independence requirements referred to above is not guaranteed, the last non-independent candidate elected, following the progressive order on the list, with the greatest number of votes referred to in previous point a), shall be replaced by the independent not elected candidate on the same list in accordance with the progressive order.

Should the resulting composition of the body fail to respect the gender balance, taking into account the order in which candidates are listed, the last candidates elected in the Majority List of the most represented gender shall fall from office in a number necessary to ensure the fulfilment of the gender balance requirement, and they shall be replaced by the first non-elected candidates of the less represented gender contained in the same list. If the candidates of the less represented gender in the Majority List are not in sufficient number to proceed with replacement, the Shareholders' Meeting shall appoint other members with the legal majorities, thus ensuring that the gender balance requirement is met.

For the purposes of the division concerning the Directors to be elected, account must not be taken of the lists that have not obtained a percentage of votes equivalent to at least half of those required by the Articles of Association for their presentation.

If a single list is presented or if no list at all is presented, the Shareholders' Meeting shall pass resolutions with the majority required by the law, without complying with the above described procedure, without prejudice to the requirement of the minimum number of directors with the requirements of independence specified in these Articles of Association and, in any case, in compliance with the division criterion provided for by Article 147-*ter*, par. 1-*ter*, Legislative Decree no. 58/1998.

The term of office of the Directors shall be determined by the Shareholders' Meeting at the time of appointment and cannot exceed three financial years. The Directors shall fall from office on the date of the Shareholders' Meeting convened for the approval of the financial statements related to the last accounting year in which they are in office.

Without prejudice to the provisions of the next paragraph, if one or more Directors should cease to be present for any reason during the three-year period, the Board of Directors shall proceed with the relevant replacement pursuant to Article 2386 of the Italian Civil Code. If one or more of the Directors who have ceased to hold office had been taken from a list containing also non-elected candidates, the Board of Directors shall replace them by appointing, according to a progressive order, persons taken from the same list which included the ceased Director and who can still be elected and are willing to accept the appointment, all in accordance with the division criterion provided for by Article 147-*ter*, par. 1-*ter*, Legislative Decree no. 58/1998. If the ceased Director is an independent Director, the replacement shall take place, as far as possible, by appointing the first of the independent, non-elected Directors indicated in the list in which the ceased Director was included; directors, appointed pursuant to Article 2386 Italian Civil Code, shall be elected by the Shareholders' Meeting with the legal majorities by appointing substitutes on the basis of the same criteria indicated in the previous sentence herein, in compliance with the division criterion provided for by Article 147-*ter*, par. 1-*ter* Legislative Decree no. 58/1998; and the directors so appointed shall fall from office along with those who are in office at the time of their appointment. Should it happen that there are no longer (in the above-mentioned list) candidates not elected previously, or should it happen that the replacement methods indicated previously do not respect the minimum number of directors with the requirements of independence or the equal balance of genders, or that one list only has been submitted, or that no lists at all have been submitted, the Board of Directors shall replace the ceased Directors pursuant to Article 2386 c.c. without observing the criteria indicated above, as resolved by the Shareholders' Meeting still with the legal majorities, without prejudice – both for co-optation and for meeting resolution – to the minimum number of directors with the requirements of independence and to the division criterion provided for by Article 147-*ter*, par. 1-*ter* Legislative Decree no. 58/1998; and the directors so appointed shall fall from office along with those in office at the time of their appointment. If during the mandate, the majority of Directors appointed by the Shareholders' Meeting should for any reason cease their offices, the entire Board of Directors will be considered to have ceased the office, and the Shareholders' Meeting must be called urgently by the remaining Directors for the appointment of the new Board of Directors.

If during the financial year, one or more Directors cease to fill their office, providing that the majority is still made up of Directors appointed by the Shareholders' Meeting, the Shareholders' Meeting is anyway entitled to reduce the number of the members on the Board of Directors to that of the Directors in office for the remainder term of office, providing that the minimum number of Directors with the requirements of independence mentioned above is respected and provided that there is at least one of the Directors elected from the minority lists (if previously elected) and provided that the division criterion provided for by Article 147-*ter*, par. 1-*ter*, Legislative Decree no. 58/1998 too is respected.

If the number of Directors is lower than the maximum provided for in Article 16 above, the Shareholders' Meeting, even during the term of office of the Board of Directors, will be able to increase this number up to the maximum limit specified in said article. For the appointment of further members of the Board of Directors the procedure is as follows: the additional Directors shall be taken from the list that has obtained the highest number of votes cast by the Shareholders on the occasion of the appointment of the members in office at the time, from among the candidates who can still be elected, and the Shareholders' Meeting shall resolve with the legal majorities, by respecting this principle and the division criterion provided for by Article 147-*ter*, par. 1-*ter*, Legislative Decree no. 58/98; conversely, should it happen that there are no longer (in the above-mentioned list) candidates not elected previously, or that one list only has been submitted, or that no lists at all have been submitted, the Shareholders' Meeting shall proceed with appointment without observing the criteria indicated above, with the legal majorities and still in accordance with the division criterion provided for by Article 147-*ter*, comma 1-*ter*, of Legislative Decree no. 58/1998. The directors so elected shall fall from office along with those who are in office at the time of their appointment.

The Shareholders' Meeting shall determine the overall remuneration due to the Directors including those with special offices. After consulting the Board of Statutory Auditors, the Board of Directors shall split the overall remuneration determined by the Shareholders' Meeting among its members. The Directors are entitled to be reimbursed for expenses incurred while carrying out their functions".

By means of Resolution no. 18775 published on 29.01.14, Consob established the shareholding required for presentation of the lists of candidates for election to the administration and control bodies that closed the accounting period ended on 31.12.13, unless a lower quota is envisaged by the Articles of Association. In particular, the quota set for GEOX S.p.A. is the following:

CRITERIA FOR THE DETERMINATION OF THE SHAREHOLDING			**SHAREHOLDING**
CAPITALISATION CATEGORY	**FLOAT %**	**MAJORITY HOLDING %**	
> 375 million € and <=1 billion €	Not material	Not material	**2,5%**

Succession plans

Still in regard to the appointment of Directors, the Board of Directors of the Company has not adopted any plan for the replacement of executive Directors. The Board of Directors, actually, reckons that it is primarily important to assess, on a case-by-case basis, the need to replace at least some of the directors or otherwise regulate the relationship between the Company and the Directors on an individual basis and taking into account the peculiarities that regard each of them.

4.2 Composition

Article 16 of the Articles of Association provides that the Company shall be managed by a Board of Directors (hereafter also "BoD") composed by a minimum of five to a maximum of nine Directors, who may be re-appointed, subject to the gender balance requirement pursuant to Article 147-*ter* par. 1-*ter* FCA, introduced by Law no. 120 of 12 July 2011. Consequently, for the first term of office following one year after the coming into force of Law no. 120/2011, the BoD's members shall include at least 1/5 of the members of the less represented gender, whereas in the two subsequent terms of office at least 1/3 of the members shall belong to the less represented gender, with rounding off to the higher unit in the case of a fraction.

The Shareholders' Assembly nominated the Board of Directors in office at the date of approval of this Report on 17 April 2013, as a result of the expiry of the mandate conferred to previously nominated directors with the approval of the financial statements at 31 December 2012. The aforementioned Assembly confirmed a number of 9 members of the Board of Directors, who will remain in office until the Meeting to be held for the approval of financial statements at 31 December 2015. The members were nominated by this Assembly based on the sole list presented by the majority shareholders, LIR S.r.l., approved by a majority of the shareholders, equal to 99.88% of the voting shares.

The current composition of the Board of Directors is partially changed compared to the previous composition; in particular, the directors in office for the fraction of the office up to 17 April 2013 were: Mario Moretti Polegato (Chair), Giorgio Presca, Enrico Moretti Polegato, Alessandro Giusti, Roland Berger, Claudia Baggio, Renato Alberini, Francesco Gianni and Umberto Paolucci. Therefore, compared to the previous composition of the Board of Directors independent directors Lara Livolsi and Fabrizio Colombo were nominated to replace the directors Francesco Gianni and Umberto Paolucci, whose office terminated on 17 April 2013, with the approval of the financial statements at 31/12/2012. The office of the other administrators has been confirmed.

It emerges that the structure of the Board of Directors in office as at 31.12.13, and of the Committee, is as follows:

Name	**Office**	**In office since**	**In office until**	**List (M/m) ***	**Exec.**	**Non-exec.**	**Indep. CODE**	**Indep. FCA**	**% BoD ****	**Other offices *****
Mario Moretti Polegato	Chairman	17.04.2013	Approval of the financial statements as at 31.12.15	M	X				100	1
Giorgio Presca	Managing Director	17.04.2013	Approval of the financial statements as at 31.12.15	M	X				100	-
Enrico Moretti Polegato	Deputy Chairman	17.04.2013	Approval of the financial statements as	M	X				89	2

			at 31.12.15							
Alessandro Antonio Giusti	Director	17.04.2013	Approval of the financial statements as at 31.12.15	M		X			89	6
Roland Berger	Director	17.04.2013	Approval of the financial statements as at 31.12.15	M		X	X	X	56	7
Fabrizio Colombo	Lead Independent Director	17.04.2013	Approval of the financial statements as at 31.12.15	M		X	X	X	86	8
Claudia Baggio	Director	17.04.2013	Approval of the financial statements as at 31.12.15	M		X			89	_
Renato Alberini	Director	17.04.2013	Approval of the financial statements as at 31.12.15	M		X			100	_
Lara Livolsi	Director	17.04.2013	Approval of the financial statements as at 31.12.15	M		X	X	X	86	3

*This member was elected from the list voted by the majority.

** Percentage of participation in the Board of Directors' and Committees' meetings.

*** Total number of offices covered by Geox S.p.A.'s Directors or Statutory Auditors in other companies listed on regulated markets (in Italy and/or abroad), in financial, banking and insurance companies or large-scale companies

Name	**Office**	**Executive Committee**	**% EC**	**Remuneration Committee**	**% Em. C.**	**Audit and Risk Committee**	**% CC R**	**Appointment Committee**	**% CN**
Mario Moretti Polegato	Chairman	Chairman	88						
Giorgio Presca	Managing	Member	75						

	Director								
Enrico Moretti Polegato	Deputy Chairman	Member	75						
Alessandro Antonio Giusti	Director			Member	100	Member	100		
Fabrizio Colombo	Lead Independent Director			Member	100	Chairman	100	Member	100
Roland Berger						Member	100	Chairman	100
Claudia Baggio									
Renato Alberini	Director							Member	
Lara Livolsi	Director			Chairman	100				

The following table indicates the number of meetings held by the Board of Directors, the Executive Committee, the Remuneration Committee and the Internal Auditing Committee during the accounting period ended on 31December 2013:

	Board of Directors	**Executive Committee**	**Remuneration Committee**	**Audit and Risk Committee**	**Appointment Committee**
Number of meetings	9	16	6	6	2

The list of offices covered by the Company's Directors in other companies listed on regulated markets (in Italy and/or abroad), in financial, banking and insurance companies or large-scale companies is presented in an attachment to this Report.

By means of resolution dated 22 January 2007, the BoD established to set the maximum number of appointments as director or statutory auditor in other companies listed on regulated markets (in Italy and/or abroad), in financial, banking or insurance companies or those of significant size, which can be covered by each Geox S.p.A.'s director. This provision has also been included in Article 17 of the Articles of Association.

The current composition of the Board respects this general approach.

The personal and professional qualities of the individual Directors are included in their *curricula vitae* published on the Company website www.geox.com in the investor relations-corporate governance-corporate bodies section.

There were no changes to the composition of the Board of Directors from 31.12.13 to the date of approval of this Report.

Induction programme

In accordance with Article 2.C.2. of the Code, the Chairman encourages the participation of the directors in Board of Directors meetings and Shareholders' Meetings and other initiatives aimed at increasing their awareness of the situation and the corporate dynamics via, for example, direct dialogue with certain key executives, visits to the Group companies, etc.

4.3 Role of the Board of Directors

During 2013, nine meetings of the Board of Directors were held with an average length of two hours each, called in accordance with the formalities envisaged by the Articles of Association. The participation of the Directors at these meetings was more or less total. For the current accounting period an equal number of meetings has been established.

The management of the Company is the exclusive responsibility of the BoD, which carries out all the activities necessary for the implementation and achievement of the corporate purposes, with the sole exclusion of the acts assigned peremptorily to the Shareholders' Meeting by law and by the Articles of Association.

In compliance with article 2365, paragraph 2 of the civil code, the BoD is also responsible for: (a) resolutions regarding the merger pursuant to Articles 2505 and 2505 *bis* of the Italian Civil Code; (b) the establishment and closing down of secondary offices; (c) the reduction of the share capital in the event of withdrawal of the shareholder; (d) the adaptation of the Articles of Association to legislative provisions; (e) the transfer of the registered offices to another Municipality in Italy (Art. 16 of the Articles of Association).

The issue of bonds is also the responsibility of the BoD, with the exception of the issue of bonds convertible into shares of the Company or in any event backed by *warrants* for the underwriting of Company shares, which is resolved by the extraordinary Shareholders' Meeting of the Company (Article 8 of the Articles of Association).

The Articles of Association reserve the following for the BoD: decisions concerning disposal, for any purpose and of any nature, of trademarks, patents and other intellectual property rights, which are the exclusive competence of the BoD (Article 18 of the Articles of Association). Furthermore, the following are the exclusive responsibility of BoD and cannot be delegated: decisions to be adopted, upon the proposal of the Chairman of the BoD, regarding the definition of the growth and policy strategies for corporate management, also on a long-term basis, as well as regarding the annual business and economic-financial plan (budget) and the long-term forecast plans with the related investment plans (Article 16 of the Articles of Association).

Without prejudice to the powers, which as illustrated above, cannot be delegated by law or in any Articles of Association provisions, the BoD has identified additional matters reserved for its exclusive competence, taking into account the particular significance of the related transactions.

In detail, as of today's date the following decisions are reserved for the responsibility of the BoD, concerning:

a) transactions for the purchase or sale, also by means of subscription and conferral, of equity investments and/or companies and/or business segments, if the total value of the individual transaction is greater than Euro 10 (ten) million;

b) the granting of loans, if the aggregate value for the accounting period is greater than Euro 5 (five) million;

c) the issue of unsecured and/or secured guarantees, if the aggregate value for the accounting period is greater than Euro 5 (five) million;

d) the issue of bonds or financial instruments, if the overall value of the individual transaction is greater than Euro 10 (ten) million;

e) the raising of loans and/or other financial debt transactions, if the overall value of the individual transaction is greater than Euro 40 (forty) million;

f) the transactions pursuant to the previous points (a), (c), (d) and (e) entered into with Group companies in the event of exceeding half the thresholds respectively indicated in the afore-mentioned points, as well as the granting of loans to Group companies, if the aggregate value for the accounting period is greater than Euro 2.5 (two point five) million for each company;

g) all the transactions with related parties outside the Group which are not typical or usual transactions to be concluded under *standard* conditions; h)

h) checking of the adequacy of the general organizational and administrative set-up of the Company and the Group arranged by the Managing Directors.

Over the course of 2013, on the basis of the provisions of the Articles of Association specified above and without prejudice to the decisions made by the Managing Director and by the Executive Committee, on the basis of the delegated powers and in line with Article 1, par. 1 of the Code, the Board of Directors of Geox S.p.A. discussed the strategic, industrial and financial plans of Geox S.p.A. and of the Group and periodically monitored the implementation thereof, whilst also assessing the adequacy of the corporate governance system, of the organizational, administrative and general accounting model of Geox S.p.A. and of the subsidiaries having strategic relevance, especially with reference to the Internal Auditing and Risk Management System and to the management of the conflicts of interest, as well as of the general management performance, taking into account the information received from the delegated bodies and by making on a regular basis a comparison of the results achieved with the planned results, and the structure of the Group. Furthermore, the BoD examined and approved the transactions of significant strategic importance for the Parent Company and its subsidiaries, and confirmed minor transactions between related parties approved by the Executive Committee.

In accordance with the provisions of Article 36 of the CONSOB Market Regulations and after having identified the scope of application of the regulations within the Group, the Company acknowledged that the administrative, accounting and reporting systems of the Group allow for disclosure to the public of the accounting schedules prepared for the purposes of drafting the consolidated financial statements and appropriately provide the Parent Company's management and auditors with the information necessary for the purposes of drafting the consolidated financial statements themselves. Similarly, the information flow towards the central auditor, coming from various levels along the chain of corporate control and active throughout the entire accounting period and used for the auditing of the Parent Company annual and interim financial statements, was considered to be effective. Finally, the Company maintains itself updated in regard to the subsidiaries' corporate bodies through lists of the offices held and provides for the centralized collection of official documents relating to the Articles of Association and the assignment of powers thereto, which it updates regularly.

On 17.04.13, the BoD appointed again the director Enrico Moretti Polegato to the office of Deputy Chairman of the Company, by virtue of his growing commitments within the Company and, above all else, the eventual need to replace the Chairman in the event of his absence or unavailability.

On 19 December 2013, the Company's Board of Directors approved the regulation revision for governing related-party transactions (the "**Related-Party Transaction Regulation**"), approved on 28th October 2010, in force since 1st January 2014 and published in the corporate governance section of the internet website www.geox.com. In addition to governing in the Related-Party Transactions Regulation possible transactions with related parties which can exclude situations in which a director has a personal interest or an interest exercised on behalf of others, the Board of Directors has assessed and adopted with the Code of Ethics, adopted by the BoD on 31st July 2012, operating solutions designed to make it easier to identify and manage adequately situations in which a director has a personal interest or an interest exercised on behalf of others. Any personal interests of the Directors or interests exercised on behalf of others in corporate transactions have always been highlighted to the Board of Directors or to the Executive Committee.

On 06.03.14, in consideration of the opinion of the Nomination Committee, the BoD carried out a positive assessment of the current dimension, composition and functioning of said Board and of its committees, appreciating the variety of the spheres of competence of each director and the consequent diverse contribution which each one has been able to make during their period in office. These features, combined with the elevated professional level of each director, has permitted the Directors to act and resolve in full awareness of the facts and autonomously, pursuing the priority aim of the creation of value for the Shareholders. Furthermore, it has been possible to focus on a varied composition of the internal committees, so as to avoid– in as far as it is possible– the concentration of the offices in the hands of just a few individuals. In line with the matters recommended by Article 1 of the Code, the management body is assigned a central role in the Company's Corporate Governance system.

The Board of Directors meets at regular intervals, organizing itself and operating so as to ensure an effective and efficient performance of its functions. With the BoD's meetings approaching, the Company shall provide Directors, through the Chairman of the BoD, reasonably in advance and in any case subject to adequate procedures and timeframes, also in consideration of the resolutions to be passed, with the documentation necessary to ensure adequate information in relation to the items on the agenda (Article 17 of the Articles of Association). Generally, a 3-day prior notice for sending said documentation to Directors is considered to be reasonable. This term was normally respected with reference to the Board meetings related to the accounting year 2013.

The Chairman convenes Board meetings, also when a written request to do so has been received from at least two Directors, from the Board of Auditors or from a Statutory Auditor or from a CEO (art. 20 of the Articles of Association). The presence of the majority of the Directors in office is necessary for the validity of the resolutions; the Board resolutions are adopted by means of absolute majority of the Directors present. In the event equal votes are cast, the Chairman's vote prevails. With regard to decisions concerning disposal, for any purpose and of any nature, of trademarks, patents and other intellectual property rights, the Board of Directors resolves with the favourable vote of five sevenths of its members, with rounding up to the unit (Article 18 of the Articles of Association). The Chairman of the Board of Directors shall make sure that the items on the agenda are examined for the time necessary to enable a constructive debate, by encouraging interventions on the part of Directors during the meetings.

Finally, the Shareholders' Meeting has not authorized, on a general, preventive basis, any departures from the non-compete covenant provided for by Article 2390 Civil Code.

4.4 Decision-making bodies

a) Managing Director

Within the limits of the law and the Articles of Association, in observance of the reservations of responsibility of the Shareholders' Meeting, the Board of Directors and the Executive Committee and the limits specifically indicated in relation to each power, the BoD granted the Managing Director the powers of ordinary and extraordinary business illustrated below.

In regard to the statutory limitations on the powers of delegation, it is noted that pursuant to Article 18 of the Articles of Association, the Board of Directors has exclusive competence with regard to the decisions concerning disposal, for any purpose and of any nature, of trademarks, patents and other intellectual property rights belonging to the Company.

<u>The following are the powers granted to the Managing Director, Mr. </u>Giorgio Presca

(i) act with full decision-making powers and under his own responsibility, oversee the production, technological, commercial and technical-plant sectors, coordinate any aspect of the manufacturing activities of the Company, within the limits of the pre-established production and budget plans;

(ii) ensure, also by means of on-going maintenance, repairs and replacements, that the Company's plants are fully compliant with the provisions directed at containing emissions or inflows of fumes, gas, powders, vapours, liquid and solid residues within the limits prescribed by Italian legislation, so that it does not contribute to polluting the atmosphere, the ground, the waterways and does not exceed the limit of normal tolerability for those nearby;

(iii) the undertaking of commitments on subjects relating to corporate activities, in particular finalizing contracts with customers, including *franchising* agreements, and suppliers of products, raw materials and services for external processing, selling Company products, finalizing the related deeds and also granting payment extensions and discounts, agreeing prices and payment methods provided that, as far as contracts with suppliers are concerned, the total amount does not exceed Euro 500,000 (five hundred thousand) per single contract;

(iv) finalise contracts relating to the purchase and/or sale of machinery, equipment, vehicles and other movable assets, also those recorded in Public Registers, finalising the related deeds, negotiating the related prices and payment methods, granting payment extensions and discounts, provided that the total amount does not exceed Euro 500,000 (five hundred thousand) per single contract;

(v) purchase any services necessary to carry out corporate activities, with the express power to enter into the relevant contracts and/or finalise any service and/or consulting contracts, negotiate prices and payment terms, provided that the total amount does not exceed Euro 500,000 (five hundred thousand) per single contract – contracts for administrative and/or financial services and insurance contracts are expressly excluded from this point;

(vi) conclude lease agreements, gratuitous loan agreements ("comodato"), rental agreements and financial lease agreements regarding movable properties necessary for the performance of corporate activities, provided that the overall value does not exceed Euro 500,000 (five hundred thousand) per agreement, it being understood that the agreements regarding the lease of business units are expressly excluded from this point;

(vii) perform, in view of the Company's commitments, the following transactions on the Company's accounts, in Italy and abroad, within the limit of Euro 500,000 (five hundred thousand) per transaction:

- draw current account cheques also for the use of overdraft amounts, within the limits of the credit facilities granted;
- transfer funds between accounts;
- endorse bank current account cheques, postal or telegraphic orders and any other credit instrument in favour of the Company or bank transfers in favour of third parties;
- make payments by means of any technical form;
- open letters of credit and see to their payment.

With regard to transfers between banks; the aforementioned limit is increased to Euro 5,000,000 (five million), the aforementioned limit of Euro 500,000 (five hundred thousand) relating to this point (vii) does not apply to the payment of income taxes, duties and social security contributions due by the Company based on applicable laws. With regard to withdrawals, this limit is reduced to Euro 100,000 (one hundred thousand).

(viii) carry out, on behalf of the Company, the following transactions on Company's accounts held in Italy or abroad, within the limit of Euro 3,000,000 (three million) per individual transaction with the joint signature of the Corporate Manager or the Manager of the Administration, Finance and Control Department;

- draw current account cheques also for the use of overdraft amounts, within the limits of the credit facilities granted;
- transfer funds between accounts;
- endorse bank current account cheques, postal or telegraphic orders and any other credit instrument in favour of the Company or bank transfers in favour of third parties;
- make payments by means of any technical form;
- open letters of credit and see to their payment.

With regard to transfers between banks, the aforementioned limit is increased to Euro 5,000,000 (five million), the aforementioned limit of Euro 3,000,000 (three million) related to this point (viii) does not apply to the payment of income taxes, duties and social security contributions due by the Company based on applicable laws. With regard to withdrawals, this limit is reduced to Euro 100,000 (one hundred thousand).

(ix) exclusively for the purpose of, and within the limits of that which is necessary for, set up hedging transactions relating to exchange and/or interest rate risks, purchase and sell and in general finalise any transaction concerning foreign currency, as well as enter into and terminate contracts on interest and exchange rates; all of which in observance of the monetary provisions in force, as well as those which may be introduced in the future, up to the limit of Euro 20,000,000 (twenty million) per individual transaction, signing jointly, together with the Corporate Director or the Administration, Finance and Control Director;

(x) carry out payments into current accounts, endorse bank cheques, promissory notes, certificates of credit, bills of exchange and postal orders for discount and for collection, payable at credit agencies, post and telegraph offices, and in general with any individual or corporate entity, endorse payment orders, including warrants on State, Regional, Provincial and Municipal Authority Treasury Offices and on any public banks, endorse bankers' drafts, and in any event issue the corresponding receipts;

(xi) finalise and terminate any other contract which appears useful or necessary for the pursuit of the corporate purpose, including agency, representation, mediation and business canvassing contracts, also with exclusive rights, as well as in any event those pertaining to the distribution of Company products, provided that the value and/or overall expenditure commitment (also when the contracts are long-term) does not exceed Euro 250,000 (two hundred and fifty thousand) in total per individual contract, if a quantification is possible in relation to the nature of the contract. Licence and distribution agreements must be subject to the assessment of the Executive Committee;

(xii) deal with any public and government body, none excluded, including by way of example and not limited to Chambers of Commerce, the Register of Commercial Concerns and public registers, finalising any document, application, or receipt in the name of the Company;

(xiii) perform any act and fulfill any task related to social welfare, dealing with all social security, welfare and insurance institutions, comply with current provisions on labour, especially with regard to insurance, contributions, indemnities and taxes;

(xiv) deal with any labour authority, body, and institution, vis-à-vis workers' trade unions and employers' organisations, as well as with labour bureaus and conciliation and arbitration boards, with the power to settle disputes, carry out any other act and to accomplish any other task in the field of labour relations, considered appropriate in the interest of the Company;

(xv) handle relationships with Post Offices and with the enterprises of the railway, sea, air and truck transport, with the right to draw up any document and raise any claim, receive registered and insured letters, parcels, and documents of any type, collect amounts and sums of any kind, by issuing the relevant receipts;

(xvii) in relation to the matters listed in the previous points from (i) to (xv), and within the limits envisaged above for each one of them, represent the Company in dealings with any third party, public and/or private, in the name and on behalf of the Company, signing any deed and/or document;

(xvii) sign the correspondence and documents in general;

(xviii) represent the Company before any judicial authority at any level, venue or type of jurisdiction, for all types of litigation or proceedings of any kind, brought by and furthered vis-à-vis the Company, and also before the Tax Commissions at any level, with the power to appoint lawyers, *ad lites and ad negotia legal* counsel, arbitrators, and experts, removing and/or replacing them, in Italy and abroad, with the power to elect domicile, come to terms and settle disputes and in any event to avail of their purpose, and to sign the necessary powers of attorney for such purposes;

(xix) raise protests and serve injunctions, carry out preventive and executive acts, if necessary seeing to the revocation of the same, intervene in bankruptcy proceedings, agreements with creditors, receivership and further the declaration thereof, make and accept effective offers;

(xx) perform, with rights of sub-delegation, and with the exclusion of the formalities related to company executives, all the transactions regarding the Company's staff, such as, by way of example, without limitation:

- the employment of Geox S.p.A. employees;
- contractual transformations (for example: from part-time to full time, from temporary to permanent, etc.);
- reprimands and disciplinary measures;
- disciplinary dismissals, due to just cause and justified reasons;
- promotions and various wage/salary increases;
- the granting of one-off bonuses and management by objective bonuses;
- work location transfers and secondment/mission contracts abroad for employees;
- project work contracts and related changes.

(xxi) appoint, within the powers indicated above, *ad acta* or general attorneys-in-fact, providing them with the related powers, and revoke said appointments;

(xxii) represent GEOX SPA in meetings and in general, at decision-making levels that involve resolving or decision-making bodies of EU or non-EU subsidiaries or investee companies, with the right to intervene, vote, provide opinions or consent, appeals or claims, and in particular, within the context of these decisions, to appoint, revoke appointments, replace and/or add members of these companies' management and/or control bodies, with the right to appoint himself as the sole director or a board member of these companies without this being understood as or implying a conflict of interest, to provide or sign, in the name and on behalf of GEOX SPA, however in the interest of said subsidiaries or investee companies, declarations, applications, requests and documents which are generally addressed to Public Administrations, Public Registries, Rolls, Archives or private entities providing public services, including in order to obtain registrations, permits, authorizations, clearance and other similar measures; providing a specimen signature as the Managing Director of GEOX SPA.

Finally, the Managing Director qualifies as the person principally responsible for the Company's management (chief executive officer); however, there are no situations of interlocking directorate pursuant to the application criterion 2.C.5.of the Code.

b) Chairman of the Board of Directors

The Chairman of the Board of Directors Mario Moretti Polegato has not received any operating power of attorney, apart from the signature of documents relating to company executives. However, he has a specific role in the development of business strategies, he chairs the Executive Committee and he is the Chairman of the Board of Directors of LIR S.r.l., controlling shareholder of Geox S.p.A.

c) Executive Committee

The Board of Directors meeting held on 17.04.13 confirmed the assignment of the power of ordinary and extraordinary business granted to the Executive Committee by the Board of Directors on 9 December 2004. In detail, the Committee is granted the powers of ordinary and extraordinary business of the Company, with the exception of the following indicated below:

(i) the powers indicated in Articles 2420 *ter* 2423, 2443, 2446, 2447, 2501 *ter*, 2506 *bis* of the Italian Civil Code; and

(ii) the matters reserved for the Board of Directors by the Articles of Association – these, in particular, include the disposal, for any purpose and of any nature, of trademarks, patents and other intellectual property rights of the Company as well as the growth and policy strategies for corporate management, also on a long-term basis, and the annual business and economic-financial plan (budget) and the long-term forecast plans with the related investment plans, and;

(iii) the additional matters, identified by, and reserved for, the Board of Directors taking into account, as already illustrated above, the recommendations of the Code of Best Practice.

The Executive Committee is currently composed of the Directors dr. Mario Moretti Polegato (Director) Giorgio Presca and the lawyer Enrico Moretti Polegato.

During 2013, the Executive Committee met 16 times. The average duration of the meetings was forty minutes. For the current accounting period, a precise number of meetings has not been established. To date, two have been held.

d) Disclosure to the Board

The Managing Director has reported to the Board regarding the activities carried out when exercising the powers granted, during the first profitable meeting.

4.5 Other executive Directors

The Chairman Mr. Mario Moretti Polegato is considered to be an executive director, despite the absence of specific operational powers, in consideration of his specific role when drawing up company strategies (Article 2.C.1 of the Code).

Even the lawyer Enrico Moretti Polegato is considered to be an executive director, by virtue of his position on the Executive Committee.

4.6 Directors with the requirements of independence

The Board of Directors is composed by 3 Independent Directors. The Board of Directors assessed the independence of its three non-executive members both before their appointment and during presentation of the lists by the majority shareholder, where the individual declarations were also attached and, finally, also following their appointment. The assessment shall be re-made upon the occurrence of relevant circumstances for the purposes of independence and otherwise on an annual basis; lately, the assessment took place on 22 March 2013.

The Board of Directors shall make the assessment on the basis of the requirements of independence provided for by law, and also by applying all the criteria of the Code of Best Practice. Moreover, the Board of Directors which met on 20 December 2012, in compliance with Article 3.C.4 of the Code, resolved to adopt additional criteria to assess the Independent Directors' independence and autonomy in expressing their opinions; in particular, the above-mentioned Board approved to consider the independence requirement unmet when, in the case of business relationships, the turnover generated between the Director and the Company is equal to, or exceeds, the remuneration for the office of Director. As a consequence, on the occasion of the next assessments, for the purposes of assessing the independence of its non-executive Directors, the Company shall also take said parameter into account.

The Board of Statutory Auditors also ascertained the correct application of the assessment criteria and procedures adopted by the Board for assessing the independence of its members.

During 2013, the independent directors met twice in the absence of the other directors in order to examine transactions with other parties in progress and to offer their opinion to the Board of Directors regarding the proposal to change the Regulations governing Transactions with Other Parties, which was then approved by the Board of Directors on 19 December 2013.

Moreover, the Independent Directors committed themselves to remaining independent during their term of office and resigning in the case of loss of the requirements of independence.

4.7 Lead independent director

On 17 April 2013, the Board of Directors nominated the independent director, Fabrizio Colombo, as lead independent director. In the previous portion of the year, before the renewal of the board on 17 April 2013, this role was covered by Alessandro Antonio Giusti. Mr. Giusti and Mr. Colombo, each relative to the portion of the year during which they were in office, covered the office of lead independent director, and represented a reference and coordination for the requests and contributions made by the independent directors, and collaborated with the Chairman of the Board of Directors in order to ensure that the directors were recipients of complete and timely information flows with reference to all important issues for the Company.

5. HANDLING OF CORPORATE INFORMATION

In line with the provisions of Article 1 C.1 lett. j) of the Code, the Company – via the Board of Directors meeting held on 20 April 2006 – completed the organizational adaptation to the legislation regarding "market abuse" as per Consob Resolution No. 15232 dated 29 November 2005, approving the "Regulation concerning privileged information and the institution of a Registry of persons having access", recently reviewed by the Board of Directors on 19 December 2013 in order to adapt contact names, and to set up the specific Registry (the "**Registry**"). Subsequently, the other Group companies also adopted the aforementioned regulation, guaranteeing observance thereof and delegating Geox S.p.A. with the establishment, handling and keeping of the Registry, for the purpose of permitting a co-ordinated management of the circulation of privileged information.

In particular, the Regulation for the management of privileged information and the institution of a Registry of persons having access provides, *inter alia*, for:

- rules of conduct (which essentially refer to confidentiality obligations, the treatment of privileged information with due care and the prohibition of disclosing privileged information unless necessary within the environment of one's work, profession or duties carried out, to carry out transactions, directly or indirectly, for one's own account or that of third parties, in the name and/or on behalf of the Company, which involve financial instruments which the privileged information refers to) and to recommend or lead others to carry out such transactions;
- the roles and responsibilities of the corporate bodies and/or corporate functions and/or managers in regard to the assessment on the relevance of the information and the speed with which price sensitive information concerning the Company and its subsidiaries is disclosed to the public;
- specific rules to follow in the event of a delay in disclosure to the public pursuant to Article 114.3 of the FCA;
- rules for the management of relations with the press and rumours and for meetings with financial analysts or other market operators;
- a specific flow of information from the subsidiaries to the Company.

For further details, the regulation in question can be viewed on the Company's website, in the corporate governance section.

The procedure for the management of privileged information and the institution of a Registry of persons having access, was always observed during 2013.

6. COMMITTEES WITHIN THE BOARD

a) Appointments Committee

In the meeting held on 20 December 2012, the Board of Directors passed a resolution to establish a Appointments Committee.

The Appointments Committee is composed by 3 non-executive, mostly independent Members.

As at the date of the report, the Appointments Committee is composed by:

- Roland Berger
- Fabrizio Colombo
- Renato Alberini

For the fraction of the year, up to 17 April 2013, the Committee was composed of Alessandro Antonio Giusti, Renato Alberini and Francesco Gianni.

In line with Article 5.C.1.of the Code, the Appointments Committee shall have the following duties:

- formulate opinions for the Board of Directors in relation to the size and composition thereof, and make recommendations in relation to the professionals whose presence in the Board is considered to be appropriate. The Appointments Committee shall make recommendations also in relation to the maximum number of offices as director or statutory auditor that may be held in other companies listed on regulated markets, holding companies, banks, insurance companies or companies of a considerable size, considered as compatible with an effective fulfilment of the appointment as issuer's director, as well as in relation to the assessment of the granting of departures from the non-compete covenant provided for by Article 2390 c.c.;
- propose to the Board of Directors candidates to the office of director in the cases of co-optation, when it is necessary to replace independent directors.

Moreover, still in compliance with what is provided for by Article 5 of the Code, should the Company adopt a plan for the replacement of ceased executive directors, the activities preliminary to the elaboration of the plan shall be performed by the Appointments Committee (or by any other Committee charged with this task inside the Board).

When carrying out its functions, the Appointments Committee may avail itself of outside consultants, at the Company's expense.

The Committee meets whenever its Chairman considers it appropriate, or should at least one member of the Board of Directors or the Chairman thereof so request, and in any case as frequently as it is required for the correct fulfilment of its tasks. The Committee meetings are convened through a notice sent by the Chairman of the Committee. The available (and in any case, the necessary) documentation and information are sent to all the Committee members sufficiently in advance to enable them to express opinions with respect to the meeting. For the Committee meetings to be valid, the majority of the members in office must be in attendance, and resolutions shall be passed with the absolute majority of the members in attendance. The Committee meetings, coordinated by the Chairman, are duly recorded in minutes and then entered in a specifically kept book. The Committee – which, in performing its tasks, may also avail itself of external contractors – has adequate financial resources for the performance of its tasks, and such resources are allocated on the basis of contingent needs. The Committee is entitled to access the Company's information and functions that are relevant for the performance of its tasks. The meetings of the Appointments Committee may also be attended by those who are not members of the Committee, upon invitation of the Committee and in relation to single items on the agenda.

b) Remuneration Committee

The Board of Directors meeting held on 17.04.13 confirmed the establishment of a Remuneration Committee and assigned it the tasks pursuant to Article 7 of the Code.

As at the date of this Report, the Remuneration Committee is composed by three non-executive, mostly independent directors: Lara Livolsi, Fabrizio Colombo and Alessandro Antonio Giusti.

For the fraction of the year, up to 17 April 2013, the Remuneration Committee was composed of Renato Alberini, Alessandro Antonio Giusti and Umberto Paolucci.

The information related to the functions and operation of the Remuneration Committee are indicated in detail in the remuneration report, drafted pursuant to Article 123-*ter* of the FCA (the "**Remuneration Report**"), to which reference is made for any necessary supplemental information.

7. DIRECTORS' REMUNERATION

In March 2014, the Remuneration Committee presented the Board of Directors with a proposal referring to the general policy for the remuneration of directors, including therein the remuneration of executive directors, and executives with strategic responsibilities for the financial year 2014 (the "**Remuneration Policy**"), which is indicated in greater detail in the Remuneration Report.

Information on the Remuneration Policy and on the remuneration of directors and strategic executives in the financial year 2013, are provided through reference to the Remuneration Report available to the public at the registered offices of the Company, at Borsa Italiana S.p.A. (www.borsaitaliana.it) and also on the Company website (www.geox.com).

The above-mentioned proposal of the Remuneration Committee, positively assessed by the Directors, shall be submitted along with the Remuneration Report to the Board of Directors for approval.

The Shareholders' Meeting of the Company, called to approve the financial statements for FY 2013, as per art. 2364, paragraph 2 of the Italian Civil Code, was also convened to deliberate, with a purely advisory vote, for or against section I of the Remuneration Report.

During the current financial year, the Remuneration Committee will verify the correct implementation of the Remuneration Policy referring fully to the Board of Directors.

The regulations of Geox's 3 stock option plans which prove to be valid and effective as at the date of this Report, i.e. 2004, 2005 and 2011 Plan, are available on the Company's website (www.geox.com) in the Investor Relations section (the other 2 Plans, 2008 and 2009, are on the Company's website but the Board of Directors has resolved that options are not exercisable).

The incentives mechanisms of the internal auditing body and the executive appointed to draft the company's accounting documents, are in line with the duties assigned to them.

8. AUDIT & RISK COMMITTEE

The Audit & Risk Committee was established by the Board of Directors, which met on 9 December 2004 and confirmed by the Board of Directors, which met on 12 April 2007, 21 April 2010 and 17 April 2013. On 20 December 2012, the Board of Directors, besides formally appointing the Committee in "Audit & Risk Committee", reviewed the committee functions in order to bring them in line with the Code of Best Practice, as amended by the Corporate Governance Committee in December 2011.

The Committee was charged with the tasks under Article 7.C.1 (with reference to the fact that it provides a preventive opinion as to the performance of the tasks assigned under the Code to the Board of Directors in relation to internal audit and risk management, as well as an opinion in the case of decisions related to the appointment, revocation and allocation of resources of who is in charge of internal audit) and under Article 7.C.2 of the Code.

Moreover, the Company's Audit & Risk Committee may carry out, provided that the latter have the composition requirements provided for by applicable laws and regulations, functions attributed to the committees competent for transactions with related parties (the Minor and Major Transactions with Related Parties Committees) provided for by the Regulations governing transactions with related parties approved by the Board of Directors with resolution dated 28 October 2010 (refer to section 10 below) in compliance with the Transactions with Related Parties CONSOB Regulations as further modified by the Board of Directors with a resolution dated 19 December 2013, during the three-year review.
The Audit & Risk Committee is composed exclusively by non-executive independent Directors (Article 7.P.4.) and mostly independent Directors: Fabrizio Colombo, Roland Berger and Alessandro Antonio Giusti. Moreover, the Chairman of the Board of Auditors or other Auditors nominated by the Chairman of the Board also take part in the work of the Committee.

In the fraction of the year, up to 17 April 2013, the Audit & Risk Committee was composed of Renato Alberini, Francesco Gianni, and Alessandro Antonio Giusti.

One of the members, Alessandro Antonio Giusti, a chartered accountant, has recognised experience in accounting and finance, which was deemed adequate by the Board of Directors at the time of nomination, and since 17 April 2013 he also covers the role of Director in charge of the Internal Audit & Risk Management System.

When carrying out its functions, it was possible for the Committee to access the information and corporate functions necessary for the performance of its tasks, as well as avail itself of outside consultants.

When meeting any costs, the Committee may avail itself of financial resources, which are set aside on the basis of contingent needs.

During 2013, the Committee met six times. The meetings, which lasted one hour on average, were coordinated by a chairman and were duly recorded in minutes. Some meetings were attended by individuals who are not members of the Committee and their participation took place upon the invitation of said Committee and with regard to specific items on the agenda. All the members of the Committee have participated in the six meetings held during the accounting period.

With regard to the current accounting period, a number of meetings equating to six is envisaged. We specify furthermore that during the current accounting period one meeting of the Committee has already taken place.

Over the course of the accounting year 2013, in observance of the provisions set forth in the Code of Best Practice (Article 7.C.1), the Audit & Risk Committee expressed an opinion in relation to the following activities performed by the Board of Directors:

- definition of the guidelines of the Risk Management and Internal Audit System, in such a way that the main risks to which the Company and its subsidiaries are exposed are correctly identified, and adequately measured, handled, monitored, also by determining the degree of compatibility of such risks with a company management consistent with the strategic objectives identified;
- assessment of the adequacy and effectiveness of the Risk Management and Internal Audit System in view of the characteristics of the Company and of the risk profile;
- approval of the business plan prepared by who is in charge of Internal Audit;
- description, in the corporate governance report, of the main characteristics of the Risk Management and Internal Audit System and assessment of the adequacy thereof;
- assessment, after having heard the Board of Statutory Auditors, of the results illustrated by the legal auditor in the letter of suggestions, if any, and in the report, of the fundamental issues emerged during the legal audit of accounts.

The Committee also monitored the activities for checking the control protocols envisaged by the Management and Organisation Model pursuant to Italian Legislative Decree No. 231/2001 in certain significant company processes, performed by Geox's Supervisory Body with the support of the Company's Internal Audit division.

In observance of the provisions set forth in the Code of Best Practice Art. 7.C.2, letter a), the Audit & Risk Committee met and assessed, along with the executive in charge of drafting the accounting documents and the legal auditor, the correct use of the accounting principles and their homogeneity for the purposes of drafting the consolidated financial statements.

In observance of the provisions set forth in the Code of Best Practice, Art. 7.C.2, letter c), the Audit & Risk Committee examined the periodical reports drafted in relation to the assessments of the Risk Management and Internal Audit System, as well as those reports particularly relevant drafted by the Internal Audit function.

Moreover, in observance of the provisions set forth in the Code of Best Practice Art. 7.C.2, letter d), the Audit & Risk Committee monitored the independence, adequacy, effectiveness and efficiency of the Internal Audit function.

The Committee evaluated the state of implementation of the internal procedures defined and disclosed so far.

The Committee also expresses opinions on specific aspects regarding the identification of the main business risks.

Finally, in observance of the provisions set forth in the Code of Best Practice Art. 7.C.2, letter f), the Audit & Risk Committee regularly reported to the Board of Directors, at least twice a year, on the activities performed and on the adequacy of the Risk Management and Internal Audit System.

9. RISK MANAGEMENT AND INTERNAL AUDIT SYSTEM

The Board of Directors, within the definition of strategic, industrial, and financial plans, defined the nature and level of risk compatible with the Issuer's strategic objectives.

The Board of Directors shall define the guidelines of the Risk Management and Internal Audit System through the coordination of the dedicated internal bodies and the assessment of their periodical reports, so that the main risks regarding the Company and its subsidiaries are correctly identified, and adequately measured, handled and monitored, also by determining the degree of compatibility of such risks with a company management consistent with the strategic objectives identified.

In 2013 the Board of Directors assessed the adequacy of the Risk Management and Internal Audit System with respect to the characteristics of the Company and the risk profile, and did so on the occasion of the half-year reporting on operations on the part of the Audit & Risk Committee, of the Supervisory Body and of the director charged with the Risk Management and Internal Audit System.

9.1 Main features of the existing risk management and internal audit systems in relation to the financial disclosure process

Introduction

The Risk Management and Internal Audit System is a process implemented by the Board of Directors, by the management and by other Company's functions; it is used for formulating strategies throughout the organization and it is devised to identify potential events that may impact on the Company's business, manage risk within the limits of the acceptable risk and provide reasonable certainty on the achievement of business objectives, including the reliability, accuracy, truthfulness and timeliness of the financial informational notice.

In particular, Geox's Risk Management and Internal Audit System was created on the basis of inspiring models such as the CoSO Report - Integrated Framework and CoSO Enterprise Risk Management developed by the Committee of Sponsoring Organization of the Treadway Commission, whilst taking into due account the national guidelines issued by the organizations operating in the same sectors as Geox's.

In exercising its activity of managing and coordinating subsidiary companies, Geox S.p.A. establishes the general principles concerning the operations of the Risk Management and Internal Audit System for the whole group. It is understood that each subsidiary implements these principles in line with local regulations through organisational structures and operating procedures that are appropriate to the specific context.

Description of the main features of the existing risk management and internal audit systems in relation to the financial disclosure process

a) <u>Phases of the risk management and internal audit system existing in relation to the financial information process</u>

Identification of Risks

The Managing Director and the Executive in Charge, consistently with the principles of operation of the Risk Management and Internal Audit System related to the financial information process, shall prudently and accurately identify on an annual basis the main risks connected to that activity (so-called scoping activity). The risk identification process involves identification of the group companies and the operating flows liable to material errors or fraud, in relation to the economic values presented in the items of Geox S.p.A.'s financial statements and/or the consolidated financial statements.

The result of the scoping activity is the definition of a set of Company Processes/Legal Entities, in consideration of the typical risks incurred in the preparation of financial information intended for the public.

The companies and processes considered to be significant with reference to the financial information process shall be identified through quantitative and qualitative analyses.

By referring to the national and international best practices, the quantitative selection of companies shall be made on the basis of consolidated data, taking into account the contribution of the single companies to the formation of such data.

The companies not relevant from a quantitative viewpoint shall be subject to qualitative analysis to verify whether or not their characteristics are such as to make it necessary to include them in the analysis of the risk management and internal audit system.

Some of the factors, among others, considered in the analysis are indicated below.

- Presence of specific risks in connection with certain sections of the financial statements, likely to result in relevant mistakes in the Group's financial information. Possible indicators are:
- Extraordinary transactions (mergers / demergers / acquisitions) to such an extent as to be able to result in a relevant mistake in the financial statements;
- Non-recurrent transactions of a considerable amount with related parties;
- Presence of local factors that impact on the performance of activities (for example, country with a high level of corruption / risk of fraud);
- Company subject to special tax rules or residing in countries included in black lists;

For each relevant Company the main classes of transactions (or significant processes) that lead to the formation of the relevant financial statements shall be identified.

The identification of significant processes requires, first of all, the identification of significant accounts, i.e. of those accounts that exceed, in relation to the amounts appearing in the last statement of assets and liability and profit and loss account, a threshold of materiality identified on an annual basis.

In the context of each process so identified, events that may compromise the objectives of the financial information process shall be pinpointed.

Assessment of the Risks on financial information

For each risk, the management shall define the limits of tolerance in the likelihood of occurrence and in the impact that such risks may produce.

Risks shall be identified by classifying them on the basis of the main sources of risk identified on a regular basis by the Director in Charge of the Risk Management and Internal Audit System.

The assessment consequent to the identification of the events of risk must be made in relation to the two aspects of risk analysis, namely, the likelihood of occurrence and the potential impact on objectives.

The importance of the risk shall be assessed both for the purpose of determining the relevant risk, and for the assessment of the remainder risk, in order to enable the correct interpretation of the degree of exposure to risk and the redefinition, if any, of the risk management strategy.

As a matter of fact, the risk management strategy must be re-considered on the basis of the actual reduction of the likelihood of occurrence, of the impact or of both these elements on the part of the defined reactions.

This involves that the reaction to risk may be identified for the first time – or changed, if already defined – further to the assessment of the overall development and adequacy of the Risk Management and Internal Audit System.

Identification of Controls in view of identified Risks

Control activities include the policies and procedures that ensure to the management the correct implementation of risk management measures. Control activities shall be implemented throughout the company organization, at all functional and management levels.

Such activities are represented by a set of diversified transactions such as, by way of example, without limitation, approvals, authorizations, comparisons, reconciliations, protection measures, separation of tasks, etc.

Control activities may operate with *ex-ante* effects (so-called preventive activities) or *ex-post* effects (so-called detective activities); they may be performed manually by who is in charge of controls or be integrated in the Company's automated computer systems.

Assessment of controls in view of identified risks

Controls are generally assessable in relation to many characteristics, but within the financial information process, they must ensure the correct implementation of at least two characteristics:

1. Traceability: a control must leave traces of its execution;
2. Effectiveness: a control must effectively mitigate, alone or jointly with other controls, the associated risk by acting alternatively or jointly on the likelihood of occurrence and on risk impact.

Controls shall be assessed by analysing the correct aims of control activities and their actual and effective application over time.

In relation to the financial information process, control activities shall be assessed in two half-year sessions, possibly followed by equally regular follow-up phases should some problematic aspects emerge.

b) <u>Roles and functions involved</u>

Without prejudice to the responsibility of every company Manager as described in point a), the main players in the Internal Audit System in the financial disclosure process are:

- The Managing Director and the Executive tasked with drawing up the company accounting documents pursuant to Article 154-*bis* of the FCA, who are in charge of defining and evaluating specific control procedures for protection against risks when drawing up the accounting records;
- The Internal Auditing function, which, remaining objective and independent, provides methodological advices in the verification of the adequacy and of the actual application of the control procedures defined by the Executive in Charge. In this ambit of activity, the Internal Auditing shall also report any relevant circumstance of which it becomes aware to the Audit & Risk Committee and to the Executive in Charge;
- The Director in charge of the Risk Management and Internal Audit System, as person primarily responsible for the initiatives regarding the assessment and management of business risks;
- The Audit & Risk Committee, which, to support the Board of Directors, analyses the results of audit activities on the Risk Management and Internal Audit System to identify the actions to be taken, if any;
- The Supervisory Authority pursuant to Italian Legislative Decree 231/01, which intervenes through its supervisory activities on the corporate offences listed in Legislative Decree 231/01, identifying risk scenarios and personally verifying compliance with the audit measures. Furthermore, the Supervisory Authority monitors compliance with and application of the group's Code of conduct.

9.2 Director in charge of the Risk Management and Internal Audit System

On 17 April 2013, the Board of Directors nominated Alessandro Antonio Giusti, a non-executive board member as the director in charge of the Internal Audit and Risk Management System.

Mr.Giusti saw to the identification of the main company risks (strategic, operative, financial and compliance), taking into account the characteristics of the activities performed by the company and by its subsidiaries, submitting them periodically to the Board. He also executed the guidelines defined by the Board, aimed at an on-going adjustment of the internal audit system and its management, by designing, implementing and managing the internal audit system and risk management and constantly verifying its overall adequacy, efficacy and efficiency.

The director in charge of the Risk Management and Internal Audit System acted in the sense of adjusting such a system to operational conditions and legislative and regulatory frameworks.

The director in charge of the Risk Management and Internal Audit System has the power to ask the internal audit function to make verifications on specific operational areas and on the compliance with the internal procedural rules governing the performance of company transactions, giving prior notice thereof to the Chairman of the Board, the Chairman of the Audit & Risk Committee and to the Chairman of the Board of Statutory Auditors.

His activity has been carried out in coordination with the Audit & Risk Committee.

9.3 Person in charge of the Internal Audit

During the Board of Directors' meeting held on 17.04.13 the Board appointed, upon proposal of the Director in charge of the Risk Management and Internal Audit System and after having consulted with the Audit & Risk Committee and the Board of Statutory Auditors, the person in charge of the internal audit function, Mr. Simone Colombo, defining his remuneration consistently with the company policies and by charging him with the task of verifying that the Risk Management and Internal Audit System was operational and adequate (Principle *7.P.3., let. b*).

The Board also made sure that Mr. Simone Colombo was given the resources appropriate for the performance of his tasks (*Application criterion 7.C.1., second section*).

The person in charge of the internal audit function is not responsible for any operational area and, starting from the Board of Directors which met on 17 December 2012, shall report to the Board *(Application criterion 7.C.5., let. b).*

The person in charge of the internal audit function*:*

- has verified, on an on-going basis and in relation to specific needs and in compliance with international standards, the operations and adequacy of the Risk Management and Internal Audit System, through an audit plan approved by the Board of Directors and based on a structured process of analysis and prioritization of the main risks *(Application criterion 7.C.5., let. a);*
- has had direct access to all the information useful for the performance of the task *(Application criterion 7.C.5., let. e);*
- has prepared periodical reports containing adequate information on his activities, on the ways in which risks are managed, and on the compliance with the plans defined to limit them, and has also assessed the adequacy of the Risk Management and Internal Audit System *(Application criterion 7.C.5., let. d)* providing the reports to the Chairmen of the Board of Statutory Auditors, of the Audit & Risk Committee and of the Board of Directors as well as to the director in charge of the Risk Management and Internal Audit System *(Application criterion 7.C.5., let. j);*
- has promptly drafted reports on particularly relevant events *(Application criterion 7.C.5., let. e)* and sent them to the Chairmen of the Board of Statutory Auditors, of the Audit & Risk Committee and of the Board of Directors as well as to the director in charge of the Risk Management and Internal Audit System *(Application criterion 7.C.5., let. j);*
- as part of the *audit* plan, he verified the reliability of the computer system including the accounting systems (*Application criterion 7.C.5., lett. g*).

In 2013 the person in charge of the Internal Audit could rely on an overall budget of about Euro 60,000,00 intended for consultancy, business travel and overheads pertaining to his function.

The Internal Auditing function is not assigned to third party individuals, but the Company can occasionally use external professionals for specialised consulting services if these should be required during operations.

The function of Internal Auditing has carried out his/her activities in line with and within the limits of an official mandate, which provides him/her with free and direct access to all the information considered useful to carrying out his/her duties.

Within the limits of the above-mentioned task, the Internal Audit has completed the execution of an annual plan involving verifications functional to the assessment of adequacy of the Risk Management and Internal Audit System. Secondly, the Person in charge of Internal Audit has supported the Company by providing advice in the implementation of company policies and procedures, in the re-wording of the Group's Code of Ethics and in several transactions connected with the company organization.

9.4 Organisation model pursuant to Italian Legislative Decree No. 231/2001

For some time now, the Group has adopted its Model for Organisation, Management and Control in compliance with the Legislative Decree no. 231/01, the general part of which is available on the corporate governance section of the website www.geox.com.

To oversee the proper functioning of the Model, on 17 April 2013, as reported in information from the new Corporate Governance Code for listed companies, the Board of Directors assigned the role of Supervisory Committee to the Board of Auditors composed of the lawyer Francesco Gianni, Francesca Meneghel and Valeria Mangano.

For the fraction of the previous year, up to 17 April 2013, the Supervisory Committee consisted of an external lawyer, Marco Cardia (who held presidency), Alessandro Antonio Giusti and the Internal Audit Manager, Simone Colombo.

The Supervisory Body also executed its own annual audit plan aimed at detecting observance of the audit protocols in relation to the risks pursuant to Italian Legislative Decree No. 231/2001, availing itself during its activities of the Internal Auditing division as well.

9.5 Independent auditing firm

The Shareholders' Meeting held on 17.04.13 granted a new appointment for the auditing of the accounts to the firm Deloitte & Touche S.p.A., for the accounting periods as from 31.12.13 until 31.12.21.

9.6 Executive in charge of drafting the corporate accounting documents and other company roles and functions

Mr. Luciano Libralesso, Geox S.p.A.'s administration, finance and control director, was appointed as executive tasked with drawing up the company accounting documents by the Board of Directors, upon the proposal of the Managing Director and in agreement with the Chairman, subject to the opinion of the Board of Statutory Auditors on 17.04.13.

Article 18 *bis* of the Articles of Association envisages that the executive in question is chosen from among the executives who have carried out, for a suitable period of time, administration, management or auditing activities and who are in possession of the honourable requisites envisaged by current legislation.

For the performance of his duties, the executive is provided with an annual expenditure budget and, subject to the agreement of the Company, may avail himself of the advice of the Internal Auditing Department.

9.7 Coordination between those involved in the Risk Management and Internal Audit System

To maximize the efficiency of the Risk Management and Internal Audit System and reduce the duplication of activities, Geox has defined some procedures for coordination between the above-listed persons.

The members of the Board of Statutory Auditors shall be invited, along with others, to attend every institutional meeting having as subject matter specific discussions regarding the Risk Management and Internal Audit System.

The Internal Audit Manager also took part in the Audit & Risks Committee meetings in order to ensure constant alignment.

The Director in charge and the Person in charge of Internal Audit shall meet on a monthly basis in such a way as to inform each other of their activities and define less relevant interventions, if any, of which it is reckoned that the Board of Directors need not be informed.

The Audit & Risk Committee shall meet the Executive in Charge and the Person in charge of the Internal Audit on a six-monthly basis, to analyse the specific results of the assessment of the controls regarding the management of the financial information process

10. INTERESTS OF DIRECTORS AND TRANSACTIONS WITH RELATED PARTIES

Pursuant to art. 2391-*bis* of the Italian Civil Code, and the CONSOB RPT Regulations, the Board of Directors of 28 October 2010 approved the Regulation governing Related-Party Transactions concerning the governance of related-party transactions, in force since 1st January 2011 and subsequently modified by the Board of Directors with resolution dated 19 December 2013 during the three-year review and published in the corporate governance section of the company website www.geox.com.

In drafting the contents of the Regulation governing Related-Party Transactions, the Board established the criteria for identifying transactions which must be approved by the Board subject to the opinion of a special Committee coinciding with the Audit & Risk Committee and, where necessary, the advice of independent experts.

The Regulation governing Related-Party Transactions identifies the principles which GEOX abides by in order to ensure the transparency and essential and procedural correctness of transactions with related parties, in application and compliance with CONSOB RPT Regulations.

The Regulation governing Related-Party Transactions defines, among other things, the “material” transactions that require approval by the Board of Directors in advance, upon the documented and binding opinion (notwithstanding the provisions of the Articles of Association concerning shareholders’ meeting authorisation) of a committee composed exclusively of independent, unrelated Directors and the committee must be identified within the Audit & Risk Committee while the transactions must be disclosed to the public.

Other transactions, unless they fall within the categories of exclusion or exemption pursuant to art.6 of the Regulation governing Related-Party Transactions, are defined as “Less Relevant RTPs” and may be approved by the Board of Directors or by any bodies which may be appointed, subject to the motivated and non-binding opinion of the same committee.

The Regulation governing Related-Party Transactions identifies the cases in which the procedures can be excluded or which are exempted from them, including, among other things, transactions involving a low amount (with a value lower than Euro 100,000), the ordinary transactions concluded under standard or market conditions, the transactions with or between subsidiaries and those with associated companies, provided that parties related to the Company do not have significant interests in them, other transactions relating to the remuneration of the Directors and the

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managers with strategic responsibilities and urgent transactions carried out under specific conditions.

The provisions of the Articles of Association governing transactions with related parties were adapted to the CONSOB RPT Regulations. In particular, with a resolution of the Extraordinary Shareholders' Meeting of 28 October 2010, a new section was included in the Articles of Association, titled "Related-party transactions" (with the consequent re-numbering of the articles of the Articles of Association in force), containing the three articles indicated below:

- art. 24 of the Articles of Association is an introductory article which provides that the Company must approve the transactions with related parties in compliance with current legal and regulatory provisions, as well as with its own Articles of Association requirements and relevant procedures adopted by the Company.
- art. 25 of the Articles of Association which allows the Regulation governing Related-Party Transactions to envisage approval by the Board of Directors of the more relevant RPTs despite the adverse opinion of the independent directors, as long as implementation of such transactions is authorised by the Shareholders' Meeting, pursuant to art. 2364, paragraph 1, number 5) of the Italian Civil Code. In the case indicated in the previous paragraph and also if a proposed resolution to be submitted to the Shareholders' Meeting concerning a material transaction is approved despite the directors with the requirements of independence' adverse opinion, the Shareholders' Meeting resolves with legally established majorities, as long as – if the unrelated shareholders present at the Shareholders' Meeting account for at least 10% of voting share capital – the aforesaid legal majorities are achieved with the favourable vote of the majority of the unrelated shareholders voting at the Shareholders' Meeting.
- art. 26 of the corporate Articles of Association which allows the Regulation governing Related-Party Transactions to exclude urgent transactions from their area of application, even if pertaining to the Shareholders' Meeting, within the limits of that are allowed by applicable laws and regulations.

In regard to the procedure for the approval of the proposed resolution to the Shareholders' Meeting concerning the aforementioned amendments to the Articles of Association on transactions with related parties (or which are connected to the introduction of the provisions on this issue), it is noted that on 22 September 2010 the Board of Directors met to discuss the adoption of procedures for transactions with related parties provided for by the CONSOB Regulation and, within this examination and discussion, resolved to propose to the Shareholders' Meeting the above-mentioned amendments to the Articles of Association, subject to the prior favourable opinion of the specifically established committee, composed by independent directors.

In addition to governing in the Related-Party Transactions Regulation possible transactions with related parties which can exclude situations in which a director has a personal interest or an interest exercised on behalf of others, the Board of Directors has assessed and adopted with the Code of Ethics operating solutions designed to make it easier to identify and manage adequately situations in which a director has a personal interest or an interest exercised on behalf of others.

In particular, the Board of Directors, which met on 13 May 2005, approved a Code of Ethics; this Code of Ethics was entirely replaced by the Board of Directors on 31 July 2012. The new Code of Ethics, just as the previous one, is intended for the corporate bodies and their members, as well as for employees, temporary workers, consultants and independent contractors engaged for any reason, agents, attorneys-in-fact, any other person who may act in the name and on behalf of Geox S.p.A. and, more generally, for all those with whom Geox S.p.A. and the other companies of the Group are in contact during their business activity. This Code of Ethics, which, moreover, is a fundamental element of the organizational model provided for by Legislative Decree no. 231/2001 and of the Group's Risk Management and Internal Audit System, emphasizes, in particular, the prevention and management of the situations of conflict of interests. In particular, art. 1, par. 5, of this Code stipulates that *"any situation of conflict between personal interests and Geox S.p.A.'s interest must be necessarily avoided or, should this be impossible, prior notice of that must be given to the Supervisory Body"*. Pursuant to Article 11, paragraph 3, of the Code of Ethics, specific penalties are provided for in the event of failure to comply with the principles contained in the Code of Ethics (including those involving the prevention and disclosure of conflicts of interest): Such action shall be proportionate to the gravity of the violation or to whether it is a first time or a repeat offence or to the degree of negligence involved, and could result in a proposal to the General Meeting for the dismissal for just cause of the person involved".

11.APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS

The meeting held by the Board of Directors on 6 February 2013 modified, among other things, the statutory provisions relative to the appointment and replacement of auditors in order to adjust the Statute to provisions of law No. 120/2011. In particular, regulations applicable to the nomination and replacement of auditors are provided for by current article 22 of the Statute and are reported below.

"When the Auditors are appointed and before they accept the office, the administration and control tasks carried out in other companies are made known to the Shareholders' Meeting.

Persons holding office as standing Statutory Auditors in more than seven companies issuing securities listed in regulated markets cannot be appointed as the Company's Statutory Auditors (without prejudice to any other limit introduced according to Article 148-*bis* of Legislative Decree no. 58/1998).

Statutory Auditors are appointed for the first time in the Articles of Incorporation and thereafter by the ordinary Shareholders' Meeting, which also appoints from among them the Chairman of the Board of Statutory Auditors, according to the procedures indicated hereunder. Before appointing the Statutory Auditors, the Shareholders' Meeting determines the Statutory Auditors' remuneration for their entire term of office.

Statutory Auditors are appointed on the basis of lists presented by Shareholders, in which candidates must be listed in progressive order.

The lists must be divided into two sections, one related to the Permanent Statutory Auditors and one related to the Alternate Statutory Auditors; should these contain a number of candidates equal to or exceeding three, they must ensure the presence of both genders, so that the candidates of the less represented gender are at least, for the first appointment one year after the entry into force of Law no. 120/2011, 1/5 of the total number, whereas in relation to the two subsequent appointments, they shall be at least 1/3 of the total number, with rounding off to the higher unit in the case of fraction.

Each Shareholder can present or take part in the presentation of just one list. Only those Shareholders who, alone or together with other Shareholders presenting the same list, account for at least a fortieth of the share capital (or any other lower limit provided by the law in force at the date of the Shareholders' Meeting) can present or take part in presentation of the lists.

The minimum shareholding requirement necessary to present the lists is calculated taking into account the shares registered in the shareholders' name as at the date when the shares are lodged at the Company's registered offices. In order to prove ownership of the number of shares necessary to present the lists, the Shareholders who present, or contribute to the presentation of, the lists must present and/or deliver to the Company's registered offices, a copy of the specific certification issued by a legally qualified intermediary by the deadline established for publication of the lists.

Every shareholder, as well as the shareholders which belong to a same group (this meaning the even non-corporate controlling shareholder, pursuant to Article 93 of Legislative Decree no. 58/1998 as well as the subsidiaries and associated companies of the same shareholder), or which are parties to a Shareholders' Agreement pursuant to Article 122 of Legislative Decree no. 58/98, cannot either submit or contribute to submit or vote more than one list, either directly, or through a third party or through a trust company. Each list shows a number of candidates not exceeding the maximum number of members of the Board of Statutory Auditors.

The lists presented by Shareholders must be lodged at the Company's registered offices at least 25 (twenty-five) days before the date fixed for the Shareholders' Meeting convened to appoint the Statutory Auditors and are made available to the public, at least 21 (twenty-one) days before the meeting, at the Company's registered offices, on its website and in the other ways envisaged by applicable legal and regulatory requirements.

The lists must include (i) any information related to the identity of the Shareholders presenting the lists, the percentage of shareholding held, and a certification proving their ownership and (ii) a declaration from the Shareholders who do not hold a controlling or relative majority shareholding, neither on a joint basis, stating that they do not have any relation provided by Article 144-*quinquies* of the Consob Issuers' Regulations.

Each candidate can appear on one list only on pain of ineligibility. At the same time when lists are lodged at the Company's registered offices, the declarations must be lodged with which individual candidates accept their candidacy and certify, under their own responsibly, the absence of causes of ineligibility and of incompatibility, as well as the existence of the requirements envisaged by applicable regulations and by the Articles of Association including the limit of the number of accumulated offices previously described. Together with these declarations a curriculum vitae is lodged for each candidate concerning the latter's personal and professional characteristics as well as the indication of the suitability to qualify as an independent.

When just one single list is presented within the above mentioned twenty-five days term, or if only lists from shareholders subject to the relations provided by Article 144-*quinquies* of the Consob Issuers' Regulations are presented, other lists can be presented up to the fifth day after that date. In that case, the minimum shareholding requirement for shareholders presenting the lists is cut by half.

Lists for which the previous requirements are not observed, are not considered to have been presented.

Each holder of voting rights can vote for just one list.

Two standing auditors and one substitute auditor are taken from the list obtaining the highest number of Shareholders' votes, in the progressive order with which they are listed in the list concerned. The remaining standing auditor and substitute auditor are taken from the lists having obtained the second highest number of votes. In the case of a tie vote between two or more lists obtaining the highest number of votes, the youngest candidates (in terms of age) will be elected as standing and substitute auditors up to the number of offices to be assigned, in any case ensuring that standing auditors are taken from at least two different lists; all this, however, in compliance with the rules related to the balance of genders in the bodies of listed companies pursuant to Law no. 120/2011.

Should the resulting composition of the collegiate body or of the category of the alternate Statutory Auditors fail to respect the balance of genders, taking into account the order in which they are listed in the respective section, the last elected candidates of the Majority List of the most represented gender shall fall from office in the number necessary to ensure the compliance with the required quota, and they shall be replaced by the first non-elected candidates of the same list and of the same section of the less represented gender. If there are no candidates of the less represented gender in the relevant section of the Majority List in a sufficient number to proceed with replacement, the Shareholders’ Meeting shall appoint the missing permanent or alternate Statutory Auditors subject to the legal majorities, thus ensuring that the required quota is met.

For the purpose of implementing the provisions of this article, the lists presented by minority shareholders that are directly or indirectly connected with shareholders that have presented or voted for the list that has obtained the highest number of votes shall not be included.

The chairmanship of the Board of Statutory Auditors is assigned to the standing auditor indicated as the first candidate on the list that at the Shareholder’s Meeting has obtained most votes after the first one.

The above-mentioned provisions for the appointment of the Board of Statutory Auditors are not applicable to Shareholders’ Meetings appointing the Board of Statutory Auditors following replacement or cease of office of members of the Board, in compliance with legal requirements, or to Shareholders’ Meetings appointing the Board of Statutory Auditors whom, for any reason whatsoever, including non-presentation of several lists, it was not possible to elect using the list vote approach. In such cases, the Shareholders’ Meeting shall resolve with the legal majorities, in any case in compliance with the division criterion capable of ensuring the gender balance under Article 148, par. 1-*bis* Legislative Decree no. 58/1998.

Statutory auditors hold office for three financial years and cease their office on the date of the Shareholders’ Meeting convened to approve the financial statements for the last financial year of their term of office. Statutory Auditors’ ceasing of office takes effect when the Board of Statutory Auditors has been re-elected. If a standing Statutory Auditor ceases his/her office for any reason, the substitute auditor belonging to the same list as the auditor leaving office takes his/her place. The new Statutory Auditors shall remain in office until the following Shareholders’ Meeting, which shall replace the missing members of the Board of Statutory Auditors according to the legal provisions and in compliance with the division criterion capable of ensuring the gender balance under Article 148, par. 1-*bis* Legislative Decree no. 58/1998”.

By means of Resolution no. 18775 published on 29.01.14, Consob established the shareholding required for presentation of the lists of candidates for election to the administration and control bodies that closed the accounting period ended on 31.12.13, unless a lower quota is envisaged by the Articles of Association. In particular, the quota set for GEOX S.p.A. is the following:

CRITERIA FOR THE DETERMINATION OF THE SHAREHOLDING			SHAREHOLDING
CAPITALISATION CATEGORY	FLOAT %	MAJORITY HOLDING %	
> 375 million € and <=1 billion €	Not material	Not material	**2,5%**

12. AUDITORS

Pursuant to Article 22 of the Articles of Association, as amended in February 2013, the Board of Statutory Auditors shall be composed by three permanent members and two alternates, respecting the gender balance pursuant to Article 148, par. 1-*bis* Legislative Decree no. 58/1998, as introduced by Law no. 120/2011. Therefore, for the first appointment one year of the entry into force of Law no. 120/2011, at least 1/5 of the members in the Board of Statutory Auditors shall be from the less represented gender, whereas for the two subsequent appointments at least 1/3 of the members shall be from the less represented gender, with rounding off to the higher unit in the case of a fraction. The members of the Board of Statutory Auditors may be reappointed.

The Auditors currently in office were appointed by the Shareholders during the Shareholders' Meeting held on 17.04.13 on the basis of the single list presented by the majority shareholder LIR S.r.l. and approved by the majority of the Shareholders' attending the meeting; they will remain in office until the meeting for the approval of the financial statements as of 31.12.15.

During 2013, the Board of Statutory Auditors held 9 meetings with an average length of two hours each. For the current accounting period, a precise number of meetings has not been established. No meeting has been held so far.

The structure of the Board of Statutory Auditors as at 31.12.13 is shown in the table below.

Name	Office	In office since	List	Indep. as per Code	As per Code As per Code % equity inv. in capital	Other offices
Francesco Gianni	Chairman	17.04.2013	M	X	100	17
Valeria Mangano	Standing Auditor	17.04.2013	M	X	100	4
Francesca Meneghel	Standing Auditor	17.04.2013	M	X	100	10
Giulia Massari	Substitute Auditor	17.04.2013	M	X	-	10
Andrea Rosati	Substitute Auditor	17.04.2013	M	X	-	12

The Auditors in office for the fraction of the year, up to 17 April 2013 were: Fabrizio Colombo (Chairman), Francesca Meneghel (Statutory Auditor), Francesco Mariotto (Statutory Auditor), Davide Attilio Rossetti (alternate auditor) and Laura Gualtieri (alternate auditor).

The list of administration and control offices covered by the Company Auditors in companies pursuant to Book V, Title V, Chapters V, VI and VII of the Italian Civil Code, is enclosed with this Report. The complete list of offices is published by Consob on its own website pursuant to Article 144-*quinquesdecies* of the Issuers' Regulations. The personal and professional characteristics of each auditor are presented in their curriculum vitae which is published in the corporate governance section of the website www.geox.com.

Compliance with independence requirements was verified during nomination pursuant to article 148, paragraph 3 of the Consolidated Law on Financial Intermediation and article 8.C.1. of the Code. Furthermore, the Board of Auditors assessed the independence of its members at the first opportunity after their appointment.

In observance of Article 2.C.2. of the Code, the Chairman of the Board of Directors shall make sure that the Statutory Auditors adequately know the sector of activity in which the Company operates, the company dynamics and their development, as well as the applicable legal framework, and he or she shall take specific initiatives intended for this purpose, encouraging Statutory Auditors to join such initiatives.

Responsibility for promptly and thoroughly informing the other Auditors and the Chairman of the Board of Statutory Auditors of any interests in a specific Company transaction, specifying the nature, terms, origin and purport, is left to the initiative of each Auditor.

When performing its activities, the Board of Statutory Auditors co-ordinated with the Internal Audit department and with the Audit & Risk Committee, by means of the periodic participation in meetings providing updates on internal audit matters.

13. DEALINGS WITH THE SHAREHOLDERS

In line with the matters recommended by Article 9 of the Code, in the corporate governance section of the website www.geox.com, significant information is made available to the shareholders with particular reference to the methods envisaged for participation in and exercise of the right to vote during shareholders meetings, along with the documentation relating to the business placed on the agenda.

The investors relations' function is handled by Mr. Livio Libralesso and Ms. Marina Cargnello.

14. GENERAL MEETINGS

Article 12 of the Articles of Association provides that parties qualifying as owners of shares are entitled to intervene and to vote on the seventh open market day prior to the Shareholders' Meeting date and provided they have announced their wish to intervene in the Shareholders' Meeting through a duly authorised intermediary, pursuant to the provisions of the law and applicable regulations.

Intervention during Meetings by means of telecommunications facilities is permitted, via methods which allow the identification of all the participants and permit the latter to follow the discussion and intervene in real time when handling the business dealt with. In this case, the meeting will be considered to have been held where the chairman of the Meeting and the secretary are located. The method of telecommunication used must be mentioned in the minutes.

Those who are entitled to vote may exercise this right electronically via certified email (PEC) pursuant to the laws, regulatory provisions on this issue and the provisions within the shareholders' meeting regulations. This provision of the Articles of Association shall enter into effect as from the shareholders' meeting resolution that approves the amendments to the shareholders' meeting regulations which govern the ways in which a vote can be placed electronically.

Individuals who are entitled to participate and vote in the Shareholders' Meeting may be represented by another natural or legal person, including non-shareholders, via a written authorisation in the cases and within the limits set by the applicable law and regulatory provisions. The authorisation may be sent electronically via certified email and through any other methods provided for in the convocation notice, according to the procedures allowed by the applicable provisions of the law and the regulations.

Pursuant to article 127-*ter* of the FCA, shareholders can ask questions on the agenda items even prior to the Shareholders' Meeting, via a registered letter with return receipt to be addressed to Geox S.p.A. Direzione Affari Legali e Societari, via Feltrina Centro no. 16, 31044 Biadene di Montebelluna (TV), Italy or by certified email to societario@pec.geox.com. These questions will be answered at the latest during the Meeting, while the Company is entitled to provide a joint response to questions having the same content.

Pursuant to article 10 of the Articles of Association, shareholders who, even jointly, represent at least a fortieth of the share capital, can ask, within 10 days from the advertising of the notice of calling of the shareholders' meeting, unless a different term is given by law, integration of members to be discussed by indicating in the application the other issues proposed or present proposals for decisions to be made on issues already presented on the Agenda, to the extent and in manner provided by applicable legal and regulatory provisions, to be sent on an original signed letter addressed to the Legal and Corporate Affairs Directorate at Geox S.p.A., together with a report on the issues proposed for discussion. Addition is not allowed for issues that the shareholders' meeting deliberates about, pursuant to the law, upon the proposal of Directors or based on a project or report prepared by them. Any list of additional issues to be discussed at the shareholders' meeting will be published following the same terms and conditions as for this notice, at least fifteen days prior to the Shareholders' Meeting.

The course of the Meeting is disciplined by specific regulations for general shareholders' meeting business, available in the investor relations section, corporate governance, general shareholders' meeting on the website www.geox.com.

Article 6 of the Shareholders' Meeting Regulations envisages the possibility for each shareholder to request the floor on any of the matters being discussed, requesting information and making any proposals.

During the general Shareholders' Meeting held on 17.04.13, attended by most of the Directors of the Company, the Board reported on the activities carried out and scheduled and took action so as to ensure the shareholders adequate disclosure regarding the elements necessary in order that they may adopt, in full awareness of the facts, decisions which are the responsibility of the meeting.

15. OTHER PRACTICES PERTAINING TO CORPORATE GOVERNANCE

The Company established an Ethics Committee, subsequently renamed on 17 April 2013, in compliance with the new Code of Ethics adopted by the Board on 20 December 2012, “Committee for Ethics and Sustainable Development”. The aforementioned Committee is composed of Mario Moretti Polegato, Joaquìn Navarro-Valls and Engineer Umberto Paolucci, to guide and promote the ethical commitment and behaviour of the company.

16. CHANGES SINCE THE END OF THE ACCOUNTING PERIOD IN QUESTION

As at the closing date, no changes in the corporate governance structure took place in respect to those indicated in the specific sections.

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Today, 06.03.14

On behalf of the Board of Directors

The Chairman

dr. Mario Moretti Polegato

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Attachment to the Annual Corporate Governance Report for 2013

List of offices covered by Geox S.p.A.'s Directors and Statutory Auditors in other companies listed on regulated markets (in Italy and/or abroad), in financial, banking and insurance companies or large-scale companies

Board of Directors

Name	**Office**	**Other offices**
Mario Moretti Polegato	Chairman	Chairman of the Board of Directors of: LIR S.r.l., parent company of Geox S.p.A.
Enrico Moretti Polegato	Deputy Chairman	Director of: LIR S.r.l., parent company of Geox S.p.A. Chairman of the Board of Directors of: Diadora Sport S.r.l.
Fabrizio Colombo	Director	Member of the BoD - Brioschi Sviluppo Immobiliare S.p.A. Standing Auditor: - Industria e Innovazione S.p.A. - Crédit Agricole Vita S.p.A. - Acciaieria Arvedi S.p.A. - Finarvedi S.p.A. - Sistemi Informativi S.r.l. - BNP Paribas for Innovation Italia S.r.l. - Value Transformation Services S.p.A.
Roland Berger	Director	Director of: • Fresenius SE & CO. KGaA • Fresenius Managment SE • Schuler AG

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		• Prime Office AG Chairman of the Board of Directors of: • WMP EuroCom AG Vice Chairman of the Board of Directors of: • Deutsche Oppenheim Family Office AG (ex Wilhelm von Finck AG) • RCS Mediagroup S.p.A.
Alessandro Antonio Giusti	Director	Standing Auditor of: - Fidicontrol S.p.A. - Investex S.p.A. Chairman of the Board of Statutory Auditors of: - STB S.p.A. - X Capital S.p.A. - Next S.p.A. - Stilab S.p.A.
Lara Livolsi	Director	. Director - Livolsi & Partners Spa - Fondazione Passarè - Diadora Sport Srl

Board of Statutory Auditors

Name	Office	Other offices
Francesco Gianni	Chairman	Cassa di Risparmio di Ravenna S.p.A. Mayli S.p.A. Vitrociset S.p.A. IDeA FIMIT SGR S.p.A. Fiderservizi srl Fideroutsourcing srl Outsourcing Network srl Full services srl DE Holding Italy srl Pantheon.IT srl

		Pantheon Italia Srl Oppidum Srl Valvitalia Holding Spa Valvitalia Finaziaria Spa Valvitalia PArtecipazioni Spa Società agricola rustica oppidi società semplice Valvitalia spa
Francesca Meneghel	Standing Auditor	Standing Auditor of: - AVON COSMETICS SRL - DOMICAPITAL SRL - DUEMME SGR SPA - IMMOBILIARE IDRA SPA - LIR SRL - MEDIOLANUM COMUNICAZIONE SPA - MEDIOLANUM FIDUCIARIA SPA - MEDIOLANUM GESTIONE FONDI SGR SPA - MONDADORI PUBBLICITA' SPA - VIDEODUE SRL
Valeria Mangano	Standing Auditor	Standing Auditor: - Inipress spa - Alatana S.p.A. - Aichimia S.p.A. - Moncler enfant srl