



## **Geox S.p.A.**

*with registered office in Biadene di Montebelluna (TV), Via Feltrina Centro 16, enrolled with the Treviso Companies Register under no. 03348440268, Tax Code and VAT no. 03348440268*

### **EXPLANATORY DIRECTORS' REPORT ON THE AGENDA ITEMS FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING, TO BE HELD ON 22 APRIL 2021 (WITH A SINGLE CALL)**

*Provided pursuant to art. 125-ter of Italian Legislative Decree no. 58/1998, as subsequently amended*

# **GEOX**

## **Board of Directors**

Mario Moretti Polegato

Enrico Moretti Polegato

Livio Libralesso

Alessandro Antonio Giusti

Alessandra Pavolini

Lara Livolsi

Francesca Meneghel

Ernesto Albanese

Claudia Baggio

## **Board of Statutory Auditors**

Sonia Ferrero

Fabrizio Natale Pietro Colombo

Francesco Gianni

## **Independent Audit Firm**

Deloitte & Touche S.p.A.

Dear Shareholders,

the Board of Directors of Geox S.p.A. (hereinafter the “Company”) would like to point out that the agenda for the Ordinary and Extraordinary Shareholders' Meeting, convened with a notice published on the Company's website [www.geox.biz](http://www.geox.biz) under the section 'Governance' - “Shareholders' Meeting 2021” on 23 March 2021, as well as in the form of an excerpt in the newspaper “Italia Oggi” on 24 March 2021, to be held at the Company's registered office in via Feltrina Centro 16, 31044 Biadene di Montebelluna, Treviso, on 22 April 2021 at 10:00 am, is the following:

## **Ordinary session:**

1. Approval of the Financial Statements as of 31 December 2020; presentation of the Board of Directors' Report, the non-financial statement pursuant to Italian Legislative Decree no. 254 of 30 December 2016, the Board of Statutory Auditors' report and the Independent Auditors' report. Presentation of the Consolidated Financial Statements as of 31 December 2020. Resolutions concerning the result for the year.
  - 1.1 Approval of the Financial Statements as of 31 December 2020; presentation of the Board of Directors' Report, the non-financial statement pursuant to Italian Legislative Decree no. 254 of 30 December 2016, the Board of Statutory Auditors' report and the Independent Auditors' report. Presentation of the Consolidated Financial Statements as of 31 December 2020.
  - 1.2 Allocation of the result for the year.
2. Report on the policy regarding remuneration and fees paid pursuant to art. 123-ter, paragraphs 3-ter and 6, of Italian Legislative Decree no. 58/1998:
  - 2.1 Section I - Approval of the remuneration policy for 2021;
  - 2.2 Section II - Approval of Section II of the Report regarding fees paid during 2020.
3. Authorisation to purchase and make treasury shares available, subject to the revocation of the previous authorisation to the extent that it wasn't used. Related and ensuing resolutions.
4. Approval pursuant to art. 114-bis of Italian Legislative Decree no. 58/1998 of a new incentive plan based on financial instruments “2021-2023 Equity (Stock Grant) & Cash-Based Plan” for the allocation, free of charge, of ordinary shares of the Company to the Recipients of the plan; related and ensuing resolutions.
5. Appointment of the Independent Audit Firm; related and ensuing resolutions.

## **Extraordinary session:**

1. Proposal to amend the Extraordinary Shareholders' Meeting resolution of 16 April 2019 relating to a free share capital increase pursuant to art. 2349, paragraph 1 of the Italian Civil Code, in separate issues, up to a maximum nominal amount of Euro 1,200,000, corresponding to a maximum number of 12,000,000 ordinary shares of the Company, for the purpose of backing one or more stock grant plans, aimed at extending the terms of the capital increase; subsequent amendments to art. 5 of the Articles of Association.
2. Amendments to the Company's Articles of Association, in order to comply with Budget Law no. 160/2019 concerning provisions on gender quotas within administrative and control bodies of listed companies. Amendments to articles 16, 17 and 22 of the Articles of Association.

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The aim of this report is to explain the reasons behind the proposals referred to by the items on the shareholders' meeting agenda, pursuant to art. 125-ter of Italian Legislative Decree no. 58/98, as subsequently amended (the "TUF" - Italian Consolidated Law on Financial Intermediation).

**I. APPROVAL OF THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2020; PRESENTATION OF THE BOARD OF DIRECTORS' REPORT, THE NON-FINANCIAL STATEMENT PURSUANT TO ITALIAN LEGISLATIVE DECREE NO. 254 OF 30 DECEMBER 2016, THE REPORT FROM THE BOARD OF STATUTORY AUDITORS AND THE REPORT FROM THE INDEPENDENT AUDIT FIRM. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2020. RESOLUTIONS CONCERNING THE RESULT FOR THE YEAR.**

**I.1 APPROVAL OF THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2020; PRESENTATION OF THE BOARD OF DIRECTORS' REPORT, THE NON-FINANCIAL STATEMENT PURSUANT TO ITALIAN LEGISLATIVE DECREE NO. 254 OF 30 DECEMBER 2016, THE REPORT FROM THE BOARD OF STATUTORY AUDITORS AND THE REPORT FROM THE INDEPENDENT AUDIT FIRM. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2020.**

**I.2 ALLOCATION OF THE RESULT FOR THE YEAR.**

Dear Shareholders,

the financial statements for the year 2020, submitted for your approval, closed with a net loss for the year of Euro 138,280,895.72

We therefore propose that you:

- having taken note of the draft financial statements at 31 December 2020, which closes with a net loss for the year of Euro 138,280,895.72;
- having taken note of the reports of the Board of Statutory Auditors and the Independent Audit Firm;

**with reference to item I.1 on the agenda**

- approve the financial statements at 31 December 2020;

**with reference to item I.2. on the agenda**

- write off the loss recorded in 2020, equal to Euro 138,280,895.72.

For additional comments on the first point on the agenda of the Shareholders' Meeting, please refer to the exhaustive Directors' Report, which shall be filed, together with the draft financial statements and the consolidated financial statements at 31 December 2020, and made available to the public by the legally required deadlines, on the authorised storage system (eMarket storage), as well as on the Company's website [www.geox.biz](http://www.geox.biz), in the Governance section under "Shareholders' Meeting 2021".

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## **2. REPORT ON THE POLICY REGARDING REMUNERATION AND FEES PAID PURSUANT TO ART. 123-TER, PARAGRAPHS 3-TER AND 6, OF ITALIAN LEGISLATIVE DECREE NO. 58/1998:**

**2.1 SECTION I - APPROVAL OF THE REMUNERATION POLICY FOR 2021;**

**2.2 SECTION II - APPROVAL OF SECTION II OF THE REPORT REGARDING FEES PAID DURING 2020.**

Dear Shareholders,

pursuant to article 123-ter of the TUF and article 84-quater of Consob Issuers' Regulation no. 11971/99, a "**Report on the policy regarding remuneration and fees paid**" (the "**Report**") shall be made available to the public, at the Company's registered office, on its website and in the other ways envisaged by art. 65 bis, paragraph 2, art. 65-quinquies, art. 65-sexies and art. 65-septies of Consob Issuers' Regulation no. 11971/99.

By virtue of the rule of law, the Report consists of two sections: (i) Section I, which describes the Company's policy regarding the remuneration payable to the members of the board of directors, general managers and executives with strategic responsibilities, with reference to at least the next financial year and, without prejudice to the provisions of Art. 2402 of the Italian Civil Code, for the payment of members of the board of statutory auditors; and (ii) Section II, which describes the fees paid to the members of the board of directors and the board of statutory auditors, general managers and executives with strategic responsibilities for the financial year in question.

Pursuant to art. 123-ter of the TUF, the Shareholders' Meeting is required to deliberate, in a binding manner, on the remuneration policy (Section I) and to deliberate, in a non-binding manner, on the fees paid to the aforementioned individuals.

In light of the applicable legislation, we have therefore convened this meeting to also propose that you take:

### **with reference to item 2.1. on the agenda**

- a binding vote in favour of Section I of the Report, relating to the remuneration policy for 2021, pursuant to Art. 123-ter, paragraph 3, of the TUF;

### **with reference to item 2.2. on the agenda**

- a non-binding vote in favour of Section II of the Report, relating to the fees paid in 2020, pursuant to Art. 123-ter, paragraph 6, of the TUF.

Geox S.p.A.'s Report on its policy regarding remuneration and fees paid, including Sections I and II described above, in relation to which you are called upon to express your opinion, shall be made available to the public by 31 March 2021, at the Company's registered office, on the authorised storage system (*eMarket storage*) and on the Company's website *www.geox.biz*, in the *Governance* section under "*Shareholders' Meeting 2021*".

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### **3. AUTHORISATION TO PURCHASE AND MAKE TREASURY SHARES AVAILABLE, SUBJECT TO THE REVOCATION OF THE PREVIOUS AUTHORISATION TO THE EXTENT THAT IT WASN'T USED. RELATED AND ENSUING RESOLUTIONS.**

Dear Shareholders,

you have been convened to discuss and pass resolutions on the proposal to grant authorisation for the Company to purchase and make available its own shares. On 22 April 2020, the Shareholders' Meeting passed a resolution to authorise the purchase of treasury shares, within the maximum limit of 10% of the share capital and for no longer than 18 months starting from 22 April 2020.

The reasons why the proposal was originally made to the Shareholders' Meeting to authorise the Company to purchase and make available treasury shares, are still to be considered valid. For this reason, we believe that it is useful to take the opportunity of today's Shareholders' Meeting to propose that you grant a new authorisation to purchase and make available treasury shares, for a period of 18 months starting from the date of the relative shareholders' meeting resolution, subject to the revocation of the prior authorisation granted through the resolution passed by the Shareholders' Meeting on 22 April 2020, to the extent that it wasn't used.

This report sets out the reasons behind the authorisation request as well as the time frames and procedures that the Company intends to follow to implement the plan to purchase and make the treasury shares available, pursuant to articles 2357 and 2357-ter of the Italian Civil Code.

#### **I. Reasons why authorisation is requested to purchase and make treasury shares available.**

The objective of the request for authorisation to purchase treasury shares is to:

- intervene in the stock market to support the liquidity of the shares issued by the Company;
- stabilise the share price in the presence of price fluctuations linked to excessive share volatility and/or limited liquidity of the trades for the shares or contingent market conditions;
- operate on the stock market with a view to a medium and long term investment approach, whether directly or through intermediaries, in order to build up long-lasting holdings, seizing market opportunities by purchasing and selling shares on the market or also outside the market, thereby stabilising the share price.

The Shareholders' Meeting is also being asked to grant authorisation to purchase and make treasury shares available in order to meet a need for strategic and operational flexibility, with the aim of:

- giving the company the supply it needs to sell, make available and/or use the treasury shares, at any time, in full or in part, one or several times and without time limits, as part of extraordinary transactions such as exchange or contribution transactions, corporate transactions and/or extraordinary financial transactions involving the share capital, or financing transactions and other extraordinary transactions such as mergers or similar, transfers and proposed acquisitions and/or future industrial projects in line with the Company's development strategy;
- using the treasury shares as part of exchanges and/or block trades and/or for the conclusion of commercial and/or strategic alliances or for other uses deemed to be of financial and/or managerial interest for the Company;
- using the treasury shares, purchased or already in the portfolio, if rights (including conversion rights) are exercised, deriving from financial instruments issued by the company, by controlled companies or by third parties;
- • making the treasury shares available, both as a consequence of options being exercised for the purchase of said shares assigned to the beneficiaries of Stock Option Plans, and if shares are allocated for free as part of existing or future Stock Grant Plans and other incentive schemes, whether for a consideration or for free, to company managers, employees or individuals who work with the group, as authorised by the Shareholders' meeting;

Furthermore, the Board of Directors considers it appropriate for the Company to be able to make available any treasury shares purchased (including in the authorisation hereunder also the sale and/or use of shares purchased to implement previous shareholders' meeting resolutions, and that are held by the Company as at the date of

the resolution) also in order to seize opportunities for maximising value that may arise from the share price trend and therefore also to undertake trading activities.

It is hereby specified that the authorisation request relates to the Board of Directors' right to complete recurring and subsequent purchase and sale transactions (or other actions to make the shares available) with regard to treasury shares, also for portions of the maximum authorised quantity, within the limits imposed by the law and by the authorisation of the Company's Shareholders' Meeting.

## **2. Maximum number, class and nominal value of the shares to which the authorisation refers.**

As of today, the Company's share capital is equal to Euro 25,920,733.10, divided into 259,207,331 ordinary shares, each with a nominal value of Euro 0.10 (zero point ten).

The Company, within the limits of the distributable profits and available reserves as per the most recent, duly approved financial statements, may purchase a maximum number of 21,924,483 ordinary shares, each with a nominal value of Euro 0.10, and, in any event, not exceeding 10% of the Company's share capital, also taking into account for said purpose any shares held by its subsidiaries.

## **3. Compliance with the provisions of article 2357, paragraph 3, of the Italian Civil Code.**

As of today, the Company owns 3,966,250 treasury shares, equal to 1.54% of the share capital.

In accordance with the provisions of article 2357, paragraph 3, of the Italian Civil Code, under no circumstances may the nominal value of the number of treasury shares purchased, and taking into account any shares owned by subsidiaries, exceed one-fifth of the total number of shares,

In this regard, subsidiaries shall receive specific instructions to promptly report any purchases of treasury shares, in accordance with article 2359-bis of the Italian Civil Code.

Whenever an authorised purchase is made, the Board of Directors must check compliance with the provisions of article 2357, paragraphs 1 and 3, of the Italian Civil Code.

Purchases of treasury shares must be within the limits of the distributable profits and available reserves as per the most recent, duly approved financial statements at the time of carrying out the transaction, and the necessary accounting entries shall be made in accordance with the law and applicable accounting standards when the treasury shares are purchased and made available.

Please be reminded that:

- pursuant to Art. 44-bis, paragraph 1, of Consob Issuers' Regulation no. 11971/99, treasury shares held by an issuer, following both direct and indirect purchases, are excluded from the calculation of the share capital used to calculate the significant shareholding for the purposes of the takeover bid obligation, without prejudice to paragraph 4 of the same article;
- Art. 44-bis, paragraph 1, of Consob Issuers' Regulation no. 11971/99 is not, in any case, applicable when the authorisation for the purchase of treasury shares by the issuer or by its subsidiaries has also been approved with the favourable vote of the majority of the issuer's shareholders, present at the shareholders' meeting, other than the shareholder or shareholders who hold, also jointly, the majority stake, also in relative terms, as long as this is over 10%.

The authorisation submitted to the Shareholders' Meeting for approval also includes the authority to make available all or part of the treasury shares held in the portfolio at a later date and also on more than one occasion, even before reaching the maximum number of shares that can be purchased.

## **4. Duration of the authorisation.**

The authorisation is requested for the maximum duration permitted by Art. 2357, paragraph 2, of the Italian Civil Code, i.e. for a period of 18 months starting from the date when the upcoming Shareholders' Meeting passes the relative resolution, meaning from 22 April 2021 until 22 October 2022. With regard to treasury shares being made available, after being purchased in accordance with the aforementioned purposes, it is hereby proposed that the Shareholders' Meeting does not set a time limit, in light of the fact that, as of today, there are no regulatory constraints in this regard and that there is the opportunity to have maximum flexibility, also in terms of time, for the transfer of said shares, leaving the Board of Directors with the power to proceed with authorised transactions on one or more occasions and at any given moment in time.

## **5. Minimum and maximum considerations and the market assessments used to calculate them.**

The purchase of shares for the purposes of the programme may be made at a maximum and minimum unit price equal to the share price at the end of the stock market day, as recorded on the business day preceding the

purchase date, plus or minus 10% in relation to the maximum and minimum price, respectively. However, the consideration may not exceed any limits provided for by applicable legislation or, if recognised, by accepted market practices.

The treasury shares held in the portfolio may be made available in one of the following ways:

- they may be sold on the stock market or through block trades, also following private negotiations;
- they may be used as a consideration for the purchase of shareholdings or companies, as part of the Company's investment policy, in order to conclude agreements with strategic counterparties and as a supply to be used to support any approved stock option plans, as well as any other way of making them available permitted by applicable legislation.

With regard to the consideration for making purchased treasury shares available, the Board of Directors proposes that the Company's Shareholders' Meeting determine only the minimum consideration, granting the Board of Directors the power to determine any additional conditions, procedures and terms for making them available, on a case-by-case basis. The minimum consideration may not be lower than 10% of the share price at the end of the stock market day as recorded on the business day preceding the date of each sale transaction. This consideration limit shall not apply in cases of transfers other than a sale (e.g. exchanges, contributions, mergers or demergers, issuing convertible bonds, assigning shares as part of stock option plans and stock grant plans). In these cases, different criteria may be used, in line with the purposes being pursued and taking into account Regulation (EU) no. 596/2014, Delegated Regulation (EU) no. 1052/2016, permitted market practices and the indications of Borsa Italiana S.p.A.

Transactions to make shares available will be accounted for in compliance with legal provisions and applicable accounting standards.

## **6. Procedures to make the purchases.**

Treasury shares will be purchased on regulated markets, in accordance with the procedures provided for by relevant legislation (in particular pursuant to Art. 5 of Regulation (EU) no. 596/2014, Delegated Regulation no. 2016/1052, Art. 2357 et seq. of the Italian Civil Code, Art. 132 of Italian Legislative Decree no. 58/1998 and Art. 144-bis, paragraph 1, lett. b and c), of Consob Regulation no. 11971/1999), in accordance with the operating procedures established in the organisation and management regulations of the markets themselves, in order to ensure that all shareholders are treated equally.

Purchases will therefore be made, also through specialised intermediaries, and also on more than one occasion for each procedure, exclusively on regulated markets that are organised and managed by Borsa Italiana S.p.A. or on multilateral trading facilities, in accordance with the operating procedures established by the markets themselves that do not allow for the direct matching of purchase proposals with predefined sale proposals.

Regarding transactions to make the shares available, the Board of Directors proposes that the authorisation allow for the adoption of any procedure deemed appropriate in relation to the purposes being pursued.

The shares that will be purchased to implement the authorisation granted by the Shareholders' Meeting may therefore be made available and, in this context, may also be transferred, even before the maximum number of shares referred to by the present authorisation have been purchased, on more than one occasion, without any time limits, in the ways that the Company considers most appropriate, including, by means of example, sale on the stock market and/or off-exchange trading and/or block trades, with an institutional placement, as consideration for stakes in companies and/or goods and/or assets, to conclude agreements with strategic partners, in the cases of any extraordinary financial transactions that involve treasury shares being made available to be assigned, using them as a pledge in order to obtain financing for the Company and/or the Group, to complete projects or pursue company objectives and, in any case, any other way of making them available that is permitted by applicable legislation.

Shares to support stock incentive schemes will be assigned in accordance with the terms and conditions provided for by the relative plans approved by the Shareholders' Meeting pursuant to art. 114-bis of Italian Legislative Decree no. 58/1998 and applicable regulations.

## **7. Volumes**

The maximum purchase volumes may not exceed 25% of the average daily volumes of the 20 stock market sessions preceding the purchase transaction date. Pursuant to article 3 of Delegated Regulation no. 2016/1052, to benefit from the exemption under article 5, paragraph 1 of Regulation (EU) no. 596/2014, issuers, when

carrying out transactions as part of a buy-back plan of treasury shares, may not, on each trading day, purchase a volume exceeding 25% of the average daily volume of shares in the trading venue where the purchase is made. However, volumes may not exceed any limits provided for by applicable legislation or, if recognised, by accepted market practices.

## **8. Further information, if the purchase transaction is instrumental to reducing the share capital**

It is hereby confirmed that, at present, the purchase of treasury shares is not intended to reduce the share capital of the Company by cancelling the treasury shares purchased.

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Dear Shareholders,

in light of the above, we hereby invite you to pass the following resolutions.

“The Ordinary Shareholders' Meeting of Geox S.p.A.

- having acknowledged and approved the Explanatory Report by the Board of Directors regarding the proposal to authorise the Company to purchase and make treasury shares available, for the purposes of building up a portfolio of shares and supporting share liquidity;
- considering the provisions of articles 2357 and 2357-ter of the Italian Civil Code, art. 132 of Italian Legislative Decree no. 58/1998, art. 44-bis and art. 144-bis of Consob Issuers' Regulation no. 11971/99 and subsequent amendments;
- having acknowledged that Geox S.p.A., as at the date of approval of this resolution, holds 3,966,250 treasury shares, equal to 1.54% of the share capital;
- having acknowledged that the Company's subsidiaries do not hold any treasury shares, as at the date of approval of this resolution;
- given the financial statements closed at 31 December 2019 and the proposal for the allocation of the result for the year;

hereby resolves

I. to withdraw, as of today, the previous authorisation to purchase and make treasury shares available, granted on 22 April 2020, to the extent that it wasn't used;

II. to authorise, pursuant to article 2357 of the Italian Civil Code and the combined provisions of article 132 of Italian Legislative Decree no. 58/1998 and art. 144-bis of Consob Issuers' Regulation no. 11971/99 and, in any case, following any other procedure permitted by laws and applicable regulations, the purchase, on one or more occasions, of a maximum number, on a revolving basis (meaning the maximum number of treasury shares held from time to time in the portfolio), of 21,924,483 ordinary shares of Geox S.p.A. each with a nominal value of Euro 0.10 and, in any event, for an overall nominal value that does not exceed 10% of the share capital of the Company, also taking into account for this purpose any of the company's own shares held by its subsidiaries; the shares may be purchased up until the end of the eighteenth month from the date when authorisation is granted by the Shareholders' Meeting held on 22 April 2021; the purchase may be made by following one of the procedures provided for by the combined provisions of article 5 of Regulation (EU) no. 596/2014, Delegated Regulation no. 2016/1052, article 132 of Italian Legislative Decree no. 58/1998 and article 144-bis, paragraph 1, points b) and c), of Consob Issuers' Regulation no. 11971/99; the unit price for the purchase of the shares can be made at a minimum and maximum unit price equal to the price of a share of Geox at the end of the stock market day recorded on the business day preceding the date of the purchase, plus or minus 10% in relation to the maximum and minimum price, respectively. However, the consideration may not exceed any limits provided for by applicable legislation or, if recognised, by accepted market practices; the maximum purchase volumes may not exceed 25% of the average daily volumes of the 20 stock market sessions preceding the purchase transaction date. Purchases may be made on regulated markets or on multilateral trading facilities pursuant to letter b) of art. 144-bis of Consob Issuers' Regulation no. 11971/99 governing issuers' conduct, adopted with resolution no. 11971/99 and subsequent amendments, in compliance with art. 132 of Italian Legislative Decree no. 58/1998, and in accordance with the procedures provided for by art. 2.6.7 of the Regulations of Markets organised and managed by Borsa Italiana S.p.A. and, therefore, ensuring that all shareholders are treated equally; lastly,

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purchases must be made within the limits of the distributable profits and available reserves as per the most recent, duly approved financial statements;

2. to authorise, pursuant to article 2357-ter of the Italian Civil Code, actions to make the treasury shares purchased available, on one or more occasions, in compliance with applicable legislation and regulations in force at the time, including in the authorisation hereunder also the sale and/or use of shares purchased to implement previous shareholders' meeting resolutions and that are held by the Company as of the date of today's resolution, for the purposes indicated in the Board of Directors' report and under the following terms and conditions:

- the shares may be sold or otherwise transferred at any time, without any time limits;
- the shares may also be made available before having completed all purchases, and this can be done on one or more occasions, adopting any procedure deemed appropriate in relation to the purposes being pursued on a case-by-case basis;

- transfers may be completed in the ways deemed to be most appropriate in the interest of the Company, including, by means of example, sale on the stock market and/or off-exchange trading and/or block trades, with an institutional placement, as consideration for stakes in companies and/or goods and/or assets, to conclude agreements with strategic partners, in the cases of any extraordinary financial transactions that involve treasury shares being made available to be assigned, using them as a pledge in order to obtain financing for the Company and/or the Group, to complete projects or pursue company objectives and, in any case, any other way of making them available that is permitted by applicable legislation;

- the unit price for the sale of the shares may not be lower than 10% of the price of a share of Geox at the end of the stock market day recorded on the business day preceding the date of each sale transaction. This consideration limit shall not apply in cases of transfers other than a sale (e.g. exchanges, contributions, mergers or demergers, issuing convertible bonds, assigning shares as part of stock option plans and stock grant plans). In these cases, different criteria may be used, in line with the purposes being pursued and taking into market practices and the indications of Borsa Italiana S.p.A.;

3. to grant the Board of Directors all the necessary powers, and to appoint the Chairman and Chief Executive Officer to act, separately, on its behalf, with the authority to appoint executive officers and/or specialised intermediaries, subject to the drawing up of dedicated contracts, to implement this resolution, also by approving any and all provisions to implement the relative purchase programme.”.

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#### **4. APPROVAL PURSUANT TO ART. 114-BIS OF ITALIAN LEGISLATIVE DECREE NO. 58/1998 OF A NEW INCENTIVE PLAN BASED ON FINANCIAL INSTRUMENTS “2021-2023 EQUITY (STOCK GRANT) & CASH-BASED PLAN” FOR THE ALLOCATION, FREE OF CHARGE, OF ORDINARY SHARES OF THE COMPANY TO THE RECIPIENTS OF THE PLAN; RELATED AND ENSUING RESOLUTIONS.**

Dear Shareholders,

On 15 March 2021, on the proposal of the Appointment and Remuneration Committee, the Board of Directors resolved to submit for your approval a stock grant plan called “2021-2023 Equity (Stock Grant) & Cash-Based Plan” (hereinafter the “**2021-2023 Plan**” or “**Plan**”) addressed to the Chief Executive Officer, Executives with Strategic Responsibilities, as well as the Executives and Key People of Geox S.p.A. and its subsidiaries, within the meaning of Article 2359, paragraph 1, of the Italian Civil Code (hereinafter the “**Geox Group**”), who hold key organisational roles and positions for the Group, and the decision to grant to the Board of Directors the powers required for the implementation thereof.

The 2021-2023 Plan will be implemented through the allocation, free of charge, of rights to receive newly issued Geox ordinary shares (hereinafter “**Shares**”) resulting from the paid capital increase approved by the Extraordinary Shareholders' Meeting called for 16 April 2019 to service the Stock Grant Plans. In this regard, on 15 March 2021 the Company's Board of Directors resolved to call an Extraordinary Shareholders' Meeting to submit the proposal to amend the Capital Increase resolution aimed at extending the terms of the Capital Increase, for the purpose of adjusting it to the duration of the Plan, as per the first item on the agenda of the forthcoming Extraordinary Shareholders' Meeting.

The rights of the Recipients of the 2021-2023 Plan may be satisfied, as determined by the Board of Directors at its discretion, also through the allocation of treasury shares that may be purchased and/or held by Geox.

The information document concerning the 2021-2023 Plan, prepared in accordance with Article 84-bis and Annex 3A, Scheme 7, of the Issuers' Regulation, will be made available to the public within the terms prescribed by law and will be accessible on the Company's website at [www.geox.biz](http://www.geox.biz), in the "Governance" Section, together with this report.

##### **1. Reasons behind the approval of the 2021-2023 Plan**

The share-based remuneration plans, in accordance with the best market practices adopted by listed companies at national and international level, constitute an effective tool for incentivising and retaining individuals holding key roles, as well as for employees, maintaining high-quality employee performance and enhancing it to help increase company growth and success.

The adoption of share-based remuneration plans also meets the recommendations of the Corporate Governance Code for Listed Companies, Art. 6 of which recognises that such plans represent a suitable tool to allow the alignment of the interests of the company's key resources with those of the shareholders, enabling the pursuit of the priority objective of value creation in the medium to long term.

Through the implementation of the 2021-2023 Plan, Geox intends to promote and pursue the following objectives:

- involve and incentivise the Recipients whose activities are deemed to be of fundamental importance for the achievement of the Group's objectives;
- foster the loyalty of the Recipients, encouraging them to stay within the Group;
- share and align the interests of the Recipients with those of the Company and the shareholders in the medium to long term, acknowledging the contribution made by the management in increasing the Company's value.

##### **2. Purpose and methods of implementation of the 2021-2023 Plan**

The 2021-2023 Plan provides for the allocation, free of charge, to each of the Recipients listed in Paragraph 1 below, of the right to receive Geox ordinary shares from the Company (also free of charge) (hereinafter the “**Right**”). Each right assigned corresponds to one share.

The 2021-2023 Plan provides for the allocation of a maximum total of 7,696,626 shares.

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As indicated in the introduction, the 2021-2023 Plan will be implemented through the allocation, free of charge, of rights to receive newly issued Geox ordinary shares resulting from the paid capital increase approved by the Extraordinary Shareholders' Meeting called for 16 April 2019 to service the Stock Grant Plans.

The rights of the Recipients of the 2021-2023 Plan to receive shares may be satisfied, at the discretion of the Board of Directors, also by using shares that may have been purchased and/or otherwise held by the Company, on the basis of the authorisation by the Shareholders' Meeting in ordinary session for the purchase and disposal of treasury shares pursuant to and in accordance with Articles 2357 et seq. of the Italian Civil Code.

The maximum number of shares serving the 2021-2023 Plan (equal to 7,696,626) will represent a percentage equal to approximately 2.97% of the Company's current share capital (divided into 259,207,331 ordinary shares) as subsequently increased.

### 3. Recipients of the 2021-2023 Plan

The 2021-2023 Plan is addressed to the Chief Executive Officer, Executives with Strategic Responsibilities and Key People (meaning Group's executives and employees holding key organisational roles and positions for the Group) of the Geox Group, as identified by the Board of Directors following approval of the 2021-2023 Plan by the Geox Shareholders' Meeting.

The Recipients of the rights will be identified by the Board of Directors, on the proposal of the Chief Executive Officer, after consulting the Appointment and Remuneration Committee.

### 4. Duration of and conditions for the implementation of the 2021-2023 Plan

The Plan does not provide for specific cycles of rights allocation. The rights may be assigned until 31 December 2022.

In particular, the allocation of the shares (hereinafter "**Equity Quota**") is linked to the following targets:

- a) the Equity Quota shall be allocated as follows:
  - a. in part (30%) upon compliance with the service condition linked to the continued employment/directorship relationship with the Recipient at the date of approval by the Board of Directors of the draft consolidated financial statements for the year ended 31 December 2023 (hereinafter the "**Service Condition**");
  - b. in part (i) upon compliance with the Service Condition and the achievement of certain performance targets (as shown in the table below, the "**Performance Targets**") in whole or in part (23%-70%), or (ii) failing the achievement of both Performance Targets or only the 2023 EBITDA Performance Target, upon compliance with the Service Condition and the achievement of certain financial/equity targets (20%) (as shown in the table below, the "**Financial/Equity Targets**");

The cash component (hereinafter the "**Cash Quota**") will be disbursed in accordance with the Service Condition and only where 120% of the 2023 EBITDA Target (hereinafter "**Overachievement**") is reached.

Allocation of the Equity Quota and disbursement of the Cash Portion will take place with effect from the date of communication to the Recipient by the Company, following the audit carried out on the basis of the data of the financial statements for the financial year ended 31 December 2023.

On 15 March 2021, the Geox Board of Directors approved the business plan scenario for the period 2021-2024, which identifies the 2023 EBITDA Target to which one of the Performance Targets is linked.

In particular, the number of shares to be allocated, represented by the Equity Quota, is shown in the following tables:

#### Equity Quota linked to compliance with the Service Condition only.

31 December	Shares to be allocated
2021	10% of rights
2022	10% of rights
2023	10% of rights

## Equity Quota linked to the Performance Targets and compliance with the Service Condition

Achievement	Shares to be allocated
EBIT 2022 >0	23% of rights
2023 EBITDA Target	23% of rights
EBIT 2022 >0 + 2023 EBITDA Target	46% of rights +24% supplementary rights

## Equity Quota linked to the Financial/Equity Targets (\*) and compliance with the Service Condition

Achievement	Shares to be allocated
<ul style="list-style-type: none"> <li>2023 net profits &gt; 0</li> <li>Reduction in the Group's net financial position at 31/12/2023 compared to the Group's net financial position recorded at 31/12/2020</li> <li>Compliance with the covenants on the net financial position compared to the net assets contained in the Group's loan agreements in place as at 15 March 2021</li> </ul>	20% of rights

**(\*) NB: the Financial/Equity Targets are alternative to the EBITDA 2023 Performance Target**

With regard to the Cash Portion, the amount to be paid is determined in accordance with the following table:

### Cash Portion amount

Achievement	Cash component to be allocated
Overachievement	20% of the Equity Quota value at the date of allocation of rights

## 5. Availability restrictions imposed on shares

The rights are personal, are allocated free of charge, and can in no case be transferred, except for *mortis causa*, nor can they be pledged as collateral nor, more generally, be the subject of agreements of any kind, including derivative contracts.

50% of the shares allocated to each Recipient of the Equity Quota linked solely to the Performance Targets is non-transferable and, therefore, may not be transferred for a period of 12 months from the allocation date. The remaining 50% of the shares, on the other hand, may be freely sold, without any restriction, starting from the allocation date.

\*\*\*

Dear Shareholders,

In light of the foregoing in relation to the fourth item on the Agenda, we invite you to pass the following resolutions:

# GEOX

*“The Ordinary Shareholders' Meeting of Geox S.p.A.*

- having examined the explanatory report of the Board of Directors drafted in accordance with arts. 114-Bis and 125-ter of Italian Legislative Decree no. 58 of 24 February 1998, as subsequently amended;*
- having examined the information document drafted in accordance with art. 84-Bis of Consob Regulation No. 11971 of 14 May 1999, as subsequently amended (hereinafter the “Information Document”)*

*hereby resolves*

- 1. to approve, pursuant to and in accordance with Art. 114-bis of Italian Legislative Decree no. 58 of 24 February 1998, the adoption of a plan called “2021-2023 Equity (Stock Grant) & Cash-Based Plan” concerning the allocation of the right to receive, free of charge, a maximum of 7,696,626 ordinary shares of the company, having the characteristics (including the conditions and requirements for implementation) indicated in the explanatory report of the Board of Directors and in the Information Document (hereinafter the “2021-2023 Plan”).*
- 2. to grant the Board of Directors, with the right to sub-delegate, all powers necessary or appropriate for the full and complete implementation of the 2021-2023 Plan and thus, in particular and inter alia, including but not limited to, all powers to identify the Recipients, on the proposal of the Appointment and Remuneration Committee, and to determine the number of rights to receive, free of charge, the ordinary shares to be allocated to each of them, to assess the achievement of the targets for the allocation of the ordinary shares, as well as to carry out any actions, requirements, formalities and communications that are necessary and/or appropriate for the purposes of implementing and/or managing the 2021-2023 Plan, including the preparation and approval of the 2021-2023 Plan implementing regulation and any amendments/additions thereto, with the right to delegate its powers, duties and responsibilities regarding the execution and application of the 2021-2023 Plan to the Company’s Chief Executive Officer, provided that any decision relating and/or relevant to the allocation of the rights to the Chief Executive Officer as a Recipient (as well as any other decision relating to and/or relevant to the management and/or implementation of the Plan in their regard) shall remain within the exclusive competence of the Board of Directors;*
- 3. to grant the Chief Executive Officer all powers, with the right to sub-delegate, in order to fulfil any statutory and regulatory requirements resulting from these resolutions”.*

*\*\*\*\*\**

## 5. APPOINTMENT OF THE INDEPENDENT AUDIT FIRM; RELATED AND ENSUING RESOLUTIONS.

Dear Shareholders,

with the approval of the financial statements for the year 2021 by the Shareholders' Meeting of Geox S.p.A., which will be called in 2022, the statutory audit assignment for the nine-year period 2013-2021, awarded to the independent audit firm Deloitte & Touche S.p.A. by the Shareholders' Meeting on 17 April 2003, will expire, having reached its ninth year, i.e. the maximum period allowed by law.

According to the current legislation applicable, inter alia, to Italian companies issuing securities admitted to trading on regulated markets in Italy and the European Union and, in particular, pursuant to Regulation (EU) no. 537/2014 and Italian Legislative Decree no. 39/2010 (as amended by Italian Legislative Decree no. 135/2016): (i) the appointment of the independent audit firm Deloitte & Touche S.p.A. shall not be renewable, nor can the firm be re-appointed, unless at least four financial years have elapsed since the termination of the current assignment; (ii) the new appointment of the independent audit firm must take place through a specific selection procedure, to be carried out in accordance with the criteria and procedures set out in Art. 16 of the above European regulation; (iii) the Ordinary Shareholders' Meeting, on a reasoned proposal by the control body formulated pursuant to Art. 13 of Italian Legislative Decree no. 39/2010, which also contains the recommendation set out in Art. 16 of Regulation (EU) no. 237/2014, shall award the statutory audit assignment for a period of nine financial years, and shall also determine the fees payable to the independent audit firm for the entire duration of the appointment and any criteria for adjusting such fees during the appointment.

In order to guarantee an adequate rotation period between the current and future independent audit firm as well as to guarantee compliance with the time limits set to safeguard auditor independence, the Board of Statutory Auditors (hereinafter the "Board"), acting in its capacity as Internal Control and Audit Committee in agreement with the Board of Directors, decided to initiate the selective procedure for appointing the audit firm for the nine-year period 2022-2030 already during the 2020 financial year, in order to allow the Shareholders' Meeting of 22 April 2021 to resolve on the assignment of the appointment, as well as determine the related fees, with the relative adjustment criteria.

The assessment criteria considered, the procedures for carrying out the selection and the assessments are detailed in the **"Recommendation of the Board of Statutory Auditors of Geox S.p.A. for the appointment of the independent audit firm for the period 2022-2030 – pursuant to Art. 13, paragraph 1 and Art. 17, paragraph 1 of Italian Legislative Decree no. 39 of 27 January 2010, as amended, respectively, by Art. 16 and Art. 18 of Italian Legislative Decree no. 135 of 17 July 2016 and Art. 16 of Regulation (EU) no. 537/2014 of the European Parliament and of the Council of 16 April 2014."** attached to this report in Annex A).

In particular, the Board, taking into account the offers received and on the basis of the assessments made, has recommended to appoint KPMG S.p.A. or, alternatively, Ernst & Young S.p.A. as the independent audit firm for the financial years 2022-2030, pursuant to Art. 13, paragraph 1 and Art. 17, paragraph 1 of Italian Legislative Decree no. 39 of 27 January 2010, as amended, respectively, by Art. 16 and Art. 18 of Italian Legislative Decree no. 135 of 17 July 2016 and Art. 16 of Regulation (EU) no. 537/2014 of the European Parliament and of the Council of 16 April 2014. Lastly, the Board of Statutory Auditors expressed its preference for KPMG S.p.A. out of the two firms, because following the procedure for assessing the offers made, it was the company with the highest ranking and therefore considered the most suitable to perform the assignment, also in view of the audit approach proposed and the professional mix offered.

In view of the above, having taken note of the **"Recommendation of the Board of Statutory Auditors of Geox S.p.A. for the appointment of the independent audit firm for the period 2022-2030 – pursuant to Art. 13, paragraph 1 and Art. 17, paragraph 1 of Italian Legislative Decree no. 39 of 27 January 2010, as amended, respectively, by Art. 16 and Art. 18 of Italian Legislative Decree no. 135 of 17 July 2016 and Art. 16 of Regulation (EU) no. 537/2014 of the European Parliament and of the Council of 16 April 2014."** and the validation of the process by the Board of Statutory Auditors, we invite you to examine and approve what the Board of Statutory Auditors has proposed in its reasoned proposal, attached to this report in Annex A).

Given the above, taking into account the aforementioned recommendation put forward by the Board of Statutory Auditors in its capacity as Internal Control and Audit Committee, the following resolution proposal is submitted to the Shareholders' Meeting:

*"The Ordinary Shareholders' Meeting of Geox S.p.A.*

# GEOX

- having examined the explanatory report of the Board of Directors drafted in accordance with arts. 114-bis and 125-ter of Italian Legislative Decree no. 58 of 24 February 1998, as subsequently amended;
- taking into account the Recommendation put forward by the Board of Statutory Auditors in its capacity as Internal Control and Audit Committee for the appointment of the independent audit firm for Geox S.p.A. for the period 2022-2030, sharing the relative reasons for this recommendation,  
hereby resolves

- to approve the recommendation made by the Board of Statutory Auditors according to the terms and procedures indicated in the **“Recommendation of the Board of Statutory Auditors of Geox S.p.A. for the appointment of the independent audit firm for the period 2022-2030 – pursuant to Art. 13, paragraph 1, and Art. 17, paragraph 1, of Italian Legislative Decree no. 39 of 27 January 2010, as amended, respectively, by Art. 16 and Art. 18 of Italian Legislative Decree no. 135 of 17 July 2016 and Art. 16 of Regulation (EU) no. 537/2014 of the European Parliament and of the Council of 16 April 2014.”**, which, on the basis of the justified preference expressed:

- primarily, provides for the appointment of KPMG S.p.A., the top-ranking audit firm based on the financial and technical criteria used in the selection process and therefore deemed the most suitable to perform the appointment and to carry out the independent audit activities for the nine-year period 2022-2030 according to the conditions and fee structure set out in the offer made by the above independent audit firm attached in Annex I) to the **“Recommendation of the Board of Statutory Auditors of Geox S.p.A. for the appointment of the independent audit firm for the period 2022-2030 – pursuant to Art. 13, paragraph 1, and Art. 17, paragraph 1, of Italian Legislative Decree no. 39 of 27 January 2010, as amended, respectively, by Art. 16 and Art. 18 of Italian Legislative Decree no. 135 of 17 July 2016 and Art. 16 of Regulation (EU) no. 537/2014 of the European Parliament and of the Council of 16 April 2014.”**;
- secondarily, states that – should the outcome of the voting not approve the appointment referred to by the previous point (i), then the independent audit activities for the nine-year period 2022-2030 shall be appointed to Ernst & Young S.p.A., the second ranked audit firm, according to the conditions and fee structure set out in the offer made by the aforementioned audit firm attached in Annex I) to the **“Recommendation of the Board of Statutory Auditors of Geox S.p.A. for the appointment of the independent audit firm for the period 2022-2030 – pursuant to Art. 13, paragraph 1, and Art. 17, paragraph 1, of Italian Legislative Decree no. 39 of 27 January 2010, as amended, respectively, by Art. 16 and Art. 18 of Italian Legislative Decree no. 135 of 17 July 2016 and Art. 16 of Regulation (EU) no. 537/2014 of the European Parliament and of the Council of 16 April 2014.”**;

- to authorise the Chairman of the Board of Directors and the Chief Executive Officer, severally and not jointly, to do whatever is required, necessary or useful to execute the resolutions, including through proxies, as well as to fulfil the relevant and necessary formalities with the competent bodies and/or offices, with the power to make any non-substantial amendments that may be required for this purpose, and in general whatever is necessary for their complete execution, with any and all powers necessary and suitable, in compliance with the regulations in force.

The fees referred to by point (i) or, secondarily, by point (ii) above shall be adjusted on an annual basis, to the extent defined in the relative contract, based on the performance of the cost-of-living index; said fees may also vary following changes to the scope of the audit firm’s assigned tasks and as a result of exceptional events and/or events that were not foreseeable at the time of the contract being signed. This shall be without prejudice to the checks and monitoring carried out into the independence and activities of the independent audit firm by the Board of Statutory Auditors in its capacity as Internal Control and Audit Committee.”

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Biadene di Montebelluna, 15 March 2021

On behalf of the Board of Directors  
The Chairman

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Mario Moretti Polegato

**Recommendation of the Board of Statutory Auditors of Geox S.p.A. for the appointment of the independent audit firm for the period 2022-2030 – pursuant to art. 13, paragraph 1 and art. 17, paragraph 1 of Italian Legislative Decree no. 39 of 27 January 2010, as amended, respectively, by art. 16 and art. 18 of Italian Legislative Decree no. 135 of 17 July 2016 and art. 16 of Regulation (EU) no. 537/2014 of the European Parliament and of the Council of 16 April 2014.”**

## **1. Introduction**

With the approval of the financial statements for the year 2021, the statutory audit assignment for the nine-year period 2013-2021, granted to Deloitte & Touche S.p.A., will expire.

According to the current legislation on statutory audit, last amended by Regulation (EU) no. 537/2014 and by Italian Legislative Decree no. 39/2010 supplemented by Italian Legislative Decree no. 135/2016:

- Deloitte & Touche S.p.A. cannot be reappointed unless at least four financial years have elapsed since termination of the current assignment;
- The new appointment of the independent audit firm must take place through a specific selection procedure.

In order to ensure an adequate handover between the outgoing and incoming audit firms, as well as to guarantee compliance with the time limits set to safeguard auditor independence, the Board of Statutory Auditors, acting in its capacity as Internal Control and Audit Committee pursuant to art. 19 of Italian Legislative Decree no. 39/2010, in agreement with the competent corporate functions, has initiated and completed the selection procedure for appointing the independent audit firm for the nine-year period 2022-2030.

The Board of Statutory Auditors has therefore prepared this recommendation (hereinafter the “**Recommendation**”) for submission to the Shareholders’ Meeting in accordance with the purposes described by current legislation. The proposal provides for two possible alternatives for the appointment and states the duly justified preference for one of the two, resulting from the final assessment given at the end of the selection procedure.

The Company has identified the independent audit firms to which the requests for bids are addressed according to transparent and non-discriminatory criteria, as required by the relevant legislation, opening participation to bidders with adequate expertise and experience and an infrastructure suitable for auditing Geox S.p.A. (hereinafter also the “**Company**” or “**Geox**”) and the Geox Group (hereinafter also the “**Group**”).

## **2. Regulatory framework**

The EU legislation on statutory audit has been recently amended by two separate acts:

- Directive 2006/43/EC as amended by Directive 2014/56/EU (hereinafter the “**Directive**”) on statutory audits of annual accounts and consolidated accounts, transposed by Italian Legislative Decree no. 39 of 27 January 2010 as last amended by Italian Legislative Decree no. 135 of 17 July 2016;
- Regulation (EU) no. 537/2014, on specific requirements regarding statutory audit of public-interest entities, in force since 17 June 2016 (hereinafter the “**Regulation**”).

The purpose of the new legislation is to further harmonise the rules originally introduced by Directive 2006/43/EC at European Union level to enhance the independence, objectivity, transparency and reliability of auditors as well as the quality of audit work, also in order to increase the confidence of the public in the annual and consolidated financial statements of public-interest entities and therefore to contribute to the orderly functioning of markets.

In particular, the Regulation has strengthened the role of the Internal Control and Audit Committee in the selection of the new independent audit firm, giving it the task of submitting a reasoned “Recommendation” in order to allow the Shareholders’ Meeting to make a properly considered decision.

### **3. The selection procedure**

#### **Introduction**

The Board of Statutory Auditors has agreed with the process of selection of independent audit firms implemented by the Company.

#### **3.2 The independent audit firms**

The independent audit firms to which requests for bids were sent were identified by taking into account the following aspects:

- Expertise, based on listed companies audited in Italy;
- Knowledge of the Group, based on assignments carried out in recent years for Group companies;
- International presence of the independent audit firm’s network, with particular reference to the countries where the Group is present;
- Turnover for audit services carried out in Italy.

At the end of the preliminary phase, four independent audit firms were selected: KPMG S.p.A. KPMG S.p.A. (hereinafter also “**KPMG**”), Ernst Young S.p.A. (hereinafter also “**EY**”), PricewaterhouseCoopers S.p.A. (hereinafter also “**PwC**”) and BDO Italia S.p.A. (hereinafter also “**BDO**”), (hereinafter jointly referred to as the “**Bidding Firms**”).

The Company then invited the Bidding Firms to submit a bid for statutory audit of the Group.

The invitation to submit a bid therefore also covered the audit assignments of the Company’s subsidiaries, with a view to optimising the auditor’s intervention throughout the Group.

In the request for bid for appointment of the independent audit firm and in the subsequent integrations, the following were indicated:

- The audit services requested by both Geox and its subsidiary companies for the period 2022-2030;
- The methods and timing of the selection procedure;
- The additional information concerning the Group companies;
- Information regarding the assignment carried out by the current independent audit firm.

It should be noted that firms which received less the 15% of the total audit fees from public-interest entities in Italy in the previous calendar year were in no way precluded from

participation in the selection procedure, in accordance with the provisions of art. 16, paragraph 3, letter a) of Regulation (EU) no. 537/2014.

### **3.3 Assessment criteria**

The assessment took into account both qualitative aspects (knowledge of Geox and the Group, assessment of the Company and its network, assessment of the audit team, assessment of the methodological approach, expected number of hours, use of IT systems) and quantitative aspects (fees requested).

For the purpose of the assessment, the following aspects were evaluated:

- Knowledge of the Group
- Methodological approach proposed for carrying out the audit;
- Audit team;
- Expected total number of hours for the audit of Geox and the subsidiary companies;
- Professional mix;
- Total fee.

### **3.4 Bid selection process**

Following the invitation to submit the bid, accepted by all four firms invited, detailed meetings were held by the Company with the individual Bidding Firms.

By the date of 2 October 2020, as requested, bids were received from KPMG, EY, PwC and BDO, supplemented by the required accompanying information and documentation.

On the basis of the documentation received by that date and bearing in mind the criteria set out above, the bids were assessed in detail by analysing the individual distinctive and qualifying aspects of the Bidding Firms.

### **3.5 Assessment**

As stated and consequently also reported in the request for bid, both qualitative and quantitative/economic aspects were assessed for the purposes of this Recommendation.

Regarding the process for assessing the qualitative and quantitative aspects explained above, the Board's observations are as follows:

Qualitative aspects:

- Knowledge of the Geox Group: attention was given to the knowledge of the Group acquired by the Bidding Firms;
- Proposed methodological approach for the audit: aspects such as the audit strategy, the process of interaction with the corporate functions and the control functions, and the level of detail of communication with the Board of Statutory Auditors were positively assessed;
- Assessment of the audit team: in this area, account was taken of the composition of the audit team and the team dedicated to specialised areas;
- Assessment of the expected total number of hours: the following were taken into account.
  - Expected total number of hours for the audit of Geox and the subsidiary companies;

- Professional mix

The assessments took account of the expected number of hours for the various activities.

Quantitative aspects:

▪ Taking the cost incurred in the 2019 financial year for the outgoing independent audit firm as a benchmark, the amount requested for Geox and the subsidiary companies was taken into account.

#### **4. Results of the selection procedure**

All the bids received were extremely valid from the point of view of the quality of the proposals, and the meetings held highlighted the high professionalism of the audit teams presented. However, the results of the analysis led to the following ranking:

1. KPMG S.p.A.;
2. Ernst & Young S.p.A.;
3. BDO Italia S.p.A.;
4. PwC S.p.A.

In particular, KPMG S.p.A. was given preference by the Board of Statutory Auditors for the following reasons, which constitute the rationale of this Recommendation:

- Assessment of the qualitative and quantitative composition of the team;
- Number of hours dedicated by partners and managers to the audit of the areas of greatest strategic importance;
- Appreciation for the proposed audit strategy;
- Lower total fees for the Group.

#### **5. Recommendation of the Board of Statutory Auditors**

The Board of Statutory Auditors:

##### **WHEREAS**

- the results of the procedure carried out, which derive from a comparative and complex analysis of the proposals received at group level, have been considered and endorsed, with particular attention to the requirement of independence, as well as to the technical and economic aspects;
- it has been taken into account that art. 16, paragraph 2 of the Regulation provides that the recommendation of the Board of Statutory Auditors shall be justified and contain at least two choices for the audit engagement, and
- it has been considered that the aforementioned art. 16, paragraph 2 of the Regulation requires the Board of Statutory Auditors to express a duly justified preference

##### **HAVING VERIFIED THAT**

- the audit procedures illustrated in the bids, also considering the hours and professional resources required for this purpose, and the fee requested, are appropriate to the extent and complexity of the assignment;

- there is no evidence that the Bidding Firms have been entrusted with assignments other than statutory audit and financial statement audit services, which by nature and/or extent may compromise independence;

#### RECOMMENDS

that the Board of Directors propose to the Shareholders' Meeting to:  
appoint KPMG S.p.A. or, alternatively, Ernst & Young S.p.A. as the independent audit firm for the financial years 2022-2030, pursuant to art. 13, paragraph 1 and art. 17, paragraph 1 of Italian Legislative Decree no. 39 of 27 January 2010, as amended, respectively, by art. 16 and art. 18 of Italian Legislative Decree no. 135 of 17 July 2016 and art. 16 of Regulation (EU) no. 537/2014 of the European Parliament and of the Council of 16 April 2014.

The economic terms financial situations of the aforementioned independent audit firms are indicated in Annex 1 (economic terms) of this Recommendation.  
Lastly, the Board of Statutory Auditors

#### EXPRESSES ITS PREFERENCE

for KPMG S.p.A. out of the two firms, because following the procedure for assessing the offers made, it was the company with the highest ranking and therefore considered the most suitable to perform the assignment, also in view of the audit approach proposed and the professional mix offered.

This preference is nevertheless subject to the resolution of the Geox S.p.A. Shareholders' Meeting regarding the assignment of statutory audit for the 2022-2030 financial years.

#### **6. Statements**

The Board of Statutory Auditors, in accordance with art. 16, paragraph 2 of Regulation (EU) no. 537/2014, states that this Recommendation is free from influence by third parties and that no clause of the kind referred to in paragraph 6 of the aforementioned art. 16 of the Regulation has been imposed upon it.

Biadene di Montebelluna, 12 March 2021

#### **On behalf of the BOARD OF STATUTORY AUDITORS**

The Chairman

Sonia Ferrero

	EY		KPMG	
	2022		2022	
	Hours	Fees	Hours	Fees
Geox SpA	2.315	136.000	2.315	149.000
Geox Retail Srl	216	13.400	250	14.000
Xlog Srl	108	6.400	115	7.000
<b>SUBTOTAL ITALY</b>	<b>2.639</b>	<b>155.800</b>	<b>2.680</b>	<b>170.000</b>
Geox Deutschland (Germania)	300	30.000	150	18.000
Geox France (Francia)	222	24.000	125	15.000
Geox Suisse (Svizzera)	198	21.000	95	16.000
Geox UK (UK)	340	32.500	260	25.000
Geox Respira (Spagna)	245	17.000	185	14.000
T.D. Beograd (Serbia)	450	21.000	325	14.000
Geox Asia Pacific (Honk Kong)	340	26.050	270	26.000
Geox Canada Inc (Canada) (*)				
S&A Distribution (USA) (*)				
Geox Holland (Olanda)	335	33.500	340	35.800
Geox Hungary (Ungheria)	250	11.000	90	10.200
Geox Rus (Russia)	800	29.500	400	13.000
Geox Trading Shanghai (Cina)	425	22.750	344	26.500
Geox Macao (Macao)	300	19.000	225	14.700
Technic Development Vietnam Ltd	325	6.750	120	5.000
<b>SUBTOTAL FOREIGN COMPANIES</b>	<b>4.530</b>	<b>294.050</b>	<b>2.929</b>	<b>233.200</b>
<b>TOTALE</b>	<b>7.169</b>	<b>449.850</b>	<b>5.609</b>	<b>403.200</b>

(\*) activity included within Geox S.p.A. fees