



SEE THE WORLD AT ITS BEST

**REPORT OF THE BOARD OF DIRECTORS
FOR THE ORDINARY
SHAREHOLDERS' MEETING
OF
SAFILO GROUP S.p.A.
CALLED ON APRIL 27, 2023, IN SINGLE CALL**

**ITEM NO. 6 ON THE AGENDA
(Report drafted pursuant to Article 125-ter of the T.U.F. and Article 84-ter of
the Issuer's Regulation)**

Dear Shareholders,

With this report we would like to illustrate item no. 6 on the agenda of the Ordinary Shareholders' Meeting of the Company, called at the registered office of the Company on April 27, 2022, at 10.00 am, in single call.

6. Appointment of the statutory audit assignment for the period 2023-2031 and determination of the consideration pursuant to Legislative Decree no. 39/2010

The Board of Directors hereby informs you that with the approval of the financial statements as at December 31, 2022 of the Company, the mandate for the legal audit of the accounts conferred on the independent auditors Deloitte S.p.A. for the nine-year period 2014-2022, in execution of the resolution passed by the Shareholders' Meeting on April 15, 2014, will expire.

It is therefore necessary to proceed, in compliance with the provisions of Legislative Decree no. 39 of 27 January 2010 ("**D. Lgs. 39/2010**") and European Regulation 537/2014 relating to public interest entities and the audit of public interest entities, the appointment of the statutory audit for the financial years 2023-2031 to another auditing firm and the determination of the related fee for the entire duration of the engagement, as well as any criteria for adjusting such fee. The resolution is passed by the Shareholders' Meeting on the basis of a reasoned proposal by the Supervisory Body in its capacity as Internal Control and Audit Committee.

The above also pursuant to art. 17 of Italian Legislative Decree 39/2010, the legal audit appointment cannot be renewed or re-appointed to the outgoing auditor if at least four financial years have not elapsed since the date of termination of the previous appointment (so-called *cooling off period*). In addition, the duration of the audit appointment shall be for nine financial years, i.e. from 2023 to 2031.

During fiscal year 2022, the Company promptly initiated the procedure for the selection of the new independent auditors, which was conducted in accordance with the provisions of Regulation (EU) no. 537/2014.

Also with a view to ensuring greater efficiency of the auditing process, the Company made a request for an offer also for the other direct and indirect Italian and foreign subsidiaries.

At the end of the above-mentioned selection process, the Board of Statutory Auditors prepared and submitted to the Board of Directors its reasoned proposal, which is attached to this Report (**Annex 1**) and contains at least two possible appointment alternatives and a duly justified preference for one of them. In particular, the Board of Statutory Auditors, having assessed the offers received, deemed it necessary to submit to the Shareholders' Meeting, pursuant to art. 16, paragraph 2, of Regulation

(EU) no. 537/2014, as well as articles 13 and 17 of Legislative Decree 39/2010, alternately, the two proposals for the mandate for the legal audit of the accounts of Safilo Group S.p.A., for the nine-year period 2023-2031, formulated by the company Pricewaterhousecoopers S.p.A. and the company K.P.M.G. S.p.A., unanimously expressing its preference for the company Pricewaterhousecoopers S.p.A., which achieved a higher final score within the selection procedure.

The Board of Statutory Auditors also pointed out that the preference expressed towards Pricewaterhousecoopers S.p.A. is determined by qualifying factors of the relative offer:

- the company's experience in the countries where Safilo Group companies are present, and with European clients of comparable size and levels of complexity;
- the composition of the auditing team dedicated to Safilo in Italy, made up of professionals who have gained significant experience in companies in the business sector in which Safilo operates; and
- the forecast of a high number of hours with a high-level professional mix.

With reference to the fees, as well as the criteria for adjusting such fees, please refer to the reasoned proposal of the Board of Statutory Auditors attached hereto.

At the meeting held on December 14, 2022 the Board of Directors acknowledged the criteria adopted, the assessments made and the conclusions drawn by the Board of Statutory Auditors, and consequently resolved on March 9, 2023 to submit to the Shareholders' Meeting the proposal to appoint the Independent Auditors for the financial years 2023-2031, as indicated below.

In the light of the above, the Board of Directors informs you that the overall proposal of the Board of Statutory Auditors attached hereto implies that first of all the proposal to appoint Pricewaterhousecoopers S.p.A. as legal auditor for the nine-year period 2023-2031 shall be put to the vote and, only if this proposal does not obtain the votes required for its approval, the proposal to appoint K.P.M.G. S.p.A. as legal auditor shall then be put to the vote.

For the reasons described above, the Board of Directors submits for your approval the following

proposed resolution

"The Shareholders' Meeting:

- *taking into account that with the approval of the financial statements at December 31, 2022, the mandate for the legal audit of the accounts conferred on the independent auditors Deloitte S.p.A. for the nine-year period 2014-2022 will expire,*

- *having examined and discussed the reasoned proposal of the Board of Statutory Auditors in its capacity as Internal Control and Audit Committee containing the proposal for the mandate for the legal audit of the accounts of Safilo Group S.p.A., for the nine-year period 2023-2031,*
resolves
- *to approve the proposal of the Board of Statutory Auditors, in accordance with the terms and procedures outlined in the “Reasoned proposal of the Board of Statutory Auditors of Safilo Group S.p.A. for the appointment of the new independent auditors for the period 2023-2031 and approval of the related compensation, pursuant to Articles 13, paragraph 1, and 17, paragraph 1, of Legislative Decree no. 39 of 27 January 2010 as amended, respectively, by Articles 16 and 18 of Legislative Decree no. 135 of 17 July 2016, by Article 16 of the European Regulation no. 537/2014 of the European Parliament and of the European Council of 16 April 2014”, which, on the basis of the justified proposal submitted, provides for:*
 - *on a primary basis, to appoint PricewaterhouseCoopers S.p.A. for carrying out the activities as well as under the conditions set out in the offer formulated by the aforementioned auditing firm, the economic terms of which are summarized in the proposal formulated by the Board of Statutory Auditors;*
 - *on a secondary basis, if the primary proposal is not approved, to appoint KPMG S.p.A. for carrying out the activities as well as under the conditions set out in the offer formulated by the aforementioned auditing firm, the economic terms of which are summarized in the proposal formulated by the Board of Statutory Auditors;*
- *to grant the Board of Directors all powers necessary to implement the resolution of the Shareholders’ Meeting, including through delegated persons.”*

Padua, March 28, 2023

for the Board of Directors

Eugenio Razelli

Chairman

Annex 1: Reasoned proposal of the Board of Statutory Auditors for the appointment of the audit engagement for the period 2023-2031

Reasoned proposal of the Board of Statutory Auditors of Safilo Group S.p.A. for the appointment of the new independent auditors for the period 2023-2031 and approval of the related compensation, - pursuant to Articles 13, paragraph 1, and 17, paragraph 1, of Legislative Decree no. 39 of 27 January 2010 as amended, respectively, by Articles 16 and 18 of Legislative Decree no. 135 of 17 July 2016, by Article 16 of the European Regulation no. 537/2014 of the European Parliament and of the European Council of 16 April 2014.

Introduction

With the approval of the financial statements as of December 31, 2022, the independent auditors engagement conferred by Safilo Group S.p.A (hereinafter referred to as "Safilo Group" or "Company") to the auditing firm Deloitte & Touche S.p.A. will expire (hereinafter referred to as "Outgoing Independent Auditor").

Therefore, Safilo Group has initiated the procedure for the selection of the new auditing firm for the assignment of the legal audit mandate for the financial years 2023-2031, in compliance with current legislation, described below.

The Board of Statutory Auditors, in its capacity as "Committee for Internal Control and Statutory Auditing", has drafted this proposal (hereinafter referred to as the "Proposal") for the purposes prescribed by the applicable legislation and in compliance with the provisions of the Company's Articles of Association.

1. Regulatory framework

The reference regulatory framework for the audit firms consists of the following provisions:

- Directive 2006/43/EC, as amended by Directive 2014/56/EU (hereinafter referred to as "Directive"), on statutory audits of annual accounts and consolidated accounts, implemented by Legislative Decree no. 39 of 27 January 2010, as amended by Legislative Decree no. 135 of 17 July 2016 (hereinafter referred to as "Decree");
- Regulation (EU) no. 537/2014 (hereinafter referred to as "Regulation"), on specific requirements regarding statutory audit of public-interest entities;
- Legislative Decree no. 58 of 24 February 1998;
- Consob Regulation no. 11971 of 14 May 1999 and subsequent amendments.

In particular, the purpose of the legislation is to allow greater transparency of the obligations of the subjects who conduct the audit of the annual accounts and to increase their independence and objectivity in the performance of their duties.

The Regulation has strengthened the role of the Committee for Internal Control and Statutory Auditing, identified - in companies that apply the traditional administration system - in the Board of Statutory Auditors (Article 19 of the Decree), assigning it the task of submitting a reasoned proposal to the shareholders' meeting in order to allow the shareholders to make an adequately pondered decision.

The Proposal was drawn up following a specific selection procedure prepared by the Company and which the Board of Statutory Auditors is responsible for, pursuant to Article 16, paragraph 3, of the Regulation.

In accordance with the provisions of the aforementioned Article 16 of the Regulation, since it concerns the assignment of the independent audit role to a public-interest entity, such as Safilo Group, the Proposal envisages two possible alternatives for the assignment of the role and expresses a duly justified preference for one of the two.

2. The tender procedure

2.1 Introduction

It is hereby recalled that the assignment of the role in question cannot be conferred to the Outgoing Independent Auditor, as, at the end of the 2022 financial year, the nine-year period provided for by Article 17 of the Decree will be completed, which, in its revised version, establishes that the independent auditors engagement shall have a duration of nine financial years and it may not be renewed or re-assigned until at least four years have elapsed from the date of termination of the previous engagement.

It is hereby pointed out that, for the purposes of the tender procedure, the Board of Statutory Auditors availed itself of the operational support of the internal structures of Safilo Group coordinated by the Manager responsible for preparing the Company's financial statements (*Dirigente Preposto*) and Group CFO – Gerd Graehsler and by the Group's Global Accounting Director – Marco Cella.

2.2 The request for quotation

The Company, in concert with the Board of Statutory Auditors, carried out a preliminary assessment aimed at identifying the auditing firms to be invited to participate in the selection.

The assessment took into account the provisions introduced by the reform - contained in Article 10quinquies of Legislative Decree no. 39 of 27 January 2010 - which clarify that: "*In the case of a statutory audit of the consolidated accounts of a group of undertakings, the group auditor shall accept full responsibility for the audit report referred to in Article 14 or, where applicable, for the audit report referred to in Article 10 of the European regulation and the additional report intended for the internal audit committee referred to in Article 11 of the European regulation*".

These provisions confirm the orientation already present in our legal system according to which the group auditor is overall responsible for the professional opinion on the entire consolidated financial statements even in the presence of companies belonging to the group that are separately audited by another auditor. Therefore, in order to increase efficiency and cost-effectiveness, the request for quotation concerned the appointment by Safilo Group and its Italian and foreign subsidiaries (hereinafter referred to as "Safilo Group" or "Group").

The auditing firms which a request for submission of a quotation be sent to have been identified taking into account the following aspects:

- international presence of the independent auditors' network, with particular reference to the countries where the Group is present;
- skills, assuming listed companies audited in Italy as reference value;
- knowledge of the Group and of the industrial sector in which it operates, based on the tasks performed in recent years;
- turnover for auditing services performed in Italy and abroad.

The Board of Statutory Auditors preliminarily shared with the competent corporate structures the criteria considered for identifying the auditing firms to be invited to the tender, the structure of the invitation to the tender, the criteria for evaluating the proposals received, as well as the methods for the assignment of the related score.

At the end of this preliminary phase, four auditing firms were selected: KPMG S.p.A. (hereinafter referred to as "KPMG"), PricewaterhouseCoopers S.p.A. (hereinafter referred to as "PwC"), Ria Grant Thornton S.p.A. (hereinafter referred to as "GT") and BDO Italia S.p.A. (hereinafter referred to as "BDO") (jointly the "Bidding Companies"). It should be noted that among the so-called Big Four, in

addition to the Outgoing Independent Auditor, EY S.p.A. was not invited as it carries out significant ongoing consultancy activities in favour of the Group.

Given the above, it should be noted that on April 14, 2022 the Company sent the Bidding Companies a letter of invitation (hereinafter referred to as the "Invitation Letter") to submit their bids (the "Bid" and, jointly, the "Bids") for the performance, in favour of the Company, of the services detailed in the Invitation Letter for the nine-year period 2023-2031.

The object of the role to be assigned through the tender procedure was defined in line with the specific needs of Safilo Group as a listed company, in particular:

- mandatory services to be assigned in relation to the obligations established by applicable laws and regulations, as well as the verification procedures agreed with Safilo Group;
- other recurring services;
- other services that can be activated optionally.

In the request for an offer for the appointment of the auditing firm and in the subsequent integrations, the following have been indicated:

- the auditing services required by both Safilo Group S.p.A. and by its subsidiaries for the period 2023-2031;
- the timing and methods of carrying out the tender procedure;
- supplementary information regarding Group companies;
- certain information regarding the role performed by the current auditing firm.

It should be noted that participation in the tender procedure has not been prevented in any way to the companies that have received, in the previous calendar year, less than 15% of their total audit fees from public interest entities in Italy, in compliance with the provisions of Article 16 paragraph 3, letter a) of the European Regulation no. 537/2014.

2.3 Selection procedure

The Invitation Letter provided for the possibility for the Bidding Companies to send any requests for clarification until May 9, 2022.

Within such deadline, Safilo Group received requests for clarification from the Bidding Companies regarding the Invitation Letter, to which the Company subsequently provided a response, sharing it with the other Bidding Companies.

By May 20, 2022, i.e. within the deadline indicated in the Invitation Letter, the Bids from KPMG, PwC, GT and BDO were received by the Company, including the required information and documentation.

In May and June 2022, in-depth meetings were held between the Board of Statutory Auditors, the Company structures and the Bidding Companies, which were invited to the aforementioned meetings in order to acquire the necessary clarifications and illustrate their proposal.

Following the aforementioned meetings, the clarifications provided by the Company and the identification of specific detailed needs by the latter, a second updated offer was requested to be submitted by 15 September 2022, the deadline set out in the Invitation Letter.

In particular, the Bidding Companies were asked to include in this updated bid some geographical extensions of the audit scope and - with specific reference to certain North American legal entities of Safilo Group - a specific scope of work was identified and detailed.

2.4 Administrative Background Information

The Company has acquired useful information for the assessment and verification of the conditions necessary for the performance of the assignment and the possible existence of situations of incompatibility with respect to the assignment of the same, such as:

- indication of the absence of causes of incompatibility with the auditing activities or prejudicial to the independence of the auditor pursuant to European, Italian and/or applicable foreign legislation;
- certification of the existence of an internal monitoring process capable of verifying and ensuring their independence for the entire duration of the assignment.

3. Selection criteria

Before starting the selection process, through the identification of the information required for the submission of the Bids, the Company, in agreement with the Board of Statutory Auditors, identified clear and pre-determined selection criteria, in order to guarantee a procedure characterized by transparency and traceability of the activities carried out and the decisions taken.

The selection criteria enhance qualitative, technical and economic elements and have been developed taking into account, in particular, the Group's geographical presence and the peculiarities of the reference sector.

The qualitative, technical and economic elements listed below are declined and substantiated in a rating model prepared with the aim of measuring the key characteristics of the bids received, assigning each of them an overall score based on the assessment of the aforementioned elements.

3.1 Qualitative component

- International presence and proximity with reference to the countries/districts in which Safilo is present
- Experience and technical expertise also in the eyewear/fashion sector of the proposed team and commitment to maintaining the core team for all 9 years
- Legal auditing of companies listed in Italy performed in the last three years (with the exception of those belonging to the credit, insurance and financial intermediation sectors) and in particular in the eyewear/fashion sector
- Policy for «agile» working and compatibility with the achievement of the purpose of the assignment
- Presence and availability of access to centers of excellence of the network in relation to particular topics and issues also concerning the sector in which the Safilo Group operates
- Availability of updated operating manuals on international accounting standards
- Existence of tools for adequate monitoring of the independent auditors' independence requirements and communication process for any different services provided by the network to any Group company
- Adequacy of the audit strategy and plan with a focus on the main risks which the Group is exposed to
- Experience and skills in Non-Financial Reporting and ESG.

3.2 Technical component

- Methodology, operational tools and devices used

- Methods for the management and reporting of the activity carried out by the team and communications to the Board of Statutory Auditors
- Use of Artificial Intelligence tools or other IT tools and technologies for their audit activity
- Impact of future technological developments on expected review hours
- Quality and adequacy of the audit plan with respect to Safilo's needs and current legislation
- Methods of analyzing the internal control and risk management system
- Availability for a "Continuous Audit" approach based on early involvement in accounting issues arising from new activities or new accounting rules/principles
- Ability to deliver the service in line with the Group calendar, in all the countries in which the Group operates
- Preparation of a "Management letter" with the points of attention identified in each country on the internal control system, data accuracy and general IT controls
- Methods of interaction with the Internal Audit function of Safilo Group and with the activities pursuant to ex Law 262 both for the Parent Company and for its subsidiaries

3.3 Economic component

- Professional and seniority mix of the team involved for each company, with related hourly fees and number of hours foreseen for each professional category
- Details of the fees for each company
- Method of adjusting the fee at final balance and in subsequent years: lump-sum offers with changes in the fee solely linked to significant changes in the scope of consolidation, in the accounting principles, in the reference legislation or other extraordinary events, maintaining the hourly rate agreed in the reference country
- Exclusion of adjustments for inflationary effects (as compensated by the efficiency deriving from the learning curve and new auditing IT tools and technologies)
- Criteria and limits for charging expenses in addition to the fees (including the CONSOB contribution)
- Invoicing method and payment terms
- Accounting currency (preferably in the currency of the local company) in which the country charges are defined and consolidated in the Group proposal
- Possible further efficiencies deriving from an in-depth knowledge of Safilo Group during the assignment
- Total economic impact of remuneration and relative breakdown by year in the nine years of office for each company in the respective currency
- Total economic impact of the remuneration and related breakdown by year in the nine years of office consolidated in euro by converting the remuneration into foreign currency at the exchange rates of March 31, 2022
- Procedures for managing and coordinating relations with the foreign auditing firms of the network for activities and fees

4. Evaluation of the offers received

4.1 Assignable scores

As indicated in the Invitation Letter, qualitative, technical and economic elements have been valued for the purposes of the selection.

The maximum scores that can be assigned to each parameter are summarized below.

1. Qualitative component **50 points**
2. Technical component **50 points**
3. Economic component **50 points**

4.2 Evaluation of the Bids

On the basis of the documentation received, and bearing in mind the assessment criteria, the Board of Statutory Auditors, in agreement with the corporate structures, in the context of dedicated board sessions and in the light of in-depth investigations, assessed the technical offers in detail through the analysis, for each evaluation criterion, of the individual distinctive and qualifying aspects of each of them.

It should be noted that, from the documentation received, it is confirmed that the Bidding Companies are all united by the fact that they belong to international networks of primary standing, with high levels of quality and professionalism of the services offered; this is testified by an evaluation with high scores assigned to all the Bidding Companies.

4.3 Assignment of scores

On October 26, 2022, based on the activities carried out and described above, the scores of the Bids and the ranking of the Bidding Companies were determined collectively, as shown in the following table:

DESCRIPTION	OVERALL EVALUATION				
	Weight	PWC	KPMG	BDO	GT
EVALUATION OF THE QUALITATIVE CRITERIA 50/150	50	15.0	13.8	11.3	9.9
EVALUATION OF THE TECHNICAL CRITERIA 50/150	50	14.0	13.8	12.5	9.6
EVALUATION OF THE ECONOMIC CRITERIA 50/150	50	12.7	12.2	13.4	11.7
OVERALL EVALUATION	150	41.7	39.9	37.1	31.3

OPINION

The Board of Statutory Auditors:

- having taken into account the results of the procedure carried out, which stem from the comparative and overall analysis of the Bids received, with particular attention to the requirement of independence, as well as to the qualitative, technical and economic aspects;
- having considered the hourly rates and the total fees proposed by the Bidding Companies for the individual countries;
- having considered the differences in values with respect to the remuneration of the auditor in office which guarantee a cost for the next nine years substantially comparable to that of the current auditors;
- considering that the proposed audit hours, both for the Company and globally, are consistent with the proposed methodological and operational approach, taking into account, as already mentioned above, the use of new tools verification technologies and knowledge of the sector and specific to the Group;
- taking into account that Article 16, paragraph 2, of the Regulation provides that the reasoned recommendation of the Board of Statutory Auditors must contain at least two possible alternatives in order to allow the right to choose, and
- considering that the aforementioned Article 16, paragraph 2, of the Regulation requires the Board of Statutory Auditors to express a duly justified preference,

SUBMITS

to the Shareholders' Meeting, the two proposals for the mandate for the independent auditors of Safilo Group S.p.A., for the financial years period 2023-2031, formulated by PricewaterhouseCoopers S.p.A. (PWC) or to KPMG S.p.A. (KPMG).

The economic conditions relating to the aforementioned auditing firms are set out below.

RECAP PROPOSAL PWC

	Hours	Fees (Euro)
Statutory audit of the financial statements of Safilo Group S.p.A. (Including the activities necessary for carrying out the activities of verifying the regular keeping of the social accounts referred to in Article 14 paragraph 1, letter b) of Legislative Decree 39/2010)	250	20.000
Statutory audit of the consolidated financial statements of Safilo Group, including the coordination and acquisition of the results of the audit work carried out by other auditing companies referred to in Annex F, as well as coordination with the auditor of the HAL Group	660	54.000
Assignment of limited audit of the condensed interim consolidated financial statements of the Safilo group	550	45.000
Verification of the correct marking of the consolidated financial statements in compliance with the "basic taxonomy" attached to the ESEF Regulation using XBRL (Extensible Business Reporting Language).	220	18.000
Total for statutory audit and limited audit	1.680	137.000
Limited examination of the consolidated non-financial statement pursuant to Article 3, paragraph 10, Legislative Decree No. 254/2016 and Article 5 of the CONSOB Regulation adopted with resolution No. 20267 of January 2018 (*)	320	26.000
Total PARENT COMPANY SAFILO GROUP S.p.A.	2.000	163.000
Total for ITALIAN SUBSIDIARIES	1.750	135.000
Total for FOREIGN SUBSIDIARIES	13.250	1.193.800
- of which subsidiaries in the Europe region	3.865	357.900
- of which subsidiaries in the IMEA region (India, Middle East and Africa)	2.030	90.400
- of which subsidiaries in the Asia and Pacific region	2.980	233.200
- of which subsidiaries in the North America region	3.245	451.200
- of which subsidiaries in the Central and South America region	1.130	61.100
Reduction charged to us as an investment in the relationship with the Safilo Group and rounding		(31.800)
GRAND TOTAL GROUP	17.000	1.460.000

* This service will be regulated through a separate letter of appointment.

RECAP PROPOSAL KPMG

	<u>Hours</u>	<u>Fees (Euro)</u>
Statutory audit of the financial statements, including verification during the year of the regular keeping of the social accounts and the correct recording of management facts in the accounting records of Safilo Group S.p.A.	1.020	70.000
Statutory audit of the consolidated financial statements of the group	286	20.000
Limited audit of the condensed consolidated interim financial statements of Safilo Group S.p.A.	590	40.000
Verification of compliance of the financial statements and consolidated financial statements of Safilo Group S.p.A. to ESEF format *	494	30.000
Audit procedures for HAL Group auditors	147	10.000
Total for statutory audit and limited audit	2.537	170.000
Limited examination of the Consolidated Non-Financial Statement pursuant to Legislative Decree 254 of 30 December 2016 of Safilo Group **	350	25.000
Total PARENT COMPANY SAFILO GROUP S.p.A.	2.887	195.000
Total for ITALIAN SUBSIDIARIES	1.565	103.000
Total for FOREIGN SUBSIDIARIES	11.610	1.130.770
- of which subsidiaries in the Europe region	3.448	361.327
- of which subsidiaries in the IMEA region (India, Middle East and Africa)	2.083	110.444
- of which subsidiaries in the Asia and Pacific region	2.382	215.860
- of which subsidiaries in the North America region	2.676	384.524
- of which subsidiaries in the Central and South America region	1.021	58.615
GRAND TOTAL GROUP	16.062	1.428.770

* the estimate in question may be subject to subsequent amendments based on the evolution of the relevant legislation.

** This service will be regulated through a separate letter of appointment.

As regards further aspects of the economic component of the two offers:

- the annual adjustment of compensation was envisaged, in both offers, on the basis of the change in the ISTAT index relating to the cost of living (Consumer price index for blue-collar and white-collar households) compared to the previous year;
- PwC's offer provides that a reduction of 1% will be applied for each financial year after 2023;
- both offers provide for the reimbursement of expenses incurred for carrying out the work, such as secretarial expenses, out-of-pocket expenses, travel expenses: in particular, KPMG proposed a cap of 8% of the fees, while PwC proposed a cap of 7% of the fees provided for by Safilo Group, excluding travel expenses for "Site visits" of PwC professionals to foreign companies, and a forecast of 5% of the fees with reference to the expenses for the auditing of the other companies of the group, always excluding the travel expenses of local auditors to the various offices of the Group companies in the United States and China.

Finally, between the two, it

EXPRESSES

unanimously its preference towards PricewaterhouseCoopers S.p.A. (PwC), since, following the evaluation procedure of the Bids carried out, it was the company with the highest position in the ranking and, therefore, considered most suitable for the performance of the task, as well as in line with the identified needs of the Company.

The main elements of the tender considered qualifying and justifying the preference expressed in favour of this bidder were the following:

- The company's experience in the countries where Safilo Group companies are present, and with European clients of comparable size and levels of complexity;
- The composition of the auditing team dedicated to Safilo in Italy, made up of professionals who have gained significant experience in companies in the business sector in which Safilo operates;
- the forecast of a high number of hours with a high-level professional mix.

The Invitation Letter, with the related attachments, and the tender documents received are kept in the Company's records and available to the Directors.

Declaration

The Board of Statutory Auditors, pursuant to Article 16, paragraph 2, of the Regulation declares that this Recommendation has not been influenced by third parties and that none of the type clauses referred to in paragraph 6 of the aforementioned Article 16 of the Regulation have been applied.

The Board of Statutory Auditors

Carmen Pezzuto

Bettina Solimando

Roberto Padova