

REPORT OF THE BOARD OF STATUTORY AUDITORS

**To the Shareholders' Meeting of Safilo Group S.p.A.
on the financial year 2021
pursuant to art. 153 T.U.F. and art. 2429 co. 2, C.C.**

Dear Shareholders,

during the financial year ended 31 December 2021, the Board of Statutory Auditors of Safilo Group S.p.A. carried out the supervision activity required by law, in accordance with the requirements of the Civil Code, articles 148 and following of T.U.F., the Legislative Decree no.39 of 27 January 2010 as modified from the Legislative Decree 17 July 2016 no.135 and the Legislative Decree 254/2016, considering also the recommendations included in Consob's Communications on company controls and the activities of the Board of Statutory Auditors, as well as principles of conduct of the Board of Statutory Auditors recommended by the *Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili* (Italian national council of graduate accountants and accounting experts). As it is known, the year 2021 has been also influenced by the effects of the COVID-19 pandemic, even if to a lesser extent than in the previous year: the activities of the corporate bodies continued in ways that alternated meetings and exchanges of information "from remote" with meetings "in presence"; the activity of the Board of Statutory Auditors also continued through the acquisition of data and information in electronic format and through video-conference meetings, as well as through meetings at the registered office when deemed compatible with the emergency situation.

As premise, it should be noted that the Board of Statutory Auditors of Safilo Group S.p.A. has been appointed by the Shareholders' Meeting held on 28 April 2020 and is in charge until the approval of the financial statements as at 31 December 2022.

As regards the methods employed by the Board of Statutory Auditors to carry out its institutional activities, it confirms the following:

- it monitored compliance with the law and by laws;
- it attended the Shareholders' Meeting and all the meetings of the Board of Directors held during this year, and obtained from the Directors quarterly reports on activities carried out and significant operations executed by the company or its subsidiaries and verified that the aforesaid operations were coherent with the assumed deliberations and in respect for the principles of correct management;
- it monitored, within our area of responsibility, the organisational adequacy of the company, its respect for the principles of correct management and the organisational evolution of the Group;
- it monitored the operation of the administrative and accounting system, in order to assess its adequacy for management requirements and its reliability for the reporting of business operations. During this activity, it relied on the information supplied by the executive Director in charge of the internal control system, on information obtained as part of the regular participation to the activities of the Control Risk Committee, on examination of reports prepared by the Head of the Internal Audit function on the adequacy of administrative and accounting procedures pursuant to Law 262/05 and on the outcome of related tests carried out, together with the information obtained during periodic meetings with the auditing firm Deloitte & Touche S.p.A. which reported on the outcome of systematic checks and on the proper keeping of accounting records. We have no particular comments to make in this respect;
- strengthened the information flows mentioned above as a consequence of the COVID-19 pandemic, as stated in the "*Richiamo di attenzione CONSOB 1/2021*" published on 16 February 2021;

- not having been appointed to perform an analytical inspection of the content of the financial statements, we verified the general structure of the financial statements and consolidated financial statements, drawn up in compliance with IAS/IFRS international accounting principles, and of the respective management reports through direct checks and using specific information supplied by the auditing company;
- it verified that the impairment test had been carried out for items subject to evaluation in the consolidated financial statements, and in the statutory financial statements.

The Board reports that:

- to the best of our knowledge, the Directors did not infringe the provisions of article 2423 paragraph 4 of the Civil Code in the Notes to the Financial Statements;
- it verified that, following adoption of its own "Internal Dealing Code", the Company has set up specific operational and management procedures for any communications from "relevant" parties;
- it verified that, pursuant to the provisions of Legislative Decree No. 231 of 8 June 2001, the company has equipped itself with an Organisation, Management and Control Model that complies with the *Confindustria* Guidelines and fulfils the requirements of the aforementioned legislative decree, disseminated the Code of Ethics and established a Supervisory Committee that reported to the Control and Risk Committee and the Board of Directors on its activities. The necessary actions and measures have been taken to ensure that the organisational model remains appropriate and up-to-date for the purpose of fulfilling its functions and complying with new regulatory requirements;
- we have verified that the company has complied with the provisions of law 15/11/2017 n. 179 concerning Whistleblowing, adopting its Worldwide Business Conduct Manual (WBCM) and related reporting system of alleged violations to the same.

In accordance with the aforementioned Consob communications, the Board hereby provides the following information:

1. Events incurred during the year: the mainly events incurred in 2021 that affected the economic performance of the group are fully illustrated in the specific paragraph of the Report on Operations in the consolidated financial statements, to which reference should be made, and are classified as follows: "2021 results above pre Covid-19 pandemic", "The share capital increase of Euro 135 million", "Non-recurring costs and income". About the Covid-19 pandemic, the Company adequately illustrated the risks associated with the pandemic emergency and provided adequate information on the positive and negative effects associated with it which impacted the Group's results.
2. Events after the year end: in the specific paragraph of the Report on Operations, to which reference should be made, two events classified as "events after the year end" are reported, which relate to the increasing of the controlling stake in the American subsidiary Privé Revaux from 64.2% to 81.9%, and the beginning of the conflict between Russia and Ukraine.
3. The significant economic, financial and capital operations carried out by the company and its subsidiaries were executed in accordance with the law and company by laws. Based on the information acquired, the Board was able to ascertain that they were not manifestly imprudent or risky, that they did not result in a conflict of interest and did not compromise the integrity of the company's assets.
4. It has been ascertained that no atypical and/or unusual operations, as defined by Consob communication DEM/6064293 of 28 July 2006, were carried out within the group or with related or third parties, having found confirmation of this in the information supplied by the Board of Directors and the Auditing Firm.

Furthermore, the Board ascertained that the standard operating procedures in force within the Group guarantee that all commercial operations with related parties take place according to market conditions.

5. The Board of Statutory Auditors verified the effective implementation and concrete functioning of the Related Party Transactions Procedure adopted by the Company, attending the meetings of the Transactions with Related Parties Committee.
6. The Board believes that the information presented by the Directors in their report on operations and explanatory notes in respect of the operations mentioned in paragraphs 1, 2 and 3 are adequate.
7. The reports prepared by the audit firm Deloitte & Touche S.p.A., issued on 18 March 2022, regarding the individual and consolidated balance sheet of Safilo Group S.p.A. as of 31 December 2021 do not contain significant findings and/or disclosure requests. The auditing firm issued its assessment of the consistency of the Management Report with the relevant financial statements without any observations and/or objections. With reference to the compliance of the consolidated financial statements with the Delegated Regulation EU 2019/815 of the European Commission on regulatory technical standards relating to the specifications of the single electronic communication format (ESEF - European Single Electronic Format), the auditing firm issued its favorable opinion, and in particular that the consolidated financial statements have been prepared in XHTML format and have been marked in all significant aspects in compliance with the ESEF Delegated Regulation.

On 18 March 2022, the auditing company also issued its additional report for the Internal Control and Audit Committee, pursuant to art. 11 of EU Regulation 537/2014.

8. During 2021, no reports were made to the Board of Statutory Auditors under article 2408 of the Civil Code, and no complaints were submitted by shareholders.
9. During 2021, Safilo Group S.p.A. has appointed to Deloitte & Touche S.p.A. engagement other than to perform the legal audit of the statutory and consolidated financial statements. In the appendix to the consolidated financial statement is reported, in accordance with the principle 149-Duodecies of the Issuers' Regulations, the statement of the fees recognized for the year to Deloitte & Touche S.p.A. and its network for statutory audit and other services provided by the same Independent Auditor to the company and to the Group. In accordance with the article 17, ninth paragraph, of the Legislative Decree 39/2010, the Independent Auditor has regularly communicated to the Board of Statutory Auditors additional engagements to those of auditing the accounts, obtaining the relative authorization from the Board after assessment of possible risks for the independence of the Auditor.
10. During the 2021 financial year, the Board of Statutory Auditors expressed its opinion when required by current laws.
11. The Board of Statutory Auditors verified the accuracy of the criteria and assessment procedures employed by the Board of Directors to assert the independence of its members.
12. The Board of Statutory Auditors has verified the possession of the requirements of integrity and independence of its members; to the Report on Corporate Governance and Ownership Structure for the financial year 2021, approved by the Board of Directors on 15 March 2022, is attached a list on supervision activities that outlines the tasks performed, as of the date of issue of the Report, by the members of the Board of Statutory Auditors, drawn up according to sample 4, appendix 5-bis of the Issuers' Regulations.
13. During 2021, the Board of Directors held ten meetings and the Board of Statutory Auditors held six meetings. Additionally, the Control Risk Committee met five times and the Sustainability Committee met two times, with the constant participation of the Board of Statutory Auditors, while the Remuneration and Nomination Committee met four times and the Related Parties Transactions Committee met two times, always with the participation of the Board of Statutory Auditors.

14. On the basis of the information gathered from the company's departmental managers, from the Internal Audit function, and during periodic meetings with the Auditing Firm, the Board believes that the principles of correct management were constantly observed.
15. The Board gathered information about and monitored the company's organisational structure to the extent of our responsibilities.
16. Based on the analyses performed and the information obtained during meetings with the Director in charge of the internal control system, with the Internal Control Manager, with the Manager in charge of preparing the accounting documentation and during meetings of the Control Risk Committee, the Sustainability Committee and the Supervisory Board, the Board verified the adequacy and reliability of the internal control system and risks management.
17. The Board verified the adequacy of the administrative and accounting system and the reliability of the same in correctly representing business operations.
18. The Board verified the adequacy of the manner in which the parent company hands down instructions to its main subsidiaries.
19. During systematic meetings between the Board of Statutory Auditors and the Auditing Firm under art. 150, paragraph 2, Legislative Decree 58/1998, no significant findings emerged.
20. The Remuneration Report is prepared pursuant to art. 84 quarter of the Issuers' Regulations and to Consob resolution No. 11971/1999 and subsequent amendments, and is structured in two sections: the first section which contains the remuneration policy for the year 2022 and will be submitted to the shareholders' meeting, and the second section which describes the methods by which the remuneration policy in force for the financial year 2021 has been implemented, providing a summary of the remuneration paid.
21. The 2021 Report on Corporate Governance and Ownership Structure prepared by the Board of Directors contains a description of the governance of the Company and the Group that appears to be in line with the principles of the Self-Regulation Code and the Issuers' Regulations. This Report also presents information on the ownership structure pursuant to art. 123 bis of the TUF (consolidated finance act). The Board of Statutory Auditors monitored implementation of the corporate governance rules, based on the Corporate Governance Code promoted by Borsa Italiana in the version in force from 1 January 2021, in the terms illustrated within the 2021 Report on Corporate Governance and Ownership Structure.
22. The Chief Executive Officer and the Manager responsible for preparing the company's financial statements provided the statements required by article 154-bis, paragraph 5, regarding the financial statements and consolidated financial statements in accordance with the model provided in appendix 3c-ter of the Issuers' Regulations.
23. The evaluation of the goodwill in the consolidated financial statement, based on impairment test results, did not highlight the need for an impairment. To determine the cash flow projections used in the impairment test, the Board of Directors has approved on 15 March 2022, a Financial Projection for the period 2022 – 2026 which confirm the main goals and strategies defined in the Group Business Plan 2020-2024 published in December 2019. In estimating the growth in the plan period, the Group has taken into consideration both its own internal expectations as well as indications obtained from independent external sources.
In the Notes to the Consolidated Financial Statements, note 4.9, have been described goals and strategies of the Group Business Plan 2020-2024, the complex evaluation process, as well as the assumptions on which the impairment test is based. During year 2021, the value of the Company that can be deduced from the Stock Market's prices has been always above the book value of shareholder equity. The Board of Directors considers that the assumptions included in the Business Plan approved for the impairment test are reasonable, also taking into account all the other elements considered in the test's execution.

24. Based on the same Financial Projection for the period 2022 – 2026 approved by the Board of Directors on 15 March 2022, the impairment test, in the separate financial statement of Safilo Group S.p.a., on the equity investment value in Safilo S.p.a. did not result in any impairment loss, as described in the note 4.5 of the Notes to the separate financial statement.
25. The Board also took note about the topics described in the "Key Audit Matters" paragraph included in the report of Independent Auditor.
26. Consolidated Non-Financial Information Statement: the Board verified the compliance with the provisions pursuant to the Legislative Decree 30 December 2016 no.254, regarding the consolidated non-financial information statement of Safilo Group S.p.A. and its subsidiaries (hereinafter NFD). The Board of Statutory Auditors finds that the Company has prepared, in its capacity as Parent Company and following the provisions of the Legislative Decree 30 December 2016 no. 254 ("Implementation of Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014, amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups" – hereinafter "Decree"), the 2021 Consolidated Non-Financial Information Statement of the Safilo Group, as required by Articles 3 and 4 of the Decree and by the "Global Reporting Initiative Sustainability Reporting Standards" (hereinafter "GRI Standards"), defined in 2016 and subsequently updated by the GRI - Global Reporting Initiative – adopted by the directors as reporting standards. The Board of Statutory Auditors supervised about the compliance with the provisions established by the Decree in the preparation of the NFD, verifying that it allows the understanding of the business, its performance, its results and its impacts produced, and that reports about the relevant topics such as environmental, social, people, respect of human rights and anticorruption, taking into account the business and characteristics of the Company, in compliance with the provisions of the Article 3 of the Decree. The Board of Statutory Auditors also noted that, pursuant to the Article 3 paragraph 10, the company Deloitte & Touche S.p.A., in charge of auditing the Group's financial statements, issued on 18 March 2022 a specific Report on the Consolidated Non-Financial Information Statement, attesting the compliance of the information provided in this Document with Articles 3 and 4 of the Decree and the GRI Standards.
27. The Board confirms that no omissions, irregularities or wrongful actions emerged from our supervisory activities that would need to be reported to the Supervisory Bodies or Shareholders.

To conclude, the Board expresses its approval, to the extent of its responsibilities, of the 2021 financial statements as presented by the Board of Directors, with the Report on Operations, and of Directors' proposal to carry forward the loss of the period of Euro 11,209,586.

Padua, 18 March 2022

THE BOARD OF STATUTORY AUDITORS

Signed by

Carmen Pezzuto

Chairman

Roberto Padova

Regular auditor

Bettina Solimando

Regular auditor

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