

# FERRAGAMO

## RESPONSIBLE SOURCING COMMITMENT

Approved by the Board of Directors of Salvatore Ferragamo S.p.a.  
on November 14th, 2024

**TABLE OF CONTENTS**

<b>1. INTRODUCTION</b>	
<b>2. VALUES AND PRINCIPLES</b>	4
2.1 Our Values	4
2.2 Fundamental Principles and Rules of Ethics	4
<b>3. GOVERNANCE AND RESPONSIBILITIES</b>	5
3.1 Policies and Procedures	5
3.2 Governance Framework	6
3.3 Training and Communication	7
3.4 Monitoring and Evaluation	8
<b>4. RESPONSIBLE SOURCING PRACTICES</b>	8
4.1 Product Responsibility	8
4.1.1 Preferred Materials Standards	9
4.1.2 Chemical Safety of Products	9
4.1.3 Material and Product Traceability	9
<b>4.2 COLLABORATION WITH THE SUPPLY CHAIN</b>	9
4.2.1 Suppliers Code of Conduct	9
4.2.2 Suppliers Qualification	10
4.2.3 Suppliers Monitoring System	10
<b>5. DISCIPLINARY MEASURES</b>	11
<b>6. CONTROLS</b>	11

## 1. INTRODUCTION

Ferragamo (hereinafter also “the Group” or “Salvatore Ferragamo” or “the Company”), a distinguished leader in the luxury industry since 1927, is committed to upholding the highest standards in responsible sourcing.

Our commitment to quality, elegance, and innovation is complemented by a dedication to ethical sourcing practices, ensuring that every product reflects our values of craftsmanship and integrity. Our design and production processes are managed in-house by expert teams, including stylists, materials researchers, and pattern makers. We are committed to carefully control the quality of raw materials and finished products.

In addition to maintaining excellence, we are dedicated to environmental and social stewardship. We actively incorporate responsible purchasing practices into the company culture, in terms of health and safety, respect for human rights, environmental protection and, in general, ethics in business conduct along the entire value chain as well as in our Sustainability Strategy goals publicly available.

This commitment is addressed to all the stakeholders involved in the Group's operations, particularly suppliers, sub-suppliers, independent contractors, and other partners, as well as to all the employees and collaborators of the company.

## 2. VALUES AND PRINCIPLES

### 2.1 Our Values

Creativity, innovation and excellence in craftsmanship have been the core values of the Company since its origins and find concrete application in the conception and production of each creation, designed and studied to ensure that the shopping experience of Ferragamo Brand products is exciting and engaging for the customer. The deep connection with the territory, the Italian tradition, and the legacy of the founder remain the pillars of the Group's activities, which with great awareness and strong commitment protects the places where it operates and the people who work for the Company.

### 2.2 Fundamental Principles and Rules of Ethics

Ferragamo's [Code of Ethics](#) and the [Supplier Code of Conduct](#) reflect the company's deep commitment to upholding the highest standards across various facets of its operations, ensuring that these values permeate every level of its business. Since its founding, Ferragamo has shown a natural inclination toward social responsibility, contributing to the economic and civil development of the environment in which it operates, taking into account the needs of the community.

Central to Ferragamo's *ethos* is the protection and promotion of Italian craftsmanship and local development. The company is dedicated to preserving the authenticity of Italian craftsmanship, protecting "Made in Italy" labels, and fighting against counterfeiting. This commitment extends to maintaining relationships of collaboration, fairness and transparency with local communities and suppliers, contributing to employment in the territories in which they operate.

Ferragamo places a strong emphasis on the importance of human resources, advocating for equal opportunities, merit-based practices, and the sharing of knowledge. The Group is vigilant about adhering to labour laws, combating child labour and modern slavery, and promoting diversity, equity, inclusion, and belonging (DEI&B) through various global initiatives. In its internal dealings and in its relations with third parties, the Group recognizes and respects the principles of dignity and equality and does not discriminate on the basis of age, racial and ethnic origin, nationality, political and trade union opinions, religious beliefs, sexual orientation, gender identity, physical and psychic disabilities, and any other personal characteristic not pertaining to the work sphere.

The company is deeply committed to environmental stewardship, recognizing the environment as a shared resource that must be protected for the well-being of both current and future generations. This commitment is central to its approach to sustainable development, where Ferragamo actively integrates responsible practices into its operations. In 2019, the Company reinforced its dedication by signing the Fashion Pact, a global initiative aimed at reducing the fashion industry's environmental impact and implementing a comprehensive Sustainability Plan, which outlines specific goals and strategies for minimizing its ecological footprint. This Plan, available in the sustainability section of the [Company's website](#), is regularly updated to reflect new advancements and ensure continuous progress toward a more sustainable future.

The Group mandates transparency, fairness, and the avoidance of conflicts of interest, prohibiting any unethical behaviour, including bribery and money laundering. For these reasons, since 2017, the Company has enforced an [Anti-Corruption Policy](#) and encourages the adoption of measures to manage financial transactions and mitigate corruption risks.

On the matter, confidentiality is another key principle for Ferragamo, with strict guidelines ensuring that all information is used and protected appropriately. The company advocates for fair competition, safeguarding its industrial and intellectual property, and expects that those covered by the Code of Ethics use proprietary information correctly and avoid unfair practices.

## 3. GOVERNANCE AND RESPONSIBILITIES

### 3.1 Policies and Procedures

Salvatore Ferragamo has policies, certifications and procedures ensuring that sourcing is carried out taking into consideration the highest ethical standards.

#### The Code of Ethics

sets forth the ethical principles and general guidelines that, along with legal, regulatory and contractual rules, characterize the organization and activities of the Group and its subsidiaries.

#### The Sustainability Policy

establishes, in accordance with the United Nations Sustainable Development Goals (SDGs), the Guiding Principles on the social and environmental responsibility of the Group to be adopted in its daily operations.

#### The Supplier Code of Conduct

sets forth the ethical principles and rules of conduct that must characterize the commercial relations between the Group and its partners.

#### The Anti-corruption Policy

has the objective of minimizing the risk of corrupt conduct, in compliance with the Group's Code of Ethics and drawing inspiration from ISO 37001:2016.

#### The Whistleblowing Policy

identifies the channels and conditions for making reports and disclosures both internally and externally and the protective measures for those involved, ensuring the safety and confidentiality.

#### The Model 231

Legislative Decree No. 231/2001 (hereinafter referred to as the 'Decree') introduced the principle of the administrative liability of entities for certain offences committed in the interest or to the advantage of the company itself, by its representatives or employees in an apical position or subject to their management

or supervision. In order to ensure adequate prevention of the commission of the offences referred to in the Decree, Ferragamo has adopted its own Organization, Management and Control Model for the Italian perimeter (hereinafter the 'Model').

**The SA 8000 Policy**

affirms the corporate commitment to achieve the highest ethical and sustainable business development standards, respecting and instilling SA8000 related principles in the corporate environment for the Italian perimeter.

**The Inclusion Policy**

supports multiculturalism to enhance innovation and competitiveness, promotes equality and equal opportunities, and fights discrimination and harassment.

**The Modern Slavery Act Statement**

describes the measures taken by the Group to ensure the absence of any form of “modern slavery, forced labor and human trafficking” within its organization and outside along its own supply chain.

**The Policy for Combating Child Labour**

has the aim of further formalizing the commitment of the Company on said issue, in line with what declared in the Sustainability Policy.

**The Biodiversity Manifesto**

formalizes the Group’s commitment to the safeguard and promotion of biodiversity, highlighting the principles that guide our activities within the scope of the Group’s policies regarding the environment.

**The Animal Welfare Policy**

defines the minimum requirements, certifications, standards, collaborations, strategies and sources of supply to be preferred to ensure animal welfare for these materials: fine leathers, wild, sheep and goats, bovine and calves.

**United Nations Global Compact**

The Group is signatory to the world’s largest corporate sustainability initiative, which includes a commitment to comply with the provision of the International Labour Organization (ILO).

**3.2 Governance Framework**

Ferragamo has a governance framework to oversee responsible sourcing initiatives. This includes:

- **Responsibilities and Accountability:** clearly defined roles and responsibilities of key stakeholders within the governance structure to ensure accountability and effective implementation of the responsible sourcing commitment. In particular, the Company has established the Transformation & Sustainability function, entrusted with all initiatives related to the transformation process and sustainability, such as Animal Welfare and biodiversity, including sustainable forest management. The function is headed by the Chief Sustainability and Transformation Officer, who also holds the role of Board Member and Strategic Manager. For more details, please refer to the corporate website.
- **Board of Directors:** The Board of Directors plays a pivotal role in the governance of sustainability initiatives. The Board receives updates on the Sustainability Plan, approves the Plan, and approves sustainability-related policies after receiving a favourable opinion from the Control and Risk Committee. This ensures that sustainability efforts are integrated at the highest level of corporate decision-making.

- **Control and Risks Committee:** The Board of Directors resolved to assign competence for corporate sustainability to the Control and Risks Committee. The Committee performs investigative, propositional and advisory functions vis-à-vis the Board of Directors in order to promote the integration of national and international best practices in the governance of the Company and of environmental, social and governance factors in the Company’s strategies aimed at pursuing sustainable success, which is embodied in the creation of long-term value for the benefit of Shareholders, taking into account the interests of other stakeholders relevant to the Company. Further information about the Control and Risks Committee can be found in the Report on Corporate Governance and Ownership Structure available on the Company’s website at <https://group.ferragamo.com, Governance/Corporate Governance/Corporate Governance Report section>.

- **Ethics Committee:** set up to takes care of the application and dissemination of the Code of Ethics and to manage reports referred to in Italian Legislative Decree 23/2024, its task is to manage reports concerning (i) violations of the laws applicable to Group Companies; (ii) violations of organizational models (including Ferragamo’s Organizational Model), procedures, regulations, codes of conduct, codes of ethics and policies of Group Companies, acts or omissions that, even outside the provisions of the Organizational Model, Code of Ethics or internal policies and/or procedures of Group Companies, may result in the violation of human rights or damage and detrimental effects on health, the environment, security or fundamental rights and freedoms; (iii) any form, threat or attempt to retaliate against the Whistleblower.

- **ESG Steering Committee:** the ESG Steering Committee is responsible for guiding and overseeing the implementation of the Sustainability Plan, including monitoring sustainability and ethical sourcing efforts. The committee consist of senior leaders from various departments, including sustainability, procurement, and compliance.

**3.3 Training and Communication**

Ferragamo has training and communication activities to share information throughout the company. This encompasses:

- **Communication of Sustainability Targets:** the sustainability targets outlined in Ferragamo’s Sustainability Plan are shared with relevant departments and stakeholders, ensuring that they are well understood and integrated into departmental strategies and actions.
- **E-learning program:** launched the Compliance Digital Pathway, a program on the Group’s Whistleblowing System, Code of Ethics, Anti-corruption Policy, Cybersecurity and Data protection and Model 231 (the latter only for Italy). It is available, in nine languages, to all employees through a dedicated intranet platform and offered to all new employees, as part of their onboarding training.
- **Specific trainings:** trainings on specific topics are provided to selected functions. In particular, the activities implemented are:
  - Training on the Code of Ethics, covering key aspects of ethical sourcing, sustainability principles, and compliance requirements to ensure that all procurement activities align with Salvatore Ferragamo’s values and standards.
  - Training on human rights and social responsibility developed in the SA8000 context for the Italian perimeter, involving senior management and employees, also engaging personnel with direct responsibility for supply chain management.
  - Ferragamo Sustainability Induction course, developed to present the Ferragamo Group’s strong commitment to sustainability issues, through the initiatives and projects already implemented, and our important long-term goals for the future.

### 3.4 Monitoring and Evaluation

Since 2019, the Group has required suppliers to sign a Supplier Code of Conduct and conducts audits to ensure compliance. Non-compliance may lead to business relationship termination or required improvements. The Group in accordance to the Group Whistleblowing Policy also utilizes a whistleblowing dedicated system for reporting violations of laws and ethical standards, with the Ethics Committee investigating complaints.

Specific risk assessment and due diligence activities involve:

- **Monthly Monitoring Meetings:** Conduct regular monthly meetings among relevant functions to monitor progress against sustainability targets, including the pillars: “*Supply chain transparency and local focus*”, “*Carbon emission reduction*”, “*Sustainable materials with focus on leather*” and “*Circular economy and recycling*”. The meetings are aimed to review performance, address challenges, and adjust strategies as needed to stay on track with the sustainability goals.

- **Implementation of a Monitoring Platform:** Develop and deploy an integrated and collaborative solution aimed at the management of information and document flows with suppliers. The tool, named Ferragamo Link, was adopted in 2019 to facilitate and systematically manage the accreditation of new suppliers and the qualification of all direct suppliers of raw materials and finished products. It is being improved to foster a synergistic and positive relationship with the entire supply chain.

- **ESG Data Collection:** Collect ESG metrics for evaluating supplier performance, adherence to ethical standards, and the impact of responsible sourcing standards and practices.

- **Regular Reviews and Audits:** Conduct regular reviews and audits to ensure compliance, traceability, transparency and identify areas for improvement. The insights gained are used to refine sourcing practices and enhance overall sustainability performance.

## 4. RESPONSIBLE SOURCING PRACTICES

### 4.1 Product Responsibility

The Group ensures responsible product development by focusing on the components, safety, and traceability of materials throughout the value chain.

#### 4.1.1 Preferred Materials Standards

According to the Group’s Sustainability Plan, the inclusion of materials with a lower environmental impact into its collection is one of the top priorities for the Group, which has set up a cross-functional work team dedicated to this initiative.

The Group has adopted specific internal guidelines on materials and fibers to be preferred (and conversely those to be discouraged or banned), with the aim of promoting respect for people and the planet. This internal strategic-decision-making document, fully updated in October 2023, continues to be updated to ensure compliance with respect to the applicable certifications and reference standards.

In compliance with the highest quality standards and in line with the principles of circular economy<sup>1</sup>, the Group commits to supply the raw materials with the lowest environmental and social impact according to these internal guidelines. Materials recommended are, by way of example, organic cotton and silk (e.g. GOTS or OCS certified), regenerated nylon and polyester yarns, post-consumer recycled wool and cashmere, viscose from responsibly managed forests, metal-free leather and leather from Leather Working Group certified tanneries preferably certified Silver and Gold.

<sup>1</sup>According to the definition by the Ellen MacArthur Foundation, a circular economy is ‘a generic term used to describe an economy designed to be regenerative by intention. In a circular economy, material flows are of two types: biological, capable of being reintegrated into the biosphere, and technical, designed to be revalorized without entering the biosphere.’

The Group has also set specific targets for addressing responsible packaging materials. In particular, it is engaged in eliminating virgin plastic use from single use packaging and promoting the adoption of natural fibres. For this reason, the Group is committed to choose materials which can be recovered for other purposes, recycled or upcycled as well as to favour compostable, biodegradable, bio-based or regenerated materials. The internal guidelines and relative targets were developed in accordance with The Fashion Pact recommendations, of which the Group is signatory since 2019.

#### 4.1.2 Chemical Safety of Products

Direct suppliers involved in the production process are required to sign the Group’s Restricted Substances List (RSL) as part of the qualification process. Regulatory monitoring is continuous and conducted in close collaboration with suppliers to promptly identify any changes that may require updates to the RSL. When an update to the RSL is necessary, the new document is sent to all suppliers, who must confirm their agreement. A specific testing plan is developed for each new collection, involving the selection of suppliers and materials to be sampled. Selection is based on several criteria, including the quantity of materials sourced and whether the material is new.

If any non-compliance is identified during testing, a thorough verification process is initiated. Further tests are then conducted to assess potential improvements in the production process to ensure compliance with the RSL.

#### 4.1.3 Material and Product Traceability

Traceability is essential for the Group to effectively assess and mitigate potential environmental and social risks throughout the supply chain, and to ensure compliance with applicable European regulations and directives, by way of example but not limited to the European Union Deforestation Regulation (EUDR) and the Ecodesign for Sustainable Products Regulation (ESPR).

Suppliers must ensure full disclosure of all sub-suppliers involved in the production process, along with data on production locations. They are also required to provide information about the products supplied, such as the material certificates (e.g. Scope Certificates and Transaction Certificates) and other relevant documentation (e.g. CITES permits).

### 4.2 Collaboration with the Supply Chain

For the Group, collaborating with the supply chain is key to achieving the highest ethical and sustainable business development standards: for this reason, it promotes monitoring and awareness-raising initiatives along its value chain constantly monitoring the adequacy of the procurement model.

In alignment with its commitment to quality and the values of Made in Italy, the Group is dedicated to supporting local communities and promoting Italy’s premier manufacturers. The Group prioritizes sourcing products and services from Italian suppliers, reflecting the Founder’s enduring philosophy and reliance on a network of highly qualified contract manufacturers known for their exceptional craftsmanship. Not only the procurement structure has a high level of technical preparation and works with reputable and well-known companies, but it is also characterized by ongoing collaborations.

The activities that the Group has undertaken in terms of collaboration, monitoring of KPIs and improvement of its sourcing chain are described as follows.

#### 4.2.1 Suppliers Code of Conduct

Starting from 2019, the Group disseminated and required the signing of a specific Supplier Code of Conduct as a part of a dedicated qualification process. The Supplier Code of Conduct outlines ethical principles and rules that, alongside legal and regulatory norms, govern commercial relations with the Group. It mandates adherence to the highest standards in business ethics, labour and human rights, environmental respect, and product responsibility. The recipients are responsible for guaranteeing their compliance with the Code, disseminating

it and requiring its respect by their employees, suppliers, external collaborators and others belonging to the supply chain for the Group.

Specifically, the Group upholds human rights, requiring recipients to respect workers' rights and ensure freedom and equality, as outlined in the International Bill of Rights and ILO Conventions. **The Group encourages recipients to establish internal mechanisms for reporting human rights violations and implementing protections for employees who report in good faith.** The Code prohibits any form of child labour, forced and compulsory labour, and discrimination, **encouraging recipients to take steps to ensure non-discrimination in the workplace, focusing on human resources management and training.** The Code requires respect of highest standards in terms of freedom of association and collective bargaining, health and safety, working hours, remuneration, disciplinary practices, harassment and persecutory actions, and regular working conditions.

Moreover, the Group is committed to environmental protection and the respect of ecosystems, requiring recipients to actively work to reduce negative impacts related to their operations. **The Group encourages the recipients to adopt an environmental management system and to implement actions to promote environmental responsibility within the organization.** The Code mandates animal dignity throughout their lives, according to European Commission and OIE standards and adherence to CITES regulations. The Code requires respect of highest standards in terms of management of energy consumption and emissions, water withdrawal and discharge, and waste management, **encouraging the recipients to adopt measures for the differentiation, recycling and re-use of the materials.**

#### 4.2.2 Suppliers Qualification

The Group requires its direct suppliers (Tier 1) not to exceed the first sub-supply level (Tier 2) and directly manages product development and industrialization stages including comprehensive selection processes and quality and safety controls throughout the manufacturing process. Indeed, direct supplier qualification process focuses on technical assessment, document verification, and adherence to various standards, assessing whether the supplier can meet the Group's requirements in terms of quality, capacity, financial stability, adherence to ethical principles, compliance with behavioural standards and relevant regulations.

To streamline the supplier qualification process, the Group utilizes the Ferragamo Link tool for managing information and documents with suppliers. This platform aids the accreditation of new suppliers while fostering a positive relationship within the supply chain.

Direct suppliers are also required to sign a package of documents that include, in addition to the Suppliers Code of Conduct, the General Conditions of Purchase, the Animal Welfare Policy, the Group Restricted Substances List (RSL) and the Technical Performance Requirements, according to the area of activity. Suppliers are also required to sign agreements ensuring brand protection and compliance and provide the list of their sub-suppliers.

#### 4.2.3 Suppliers Monitoring System

The Group actively monitors its supply chain to ensure adherence to ethical standards, principles and rules contained in the Supplier Code of Conduct and applicable laws, focusing on key areas such as business integrity, labour rights, and environmental responsibility. This is achieved through regular audits carried out by specialized external companies according to a multi-year plan and includes both the request for a self-assessment, by filling in a questionnaire, and on-site audits, with interviews with workers and management and an inspection of suppliers' production sites. Both direct suppliers and sub-suppliers are involved.

The Group's commitment to adhering to its core principles and operational guidelines begins with the proactive identification of actual or potential risks of violations within the supply chain.

The risk assessment takes into account various factors, such as the manufacturing process type, the audit history and the category of the supplier.

Based on the results of the audits carried out, in case of non-compliance with the provisions of the Code, the addressees are obliged to implement the actions required to adjust their activities and operations in order to remove, prevent or mitigate any identified non-compliance. The plan envisages specific actions to be implemented within agreed deadlines or suggestions for improvement activities. The activity is monitored by scheduling follow ups with the suppliers to ensure the implementation of the requests necessary to grant compliance. In the event of serious or repeated violations of the Code, the Group reserves the right to terminate business relations with suppliers, as well as in the event of failure to implement the agreed improvement plan for the removal of any major non-conformities or failure to cooperate in the implementation of monitoring activities.

The supplier monitoring results are updated and published annually within the Group's Annual Sustainability Report and Modern Slavery Statement, available publicly on the [corporate sustainability website](#).

The Group remains committed to enhancing its supply chain oversight and adhering to relevant regulations, with plans to intensify monitoring efforts in the coming year.

## 5. DISCIPLINARY MEASURES

Compliance with this Policy is an integral part of the contractual obligations of employees, contractors and all recipients in general. In the event of violations, Salvatore Ferragamo imposes disciplinary measures, varying according to severity and within the limits of the current legal framework.

## 6. CONTROLS

In line with international best practices and in full compliance with applicable regulations, Ferragamo has implemented a system of reporting aimed at preventing and countering unlawful conduct or conduct contrary to principles and rules prescribed in its organizational models, Code of Ethics and corporate policies, maintaining the confidentiality of reporters and all other protected parties, safeguarding them from the risks of possible retaliation, in full compliance with all applicable legal provisions.

The procedure can be accessed at the following link:

<https://group.ferragamo.com/en/governance/model+231+and+code+of+ethics>

