MONCLER

MONCLER S.p.A.

Registered office at Via Stendhal 47, Milan
Fully-paid share capital Euro 54,961,190.80
Milan Companies Register, tax code and VAT no. 04642290961 - REA no. 1763158

DIRECTORS' REPORT ON THE FORTH ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING SCHEDULED ON 24 APRIL 2024 ON SINGLE CALL

ITEM No. 4 ON THE AGENDA – Incentive plan on Moncler ordinary shares called "2024 Performance Shares Plan", reserved for Executive Directors, Managers with Strategic Responsibility, employees and/or collaborators and/or consultants of Moncler and its subsidiaries. Related and consequent resolutions.

Dear Shareholders,

the Board of Directors convened the ordinary shareholders' meeting in order to submit for your approval, pursuant to Art. 114-bis of Italian Legislative Decree No. 58 of 24 February 1998, and subsequent amendments and integrations (the **Consolidated Financial Act**), an incentive and loyalty plan called "2024 Performance Shares Plan" (the **Plan**) addressed to Executive Directors, Managers with Strategic Responsibilities, employees, collaborators and consultants (**Beneficiaries**) of Moncler S.p.A. (**Moncler** or the **Company**) and the companies controlled by it pursuant to Art. 93 of the Consolidated Financial Act (the **Subsidiaries**). Under the Plan, the Beneficiaries will gratuitously receive a number of the so-called Moncler rights (the **Moncler Rights**) each of which entitles the Beneficiary to gratuitously receive one (1) Moncler ordinary share (Share) per each Moncler Right, provided that certain performance objectives are achieved (the **Performance Objectives**).

The Plan will be served with treasury shares only, up to a maximum of 2,000,000 (two million) purchased pursuant to the authorization under Article 2357 of the Italian Civil Code, which may be granted from time to time by the Shareholders' Meeting; it being understood that the number of Shares to be assigned will be determined based on the level of achievement/over-achievement of the above-mentioned Performance Objectives.

The information document regarding the Plan, drafted in accordance with Art. 84-bis and Annex 3A of the Issuers' Regulation, will be available in compliance with the terms set forth by the applicable laws on the Company's website www.monclergroup.com, in the section "Governance/Shareholders' Meeting" as well as on the storage mechanism www.emarketstorage.com together with this report.

1) Reasons behind the adoption of the Plan

The Plan, in line with previous plans, purports to align the interests of the Beneficiaries with those of the stakeholders, with a medium-long term view and to pursue sustainable development by achieving the following objectives:

a) link the variable component of the remuneration to medium-long term objectives and in pursuit of creating value for Shareholders and other stakeholders;

b) develop and exploit the Group's synergies;

c) as part of its retention policies, retain its key resources and encourage them to remain with the Group; and

d) as part of its attraction policies, attract talented managerial and professional figures in national and international markets, in order to further develop and strengthen the Group's core and distinctive skills.

The creation of value for Shareholders in the medium-long term is the Company's primary objective. Therefore, the Board of Directors believes that the Plan - based on the accrual of the right to the free assignment of shares deferred in the medium-long term and on performance objectives correlated to the creation of value, the economic-financial results and the sustainability of the Group - represents the most effective incentive and loyalty-building tool that best responds to the interests of the Company, aligning the interests of Top Management to those of the Shareholders and other stakeholders.

The Plan develops over a time horizon deemed suitable for the achievement of the incentive and retention objectives pursued by the Plan. In particular, the Plan provides for a three-year Vesting Period (subject to the additional deferral period (lock-up) described in Paragraph 6 applicable to Executive Directors and Managers with Strategic Responsibilities).

2) Object and implementation of the Plan

The object of the Plan is the free granting of Moncler Rights that entitle the Beneficiaries, if the Performance Objectives illustrated under Paragraph 4 are achieved, to the assignation of 1 (one) Share free of charge for each Moncler Right granted, if the conditions set out in the relevant regulations (the **Regulations**) are met.

The Plan will be served only with treasury Shares purchased pursuant to the authorization of Article 2357 of the Italian Civil Code, which may be granted from time to time by the Shareholders' Meeting. The maximum total number of Shares to be granted to Beneficiaries is equal to 2,000,000 (two million/00).

The Shares subject to assignment shall have regular entitlement and, therefore, the rights attached to them shall accrue to each Beneficiary starting from the date the latter has become the holder of the Shares. No voting restrictions apply.

According to the terms and conditions set forth in the Regulation, on the assignment date of the Shares the Company reserves the right (to be exercised at its sole discretion and on the basis of a resolution of the Board, with the prior opinion of the Nomination and Remuneration Committee), in lieu of and in substitution of the assignment of the Shares, to award to the Beneficiary a cash amount (the **Substitutive Cash Amount**) calculated on the basis of the arithmetic average of the official prices of the Shares on Euronext Milan, as reported by Borsa Italiana S.p.A. in the month preceding the Assignment Date or, in the event that the Shares were de-listed, on the basis of the normal value pursuant to Art. 9 of Italian Presidential Decree No. 917 of December 22, 1986, as defined by an independent expert appointed by the Company.

3) Beneficiaries of the Plan

The Plan is reserved to Executive Directors, Managers with Strategic Responsibilities, employees and collaborators, which also includes external consultants, of Moncler and its Subsidiaries, identified by the Board of Directors upon the proposal of the Company and a subject to the previous opinion of the Nomination and Remuneration Committee

The identification of the Beneficiaries and the determination of the number of Moncler Rights to be granted to each of them will be carried out, by 30 June 2024, by the Board of Directors (with the abstention of any Directors included among the Beneficiaries, subject to the opinion of the Nomination and Remuneration Committee) following the approval of the Plan itself by the Shareholders' Meeting. This is without prejudice to the possibility for the Board to identify additional Beneficiaries within 18 (eighteen) months from the beginning of the Vesting Period, it being understood that, in this case, the number of Moncler Rights subject to attribution will be determined according to a pro-rata temporis criterion.

The number of Moncler Rights to be granted to each Beneficiary is determined by assessing the strategic importance of each Beneficiary, also in terms of value creation, considering, among other things, the following elements:

(a) the importance of the role in the organization;

(b) the performance track of the Beneficiary; and

(c) the need to take retention and attraction actions.

4) Methods and implementation clauses of the Plan, duration and conditions for the allocation of Shares

The Plan is based on a three-year vesting period consisting of fiscal years 2024-2026 (the **Vesting Period**).

Each Beneficiary will gratuitously receive one (1) Share per each Moncler Right held, subject to the achievement of the Performance Objectives.

The Performance Objectives are defined by the Board of Directors, prior to the favorable opinion of the Remuneration Committee and the Control, Risks and Sustainability Committee, each for the parts of their competence.

The following table sets out the Performance Objectives and their relevant weight:

KPI	DESCRIPTION
NET INCOME (70%)	The accumulated net profit as shown in the consolidated profit and loss account in the Management Report, 'Operating Performance' section, included in the consolidated financial statements of Moncler Group.
FREE CASH FLOW (15%)	The accumulated cash flow as shown in the reclassified consolidated cash flow statement in the Management Report, "Operating Performance" section, included in the Group's consolidated financial statements of pre-IFRS 16 and net of "changes in other assets/(liabilities)".
ESG (15%)	**Pillar: Nurture Uniqueness** Diversity, Equity & Inclusion training program completed by 100% of Management (Managers, Senior Managers, Executives and Senior Executives) by 2026. **Pillar: Think Circular & Bold** 55% of nylon used in the 2026 collections originating from so-called preferred raw material (i.e., recycled nylon, nylon bio-based). **Pillar: Act on Climate & Nature** Certification, by 2026, for the new Moncler headquarters in Milan according to the LEED standard for Building Design and Construction, which certifies the environmental efficiency of buildings, and according to the WELL standard for employee comfort and working conditions. An additional target reflecting the achievement of a high sustainability performance rating by one of the leading ESG rating companies is also included for the eventual achievement of over-performance[1].

Net Income and Free Cash Flow objectives are defined on the basis of the Business Plan 2024-2026 approved by the Board of Directors (the **BP**) with respect to which the relevant level of achievement will be verified.

Performance and payout levels

Minimum, target and maximum thresholds are set for each of the Performance Objectives. The Performance Objectives operate independently from each other.

For all Performance Objectives, the achievement of intermediate results between minimum and target thresholds and between target and maximum thresholds determines the allocation of a number of Shares calculated proportionally.

[1] This objective is related to Moncler's inclusion within the Dow Jones Sustainability World or Europe index or, alternatively, obtaining an A- or A rating from CDP Climate Change or obtaining an A or AA or AAA rating from MSCI Research or Sustainalytics' recognition of the Industry Top-Rated Badge or Regional Top Rated badge.

The achievement of results **below the minimum threshold** with respect to the individual Performance Objectives results in the lack of allocation of a number of Shares equal to the weight of the Performance Objective which has not been achieved. In the event that the minimum threshold is not achieved for any of the Performance Objectives, the Moncler Rights shall be deemed extinguished.

If the **target threshold** is exceeded, the incentive will be paid out (in proportion to the weight of the relevant Performance Objective) with a payout level of up to 120%.

The following table sets out the performance thresholds and payout levels (i.e., the percentages of achievement of Performance Objectives and Shares awards with regard to the Moncler Rights granted).

KPIs	WEIGHT (%)		PERFORMANCE/PAYOUT (% ACHIEVEMENT/% OF ASSIGNMENT OF SHARES WITH REGARD TO THE MONCLER RIGHTS GRANTED)		
			MINIMUM	TARGET KPI	MAXIMUM
NET INCOME	70	Performance	-10%	BP cumulative target	+5%
		Payout	80%	100%	120%
FREE CASH FLOW (*)	15	Performance	-10%	BP cumulative target	+5%
		Payout	80%	100%	120%
ESG	15	Performance	Achievement of at least two ESG objectives over the Vesting Period	Achievement of the three ESG objectives over the Vesting Period	Achievement of the three ESG objectives over the Vesting Period and achievement of a high evaluation of the Group's sustainability performance by one of the leading ESG rating agencies
		Payout	80%	100%	120%

The following table shows the annualized value of the incentive for Executive Directors and Managers with Strategic Responsibilities compared to the fixed component in cases where results are achieved at the minimum, target and maximum thresholds.

Role	Min (80%)	Target (100%)	Max (120%)
Chairman/CEO	134%	168%	202%

Chief Business Strategy & Global Market Officer	107%	134%	160%
Chief Corporate & Supply Officer	133%	167%	200%
MSRs (aggregate average)	135%	169%	202%

Verification of achievement of the Performance Objectives

The verification of the achievement of the Performance Objectives will be carried out by Moncler's Board of Directors at the same time as the approval of the consolidated financial statements and the consolidated non-financial statement for the 2026 financial year:

a) with reference to the Net Income and Free Cash Flow, subject to evaluation by the Remuneration Committee; and

b) with reference to ESG objectives, subject to the assessment of (i) the Control, Risks and Sustainability Committee and (ii) the Remuneration Committee. Furthermore, the achievement of these objectives shall be verified and reported through the issuance of an assurance letter by an independent third party acting as external auditor.

The Board of Directors, through the People & Organization Function, will notify each Beneficiary of the level of achievement or non-achievement of the Performance Objectives and, consequently, of the number of Shares to be assigned or the total or partial extinction of the Moncler Rights granted.

Termination of Relationship and Extraordinary Events

The granting to the Beneficiaries of the Moncler Rights and, where applicable, the assignment of the Shares, is subject, among other things, to the condition that the Beneficiary has a directorship and/or employment and/or self-employment and/or collaboration and/or consulting relationship (the **Relationship**) with Moncler or one of the Subsidiaries.

The Regulations establish, with reference to the different types of Relationship (distinguishing between: (i) subordinate employment relationship, (ii) directorship relationship and (iii) collaboration, self-employment or consultancy relationship), the different effects caused by any termination of the same, taking into account the cause and the moment in which the termination should occur. The Regulations therefore provide for hypotheses of so-called good leaver (such as, by way of example and not limited to, the attainment of the conditions for early retirement, the expiration of the term of office or the death of the Beneficiary) and of so-called bad leaver (such as, by way of example and not limited to, the termination of the Relationship in the event of unilateral withdrawal by Moncler or the Subsidiaries, the revocation for just cause of the Beneficiary from office or the resignation by the same from the position).

It is also provided that, upon the occurrence, prior to the assignment date of the Shares, of certain extraordinary events (change of control, launching of a takeover or public exchange offer of the Moncler Shares, delisting of the Moncler Shares from Euronext Milan (delisting)), the Beneficiaries will have the right to request the early and pro rata assignment of a number of Shares, subject to verification of the achievement of the Performance Objectives pursuant to the Regulations.

Information on the implementation of the Plan will be made available to the public within the timeframe and in the manner provided for by the applicable rules.

5) Support of the plan by the special Fund for the incentive of the participation of employees to enterprises, as per Art. 4, paragraph 112 of Law No. 350 of December 24,

2003

The Plan will not receive any support from the special Fund for the incentive of the participation of employees to enterprises, as per Art. 4, paragraph 112 of Law No. 350 of 24 December 2003.

6) Limits to the transfer of the Moncler Rights and of the assigned Shares

The Moncler Rights and all rights related thereto are strictly personal, nominative, not transferrable *inter vivos* nor negotiable, and, therefore, not distrainable nor exchangeable against any debt or contract entered by any of the Beneficiaries with Moncler or third parties.

The Shares assigned to Beneficiaries who are Executive Directors or Managers with Strategic Responsibilities are subject to a lock-up restriction consistent with the recommendations of the CG Code. Specifically, as of the Assignment Date:

(a) the Executive Directors will be required to continuously hold a number of Shares equal to 30% of the number of Shares subject to grant until the end of the current term of office on the assignment date of the Shares; and

(b) the Managers with Strategic Responsibilities will be obligated to continuously hold a number of Shares equal to 30% of those subject to assignment for at least 24 months from the Assignment Date of the Shares

net of the transferable Shares for the payment of tax, social security and welfare charges, where due, connected with the assignment of the Shares.

Such Shares shall be subject to a lock-up obligation– and therefore they shall not be transferred, contributed, exchanged, loaned, or be subject to any other acts *inter vivos* – until the expiration of the terms as set forth above, except in case of prior written authorization by the Board of Directors, having consulted with the Remuneration Committee.

The Beneficiaries Executive Directors or Managers with Strategic Responsibilities who have been awarded the Substitute Cash Amount shall have the obligation to reinvest the Substitute Cash Amount in Shares of the Company, which, as of the date of purchase by such Shares, shall be subject to the restriction of unavailability under the conditions and terms provided in Regulations.

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Dear Shareholders,

In light of the above, we invite you to resolve upon the following:

"*The Shareholders Meeting of Moncler S.p.A.*

- *having examined the directors' report drafted by the Board of Directors in accordance with Art. 114-bis and 125-ter of Italian Legislative Decree No. 58 of February 24, 1998, as subsequently amended and supplemented;*
- *having examined the Plan information memorandum prepared pursuant to Art. 84-bis of the Regulation adopted by 6 CONSOB with Resolution No. 11971 of May 14, 1999, as subsequently amended, which is publicly available in accordance with the applicable rules*

resolves

1 *to approve, pursuant to and for the purposes of Art. 114-bis of Italian Legislative Decree No. 58 of February 24, 1998, the adoption of the incentive plan based on shares named "2024 Performance Share Plan" with the features (including conditions and implementation requirements) indicated in the Directors' report and in the Plan information memorandum;*

2 *to grant the Board of Directors, all necessary and specific powers, including the*

power to sub-delegate, to execute the "2024 Performance Shares Plan", namely including, but not limited to, all powers in order to prepare, adopt the Plan regulations and to modify it and/or integrate it, to identify the beneficiaries and to determine the amount of Moncler rights to be granted to each beneficiary, to provide for the allocation of the shares, as well as to carry out all acts, duties, formalities, notices necessary or appropriate in order to manage and/or execute the Plan, as well as in order to comply with legal and regulatory requirements ensuing from these resolutions".

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Milan, 28 February 2024

For the Board of Directors

The Chairman, Remo Ruffini