

Ferrari



ANNUAL GENERAL MEETING
APRIL 14, 2017

AGENDA AND EXPLANATORY NOTES



AGENDA

ANNUAL GENERAL MEETING OF SHAREHOLDERS
OF FERRARI N.V. (THE “**COMPANY**”)
TO BE HELD ON FRIDAY, APRIL 14, 2017 AT 3:00 P.M. CET AT
RADISSON BLU HOTEL AMSTERDAM AIRPORT, BOEING
AVENUE 2, 1119 PB SCHIPHOL-RIJK, THE NETHERLANDS

1. OPENING

2. ANNUAL REPORT 2016

- a. Report of the Board of Directors for the financial year 2016 (*discussion*)
- b. Implementation of the remuneration policy in 2016 (*discussion*)
- c. Policy on additions to reserves and on dividends (*discussion*)
- d. Cash distribution from reserves (*discussion*)
- e. Adoption of the 2016 Annual Accounts (*voting*)
- f. Granting of discharge to the directors in respect of the performance of their duties during the financial year 2016 (*voting*)

3. RE-APPOINTMENT OF THE EXECUTIVE DIRECTORS AND NON-EXECUTIVE DIRECTORS

- a. Re-appointment of Sergio Marchionne (executive director) (*voting*)
- b. Re-appointment of John Elkann (non-executive director) (*voting*)
- c. Re-appointment of Piero Ferrari (non-executive director) (*voting*)
- d. Re-appointment of Delphine Arnault (non-executive director) (*voting*)
- e. Re-appointment of Louis C. Camilleri (non-executive director) (*voting*)
- f. Re-appointment of Giuseppina Capaldo (non-executive director) (*voting*)
- g. Re-appointment of Eduardo H. Cue (non-executive director) (*voting*)
- h. Re-appointment of Sergio Duca (non-executive director) (*voting*)
- i. Re-appointment of Lapo Elkann (non-executive director) (*voting*)
- j. Re-appointment of Amedeo Felisa (non-executive director) (*voting*)
- k. Re-appointment of Maria Patrizia Grieco (non-executive director) (*voting*)
- l. Re-appointment of Adam Keswick (non-executive director) (*voting*)
- m. Re-appointment of Elena Zambon (non-executive director) (*voting*)



4. **AMENDMENT REMUNERATION POLICY OF THE BOARD OF DIRECTORS (VOTING)**
5. **AUTHORIZATION OF THE BOARD OF DIRECTORS TO ACQUIRE COMMON SHARES IN THE CAPITAL OF THE COMPANY (VOTING)**
6. **APPROVAL OF NUMBER OF COMMON SHARES AVAILABLE FOR DIRECTORS UNDER THE EQUITY INCENTIVE PLAN AND THE CRITERIA APPLICABLE TO GRANTING OF SUCH SHARES (VOTING)**
7. **APPOINTMENT OF EXTERNAL AUDITOR (VOTING)**
8. **CLOSE OF MEETING**

EXPLANATORY NOTES TO THE AGENDA

Item 1: Opening

The chairperson of the meeting will open the Annual General Meeting of Shareholders.

Item 2: Annual Report 2016

2.a. Report of the Board of Directors for the financial year 2016 (discussion)

The Report on Operations of Ferrari N.V. is contained in the Company's Annual Report 2016. For further details please refer to the "Report on Operations" section of the Annual Report.

2.b. Implementation of the remuneration policy in 2016 (discussion)

The director's remuneration report for 2016 is contained in the Company's Annual Report. For further details on the remuneration of the Company's directors please refer to the "Remuneration of Directors" section of the Annual Report.

2.c. Policy on additions to reserves and on dividends (discussion)

In accordance with the Dutch Corporate Governance Code, the policy on reserves and dividends will be dealt with and explained as a separate agenda item. The Company will not amend its dividend policy and refers to the Annual Report 2016 for a description of the dividend policy.

2.d. Cash distribution from reserves (discussion)

On 1 March 2017 the Board of Directors resolved in accordance with article 23.10 of the articles of association of the Company to make a distribution of EUR 0.635 per common share (amounting to approximately EUR 120 million in the aggregate), subject to adoption of the 2016 Annual Accounts.

2.e. Adoption of the 2016 Annual Accounts (voting)



The 2016 Annual Accounts have been audited by Ernst & Young Accountants LLP, who have issued an unqualified opinion in respect thereof.

It is proposed that the 2016 Annual Accounts will be adopted by the General Meeting of Shareholders.

2.f. Granting of discharge to the directors in respect of the performance of their duties during the financial year 2016 (voting)

The General Meeting of Shareholders is requested to grant discharge to the executive directors in respect of the performance of their management duties as such management is apparent from the financial statements or otherwise disclosed to the General Meeting of Shareholders prior to the adoption of the 2016 Annual Accounts and to grant discharge to the non-executive directors in respect of the performance of their non-executive duties as such performance is apparent from the financial statements or otherwise disclosed to the General Meeting of Shareholders prior to the adoption of the 2016 Annual Accounts.

Item 3: Re-appointment of the executive directors and non-executive directors

3.a. Re-appointment of Sergio Marchionne (executive director) (voting)

Article 14, paragraph 3 of the articles of association of the Company determines that the term of office of the executive director will expire on the day the first Annual General Meeting of Shareholders is held in the following calendar year, while also allowing the annual re-appointment of its executive director. The executive director is eligible and has stated his willingness to accept a re-appointment.

The Board of Directors believes that the executive director seeking re-appointment at the Annual General Meeting of Shareholders continues to contribute significantly to the Company and to perform its duties effectively, and that he demonstrates commitment to his role in the Company. Accordingly, the Board of Directors recommends the shareholders the re-election of Sergio Marchionne as executive director.

The relevant biographical details and curriculum vitae of the nominee is available for inspection at the offices of the Company as well as on the Company's corporate website (<http://corporate.ferrari.com>).

3.b. Re-appointment of John Elkann (non-executive director) (voting)

3.c. Re-appointment of Piero Ferrari (non-executive director) (voting)

3.d. Re-appointment of Delphine Arnault (non-executive director) (voting)

3.e. Re-appointment of Louis C. Camilleri (non-executive director) (voting)

3.f. Re-appointment of Giuseppina Capaldo (non-executive director) (voting)

3.g. Re-appointment of Eduardo H. Cue (non-executive director) (voting)



- 3.h. *Re-appointment of Sergio Duca (non-executive director) (voting)*
- 3.i. *Re-appointment of Lapo Elkann (non-executive director) (voting)*
- 3.j. *Re-appointment of Amedeo Felisa (non-executive director) (voting)*
- 3.k. *Re-appointment of Maria Patrizia Grieco (non-executive director) (voting)*
- 3.l. *Re-appointment of Adam Keswick (non-executive director) (voting)*
- 3.m. *Re-appointment of Elena Zambon (non-executive director) (voting)*

Article 14, paragraph 3 of the articles of association of the Company determines that the term of office of the non-executive directors will expire on the day the first Annual General Meeting of Shareholders is held in the following calendar year, while also allowing the annual re-appointment of its non-executive directors. All twelve non-executive directors are eligible and have stated their willingness to accept a re-appointment.

The Board of Directors believes that the contribution and performance of each of the non-executive directors seeking re-appointment at the Annual General Meeting of Shareholders continues to be effective, and that they each demonstrate commitment to their respective roles in the Company. Accordingly, the Board of Directors recommends to the shareholders the re-election of John Elkann, Piero Ferrari, Delphine Arnault, Louis C. Camilleri, Giuseppina Capaldo, Eduardo H. Cue, Sergio Duca, Lapo Elkann, Amedeo Felisa, Maria Patrizia Grieco, Adam Keswick and Elena Zambon as non-executive directors. The following candidates were assessed by the Board of Directors as independent pursuant to both the New York Stock Exchange Listing Standards and the Dutch Corporate Governance Code: Delphine Arnault, Giuseppina Capaldo, Eddy Cue, Sergio Duca, Maria Patrizia Grieco, Adam Keswick, Elena Zambon.

The relevant biographical details and curriculum vitae of each nominee is available for inspection at the offices of the Company as well as on the Company's corporate website (<http://corporate.ferrari.com>).

Item 4: Amendment of the remuneration policy of the Board of Directors (voting)

Pursuant to Dutch law the remuneration of the Board of Directors is to be determined with due observance of a remuneration policy adopted by the General Meeting of Shareholders. At the recommendation of its Compensation Committee, the Board of Directors proposes to partially amend the Remuneration Policy of the Board of Directors. The amended Remuneration Policy will provide for a significantly lower annual remuneration of Non-Executive Directors to be paid in cash only and for certain facilitations for the Directors in the purchase or use of Company products. In addition the amended Policy will provide for the Board of Directors to issue stock ownership guidelines applicable to Directors and Employees. The amended Remuneration Policy is available as meeting material.

Item 5: Authorization of the Board of Directors to acquire common shares in the capital of the Company (voting)



The Board of Directors believes that it is advantageous for the Company to have the flexibility to acquire own common shares, *inter alia*, to ensure coverage of equity-based incentive plans by the Company and to enable the Board of Directors to carry out share buy-back programs if the Board of Directors considers such buy-back would increase earnings per share and be in the best interests of the Company and all shareholders generally.

Therefore, it is proposed that the General Meeting of Shareholders, in accordance with article 8 of the articles of association of the Company, delegates to the Board of Directors the authority to acquire common shares in the capital of the Company, either through purchase on a stock exchange, through a public tender offer, offer for exchange or otherwise, up to a maximum number of common shares equal to 10% of the Company's issued common shares on April 14, 2017 at a purchase price per share, excluding expenses, not higher than 10% above or more than 10% below the average of the closing price of the common shares on the New York Stock Exchange and/or the Mercato Telematico Azionario for the five business days before the day on which the acquisition is made, for a period of 18 months from the date of the Annual General Meeting of Shareholders (April 14, 2017) and, therefore, up to and including October 13, 2018.

Item 6: Approval of number of common shares available for directors under the equity incentive plan and the criteria applicable to granting of such shares (voting)

The Board of Directors has, upon the recommendation of its Compensation Committee, approved an equity incentive plan. Our equity incentive plan provides for grants *inter alia* to reward our Chief Executive Officer for achieving significant returns to our shareholders over the long-term. We believe that the equity incentive plan increases the alignment between the Company's performance and shareholder interests, by linking the Chief Executive Officer's compensation opportunity to increasing shareholder value.

The Compensation Committee believes that focusing on the long-term component of compensation is appropriate for the Chief Executive Officer position because it emphasizes the Company's long-term strategy and provides a significant retention element.

Under the equity incentive plan performance share units ("PSUs") can be awarded, each representing the right to receive one common share of the Company. The Chief Executive Officer's equity incentive plan grant covers a five-year performance period from 2016 to 2020, consistent with the Company's strategic horizon.

The PSUs to be awarded to the Chief Executive Officer are conditional on Company performance as described below. The PSUs vest in equal tranches in February 2019, 2020 and 2021, subject to the achievement of a market performance condition related to Total Shareholder Return ("TSR"). The interim partial vesting periods are independent of one another and any under-achievement in one period can be offset by over-achievement in subsequent periods. Upon vesting the payout ranges from 50 percent of the target amount of PSUs if the Company's TSR is ranked fifth among the industry specific peer group of eight, including the Company (the "Peer Group"), up to a maximum of 150 percent of the target amount of PSUs if the Company's TSR is ranked first among the Peer Group (120



percent if second, 100 percent if third and 75 percent if fourth). There is no partial vesting of the PSUs for the Chief Executive Officer if the Company's TSR is ranked lower than fifth among the Peer Group.

The relative TSR Peer Group consists of Hermes, Burberry, Brunello Cucinelli, Ferragamo, LVMH, Moncler and Richemont.

It is proposed that target amount of PSUs for award to the Chief Executive Officer is 450,000 PSUs, which in accordance with the conditions of the grant can increase to 150 percent as described above, and that in connection herewith a corresponding number of common shares of the Company shall be available for this award of PSUs to the Chief Executive Officer.

Item 7: Appointment of external auditor (voting)

Pursuant to article 21.1 of the articles of association of the Company, the General Meeting of Shareholders has the authority to appoint the external auditor that will conduct the audit of the financial statements. The Audit Committee has reviewed the performance of the auditor and the effectiveness of the audit. Based on such review the Audit Committee has recommended the re-appointment of Ernst & Young Accountants LLP as independent auditor of the Company until the 2018 Annual General Meeting of Shareholders. The Board of Directors concurs with the Audit Committee's recommendation and submits to the shareholders the proposal to reappoint Ernst & Young Accountants LLP as independent auditor of the Company until the 2018 Annual General Meeting of Shareholders.

Item 8: Close of meeting

The chairperson of the meeting will close the Annual General Meeting of Shareholders. Final greetings.

FERRARI N.V., March 3, 2017

WE ARE NOT ASKING FOR YOUR PROXY. THIS IS NOT A PROXY STATEMENT NOR A SOLICITATION OF PROXIES. THE COMMON SHARES AND SPECIAL VOTING SHARES OF FERRARI N.V. ARE EXEMPT FROM THE PROXY RULES OF THE UNITED STATES SECURITIES EXCHANGE ACT OF 1934, AS AMENDED.