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**F E R R E T T I G R O U P**

**Ferretti S.p.A.**

*(Incorporated under the laws of Italy as a joint-stock company with limited liability)*

**(Stock Code: 09638)**

## **OVERSEAS REGULATORY ANNOUNCEMENT**

This announcement is made by Ferretti S.p.A. (the “**Company**”) pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The following document of the Company was published on the website of eMarket SDIR in Italy in accordance with and in the manners set forth in the Consob Issuer’s Regulation and in compliance with the provisions of the Instructions accompanying the Rules of the Markets organised and managed by Borsa Italiana S.p.A..

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By order of the Board

**Ferretti S.p.A.**

**Mr. Alberto Galassi**

*Executive Director and Chief Executive Officer*

Hong Kong, 23 April 2026

*As at the date of this announcement, the Board comprises Mr. Alberto Galassi and Mr. Tan Ning as executive Directors; Mr. Hao Qinggui, Mr. Piero Ferrari, Ms. Jiang Lan (Lansi) and Mr. Jin Zhao as non-executive Directors; and Mr. Patrick Sun, Mr. Stefano Domenicali and Ms. Zhu Yi as independent non-executive Directors.*

**FERRETTI S.P.A.**

a company with registered office at Via Irma Bandiera 62, Cattolica, Rimini – share capital of euro  
338,482,654.00

Taxpayer reference, VAT No. and company registration no. 04485970968 at the Register of Companies for  
Romagna, Forlì-Cesena and Rimini -REA No. 29 - 296608

**REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE**

prepared pursuant to article 123-*bis* of Legislative Decree No. 58 of 24 February 1998 58

for the year ended 31 December 2025



**FERRETTIGROUP**

(traditional administrative and control model)

Approved by the Board of Directors on 31 March 2026

Published on the website, [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Corporate Governance*.

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## GLOSSARY

<b>By-Laws</b>	means the Company's by-laws, as most recently amended on 18 May 2023 and made available on the Issuer's website at <a href="http://www.ferrettigroup.com">www.ferrettigroup.com</a> , in the section, <i>Corporate Governance</i> .
<b>Board or Board of Directors</b>	means the Issuer's Board of Directors.
<b>Board of Statutory Auditors</b>	means the Issuer's Board of Statutory Auditors.
<b>Borsa Italiana</b>	means Borsa Italiana S.p.A., a company with registered office at Piazza degli Affari 6, Milan.
<b>Civil Code</b>	means the Royal Decree No. 262 of 16 March 1942, as amended from time to time.
<b>Code of Ethics</b>	means the set of defined, recognised and agreed values that are established by the Ferretti code of ethics to govern the conduct of directors, employees and all those who work with the Issuer's business.
<b>CONSOB</b>	means the National Commission for Companies and the Stock Exchange, with registered office at Via GB Martini, 3, Rome.
<b>Consolidated Law on Financial Intermediation or CLFI</b>	means Legislative Decree No. 58 of 24 February 1998, as amended.
<b>Controls, Risks, and Related Parties Committee or Audit Committee</b>	means Ferretti's internal controls, risks and related parties committee, which has oversight of transactions with related parties and is appointed in accordance with the RPT Rules.
<b>Corporate Governance Code</b>	means the Corporate Governance Code for listed companies, as approved in January 2020 by the Corporate Governance Committee and promoted by Borsa Italiana, ABI, ANIA, Assonime, Confindustria, and Assogestioni, available at <a href="http://www.borsaitaliana.it">www.borsaitaliana.it</a> in the section, <i>Corporate Governance</i> in the <i>Market Rules</i> .
<b>Corporate Governance Committee</b>	means the Corporate Governance Committee for listed companies, promoted by Borsa Italiana, ABI, ANIA, Assogestioni, Assonime, and Confindustria.

<b>ESRS</b>	means the European sustainability reporting standards set forth in the Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023.
<b>Euronext Milan</b>	means the regulated market known as Euronext Milan, organised and operated by Borsa Italiana.
<b>First Trading Day</b>	means 27 June 2023, the date on which trading in shares of Ferretti began on Euronext Milan.
<b>Group</b>	means Ferretti and the companies it controls pursuant to article 2359(1)(1) of the Civil Code, and its associates pursuant to article 2359(3) of the Civil Code that are included within its consolidation perimeter.
<b>IARMS</b>	means the Issuer's internal controls and risk management system.
<b>Issuer, Ferretti or the Company</b>	means Ferretti S.p.A., a company with registered office at Via Irma Bandiera 62, Cattolica (Rimini), REA No. 29 – 296608, taxpayer reference and company registration no. 04485970968 at the Register of Companies for Romagna, Forlì-Cesena and Rimini.
<b>Issuers' Regulations</b>	means the implementing regulations of the CLFI regarding the duties and obligations of issuers that were adopted by CONSOB under its Resolution No. 11971 of 14 May 1999, as amended.
<b>Listing Rules</b>	means the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time.
<b>Market Abuse Regulation or MAR</b>	means Market Abuse Regulation (EU) No 596/2014, as amended.
<b>Market Rules</b>	means the rules governing the markets organised and operated by Borsa Italiana.
<b>Remuneration Committee</b>	means the Company's remuneration committee, established further to the recommendations set forth in the Corporate Governance Code.
<b>Remuneration Policy</b>	means Section I of the Remuneration Report, which sets forth clearly and in a comprehensible manner (a) the Company's and the Group's policy on the remuneration of members of the Board of Directors, the ESRs, and, subject always to the terms of article 2402 of the Civil Code, the members of the Board of Statutory Auditors; and (b) the bodies involved, and the procedures used, in preparing, approving and revising that policy, and its term.

<b>Remuneration Report</b>	means the report on remuneration policy, and compensation paid, prepared pursuant to article 123-ter, CLFI, article 84-quater of the Issuers' Regulations, in accordance with Schedule 7-bis to those Regulations, which is available, as the law requires, from the Company's registered office and its website at <a href="http://www.ferrettigroup.com">www.ferrettigroup.com</a> , in the section, <i>Corporate Governance</i> .
<b>2026 Remuneration Policy</b>	means the Remuneration Policy for the 2026 financial year, as approved by a meeting of the Board of Directors of 31 March 2026, at the proposal of the Remuneration Committee, and subject to approval from the Shareholders' Meeting called to resolve upon the Issuer's financial statements as at and for the year ended 31 December 2025.
<b>Report</b>	means this report on corporate governance and structures, as required to be prepared and published pursuant to article 123-bis, CLFI.
<b>Reporting Year</b>	means the financial year ended 31 December 2025.
<b>RPT Procedure</b>	means the procedure that governs transactions with related parties that are effected by the Issuer, or through subsidiaries, in accordance with the terms of the CONSOB Related Parties Rules, as approved on a preliminary basis by a meeting of the Issuer's Board of Directors of 18 May 2023 and subsequently approved on 19 February 2024, following favourable review by the independent directors.
<b>RPT Rules</b>	means the regulations on transactions with related parties 17221 of 12 March 2010, as amended.
<b>Shareholder Engagement Policy</b>	means Ferretti's policy for managing engagement with shareholders and other material stakeholders, as approved by the Board of Directors on 18 May 2023.
<b>Shareholders' Meeting</b>	means the shareholders' meeting of Ferretti.
<b>SME(s)</b>	means the small and medium-sized enterprises whose shares are listed, pursuant to article 1(1)(w-quater)(1) of the CLFI, and article 2-ter of the Issuers' Regulations.
<b>Supervisory Board</b>	means the supervisory board established by the Issuer pursuant to Legislative Decree 231/2001.

## Sustainability Report

means the sustainability report for the year ended 31 December 2025, as approved by the Board of Directors on 31 March 2026 and published on the Company's website (at [www.ferrettigroup.com](http://www.ferrettigroup.com)), within the sections *Investor Relations* and *Sustainability*, pursuant to Legislative Decree No. 125 of 6 September 2024 which transposed Directive (EU) No. 2022/2464 (the Corporate Sustainability Reporting Directive).

Except where this Report indicates otherwise, the following terms have the meanings they are attributed in the Corporate Governance Code: independent director, significant shareholder, chief executive officer or CEO, board of directors, business plan, company with concentrated ownership, large company, sustainable success, and top management.

In addition, where not otherwise specified, the definitions set forth in the ESRS are deemed incorporated by reference into the sections that refer to the content of those ESRS, in particular those relating to: lobbying activities, the value chain, affected communities, corruption and bribery, corporate culture, consumers, the sustainability statement, employees, discrimination, suppliers, the workforce, impacts, sustainability impacts, workers in the value chain, non-employee workers, independent members of the board of directors, metrics, business models, harassment, the objective, opportunities, sustainability opportunities, management administrative and control bodies, politics, deprived peoples, stakeholders, sustainability issues, materiality, risks, sustainability risks, and end-users.

## 1 ISSUER'S PROFILE

Ferretti is an established player in the global luxury yacht market, leading the global market for luxury yachts over 9 metres (approximately 30 feet), and among the first-ranked players within the super yacht segment.

Since 31 March 2022, Ferretti has been listed on the Hong Kong Stock Exchange, and since 27 June 2023, also on Euronext Milan, a market organised and managed by Borsa Italiana.

### 1.1 GOVERNANCE SYSTEM ADOPTED BY THE ISSUER

In order to ensure an effective and transparent allocation of roles and responsibilities among its corporate bodies and, in particular, proper balance between the management functions and the control functions, the Issuer has adopted a system of corporate governance that is consistent with the manner in which regulation has evolved, and best practices in Italy and internationally, drawing upon the principles and recommendations set forth in the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, to which the Issuer adheres. The corporate governance system has been constructed in accordance with the laws and regulations that govern companies listed in Italy and in Hong Kong.

Ferretti had adopted a traditional system of management and control under article 2380-*bis et seq.* of the Civil Code, in which connection the Board of Directors is responsible for management of the business, and the Board of Directors is responsible for control and supervisory functions<sup>(1)</sup>.

Ferretti's governance system ensures that the Issuer's management and its shareholders are continually in contact. It comprises:

- (a) the **Shareholders' Meeting**, which as a body has functions that are exclusively to resolve upon matters that are, by law, circumscribed to those decisions of greatest importance to the Company's existence;
- (b) the **Board of Directors**, which is the body responsible for leading and managing the Company and the Group. The Board of Directors places considerable priority upon its role in leading the Group in pursuit of sustainable growth and the consistent creation of value for the Company over the medium and long term. A Nomination Committee, a Remuneration Committee, a Sustainability Committee (also known as the Environmental, Social and Governance Committee), a Strategic Committee and a Controls, Risks and Related Parties Committee (also known as the Audit Committee) are each made up of members of the Board of Directors. All have functions of bringing proposals and offering advice, consistent with the recommendations set forth in the Corporate Governance Code; a Related Party Committee (a role fulfilled by the Controls, Risks and Related Parties Committee) has also been established in accordance with the applicable laws and regulations, the RPT Rules and the RPT Procedure;
- (c) the **Board of Statutory Auditors** oversees, *inter alia*: (i) compliance with the law and the By-Laws, and also with principles of sound administration; (ii) with respect to the matters within its purview, the adequacy of the Company's organisational structure, internal control system and accounting administrative system, and the reliability of the latter in representing the Issuer's transactions; (iii) the manner in which the corporate governance rules under the codes of conduct to which the Issuer is bound are implemented in practice; and (iv) the effectiveness of the internal audit and risk management system, the external auditing, and the independence of the external auditor; and
- (d) the **External Auditor** audits the accounts. It is appointed in accordance with the terms of the deed of incorporation, by the Shareholders' Meeting at the proposal of the Board of Statutory Auditors. The External Auditor performs its duties independently and autonomously and accordingly is not a representative of either the majority or the minority shareholders. The audit firm EY S.p.A. ("**EY**") has been appointed, by resolution of the Shareholders' Meeting of 18 May 2023, to audit the accounts for each of the nine years 2023-2031. EY has also been appointed by the Shareholders' Meeting of 21 January 2025 to act as the "sustainability reporting auditor", and is thus charged with certifying the compliance of the Sustainability Report.

Ferretti has also established a Supervisory Board, responsible for overseeing the effectiveness and adequacy of the Issuer's internal controls and mechanisms, and of its organisational and operational model adopted pursuant to

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<sup>(1)</sup> The matters within the purview of each of the corporate bodies, and the rules under which they operate, are governed by laws and regulations in force, the By-Laws, the Rules of the Shareholders' Meeting, the Rules of the Board of Directors and those of the individual Committees, adopted by the Board of Directors on 20 March 2023; and the Company's own internal procedures.

and for the purposes of Decree 231/2001 (the “**231 Model**”); and for reporting upon its implementation. Looking beyond the Supervisory Board, the Issuer’s Internal Audit function, the Controls, Risks and Related Parties Committee, the Sustainability Committee and the Board of Statutory Auditors all have an important role in the Issuer’s IARMS.

In order to comply with the recommendations set forth in the Corporate Governance Code, on 18 May 2023 the Board of Directors:

- (i) pursuant to recommendation 11 under article 3 of the Corporate Governance Code, approved the Rules of the Board of Directors, and the Rules for the individual Committees. These define the rules of operation of the Board of Directors, the Controls, Risks Committee and Related Parties Committee, the Remuneration Committee, the Nomination Committee and the Sustainability Committee, including the manner in which the meetings are minuted and the procedures for handling the supply of information to Directors (for further information on the Rules of the Board of Directors, please see section 4.4, below);
- (ii) pursuant to recommendation 3 under article 1 of the Corporate Governance Code, adopted the Shareholder Engagement Policy (for further information on the terms of that policy, please see Section 12, below).

As the parent company of the Group, Ferretti directs the strategies of its business and of the Group as a whole, and directs and coordinates within the meaning of article 2497 *et seq.* of the Civil Code, in respect of the Italian subsidiaries it controls within the Group, setting forth medium- and long-term strategies in terms of (i) economic and financial results; (ii) investment and industrial objectives; and (iii) commercial and marketing policies.

The values articulated by the Code of Ethics commit all employees to ensure that the Group’s activities are carried on in accordance with the law, regulations and the internal procedures adopted by the Group, within a framework of fair competition, with honesty, integrity and propriety, while respecting the legitimate interests of Shareholders, employees, customers, suppliers, and business and financial partners, as well as the communities in the countries where the Group is present.

As at the date of this Report, the Issuer does not qualify as:

- (i) a “large company” under the Corporate Governance Code, in that its market capitalisation has in the past three calendar years been below the threshold for large companies thereunder (which is to say, euro 1 billion); and
- (ii) a “company with concentrated ownership” within the meaning of that phrase under the Corporate Governance Code, since, as at the date of this Report, to the best of the Company’s knowledge, there are no shareholders’ agreements among its shareholders.

## 1.2 QUALIFICATION AS SME

It should be noted that at the date of this Report, the Company qualifies as an SME, pursuant to Article 1, paragraph 1, letter *w-quater.1*), CLFI, and is included in the list of “SME listed share issuers”, updated in January 2026, published by Consob on its website, at “[www.consob.it/web/area-pubblica/emittenti-quotati-pmi](http://www.consob.it/web/area-pubblica/emittenti-quotati-pmi)”, as the market capitalisation of Ferretti (calculated in accordance with Article 2-ter, paragraph 1, of the Issuers’ Regulations), from the First Trading Day (i.e., from 27 June 2023), has not exceeded for three consecutive years the threshold set forth in Article 1, paragraph 1, letter *w-quater.1*), CLFI (i.e., Euro 1 billion). The following chart illustrates Ferretti’s market capitalisation from the First Trading Day.

MARKET CAPITALIZATION (*)		
FROM 27 JUNE 2023	2024	2025
Euro 991,371,768	Euro 982,971.020	Euro 933,559,336

(\*) Pursuant to Article 2-ter, paragraph 1, of the Issuers’ Regulation, it corresponds to the simple average of the daily capitalization calculated with reference to the official price, recorded during the year.

### 1.3 SUSTAINABILITY POLICIES

Under the Corporate Governance Code, the Board of Directors is charged with leading the Company in pursuit of sustainable success, an objective that in practice means the creation of long-term value for the benefit of Shareholders, while taking into consideration the interests of the Group's other major stakeholders.

In line with best practices and the provisions of the Corporate Governance Code, the Board of Directors manages the Company with a view to the pursuit of sustainable success in application of the guidelines of the Group's Business Plan for the period 2023-27 (the "**Business Plan**"), approved at the meeting of the Board of Directors of 8 March 2023.

Additionally, in accordance with the terms of the Hong Kong Stock Exchange's Environmental, Social and Governance Reporting Code, the Group considers and determines the features and extent of the risks related to environmental, social and governance matters, in relation to the key issues.

Finally, the Company is obliged to prepare a Sustainability Report in accordance with the provisions of Legislative Decree No. 125 of 6 September 2024, which transposed Directive (EU) No. 2022/2464 (the Corporate Sustainability Reporting Directive) into Italian law. For further information regarding the Sustainability Report approved by the Board of Directors on 31 March 2026, please see the Issuer's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section "*Investors Relations*" and "*Sustainability*".

With respect to the roles and responsibilities of the Issuer's various administrative, management and control bodies in overseeing the procedures for managing the material risks, impacts and opportunities more particularly identified in the Sustainability Report, as at the date of this Report, Ferretti has not identified those roles and responsibilities, nor formally set out in detail the mechanisms by which responsibilities related to those impacts, risks and opportunities are integrated into the Issuer's mission, the mandates held by the administrative, management and control bodies or the policies related thereto; nor has it defined how the objectives in relation to such issues are to be systematically monitored. Notwithstanding that, the Group intends to continue to pursue analysis and continuous improvement in these areas.

The Sustainability Committee plays a strategic role, across a range of functions, in assisting the Board of Directors in setting and implementing policies and strategies related to environmental, social and governance features. More particularly, the Sustainability Committee is responsible for monitoring ESG issues to assess their direct impact on business strategy and systematically reviewing sustainability performance. As part of its reviewing and verifying the data contained in the Sustainability Report, the Sustainability Committee also has the task of certifying and examining the impacts, risks and opportunities it identifies, ensuring that they are correctly represented and that they align with the Issuer's business strategies and stated objectives, and the relevant ESG standards. In support of decision-making processes, the Sustainability Committee sets specific metrics and objectives, with a view to improving ESG performance consistently over time. Accordingly, it makes practical recommendations that guide the business towards more sustainable and responsible initiatives, ensuring that these proposals are in line with the Company's overall strategy and international best practices. In addition, the Sustainability Committee assists the Board of Directors in analysing and updating the Group's sustainability policy, integrating the results of ESG assessments into decision-making processes, and setting medium- and long-term objectives for better management of impacts, risks and opportunities. The Sustainability Committee also has proactive and advisory roles regarding matters of Corporate Social Responsibility (CSR). It monitors the implementation of sustainability policies and strategies, proposes actions for their correction or further development, and oversees preparation of, and approves, the Sustainability Report, key demonstrations of the Issuer's commitment to transparent and comprehensive reporting. In addition, the Sustainability Committee helps ensure that information about impacts, risks and opportunities is effectively communicated to the administrative and control bodies. For further information regarding the composition and role of the Sustainability Committee, please see paragraph 6.3, below.

Ferretti is committed to ensuring that the administrative, management and control bodies are at all times kept current on sustainability issues, thereby ensuring that a disciplined and intentional framework guides all strategic decisions.

During the Reporting Year, the double materiality analysis conducted in 2024 was confirmed. This is an essential process to identify and map the risks, opportunities and impacts of sustainability on business activities. The double materiality analysis, confirmed in 2025, revealed a number of significant impacts, including some related to climate change, the workforce, and workers in the value chain; and a number of opportunities, including some related to working conditions, equal treatment and business culture.

The Board of Directors has been taking these into account, both in setting long-term strategy and in its most important operational decisions. The meeting also included an account of Directive (EU) No. 2022/2464 (the Corporate Sustainability Reporting Directive), highlighting Ferretti’s commitment to adapting to meet regulatory developments on sustainability. Adopting an integrated approach to risk management has made it possible to improve Ferretti’s ability to adapt to changes in the regulatory and market environment, bolstering transparency and accountability in corporate governance.

For a list of material impacts, risks and opportunities, their current or possible future effects upon people and the environment, how they arose, and their connection to the Issuer’s strategy and business model, as well as details of how the Group looks to respond to these effects, likely time horizons and the Group’s level of involvement in the generation of these impacts, please see the Sustainability Report on the Company’s website ([www.ferrettigroup.com](http://www.ferrettigroup.com)), in the sections, “Investor Relations” and “Sustainability”.

## **2 INFORMATION REGARDING OWNERSHIP (PURSUANT TO ARTICLE 123-BIS(1), CLFI)**

### **2.1 STRUCTURE OF SHARE CAPITAL (PURSUANT TO ARTICLE 123-BIS(1)(A), CLFI)**

#### **2.1.1 The Company’s share capital and shares**

As at the date of this Report, the subscribed and paid share capital of the Issuer is euro 338,482,654.00, comprising 338,482,654 ordinary shares with no stated nominal value.

As at the date of this Report, no classes of shares other than ordinary shares have been issued.

The following table sets forth the structure of the Issuer’s share capital as at the date of this Report.

<b>SHARE CAPITAL STRUCTURE</b>				
<b>CLASS</b>	<b>NUMBER OF SHARES</b>	<b>NUMBER OF VOTING RIGHTS</b>	<b>LISTED/UNLISTED</b>	<b>RIGHTS AND OBLIGATIONS</b>
Ordinary shares	338,482,654	338,482,654	Euronext Milan and Stock Exchange of Hong Kong	Each share confers one voting right

Ferretti shares are dematerialised securities pursuant to article 83-*bis et seq.*, CLFI.

Ferretti shares are registered, indivisible, freely transferable, and confer identical rights upon their holders. More specifically, each ordinary share confers one voting right, and the other economic and administrative rights under the By-Laws and the law.

As at the date of this Report, no financial instruments have been issued that would entitle the holders to subscribe newly-issued shares.

### **2.2 RESTRICTIONS UPON TRANSFERS OF SECURITIES (PURSUANT TO ARTICLE 123-BIS(1)(B), CLFI)**

As at the date of this Report, no restrictions apply to the transfer of shares in the Issuer. Similarly, there are no restrictions upon ownership of shares in the Issuer, nor any provisions whereby a prospective shareholder must seek prior approval.

### **2.3 MATERIAL HOLDINGS OF SHARES (PURSUANT TO ARTICLE 123-BIS(1)(C), CLFI)**

Based on the available information, including the notices provided pursuant article 120, CLFI, the shareholders who, as at the date of this Report, directly or indirectly have shareholdings in excess of 5% of the Issuer’s voting share capital, including shares held through any intermediaries, fiduciaries or companies controlled by those shareholders, are set forth in the following table.

CERTIFYING PERSON	ENTITY HOLDING SHARES IN THE COMPANY	PERCENTAGE OF THE ORDINARY SHARE CAPITAL	PERCENTAGE OF THE VOTING SHARE CAPITAL
Shandong SASAC	Ferretti International Holding S.p.A.	39.531%	39.531%
Valea Foundation	Flipnation Limited	14.485%	14.485%
Danilo Iervolino	Danilo Iervolino	5.277% (*)	5.277%
Float	-	40.707%	40.707%
<b>Total</b>	-	<b>100.000%</b>	<b>100.000%</b>

(\*) 0.058% of the shares are held by Hong Kong Securities Clearing Company Limited.

For the sake of completeness, please note that on 19 January 2026, KKCG Maritime (Azúr A.S.), pursuant to art. 102 of the CLFI, art. 37 of the Issuers' Regulation and Rule 3.5 of the Hong Kong Code on Takeovers and Mergers, launched a voluntary conditional partial public tender offer for up to 52,132,861 Ferretti shares, representing 15.4% of the Company's share capital (the "Offer"). For further information regarding the Offer, please see the Issuer's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section "Investors Relations - PTO".

#### **2.4 SECURITIES CONFERRING PARTICULAR CONTROL RIGHTS (PURSUANT TO ARTICLE 123-BIS(1)(D), CLFI)**

No securities have been issued that confer particular control rights, nor are there persons with particular powers under the terms of laws, regulations or the by-laws presently in force.

The By-Laws do not contain provisions relating to shares with multiple votes, or increased voting power.

#### **2.5 EMPLOYEE SHARE SCHEMES: MECHANISM FOR EXERCISING VOTING RIGHTS (PURSUANT TO ARTICLE 123-BIS(1)(E), CLFI)**

As at the date of this Report, there is no employee share scheme in place.

#### **2.6 RESTRICTIONS UPON VOTING RIGHTS (PURSUANT TO ARTICLE 123-BIS(1)(F), CLFI)**

As at the date of this Report, the By-Laws impose no restrictions upon voting rights for holders of ordinary shares, nor upon voting rights for particular percentages or numbers of votes, nor specific conditions for the exercise of voting rights, nor systems under which the economic rights associated with the shares are, with the Company's cooperation, separated from share ownership, with the exception of article 6.5 of the By-Laws, under which the extraordinary shareholders' meeting "*may resolve upon the allocation to the employees of the Company or subsidiaries of financial instruments other than shares, bearing economic rights and optionally also administrative rights, other than the right to vote in the shareholders' meeting, by establishing terms for the exercise of the rights thus allocated, the ability to make transfers, and grounds on which they would be terminated or redeemed*".

#### **2.7 SHAREHOLDERS' AGREEMENTS (PURSUANT TO ARTICLE 123-BIS(1)(G), CLFI)**

As at the date of this Report, the Company is not aware of any agreements between shareholders that have been disclosed pursuant to article 122, CLFI, regarding shares in the Issuer.

## **2.8 CHANGE-OF-CONTROL PROVISIONS (PURSUANT TO ARTICLE 123-BIS(1)(H), CLFI) AND PROVISIONS OF THE BY-LAWS REGARDING TAKEOVER BIDS (PURSUANT TO ARTICLE 104-BIS(1-TER) AND (1), CLFI)**

### **2.8.1 Change-of-control provisions**

The Group has the following material agreements that include change-of-control provisions.

#### Facility Agreement

On 26 July 2024, the Company and a syndicate of leading Italian and international credit institutions including Banco BPM S.p.A., BPER Banca S.p.A., Intesa Sanpaolo S.p.A. and UniCredit S.p.A. (the “**Institutional Lenders**”) entered into a facility agreement providing the Company with support in its growth trajectory, by financing, where necessary, its working capital.

The new revolving facility is for a total amount of euro 160 million and a term of five years from the execution date of the facility agreement. No security has been granted over real property or other of the Group’s assets.

Under the terms of the agreement, in the event there is a “Change of Control”, meaning that: (A) one or more persons other than the Reference Shareholder (*i.e.*, Shandong Sasac), whether acting alone or in concert, pursuant to article 101-bis, CLFI, acquire direct or indirect control of Ferretti, for the purposes of article 93, CLFI; and/or (B) the majority of the members of Ferretti’s Board of Directors are persons drawn from a list other than that presented by the Reference Shareholder, each Institutional Lender must notify the Issuer where it does not wish to continue to participate in the syndicate in question.

#### Finance leases

Ferretti has two finance leases in place (contracts no. 1133995/1 and no. 1133996/1) that were made between CRN S.p.A. (a company subsequently merged into Ferretti) and Alba Leasing S.p.A. on 17 January 2019, that provide, as is market practice for agreements of this kind, terms that, if applied, would entitle Alba Leasing S.p.A. to terminate the agreement in the event of any change in the shareholder structure of Ferretti that occurs without the prior written consent of Alba Leasing S.p.A.

#### Formal instrument of public domain concession

By a formal instrument made on 14 December 2022, the Port Authority of the East Ligurian Sea granted Ferretti a maritime state compendium in the area around San Bartolomeo (La Spezia), for use in shipbuilding, for a period ending 23 May 2033. Under the terms of the instrument, Ferretti must obtain prior authorisation from the grantor for any share transfers that would result in a change of control at the concession-holder, or otherwise forfeit the concession. On 11 May 2023, the Issuer received acknowledgement from the grantor of the Company’s listing.

### **2.8.2 Provisions of the by-laws regarding takeover bids**

With respect to the laws and regulations presently in force regarding takeover bids, the By-Laws do not provide for any derogation from the provisions on “passivity rule”, established under articles 104(1) and (1-*bis*), CLFI, nor does it expressly provide for the application of the neutralization rules pursuant to articles 104-*bis*(2) and (3), CLFI.

## **2.9 AUTHORITY TO INCREASE SHARE CAPITAL, AND AUTHORISATIONS TO BUY BACK SHARES (PURSUANT TO ARTICLE 123-BIS(1)(M), CLFI)**

As at the date of this Report, the Board of Directors has been granted authority by the Shareholders’ Meeting neither to increase share capital, pursuant to article 2443 of the Civil Code, nor to issue any equity instruments.

As at the date of this Report, the Shareholders’ Meeting has not resolved upon any authorisation for the buyback of shares, pursuant to article 2357 *et seq.* of the Civil Code.

## **2.10 DIRECTION AND COORDINATION ACTIVITIES (PURSUANT TO ARTICLE 2497 ET SEQ. OF THE CIVIL CODE)**

As at the date of this Report, the Company is not subject to direction or coordination, within the meaning of article 2497 *et seq.* of the Civil Code, by Ferretti International Holding S.p.A., which holds 37.541% of the share capital. In particular, the presumption under article 2497-*sexies* of the Civil Code does not apply, as:

- (a) generally, the decisions relating to the management of the Issuer and its subsidiaries are taken exclusively within the Issuer’s Board of Directors, or the corporate bodies of the Issuer’s subsidiaries, where they are matters within those bodies’ purview;
- (b) Ferretti does not receive directives or instructions from Ferretti International Holding S.p.A. regarding its strategic decisions on financial, industrial and commercial matters, nor regarding decisions on investments or extraordinary transactions;
- (c) the parent company, Ferretti International Holding S.p.A., is not involved, in any way or on any basis, in the process of preparing, reviewing or approving the Group’s business plans or the Company’s or the Group’s annual budgets. These are prepared by the Company’s and the Group’s management, and are reviewed and approved only by the Company’s Board of Directors, which does so with complete autonomy and without any interference from the parent, Ferretti International Holding S.p.A.;
- (d) Ferretti International Holding S.p.A. provides no financial assistance of any sort to Ferretti, and in particular and without limitation, does not grant loans or provide guarantees, patronage letters or other security for the Issuer;
- (e) Ferretti International Holding S.p.A. manages no services for Ferretti, and in particular, it provides no cash pooling function;
- (f) Ferretti International Holding S.p.A. takes no decisions regarding the management of Ferretti’s personnel, nor does it draw up organisational structures for the Company;
- (g) Ferretti International Holding S.p.A. does not have group rules or policies regarding the procurement of goods or services, in relation to which matters the Company’s Board of Directors has complete autonomy in its decision-making.

It should be mentioned incidentally that the professional expertise and stature of the non-executive and independent directors are a further bulwark in ensuring that the decisions of the Board of Directors are taken in the sole interest of the Company, the Group, and its stakeholders, without any third party imparting instructions or interfering.

As mentioned in paragraph 1 of this Report, above, the Issuer directs and coordinates, within the meaning of article 2497 *et seq.* of the Civil Code, the Italian companies of the Group that it directly or indirectly controls. It sets the other companies’ medium- to long-term strategies, in terms of economic and financial results; investment and industrial objectives; and commercial policies and marketing.

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The information required by article 123-*bis*(1)(i), CLFI (regarding “*agreements between the company and its directors [...] that provide for compensation in the event of resignation or dismissal in the absence of gross misconduct or breach of contract, or where the relationship ceases following a takeover bid*”) is set forth in the Remuneration Report prepared and published pursuant to article 123-*ter*, CLFI, and article 84-*quater* of the Issuers’ Regulations.

The information required by article 123-*bis*(1)(l), CLFI, regarding “*provisions applicable to the appointment and replacement of directors [...] and to the amendment of the By-Laws, other than those additionally provided by applicable laws and regulations*” is set forth in Section 4 of this Report, below.

### **3 COMPLIANCE (PURSUANT TO ARTICLE 123-*bis*(2)(A), CLFI)**

The Company has endorsed the Corporate Governance Code as at the date of this Report, which has applied since 1 January 2021. It may be accessed by the public on the website of Borsa Italiana’s Corporate Governance Committee, at: <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>.

This Report provides an account of those recommendations with which the Company has not presently complied, in whole or in part, on a “comply or explain” basis as the Corporate Governance Code requires.

Since the Issuer is also listed on the Stock Exchange of Hong Kong, the Issuer is subject to the Corporate Governance Code as set out in the Appendix C1 to the Listing Rules.

## 4 BOARD OF DIRECTORS

### 4.1 ROLE OF THE BOARD OF DIRECTORS

The Company's Board of Directors plays a key role of directing the business strategically. This goes beyond the preparation of the Company's business plans and organisational structures, and setting its values and standards. There is a continuous commitment to ensuring value creation over the long term, and pursuing sustainable success, by: (i) promoting sustainable growth in the medium and long term that takes account of the social and environmental aspects that impact the business, through an appropriate system for controls and risk management, including sustainability risks; (ii) ensuring the greatest transparency with the market and investors; and (iii) paying particular attention to significant changes to the business prospects, and the risks to which the Company is exposed.

The Board of Directors is also responsible for confirming that the accounting, administrative and organisational structures are appropriate, as are the controls necessary for monitoring the Company's and Group's performance, and for the other duties it has under applicable laws and regulations.

The Board of Directors devises the corporate governance system that best serves the Company's conduct of its business and the pursuit of its strategies, subject to the limitations imposed by applicable law and regulations, and the Company's By-Laws. Where necessary, it evaluates and promotes appropriate changes, submitting them to the Shareholders' Meeting where such matters are within the meeting's purview.

The Board of Directors plays a central role in organising the business, and strategic and organisational direction are among its functions and responsibilities. It also ensures that the necessary controls are in place for monitoring the performance of the Issuer and that of the other companies of the Group.

Further to the powers it holds under the By-Laws, and consistent with the recommendations of the Corporate Governance Code, the Board of Directors:

- (a) determines the strategies of the Issuer and the Group, consistent with pursuit of sustainable success, and monitors those strategies' implementation. In connection with the matters within its purview, the Board of Directors examines and approves strategic, financial and business plans for the Issuer and the Group, periodically monitoring their execution. More particularly, the Board of Directors on 8 March 2023 approved the Business Plan, implementation of which it has monitored continuously. The Board of Directors also approves the Sustainability Report and the results of the double materiality analysis in line with the European Sustainability Reporting Standards;
- (b) determines the nature and level of risk compatible with the Issuer's strategic objectives, including in its evaluation all factors that may be significant for the Issuer's sustainable success;
- (c) determines the system of corporate governance it considers to best serve the conduct of the business and pursuit of its strategies, as well as the structure of the Group. In particular, the Board of Directors has: (a) appointed the committees from among its number, and assigned them specific functions; (b) appointed and conferred powers upon the Chief Executive Officer and the Executive Director; and (c) approved and revised the Group's organisational model;
- (d) promotes engagement with shareholders and the Issuer's other material stakeholders. In this respect the Board of Directors on 18 May 2023 adopted the Shareholder Engagement Policy, which seeks to ensure continuous and open liaison based on mutual understanding of their respective roles, with existing institutional investors, potential investors, asset managers, operators in the financial markets, the Italian and international financial press, ratings agencies and proxy advisors, and with trade associations and shareholders generally. The aim is to increase understanding regarding the Company's and the Group's activities, its financial performance, and its strategies in pursuit of sustainable success in line with the recommendation of article 1 of the Corporate Governance Code, while maintaining appropriate communication channels with these persons (for more information on the Shareholder Engagement Policy, please see Section 12 of this Report, below);
- (e) at the proposal of the Chairman of the Board of Directors and the Chief Executive Officer, adopted a procedure for the internal management and external disclosure of the Issuer's documents and information, with particular reference to insider information (for further information, please see Section 5 of this Report, below); and

- (f) makes prior examination and approval of transactions by the Issuer and its subsidiaries where these are of significant importance in strategic terms or in terms of business, results of operations or financial condition, with particular attention where one or more Directors directly or indirectly has a conflict of interest. In this respect, the Board of Directors has not set criteria for identifying transactions that are of significant importance in strategic terms or in terms of business, results of operations or financial condition, in that: (i) all transactions not covered by the delegated powers of the Chief Executive Officer are matters for the Board of Directors; and (ii) the Board of Directors sets the criteria that apply to each individual transaction at the time of their approval. That means, with the exception of the powers expressly granted to the Chief Executive Officer, listed in paragraph 4.7.1 of this Report, the Issuer's Board of Directors expresses and must approve the majority of significant transactions, which assures continuous monitoring of performance, while taking an active role in the main business decisions.

For so long as the shares are listed on the Stock Exchange of Hong Kong, the Board of Directors prepares regular financial reports required by Hong Kong laws and regulations, additional to those required by Italian law. It makes these available to the public in the forms, and at the times, required by the relevant rules.

With respect conflicts of interest and transactions with related parties for the Issuer and the Group, please see Section 10 of this Report.

Pursuant to article 2381 of the Civil Code and recommendation 1, part d), of the Corporate Governance Code, the Board of Directors in the course of the Reporting Year periodically assessed the adequacy of the accounting, administrative and organisational structure of the Issuer and the other companies of strategic importance to the Group, with particular reference to the internal audit and risk management system. For more information, please see Section 9 of this Report.

In the course of the Reporting Year, the Board of Directors on a number of occasions made assessment of general operational performance, taking into consideration the information provided by the Chief Executive Officer, and periodically compared results with forecasts.

The Board of Directors did not consider it necessary or desirable in the Reporting Year to draw up reasoned proposals regarding the corporate governance system for submission to the Shareholders' Meeting, in that it considers the existing system functional to serve the business's requirements.

For information regarding the Board of Directors' purview over matters of (i) its own composition and functioning; (ii) appointments and its evaluation of its own performance; (iii) the Remuneration Policy; and (iv) IARMS, please see paragraphs 4.3 and 4.4, and 7.1, 8.1 and 9, respectively, of this Report.

## **4.2 APPOINTMENT AND REPLACEMENT (PURSUANT TO ARTICLE 123-BIS(1)(I), FIRST PART, CLFI)**

Pursuant to article 19 of the By-Laws, the Board of Directors is made up of a number from seven to eleven Directors, including the Chairman of the Board of Directors and one or more Deputy Chairmen, where appointed.

According to article 10 of the By-Laws *"the Directors are appointed on the basis of lists submitted by shareholders and the outgoing Board of Directors, if the latter wishes to avail itself of the right to present one, and these list Directors sequentially"*.

The members of the Board of Directors must meet the particular requirements of professionalism, independence and integrity specified in the applicable laws and regulations, including those applicable to companies with shares quoted on the Stock Exchange of Hong Kong. For so long as the shares are listed on the Stock Exchange of Hong Kong, at least a third (and not fewer than three) of the members of the Board of Directors must meet the requirements for independence under the regulations of the Stock Exchange of Hong Kong, in addition to those discussed below.

Appointment of the Board of Directors is also made in accordance with the laws and regulations in force regarding gender balance, including those that apply to companies with shares quoted on the Stock Exchange of Hong Kong.

Only shareholders who, individually or in combination with other shareholders, hold voting shares representing at least the percentage required for the Company under the rules in force may submit lists. In this regard, the participation threshold most recently established by CONSOB for Ferretti pursuant to Art. 144-*septies* (1) of the Issuers' Regulations, under its resolution no. 155 of 27 January 2026, is 2.5%.

Each shareholder, and shareholders linked by control relationships or that are associates under the Civil Code, or that have entered into a shareholders' agreement regarding shares in the Company, may only submit and vote in favour of a single list (including voting by agents and fiduciary firms).

Each candidate may appear in only one list, otherwise he/she is ineligible.

Not more than eleven candidates may appear on each list, and must be listed sequentially. Each must satisfy the legal requirements. At least three candidates, placed no lower than second, fifth and seventh on each list, must also meet the requirements of independence under the law and the Corporate Governance Code. Consistent with such laws as are in force, lists that include three or more candidates must be made up of candidates of both genders, in at least the minimum proportions required by law, as the notice calling the Shareholders' Meeting specifies.

Each list is accompanied by comprehensive information regarding the personal and professional characteristics of the candidates, and declarations under which the individual candidates accept their candidature, and confirm, under their own liability, that they meet the requirements under the laws and regulations for the members of the Board of Directors, along with any other documents that the laws and regulations may require.

The lists submitted by shareholders are filed with the Company no later than is required by the laws and regulations in force, which date is indicated in the notice calling the Shareholders' Meeting, to the Company's registered office or by such means of telecommunication as the notice calling the meeting indicates; and made available to the public in accordance with the laws and regulations in force. Where submitted, the list from the Board of Directors must be filed at the Company's registered office no less than 30 days prior to the date of the Shareholders' Meeting, and formally made public as described in the preceding paragraph.

The Shareholders' Meeting having determined the number of directors for election, they are elected as follows: (1) from the list that obtained the greatest number of votes are taken, based on the order of preference in which the candidates are listed, all of the directors except for one; and (2) from the list that received the second greatest number of votes, provided it is not connected, directly or indirectly, under the laws and regulations in force, with those who submitted or voted in favour of the list under number (1) above, a director is elected in accordance with the law, based on the order of preference in which the candidates are listed.

Where two lists have received the same number of votes and are second-placed, there is a further round of voting by the Shareholders' Meeting, and the candidate who obtains a simple majority of the votes is elected. Where following application of the above list voting mechanism, (i) the minimum number of candidates meeting independence requirements has not been elected; and/or (ii) the composition of the Board of Directors is not compliant with the law on gender balance, then candidates meeting those requirements are elected in the place of candidates who do not, drawn from the same list. Where only one list is submitted, the directors are taken from the list provided it has been approved by a simple majority vote.

Where a single list is submitted, the Shareholders' Meeting votes upon that list, and where it obtains a relative majority, the candidates are elected in the order of preference, up to the number fixed by the Shareholders' Meeting, subject always to the obligation to appoint the minimum number of independent directors that is established by the By-Laws and the laws and regulations in force, as well as respect for gender balance on the basis of the discipline in force.

In the event that no list is submitted, (or the list submitted does not permit appointment of directors in accordance with the laws and regulations in force, or it is not possible to proceed in accordance with the voting list rules), or not all of the members of the Board of Directors are to be appointed, the Shareholders' Meeting resolves in accordance with statutory majorities, and does not follow the above procedure, but proceeds in a manner that ensures the presence of the minimum number of independent directors under the laws and regulations in force, and compliance with gender balance requirements. No account is taken of list that received support from shareholders that was less than half required for submission of a list.

In the event that a Director does not meet, or ceases to meet, the requirements as to independence and integrity under the laws and regulations, or there are grounds on which they are otherwise ineligible or unelectable, that Director ceases to hold office. A Director's intervening failure to meet independence requirements under the laws or regulations in force does not constitute a ground for causing the whole Board of Directors to cease, where the Board of Directors continues to have the minimum number of members meeting those requirements under the laws and regulations in force.

If in the course of the financial year one or more Directors should cease to hold office, the terms of article 2386 of the Civil Code are applied. If one or more of the Directors who have ceased to hold office was from a list that

included unelected candidates, then they may be replaced by appointing people from that list, in the order of preference, provided the candidates are still willing and eligible to hold office. Where no unelected candidates from the outgoing director's list are available, then article 2386 of the Civil Code is applied. The procedures for replacing Directors must ensure that there is at least the minimum number of Directors meeting independence requirements, and compliance with the rules on gender balance in force. If the majority of the Directors appointed by the Shareholders' Meeting ceases to hold office, the whole Board of Directors is dismissed and the Shareholders' Meeting must be called without delay to reappoint the Board of Directors, by the Directors still in office or by the Board of Statutory Auditors.

The By-Laws do not impose independence requirements additional to those under the laws and regulations in force or the terms of the Corporate Governance Code, nor integrity requirements other than those imposed by laws and regulations in force.

The By-Laws do not provide for professional requirements for members of the Board of Directors.

The Company is not subject to other provisions regarding the composition of the Board of Directors, other than those in the Civil Code, the CLFI, the Corporate Governance Code, and the laws and regulations applicable to companies with shares quoted on the Stock Exchange of Hong Kong.

For information regarding the role of the Board of Directors and the Committees in evaluating Directors' performance, and in their appointment and replacement, please see Section 7 of this Report.

### **4.3 COMPOSITION (PURSUANT TO ARTICLE 123-BIS(2)(D), CLFI)**

#### **4.3.1 Members of the Board of Directors**

The Shareholders' Meeting of 18 May 2023 appointed the following persons to the Board of Directors: Tan Xuguang (Chairman of the Board of Directors and a non-executive Director), Alberto Galassi (Chief Executive Officer and an executive Director), Xu Xinyu (executive Director), Piero Ferrari (Honorary Chairman and non-executive Director), Li Xinghao (non-executive Director), Hua Fengmao (independent non-executive Director), Stefano Domenicali (independent non-executive Director), Patrick Sun (independent non-executive Director), and Jiang Lan (Lansi) (non-executive Director).

On the same date, the Shareholders' Meeting determined that the Board of Directors should have nine members, and that the new Board of Directors would hold office for three financial years, i.e. until the approval of the financial statements as at and for the year ended 31 December 2025.

Nine Directors were appointed at the proposal of the shareholder, Ferretti International Holding S.p.A. Since the listing of the Company on Euronext Milan took place after the appointment of the Board of Directors, its appointment was not under the list voting mechanism that was added into the By-Laws on 18 June 2023 with effect from the First Trading Day.

With effect from 19 February 2024, Li Xinghao (non-executive Director) and Hua Fengmao (independent non-executive Director) resigned from their positions and the Board of Directors on the same date co-opted Zhang Quan (non-executive Director) and Zhu Yi (independent non-executive Director). On 22 April 2024, the Shareholders' Meeting confirmed the appointment of Zhang Quan as non-executive Director and Zhu Yi as Independent non-executive Director.

With effect from 29 August 2024, the Chairman of the Company's Board of Directors, Tan Xuguang, resigned and the Board of Directors on the same date appointed Jiang Kui by co-option, as a non-executive Director and Chairman of the Board of Directors. On 21 January 2025, the Shareholders' Meeting confirmed the appointment of Jiang Kui as non-executive Director and Chairman of the Board of Directors.

With effect from 28 February 2025, Xu Xinyu (executive Director) and Zhang Quan (non-executive Director) resigned, and the Board of Directors on the same date appointed Tan Ning (executive Director) and Hao Qinggui (non-executive Director), by co-option. The Shareholders' Meeting held on 13 May 2025 confirmed the appointment of Tan Ning as executive Director and Hao Qinggui as non-executive Director.

With effect from 29 August 2025, the Chairman of the Board of Directors and non-executive Director Jiang Kui resigned, and on the same date the Board of Directors appointed Jin Zhao (non-executive Director) by co-optation and appointed Hao Qinggui as Chairman of the Board of Directors.

In compliance with Rule 3.09D of the revised Listing Rules which took effect on 31 December 2023, Jiang Kui, Tan Ning, Hao Qinggui and Jin Zhao, who had been appointed, respectively, as Chairman of the Board of Directors on 29 August 2024, and as an executive Director and as a non-executive Director on 28 February 2025 (and subsequently appointed as Chairman of the Board of Directors on 29 August 2025) and, on 29 August 2025, non-executive Director, obtained the legal advice referred to in Rule 3.09D on the respective dates and they confirmed that they understood their obligations as a Director of the Company.

The following table sets forth the members of the Board of Directors as at the date of this Report.

POSITION	NAME
Chairman of the Board of Directors <sup>(**)(1)(4)(5)</sup>	Hao Qinggui
Chief Executive Officer <sup>(1)(4)(5)</sup>	Alberto Galassi
Executive Director <sup>(2)(4)(5)</sup>	Tan Ning
Director and Honorary Chairman of the Board <sup>(**)(2)(4)(5)</sup>	Piero Ferrari
Director <sup>(**)(4)(5)</sup>	Jin Zhao
Director <sup>(*)(**)(1)(2)(3)(4)</sup>	Zhu Yi
Director <sup>(*)(**)(1)(2)(3)</sup>	Stefano Domenicali
Director <sup>(*)(**)(1)(2)(3)(5)</sup>	Patrick Sun
Director <sup>(**)(3)(4)</sup>	Jiang Lan (Lansi)

(\*) Director meeting the independence requirements set forth in Article 148(3), CLFI, as referred to in Article 147-(4), CLFI and Rule 3.13 of the Listing Rules.

(\*\*) Non-executive Director.

- (1) Member of the Nomination Committee
- (2) Member of the Remuneration Committee
- (3) Member of the Control, Risk and Related Parties Committee
- (4) Member of the Sustainability Committee
- (5) Member of the Strategic Committee

In accordance with the provisions of Principle V of the Corporate Governance Code, the Board of Directors is made up of executive and non-executive Directors (the latter meaning Directors without delegated powers of management), all of whom meet the requirements of the law and the Corporate Governance Code, and have the professional qualifications and expertise appropriate to the functions to which they are appointed.

More particularly, the Board of Directors has nine members, of whom two are women (22%), seven are men (78%), three are independent (33%) and two are executive Directors (22%). There is no representation of employees or other workers on the Board of Directors.

All of the members of the Board of Directors meet the integrity requirements under article 2 of the Regulations of the Minister of Justice, No. 162/2000, as referred to by article 147-*quinquies*, CLFI, and are not ineligible to or prohibited from holding office pursuant to article 2382 of the Civil Code or article 148(3), CLFI, as referred to by article 147-*ter*(4), CLFI. In addition, the Directors Patrick Sun, Zhu Yi and Stefano Domenicali meet the independence requirements of article 148(3), CLFI, as referred to in article 147(4), CLFI, and the independence criteria set out in Rule 3.13 of the Listing Rules.

At the date of this Report, the members of the Board of Directors do not have specific expertise regarding sustainability, except for the Chairman of the Board of Directors, Hao Qinggui, who was appointed Chairman following the resignation of Jiang Kui and subsequently confirmed by the Shareholders' Meeting of 29 August 2025. Hao and Kui have appropriate knowledge, skills and experience on social and environmental sustainability issues. Accordingly, the specific skills and competences in the field of sustainability, although subject to evaluation,

have neither been fully developed nor formally integrated into decision-making processes as at the date of this Report. The Group therefore intends to continue deepening expertise and improvement in these areas. In particular, Ferretti intends to implement a structured induction programme on ESG matters for the members of the Board of Directors, in order to boost awareness and build the skills necessary for sustainability principles to be integrated into strategic business decisions. Notwithstanding the above, the Sustainability Committee has been established to deal with such issues, its membership drawn from the Board of Directors. It may in the discharge of its duties make use of external advisors with expertise in the area, subject to the terms established by the Board of Directors. For more details on the matters within the purview of the Sustainability Committee, please see paragraph 6.3, below.

The Company has received written confirmation annually from each of the independent non-executive Directors in respect of their independence in accordance with the factors set out in Rule 3.13 of the Listing Rules.

In accordance with the provisions of Principle VI of the Corporate Governance Code, the number of non-executive Directors and their expertise is sufficient to ensure that they have significant weight when the Board of Directors is passing resolutions, and to ensure effective monitoring of the work of the Board of Directors as a whole.

The presence of three independent directors is intended to achieve good corporate governance as fully as possible, through discussion and debate among the Directors. Furthermore, the contribution of the independent directors allows the Board of Directors to impartially and appropriately review the handling of potential conflicts of interest between the Company and the controlling shareholder. The Board has at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing not less than one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise. Up to the date of this Report, no independent non-executive Director has served in the Company for more than nine years.

Please refer to Table 1 in at the bottom of the Report for details on the membership of the Board of Directors.

The main professional characteristics of the Company's Directors, and their experience in the sectors and geographical locations in which the Issuer works are set forth below:

- **Hao Qinggui**: aged 45, is the Chairman of the Board and non-executive Director of Ferretti (appointed non-executive Director by the Shareholders' Meeting on May 13 2025 after being co-opted by the Board of Directors on February 28, 2025 and appointed Chairman of the Board by the Board on August 29, 2025) and the joint company secretary of the Company. He has also been serving as the director of international business of Shandong Heavy Industry Group Co., Ltd. ("**SHIG**") since November 2022. Hao began his career at Weichai Power Co., Ltd. (a company listed on the Stock Exchange of Hong Kong Limited ("**Stock Exchange**") (stock code: 02338) and the Shenzhen Stock Exchange (stock code: 000338)) ("**Weichai Power**") in 2004. From July 2004 to December 2011, Hao served as the manager of the securities department of Weichai Power. He was then the vice director of strategy department of Weichai Power, an assistant to the chairman of advisory board of Linde Hydraulics GmbH & Co. KG. and a vice general manager of Weichai Hydraulic Powertrain Co., Ltd. from December 2011 to February 2015. From February 2015 to September 2019, Hao served as the director of capital operations and the legal department of Shanghai Operation Centre of Weichai Power. From October 2018 to September 2019, Hao was also the director of investment, secretary of the board of directors and director of capital operation department of Weichai Power. Hao joined SHIG in September 2019. He was then the director of investment and the head of legal and capital operation department of SHIG from September 2019 to August 2022, the general counsel of SHIG from August 2022 to November 2022 and secretary of the board of directors of SHIG from August 2023 to December 2024. From June 2020 to September 2023, Hao was a director of Ceres Power Holdings plc (a company listed on the London Stock Exchange (stock code: CWR)). From May 2024 to May 2025, Hao was a director of Weichai Power (Luxembourg) Holding S.à r.l. From June 2024 to June 2025, Hao was a director of Ferretti International Holding S.p.A. which is the controlling shareholder of the Company. From June 2024 to August 2025, Hao was also the general counsel of the Company. From July 2024 to August 2025, Hao was the secretary of the Board and also assumed the role as the head of the Board office. Hao holds a bachelor's degree in law and a bachelor's degree in economics from Harbin Engineering in the PRC in June 2004.
- **Alberto Galassi**: aged 61, is the Chief Executive Officer and executive Director of Ferretti. He was appointed to the Board of Ferretti on October 23, 2013 and became the Chief Executive Officer of Ferretti on May 23, 2014. Alberto Galassi was recently re-appointed as Chief Executive Officer of Ferretti on March 8, 2023. Alberto Galassi is responsible for the formulation of the strategic direction of Ferretti Group and the day-to-

day management of Ferretti Group. Alberto Galassi also serves as director in a number of our subsidiaries. He graduated in Law from the University of Modena in 1990 and admitted to the Italian Bar Association in 1996, he began his career as a lawyer, specializing in administrative law and international arbitration. In addition to his legal experience, he has over 20 years' corporate and commercial experience and has been a board member in several well-known companies, including Novico S.p.A., an Italian medical device company between 1995 and 1997, and Piaggio Aero Industries S.p.A. ("**Piaggio Aerospace**"), a major industry player in business aviation, defence and security. There, in 2000 he became a member of the Board of Directors and a member of the Executive Committee as well as head of sales and marketing, playing a crucial role in Piaggio Aerospace's revival and its subsequent international success, becoming its Chief Executive Officer in 2009. He has also been a member of the board of directors of Manchester City Football Club since June 2012 and of Palermo Football Club S.p.A. since July 2022.

- Tan Ning: aged 45, Tan was appointed as an executive Director of Ferretti by the Shareholders' Meeting on May 13, 2025, after being co-opted by the Board of Directors on February 28, 2025. In 2004 he graduated in management from the Shanghai University for Science and Technology. Currently, he is sole director of Ferretti Asia (Zhuhai) Com., Ltd. He has been a member of the board of directors of Changzhou FRP Boatbuilding Co., Ltd ("**Changzhou FRP**") from 2020 to January 2025, vice general executive manager of Changzhou FRP from 2020 to 2021 and general manager of Changzhou FRP from 2021 to 2025. From 2022 to 2025, he held the role of director and general manager of Bostar Marine Technology (Qingdao) Co., Ltd. From 2015 to 2020, he was the vice director of sales, Mainland China, sales and marketing of the Asia Pacific, at Ferretti and from 2012 to 2015, the assistant to the President of the Company. In 2012 and 2013, he was Manager of Foreign Affairs Management at Weichai Holdings Group Co., Ltd. and Manager of International Business at Weichai Power Co., Ltd.
- Piero Ferrari: aged 80, he is the Honorary Chairman of the Board and non-executive Director of Ferretti. He was appointed to the Board on 16 June 2016 and is responsible for the high level oversight of the Board and the management and operations of the Group. He is vice chairman and non-executive director of Ferrari N.V. (a company listed on the New York Stock Exchange and Borsa Italiana, under ticker symbols RACE and RACE.MI respectively) and since 1988 he has been Vice President of Ferrari S.p.A., whose brand is one of the most important luxury brands in the world in the design, production and sale of high-performance luxury sports cars that also participate in Formula 1. His first role at Ferrari was in 1965, when he worked on the production of the Dino 206 Competizione race car. From 1970 to 1988 he held various managerial positions in the motorsport division of Ferrari, with increasing responsibilities. He was also responsible for managing Ferrari's relationships with suppliers, sponsors and Fédération Internationale de l'Automobile (the International Automobile Federation). He founded High Performance Engineering (HPE-COXA) in 1998 and has served as Chairman of the company ever since. From 1999 to 2014 he was Chairman of Piaggio Aerospace and from 1998 to 2001 he was president of the Italian Automobile Sports Commission. From 2002 to 2011 and from 2011 to 2014 he was also a director and deputy chairman of BPER Banca S.p.A., a bank listed on the Milan stock exchange. He received academic awards such as the honorary degree in Aerospace Engineering conferred by the University of Naples Federico II in September 2004 and the honorary degree in Mechanical Engineering conferred by the University of Modena and Reggio Emilia in November 2005. Honorary degree in Supply Chain Engineering conferred by University of Verona in February 2026. In October 2004, he also received the title of *Cavaliere del Lavoro* from the President of the Italian Republic, Carlo Azeglio Ciampi.
- Zhu Yi: aged 49, Ms Zhu was appointed as an independent non-executive Director of Ferretti on February 19, 2024. In 1998, Ms Zhu received a bachelor's degree in economics from Shanghai University of Finance and Economics and, in 2001, a master's degree in finance from the same university. She has over 20 years of experience in the investment banking industry, having joined the Morgan Stanley Group in 2002 and worked there until February 2020, where she lastly held the position of managing director, focusing on the automotive, industrial and infrastructure sectors. Since 2020, she has served as partner in Shanghai Huasheng Youge Equity Investment Management Co., Ltd, a subsidiary of China Renaissance Holdings Limited, a company listed on the Hong Kong Stock Exchange, demonstrating professional and leadership skills in managing different projects and transactions. Since late 2024, Kate joined Mariposa Enterprise Management Consulting Co., Ltd. as a partner in charge of strategic investments.
- Stefano Domenicali: aged 60, Domenicali was appointed as an independent non-executive Director on 21 December 2021. He is responsible for giving strategic advice and guidance on the business and operations of the Group and ensuring that the interests of all shareholders, in particular minority shareholders, are taken

into consideration. He is a graduate in Economics and Commerce from the University of Bologna, with over 30 years of experience in the automotive industry, luxury brands and in organization promotion. He began his professional career in 1991 with Ferrari, where he held various positions, including Head of Direzione Sportiva F1 from 2004 and Team Principal for the Formula 1 team from 2008, where he won a total of 14 titles in the F1 Constructors' and Drivers' Championships. From 2009 to 2014, he represented Ferrari on the FIA World Motor Sport Council. In November 2014, he became Vice President of New Business Initiatives at AUDI AG, a leading premium car manufacturer, and in March 2016 he became CEO of Automobili Lamborghini, a leading manufacturer of sports supercars. He stepped down as President of the FIA Single Seater Commission in 2020 and in January 2021 became President and Chief Executive Officer of Formula 1. In his career in the car industry, he has been successful in both motorsport and commercial roles.

- Patrick Sun: aged 67, he was appointed as an independent non-executive Director on 21 December 2021, and is responsible for giving strategic advice and guidance on the business and operations of the Group and ensuring the interests of all shareholders, in particular minority shareholders, are given due consideration. In 1981, he graduated from the Wharton School of the University of Pennsylvania, USA, with a Bachelor of Science degree in Economics, and he completed the Stanford Executive Program at Stanford Business School in 2000. He has served as an independent non-executive director of Kunlun Energy Company Limited since February 2016, AustAsia Group Ltd since December 2022, and VOYAH Automotive Technology Company Limited since December 2025.. He was an independent non-executive director of China Railway Signal & Communication Corporation Limited from May 2015 to August 2018, Trinity Limited (in liquidation) from October 2008 to November 2020, China NT Pharma Group Company Limited from March 2010 to December 2019, Sihuan Pharmaceutical Holdings Group Ltd. from October 2010 to April 2023, all of which were listed on the Hong Kong Stock Exchange, as well as CRRC Corporation Limited from June 2015 to December 2021 and China Railway Construction Corporation Limited from October 2014 to December 2021, both listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange. Previously, he was executive director and Chief Executive Officer of Value Convergence Holdings Limited from 2006 to 2009, executive director of Sunwah Kingsway Capital Holdings Limited (formerly known as SW Kingsway Capital Holdings Limited) from 2004 to 2006, Senior Country Officer and Head of Investment Banking for Hong Kong at J.P. Morgan from 2000 to 2002, and Group executive director and Head of Investment Banking for Greater China at Jardine Fleming Holdings Limited from 1996 to 2000. He was Chairman of the Chamber of Hong Kong Listed Companies from 2013 to 2015, a member of the Takeovers & Mergers Panel and the Takeovers Appeal Committee of the Securities and Futures Commission from 1995 to 1997 and from 1999 to 2001, Deputy Chairman of the Listing Committee of Hong Kong from 2000 to 2002, and a council member of the Hong Kong Stock Exchange from 1995 to 2000. He is a member of the Association of Chartered Certified Accountants in the UK, and of the Hong Kong Institute of Certified Public Accountants. From October 2008 to November 2020, he was an independent non-executive director of Trinity Limited (in liquidation), whose liquidation was ordered in August 2021 due to the company's non-repayment of debt. Mr. Sun has confirmed that (i) the entire winding-up petition process commenced after his resignation from Trinity Limited; (ii) there was no wrongful act on his part leading to the winding-up of Trinity Limited; and (iii) he is not aware of any actual or potential claim that has been or may in future be made against him as a result of the winding-up of Trinity Limited.
- Jiang Lan (Lansi): aged 58, Jiang was appointed as a non-executive Director of Ferretti on 18 May 2023. Ms Jiang has extensive experience in various fields such as company establishment and restructuring, mergers and acquisitions and joint venture negotiation and integration, sales and marketing, strategy and business development, brand development, corporate communications as well as government relations. In particular, Jiang has extensive experience in the Chinese construction equipment and automobile industry and rich knowledge of general business culture and economic climate in China and Asia markets. Jiang was the executive dean of the Design School of Shanghai Institute of Visual Arts and the group vice president and executive board director of DeTao Group from 2016 to 2021, the senior advisor to the chairman and European affairs of Shandong Linyi Construction Group from 2014 to 2015, the managing director of KJE International Holding Ltd. from 2014 to 2015 and the senior vice president of sales and marketing of Dooran Infracore China Co., Ltd. from 2012 to 2013. In addition, Jiang has served various management roles in Volvo Group China and Volvo Construction Equipment, including the chief representative of Volvo Construction Equipment Shanghai Representative Office from 1999 to 2002, the director of marketing communications and brand management of Volvo Construction Equipment Region Asia from 2002 to 2005, the vice president of corporate communications and brand of Volvo Group China from 2005 to 2012 and the chairman of Volvo Construction Equipment (China) Co., Ltd. from 2010 to 2012. Jiang obtained her EMBA at Oxford

University in 2015 and a bachelor's degree in education from Beijing Normal University in 1989.

- **Jin Zhao**: aged 40, is a non-executive Director of Ferretti (appointed by co-optation by the Board of Directors on February 28, 2025). He is the deputy general manager of Weichai Holding Group Co., Ltd. (“**Weichai Group**”), Chairman of the Board of Directors and General Manager of Weichai Power (Luxembourg) Holding S.à r.l., general manager in the european region and the chairman of the board of directors of FIH. From July 2005 to May 2020, Jin served as project manager, assistant to the department head, and deputy department head of the application engineering center, as well as director of the international business synergy department of Weichai Power. From May 2020 to January 2022, Jin successively served as deputy general manager and general manager of Shandong Weichai Import and Export Co., Ltd., and as director of the import and export business of Weichai Power. From January 2022 to February 2024, Jin served as assistant to the general manager, vice president, and executive president of Weichai Power, as well as general manager of the power system business division and general manager of Weichai Power Equipment Co., Ltd.. From February 2024 to June 2025, Jin successively served as assistant to the general manager and assistant to the president of Weichai Power, deputy general manager of the overseas marketing center, and general manager of the european, middle eastern and african region of Complete Power Equipment Company. Jin obtained a bachelor's degree from Harbin Institute of Technology in July 2005.

To access the Directors' full curricula vitae, please see the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section, *Corporate Governance*.

#### 4.3.2 Diversity policy and measures

With respect to the provisions of article 123-*bis*(2)(d-*bis*), CLFI, on diversity policies within administrative, management and supervisory bodies, in recognition of the importance of diversity and inclusion in ensuring the Group's success, the Board of Directors on 18 May 2023 adopted a Group policy on diversity in the Board of Directors and the Board of Statutory Auditors (the “**Diversity Policy**”). The policy states principles for pursuing the objective of integrating management, professional and academic features, also of an international nature, while taking also into account balanced gender representation, and the benefits that may flow from having individuals of a variety of ages and experience on the Board of Directors.

Through the Diversity Policy, the Company seeks, in line with stakeholders' expectations and with the pillars that form the foundation of the system of corporate governance and the values of the Code of Ethics, so as to create the necessary preconditions for its Boards of Directors and Statutory Auditors are able to exercise their functions as efficiently and honourably as possible, through decision-making processes that reflect a plurality of diverse, expert contributions. To develop a pipeline of potential successors to the Board and maintain gender diversity, the Board has adopted and implemented structured recruitment, selection and training programmes at various levels within the Group for the purpose of developing a broader pool of skilled and experienced potential Board members.

In terms of implementation, the Diversity Policy seeks to guide the candidates that shareholders put forward for membership of the Board of Directors, so that it achieves a composition that is in line with the diversity criteria identified above.

Secondly, monitoring of the results of the Diversity Policy's application, and proposals for its revision, are matters for the Board of Directors, with support from the Nomination Committee and, where appropriate, the Board of Statutory Auditors. The criteria laid down by the Diversity Policy are thus among the matters that the Board of Directors takes into account when reviewing its own performance, a process that, in line with the recommendations of the Corporate Governance Code, it performs annually, regarding its operations, size and composition, also with respect to its Committees.

For further information, please see the Diversity Policy available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section, *Corporate Governance*; and the Sustainability Report, similarly available on the Company's website, in the sections, *Investor Relations* and *Sustainability*.

The By-Laws provide for rules on the composition of lists in order to ensure presence on the Board of Directors of a minimum number from the less-represented gender, in accordance with the provisions of applicable laws and regulations. Specifically, lists with three or more candidates must be made up of candidates of both genders, in at least the minimum proportions required by laws and regulations, as the notice calling the Shareholders' Meeting specifies.

With reference to gender diversity in particular, Law No. 160 of 27 December 2019 amended, *inter alia*, article 147-ter, CLFI, introduced a new test, under which at least two-fifths of the members of the Board of Directors (rather than the third that applied previously) must be reserved to the less-represented gender for six consecutive terms of office.

As at the date of this Report, two out of the nine Directors belong to the less-represented gender. The Board of Directors was appointed on 18 May 2023, prior to the Company's listing on Euronext Milan. Accordingly, the new test will be adopted by the Issuer when it next appoints a revised Board of Directors.

With reference specifically to Principle VII of the Corporate Governance Code, and in accordance with the priority objective of ensuring appropriate expertise and professionalism among its members, the Board of Directors on 18 May 2023, in reviewing its own performance, acknowledged that the members of the Board and the Committees carried appropriate professional characteristics, experience and seniority, which ensured satisfactory diversity in terms of ages and skillsets, and a Board whose composition was well-balanced.

Ferretti is committed to strengthening its culture of inclusivity and to enhancing diversity, inside and outside the Company.

The Group is committed to creating a work environment that is inclusive and free from discrimination, promoting equal opportunity and respect for diversity in all its forms. Ferretti adopts policies that prohibit all forms of discrimination and is committed to removing cultural, organisational and physical obstacles that can limit individual's full development.

The Issuer's strategy translates into HR practices that seek out the best talent, promote professional development, prevent gender-based pay disparities, and foster dialogue and transition between the different generations present in the organisation.

During selection processes, the Group follows strict non-discrimination precepts, respecting internationally accepted standards and principles. In compliance with principles of equity and inclusion, selection and appointment processes are conducted under strict criteria of impartiality, transparency and meritocracy, eschewing discrimination of all forms, in line with current regulations and international standards on human rights and equal opportunities. In addition, Ferretti promotes inclusive leadership styles and transparent communication, key factors for developing working relationships that are based on respect and mutual trust.

The Diversity Policy is distributed throughout the organisation, via the Company's website, in order to enable every employee fully to express their potential and contribute to the Group's success, and to ensure that there is full awareness and a greater stimulus to the promotion of human rights as an integral part of the Group's values. Through this policy, the Group is committed to ensuring a work environment that is inclusive and respectful of diversity, through its backing of initiatives to strengthen balanced representation and the active involvement of all categories of workers in the Group's corporate governance.

Given the importance it places on a transparent and ethical work environment, the Group has also established a whistleblowing policy that is public and easily accessible not only by employees, but by all stakeholders. This system enables unethical behaviour to be reported, thereby promoting a culture of integrity within the Group.

The Group is firmly committed to operating in accordance with the highest ethical standards, which it considers essential to business success; and to strengthening its image as a leading firm in the international shipbuilding industry. It works to ensure equal opportunities for employment and professional growth throughout its workforce, basing itself exclusively on individuals' capabilities and qualifications. The Group rejects all forms of discrimination, including discrimination based on sex, age, race, colour, faith, religious belief, sexual orientation, marital status, country of origin, disability, citizenship and membership of protected categories. This commitment is realized through strict application of the principles contained in the Code of Ethics, and the adoption and implementation of additional policies that manage the impacts, risks and opportunities related to the workforce.

The Code of Ethics articulates the Group's commitment to ensuring that recruitment, hiring and management is performed in a transparent and fair manner, in full compliance with laws and regulations. It condemns any unlawful conduct such as harassment, discrimination or favouritism. For more details on the Code of Ethics, please refer to Section 9.5.1, below.

Furthermore, with regard to the protection of the most vulnerable workers, the Group is committed to preventing and tackling phenomena such as non-compliance with human rights, human trafficking, forced labour and child labour. It has put in place specific management systems and controls in compliance with the provisions of the Minimum Age Convention (ILO Convention No. 138) and the Worst Forms of Child Labor Convention (ILO

Convention No. 182). Ferretti has not, as at the date of this Report, made any policy commitments relating to inclusion and/or positive actions for persons belonging to groups within its workforce who may be particularly potentially vulnerable.

As at 31 December 2025, among the 2,076 employees of the Group (including senior management), the percentages of male employees and female employees are approximately 85% and 15%, respectively. The Board considers that the current gender ratio of the Group's workforce (including senior management) is appropriate for its operations and the Group will aim to continue to maintain gender diversity in its workforce.

The Group is committed to offering fair levels of remuneration that reflect the expertise, capabilities and experience of each individual, while ensuring that equal opportunities are assured and the risk of discrimination is avoided.

Ferretti manages diversity in accordance with applicable rules and practice. It incentivises the various sections within the business to include differently able personnel, whose addition to the workforce is evaluated in accordance with, and taking into consideration, each person's needs and capabilities, including through the adoption of suitable working environment and hours, where practicable. This enables staff to give the best of themselves. As at 31 December 2025, there were 55 differently able members of staff.

### 4.3.3 Maximum number of positions within other companies

In accordance with the recommendations of article 3 of the Corporate Governance Code, each member of the Board of Directors is required to make autonomous decisions on a fully-informed basis, in pursuit of the objective of creating value for shareholders in the medium to long term. Each member also commits to dedicating the time necessary to ensure diligent discharge of his or her duties, irrespective of the positions held outside the Group, in full awareness of the responsibilities implicit in the position they hold.

Accordingly, each candidate to the position of Director makes his/her own assessment prior to their accepting a position in the Company and irrespective of the limits imposed upon holding multiple positions under relevant laws and regulations, as to their ability to perform the duties effectively and with due attention, bearing in mind in particular the overall commitment required by any positions outside the Group.

All members of the Board of Directors are also obliged to promptly inform the Board if they become a director or statutory auditor of another company, in order to enable discharge of the disclosure obligations under applicable laws and regulations.

As at the date of this Report, the Board of Directors has not assumed a position regarding a maximum number of positions on the boards of directors or statutory auditors at other large or otherwise listed companies that it considers compatible with the effective discharge of duties as a Director of the Issuer.

The following table sets forth a list of positions on boards of directors or statutory auditors held, as at the date of this Report, in companies with shares quoted on regulated markets (in Italy or abroad), in banks, insurance firms, or other large companies, the latter meaning those with assets or revenues exceeding euro 1 billion, or companies that are part of the Group.

NAME	COMPANY	POSITION
Hao Qinggui	-	-
Alberto Galassi	Manchester City Football Club	Director
	Palermo Football Club S.p.A.	Director
Tan Ning	Ferretti Asia (Zhuhai) Com., Ltd	Sole director
Piero Ferrari	Ferrari N.V.	Vice chairman
	Piero Ferrari Avio S.r.l.	Director

	HPE-OMR S.r.l.	Director
	Kheope S.A.	Director
<b>Jin Zhao</b>	Ferretti International Holding S.p.A.	Chairman of the board of directors
	Weichai Power (Luxembourg) Holding S.à r.l.	Chairman of the board of directors
<b>Zhu Yi</b>	-	-
<b>Stefano Domenicali</b>	Brunello Cucinelli S.p.A.	Director
	Formula One Group	Chairman of the Board of Directors and Managing Director
<b>Patrick Sun</b>	Aust Asia Group Ltd.	Director
	Kunlun Energy Company Ltd.	Director
	VOYAH Automotive Technology Company Ltd.	Director
<b>Jiang Lan (Lansi)</b>	KJE International Holdings Limited	Director

#### **4.4 OPERATION OF THE BOARD OF DIRECTORS (PURSUANT TO ARTICLE 123-BIS(2)(D), CLFI)**

##### **4.4.1 Conduct and frequency of meetings**

The Board of Directors is the body central to the Company's system of corporate governance, with a primary role in leading and managing the Group as a whole. In addition to its remit under the law and the Company's By-Laws, the Board of Directors is exclusively responsible for the most important decisions, in financial and strategic terms, in terms of structural impact upon operations, and with respect to the Company's and the Group's direction and monitoring, and the creation of value over the medium and long term. It has the power and duty to direct and lead the business, pursuing an objective of maximising value for shareholders and other stakeholders. Accordingly, the Board of Directors resolves to approve those transactions that are necessary to achieving the corporate objects, except for those matters that are expressly reserved to the Shareholders' Meeting, by the law or under the By-Laws. The Board of Directors, in accordance with recommendation 1 of the Corporate Governance Code, also:

- (a) examines and approves the Company's and the Group's business plans, also based on analysis of the key themes for generating value over the long term, with the support of the relevant Committee;
- (b) regularly monitors implementation of the business plan, and assesses the general performance of operations, comparing results achieved with those forecast;
- (c) determines the nature and level of risk that is compatible with the Company's strategic objectives, including assessments of all those factors that may be relevant to the Company achieving sustainable success;
- (d) determines the Company's system of corporate governance and the Group's structure, and assesses the adequacy of the organisational, administrative and accounting structure of the Company and those of its strategically important subsidiaries, in particular with respect to the internal control and risk management system;
- (e) resolves on transactions by the Company and its subsidiaries that have a significant impact upon the Company's strategy, business, results of operations or financial condition; and accordingly establishes general criteria for identifying those significant transactions;
- (f) in order to ensure that information is properly managed within the Company, it adopts, at the proposal of the Chairman of the Board of Directors jointly with the Chief Executive Officer, a procedure for the

internal management and external release of documents and information regarding the Company, especially inside information;

- (g) on each occasion the Board is appointed, it expresses a view as to how the next Board may be best organised, in terms of qualifications and the number of members, taking into account the process for evaluating the size, composition and operation of the Board and its Committees;
- (h) at the Chairman's proposal, to be taken jointly with the Chief Executive Officer, it issues a policy for managing engagement with shareholders generally, in light, *inter alia*, of the engagement policies adopted by institutional investors and asset managers; the policy is described in the report on corporate governance and ownership structure;
- (i) determines the powers and responsibilities to be delegated to particular Directors, and identifies who among the executive Directors is to be Chief Executive Officer;
- (j) appoints an independent director as lead independent director, where the Corporate Governance Code so provides;
- (k) adopts a diversity policy with respect to the composition of the boards of directors or statutory auditors;

In addition to its exercise of the powers it holds by law, the Board of Directors is responsible for resolving, pursuant to paragraph 18.2 of the By-Laws, regarding:

- a) merger by absorption with other companies, and proportional spin-offs of companies 90% or more of whose share capital is held by the Company;
- b) the opening or closing of secondary offices;
- c) the selection of Directors to formally represent the Company;
- d) reductions in share capital, where a shareholder withdraws from the Company;
- e) amendment of the By-Laws where that is required by Italian laws or regulations; and
- f) any transfer of the Company's registered office to another location within Italy.

### **Rules of operation**

The Board of Directors' functioning is governed by the By-Laws and the Rules of the Board of Directors and the Committees which were approved by the Board of Directors on 20 March 2023. These are available online on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section, *Corporate Governance*, in accordance with recommendation 11 of the Corporate Governance Code.

These rules enable the Board of Directors to operate correctly and effectively, *inter alia*, to ensure an efficient flow of information to Directors (see Principle IX of the Corporate Governance Code).

The Board of Directors is validly constituted where a majority of the Directors is present, and resolves by the vote in favour of a majority of the Directors present. Directors who abstain, or have declared a conflict of interest, are not included in the calculation of the majority for the purposes of voting. Where votes are equal, the Chairman of the Board of Directors, if present, has a casting vote.

The Board of Directors elects a Chairman of the Board of Directors from among its number, to remain in office for the whole of the Board's term, where the Shareholders' Meeting has not itself made that election.

Pursuant to article 21 of the By-Laws, the Board of Directors may delegate some of its duties to an Executive Committee, whose members are those Directors who are appointed by the Board and, automatically, the Chairman of the Board of Directors and all those Directors with executive responsibilities. The Board of Directors may determine that Committee's objectives, and the terms upon which it exercises the powers it is delegated.

The Board of Directors may appoint one or more executive Directors, and determine their powers. In addition, the Board of Directors may form one or more committees with consultative, proposal-making or supervisory functions, in accordance with applicable provisions of laws or regulations.

Pursuant to article 22 of the By-Laws, the Board of Directors meets in the location stated in the notice calling the meeting, in the municipality in which the Company is registered, or elsewhere (provided that the meeting is held within the European Union, the United Kingdom or a country within Greater China (the PRC, Hong Kong, Macao or Taiwan) if deemed necessary by the Chairman, the Board of Statutory Auditors, or at least two Directors.

The Board of Directors' meetings may also be held by audio- or video conference, provided that:

- the chairman of the meeting is able to establish the identity of those participating in the meeting and their entitlement to do so, to govern the conduct of the meeting, and to observe and declare the outcome of votes;
- the person taking the minutes is able adequately to perceive the proceedings of the meeting that they are recording;
- all the participants are permitted to participate in real time in the discussions, to vote simultaneously, and the ability to receive and transmit, or view, documentation in real time.

The meeting is deemed to have met in the place stated in the notice, where the person recording the minutes must be present, in order that those minutes may be prepared and signed.

The Chairman of the Board of Directors and the person recording the minutes may be in different locations.

The Chairman, or the person acting in his stead where the Chairman of the Board of Directors is unable to act, calls the Board of Directors, sets its agenda, coordinates its work, and ensures that suitable written information regarding the items on the agenda is provided to all of the Directors.

Meetings of the Board of Directors are called at least three days prior to the appointed date, under a notice of meeting sent to each Director by recorded delivery, fax, email or equivalent, provided that it offers proof of receipt. In urgent cases, that period may be reduced to 24 hours. Regular Board meetings are held at quarterly intervals to discuss, the Group's operations, financial performance, to approve interim and annual results and for other significant matters. For regular Board meetings, Board members are given at least 14 days' prior notice in accordance with the Corporate Governance Code.

The Board of Directors is in any event validly constituted, even if no meeting has formally been called, where all the Directors in office are present along with all the standing members of the Board of Statutory Auditors.

Meetings of the Board of Directors are chaired by the Chairman of the Board of Directors or, if the latter is absent or otherwise unable to chair the meeting, by a Deputy Chairman. If there is more than one Deputy Chairman, the eldest has priority. Otherwise, the chairman is assumed by another Director designated by the Board of Directors.

Following mandatory opinion of the Board of Statutory Auditors, the Board of Directors appoints the executive responsible for preparing the Company's accounting documents, pursuant to article 154-*bis*, CLFI (the "**Accounts Executive**"), and confers suitable powers and resources in order that those duties may be duly discharged.

### **Rules of the Board of Directors**

The Board of Directors has adopted rules that sets terms and procedures for its functioning, compliant with applicable laws and regulations and consistent with recommendation 11 of the Corporate Governance Code. The Rules of the Board of Directors are intended to ensure compliance with applicable provisions of law and of the By-Laws, and, to the fullest extent possible, the principles and recommendations of the Corporate Governance Code to which the Company is bound.

The notice of meeting, which is prepared by the Chairman of the Board of Directors with, if appropriate, support from the Secretary, in both Italian and English, states: the place, date and time of the meeting, the items on the agenda, and the manner in which the Directors may participate; as well as the information required by law.

The notice of meeting is sent by the Chairman, or a person instructed by the Chairman, by recorded delivery, fax, email or equivalent, provided it offers proof of receipt, at least three days prior to the date of the meeting, or, in urgent cases, at least 24 hours prior.

The notice is sent to all of the members of the Board of Directors, and the standing members of the Board of Statutory Auditors. The agenda may be amended by notice to the Chairman of the Board of Directors or a person instructed by the Chairman, by the same means as are permitted for despatch of the notice, and within the same periods.

In accordance with the provisions of recommendation 11 of the Corporate Governance Code, any documentation regarding the items on the agenda, which must be drafted in English, is provided by the Chairman, if appropriate with the Secretary's support, at least three days prior to the meeting. It is sent to the members of the Board of Directors and the standing members of the Board of Statutory Auditors, and to any other persons invited to the meeting (where necessary or opportune), by means that ensure the necessary confidentiality, which may include a

dedicated IT platform. In specific cases in which it is necessary, or where it regards fast-moving transactions, it may be impossible to provide the documentation within the permitted timeframe. In such circumstances the Chairman of the Board of Directors ensures that it is provided as promptly as possible or directly in the course of the meeting, where necessary. Where the documentation is particularly complex or voluminous, the Chairman of the Board of Directors, if appropriate with the Secretary's support, ensures that it is accompanied by an English-language document that summarises the most important points with respect to the decisions on the agenda. The Directors and the statutory auditors receive prior notice where the documentation is not being provided within the permitted timeframe.

Where the agenda for the meeting includes matters within the purview of the Accounts Executive, that person is invited to attend for the discussion of those matters.

Any persons, whose presence is considered useful in relation to the matters on the agenda, or on the basis they would assist with the Board's work (heads of relevant departments, executive employees, managers, employees, or advisors of the Company or its subsidiaries, or others) may be invited to attend, but are not entitled to vote, and they may speak only during discussion of the matters to which the invitation related, at the Chairman's invitation, to elucidate information or documents, or provide additional background or detail.

Resolutions are evidenced by minutes signed by the Chairman of the Board of Directors and the Secretary, and are immediately effective except as the minutes may state. They are brought to the attention of the affected departments and units, and, to the extent relevant, to the control functions.

Merely in order to facilitate minute-taking and document the contents of those minutes, and unless the Chairman of the Board of Directors decides otherwise, meetings of the Board of Directors are audio and/or video recorded.

The minutes are prepared in Italian and in English, and include the major contributions, summarised by the Secretary of the Board of Directors including, in particular, those parts that provide essential information additional to the documentation; the questions and answers necessary to clarify the documentation; the substantive comments that are relevant or whose inclusion is expressly requested; and the Directors' voting declarations.

After the meeting, draft minutes drawn up by the Secretary to the Board (or of the meeting, as the case may be) are submitted for comment and approval to the members of the Board of Directors and the standing members of the Board of Statutory Auditors.

Those parts of the minutes that regard resolutions that must be given immediate effect may be certified and excerpted by the Chairman of the Board of Directors and the Secretary, and this may occur prior to the Board of Directors' approval of the minutes' final draft, which may include contributions that participants made.

The Directors and the statutory auditors must keep the documents, information and figures received in the course of their duties confidential, including after the end of their terms of office, subject to any obligations imposed by law, legal or supervisory authorities, and they must not seek out or use confidential information for purposes inconsistent with their duties. Those invited to attend meetings of the Board of Directors are subject to the same confidentiality obligations as the Directors and statutory auditors.

### **Information provided to the Board of Directors**

Pursuant to article 22.9 of the By-Laws and article 150, CLFI, and in accordance with best practice, bodies with delegated responsibilities report, orally or in writing, to the Board of Directors and the Board of Statutory Auditors (and absent such bodies, the Directors report to the Board of Statutory Auditors) on the business's general performance and anticipated future development, transactions with the greatest impact in terms of business, results of operations and financial condition, or otherwise by size or features, carried out by the Company or its subsidiaries, or that are influenced by any person who directs or coordinates the Company's activities. This applies in particular to transactions where the Directors have a direct or indirect conflict of interest. The reports are made at the time of meetings of the Board of Directors and not less than quarterly (and more frequently, where the Board of Directors so determined at the time it delegated the powers). Reports to the Board of Statutory Auditors may also take place directly or at the time of meetings of the Executive Committee, where appointed, where this enables the information to be provided more promptly.

### **Induction programme**

The Rules of the Board of Directors as approved on March 20, 2023 provide that the Company must carry out induction sessions at least twice a year, open to all the Directors. The objective is, in accordance with the terms of the Corporate Governance Code, to ensure appropriate knowledge of the Company and the sector in which the

Group operates (as well as the main trends that may impact the Group's growth strategy), its products, business dynamics and their development, also with a view to sustainable success; and its organisation, the principles of proper risk management, and the regulatory and self-regulatory rules to which it is subject. In light of Ferretti's recent listing on Euronext Milan in June 2023, the Company has yet to organise these induction sessions.

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed Director received formal, comprehensive and tailored induction on first appointment, to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements. All Directors have been updated on the latest developments regarding the statutory and regulatory requirements and also the business and market changes to facilitate the performance of their responsibilities and obligations under the Listing Rules and relevant statutory requirements, and enhance their awareness of good corporate governance practices.

All Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for the Directors are arranged and reading materials on changes and developments to the Group's business and to the legislative and regulatory environments relating to the market and the operations of the Group provided to the Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expense. All Directors have confirmed that they have complied with the requirements under the Listing Rules on directors' continuous professional development by participating in appropriate CPD activities, reading materials relating to regulatory updates and reviewing papers and circulars distributed by the Company.

#### **Activities in the course of the year**

During the Reporting Year, six meetings of the Board of Directors were held, on 28 February 2025, 14 March 2025, 16 May 2025, 31 July 2025, 29 August 2025 and 23 October 2025.

The meetings were duly minuted.

Meetings of the Board of Directors on average lasted approximately 90 minutes.

In the year ending on 31 December 2026, in addition to four meetings of the Board of Directors that took place on 30 January 2026, 24 February 2026, 12 March 2026 and 31 March 2026 (in the course of the latter of which, drafts of the consolidated and non-consolidated financial statements as at and for the period ended 31 December 2025 were approved), it is anticipated as at the date of this Report that there will be at least another three meetings, on: 15 May 2026, 31 July 2026 and 27 October 2026 (as stated in the financial calendar disclosed to the market and Borsa Italiana, available on the Issuer's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Investor Relations*).

In the course of the Reporting Year, compared to a participation rate of approximately 98.2%, the individual Directors participated in meetings, with the following rates: 100% for Jiang Kui (Chairman, for the period ended 29 August 2025, the effective date of his resignation), 100% for Hao Qinggui (Chairman), 100% for Alberto Galassi (Chief Executive Officer), 100% for Piero Ferrari (Honorary Chairman), 83.3% for Stefano Domenicali, 100% for Patrick Sun, 100% for Jiang Lan (Lansi), 100% for Zhang Quan and Xu Xinyu (for the period ended 28 February 2025, the effective date of their respective resignations), 100% for Tan Ning, and 100% for Zhu Yi and 100% for Jin Zhao.

In light of the above, the Company considers that in the Reporting Year, the Directors made appropriate time available for them to perform their duties of office within the Company.

The Chairman of the Board of Directors took steps to ensure that the documentation regarding the items on the agenda were brought to the attention of the Directors and the statutory auditors suitably in advance of the date of the meeting. The supply of comprehensive information promptly is ensured by having the documentation sent not less than three business days prior to the date of the meeting. That deadline was generally met and there were no cases of particular urgency that justified making an exception to that deadline for despatching the documentation.

Additionally, the Chairman of the Board of Directors ensured that the matters on the agenda received sufficient time for all Directors to speak, which ensured constructive debates in the course of the meetings.

The meetings of the Board of Directors take place with the participation of the Board's Secretary, and, where appropriate, of executives from the Issuer responsible for the functions under discussion, and external advisers with roles in the items under discussion, which meant that the Directors were able to explore the matters on the agenda in the necessary detail. Generally, the Chief Executive Officer ensures that executives make themselves

available to participate in the meetings, so that those meetings provide regular opportunities for non-executive Directors to acquire adequate information on the Issuer's operations.

Finally, it should be noted that meetings of the Board of Directors are normally also attended by the Accounts Executive.

#### **4.5 ROLE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS**

On 21 January 2025, the Shareholders' Meeting appointed Jiang Kui as Chairman of the Company's Board of Directors. On 29 August 2025, Jiang Kui resigned as a non-executive Director and Chairman of the Board of Directors, and the Board of Directors appointed Hao Qinggui as the new Chairman of the Board of Directors.

The Chairman of the Board of Directors has the powers conferred by law and the By-Laws with respect to the functioning of the Company's corporate bodies and the legal representation of the Company towards third parties.

In accordance with the provisions of the By-Laws and applicable laws and regulations, the Chairman of the Board of Directors, or where the Chairman of the Board of Directors is unavailable, a person acting in the Chairman's place, convenes the Board, sets its agenda, coordinate its work and ensures that adequate information on the items on the agenda is provided to all Directors.

Exercising the functions assigned by law, the By-Laws and the Rules of the Board of Directors, and also in line with the recommendations of the Corporate Governance Code, the Chairman of the Board of Directors acts as a liaison between the executive Directors and the non-executive Directors and, with the support of the Secretary to the Board of Directors, ensures that the Board of Directors is able to function effectively.

More particularly, without prejudice to the additional powers established by laws and regulations in force, the By-Laws, and the principles and recommendations in the Corporate Governance Code, the Chairman, with support from the Secretary, is responsible for ensuring that:

- (a) the information provided prior to the meetings and the additional information provided during the meetings enable the Directors to reach informed decisions in the performance of their duties;
- (b) the activity of the Committees is coordinated with that of the Board of Directors;
- (c) by agreement with the Chief Executive Officer, the Company's and the Group's executives responsible for relevant functions intervene in Board meetings, also at the request of individual Directors, to provide such in-depth information regarding the items on the agenda as may be opportune;
- (d) all of the members of the Board of Directors and the Board of Statutory Auditors may participate, following their appointment and over the course of their term of office, in initiatives to supply them with knowledge of the business sectors in which the Company operates, business dynamics and their development, also with a view to sustainable success; and the principles of proper risk management, and the regulatory and self-regulatory rules to which it is subject,
- (e) the induction process is duly provided; and
- (f) the adequacy and transparency of the process by which the Board of Directors evaluates its own performance, with the support of the Nominations Committee.

Under provision C.2.7 of Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, the Chairman of the Board of Directors should at least annually hold meetings with the independent non-executive Directors without the presence of other Directors. The Chairman of the Board of Directors has delegated the Secretary (as defined below) to gather any concerns or questions the independent non-executive Directors may have and to report to him, so that the Chairman of the Board of Directors may arrange a meeting with the independent non-executive Directors as and when appropriate. Nevertheless, from time to time, the Chairman of the Board communicate directly with the independent non-executive Directors and other non-executive Directors on a one-to-one or group basis to understand their concerns and to discuss pertinent issues, to endure an efficient communication between independent non-executive Directors and the Chairman. At the date of this Report, no meeting with the independent non-executive Directors without the presence of other Directors has yet been held.

## 4.6 SECRETARY TO THE BOARD OF DIRECTORS

Pursuant to article 20.2 of the By-Laws and in accordance with recommendation 18 of the Corporate Governance Code, the Board of Directors appoints, and revokes the appointment, of its secretary (the “**Secretary**”), at the Chairman’s proposal. The Secretary need not be a Director, and the requisite qualifications and qualities are determined by the Board.

The Secretary must in any event satisfy suitable requirements as to their professional standing and independence of judgement, and have appropriate expertise on company law, the regulated markets, and corporate governance, and must have acquired significant experience within a company secretariat at a company of similar size to the Company.

If the Secretary is absent or unable to act, the Board of Directors may at the Chairman’s proposal nominate a replacement for any particular meeting, choosing an individual with appropriate professional standing. The Board of Directors, or the Chairman, establishes that the requirements are satisfied at the time of the Secretary’s appointment for the particular meeting.

The Secretary assists the Chairman of the Board of Directors with his work, with particular regard to the activities referred to above (see recommendation 18 of the Corporate Governance Code).

In the course of the year, the Secretary provided impartial judgements, advice and assistance to the Board of Directors on every material aspect of the proper functioning of the Company’s system of corporate governance (see recommendations 18 of the Corporate Governance Code).

In performing his functions, the Secretary has support from a secretariat appropriate to his duties, taking into account *inter alia* the role played by the Secretary, who may also act as secretary for one or more Committees.

In performing the functions of his office, the Secretary had access to appropriate resources, made available by the Board of Directors, including information regarding the business necessary for his duties; suitable financial resources; and the support of external advisers, all as determined by the Board of Directors.

On 29 July 2024, the Board of Directors appointed Hao Qinggui, as Head of the Board Office and as Secretary to the Board of Directors for the remainder of the Board’s term of office and subject to revocation in the event the Board so determines. He thus replaced Ma Jun in that role. On 29 August 2025, Hao Qinggui resigned as Head of the Board Office and as Secretary of the Board of Directors, and on the same date the Board of Directors appointed Zhang Xiaomei as the new Head of the Board Office and Secretary of the Board of Directors.

The Board appointed Niccolò Pallesi and Wong Hoi Ting as the joint company secretaries on 21 December 2021. They are responsible for the secretarial affairs of the Company and for ensuring information flows within the Board and compliance with Board policy and procedures. On 12 August 2024, the Board of Directors appointed Hao Qinggui in place of Pallesi.

On 31 October 2025, Zhang Xiaomei was appointed by the Board of Directors as the joint company secretary in replacement of Hao Qinggui and Wong Hoi Ting continues to serve as the other joint company secretary of the Company.

During the Reporting Year, the joint company secretaries have attended not less than 15 hours of professional training.

## 4.7 EXECUTIVE DIRECTORS

### 4.7.1 Executive Officers

Pursuant to article 21 of the By-Laws, the Board of Directors may, subject to the restrictions imposed by article 2381 of the Civil Code and the By-Laws, delegate some of its powers and responsibilities to one or more members, for whom it determines the powers and the remuneration.

The Board of Directors may also decide that an Executive Committee should be established, whose members are those Directors who are appointed by the Board and, automatically, the Chairman of the Board of Directors and all those Directors with executive responsibilities. The Board of Directors in its resolution establishing the Executive Committee may also determine its objectives and the manner in which it may exercise its delegated powers.

The Board of Directors in any event has powers to direct and oversee, and to advocate for transactions within the scope of the delegated powers, and the power to revoke such powers' delegation.

Senior managers and attorneys may also be appointed by the Board of Directors, with their powers determined under the appointment.

Additionally, under article 23 of the By-Laws, the Chairman of the Board of Directors formally represents the Company, without restrictions. Directors with executive responsibilities also represent the Company with respect to the matters delegated to them, as do general managers, where they are appointed.

On 18 May 2023, the Board of Directors resolved to appoint Alberto Galassi as Chief Executive Officer and Xu Xinyu as an executive Director, granting them the necessary powers for them to perform their duties. Following Xu Xinyu's resignation, on 28 February 2025 the Board of Directors appointed Tan Ning as executive Director, granting him the powers previously held by Xu Xinyu.

#### Chief Executive Officer

Under a resolution adopted by the Board of Directors on 18 May 2023, Alberto Galassi was granted the broadest ordinary and extraordinary powers, that he may exercise alone, as may be necessary or merely appropriate to pursuit of the Company's objects, or to implementation of the Company's approved Business Plan, Budget and/or the Industrial Plan, including, without limitation, the power to represent the Company in dealings with third parties, such as:

- representation of the Company in proceedings before any judicial, administrative, tax, ordinary, special or arbitration authority, in criminal or civil proceedings, at any stage and instance, in Italy or elsewhere, with the power to sign claims and documents, in relation to any matter, bringing and supporting claims and defences, in the substantive and at any enforcement stages, and also in bankruptcy proceedings, and to agree, execute and accept waivers, and including the power to appoint lawyers and consultants;
- representation of the Company in all tax matters, including the signing of the Company's annual VAT returns and tax returns, declarations of withholding taxes, reports on results prepared by the tax authorities or the tax police, questionnaires from the tax authorities and any documents required by tax legislation, including the power to appoint lawyers and consultants;
- representation of the Company in relations central, local and other governmental bodies and administrations, ministries, EU bodies and supranational bodies, and with any other political, judicial, military, fiscal, financial, social security or trade union authorities or offices, both in Italy and elsewhere;
- to enable, also by means of special attorneys, any registrations, cancellations, postponements, annotations, signatures, waivers or formality generally, relating to mortgages, pledges, or transcriptions made in favour of the Company, without any limitation, before the registrars of land and other public registers, court employees and third parties, without having to justify their actions to the offices concerned and third parties;
- to sign all acts of ordinary administration, meaning any transaction related to giving effect to resolutions adopted by the Company's competent bodies or representatives, and any transaction execution of which is not expressly reserved by law to others, including the rules governing companies listed on the Hong Kong Stock Exchange, or by the Company's By-Laws to other representatives;
- to agree and give effect to transactions resolved upon or authorized by the competent bodies of the Company or their representatives, signing on behalf of the Company all relevant instruments and agreements, and instruments supplementary thereto and/or amending thereof, and any consequent formalities, with the right to agree any clause or condition in addition to those agreed by the competent bodies or their representatives, and with the right to take any action necessary to best safeguard the Company's rights and entitlements;
- to carry out with general government bodies, and public entities and offices, all such acts and operations as are necessary to obtain concessions, licences and authorisations generally, accepting and executing the relevant final deeds and documents;
- to enter into and carry out transactions relating to the granting and/or obtaining of licences relating to intellectual or industrial property rights;

- more generally, to perform any other act on behalf of the Board of Directors and/or the executive committees;
- to confer and/or delegate powers to other persons, including attorneys or employees within the scope of the powers held;
- to promote and develop adherence to good conduct, regulatory compliance, sound ethics and culture in the Company's operations in compliance with corporate governance principles; and
- accident prevention, and health and safety in the workplace.

The following matters remain the exclusive responsibility of the Board of Directors:

- the receipt and grant of new loans and other financial instruments, other than bank or insurance guarantees, with a value of more than euro 50 million or a maturity of more than 18 months;
- the issuance of financial instruments to be listed on European or non-European regulated markets and their delisting;
- entry into derivatives contracts (a) with a nominal value exceeding euro 100 million, and (b) whose sole purpose and/or effect is not to hedge the Company's risks (e.g. interest rate hedging, exchange rate hedging, or commodity hedging). For the avoidance of doubt, entry into any derivatives contracts of a speculative nature should in any case be subject to the approval of the Board of Directors;
- the acquisition or sale of controlling or associated interests in other companies, with a value exceeding euro 10 million, unless contemplated by the approved Business Plan and/or Budget;
- acquisition or sale of companies or business divisions of strategic importance or otherwise with a value exceeding euro 20 million, unless contemplated by the approved Business Plan and/or Budget;
- acquisition or sale of assets or other assets of strategic importance or otherwise with a total value exceeding euro 10 million, unless contemplated by the approved Business Plan and/or Budget;
- entry into relevant transactions with related parties in accordance with applicable laws and regulations;
- determining, in accordance with the Company's internal policies and applicable laws, the remuneration of the Chief Executive Officer and Directors holding particular offices and, if necessary, the allocation of total approved remuneration among the members of the Board of Directors;
- approval of the Group's Business Plan and/or Budget;
- adoption of the Company's corporate governance rules and the definition of the Group's corporate governance guidelines;
- definition of the guidelines for the internal control system, including the appointment of a Director responsible for supervising the internal control system, and determining their duties and powers;
- any other matter which should be exclusively in the purview of the Board of Directors under applicable laws and regulations, including those governing companies listed on the Hong Kong Stock Exchange, or the By-Laws.

The Chief Executive Officer is also referred to as the CEO and is not a director of another listed company of which a Director of the Company is the CEO.

The allocation of the powers set out above is justified in light of the characteristics of Ferretti's business activities and the Group's organizational structure.

#### Executive Director

Under a resolution adopted by the Board of Directors on 18 May 2023, given the operational needs of the Board of Directors following the listing of the Company on both the Stock Exchange of Hong Kong market and Euronext Milan, Xu Xinyu has been granted the power to oversee implementation of the decisions of the Board of Directors and tasked with strengthening the Company's internal audit functions, with the ability to monitor the quality of the Company's operations. The Board of Directors on 28 February 2025 granted Tan Ning the same powers following Xu Xinyu's resignation.

#### **4.7.2 Chairman of the Board of Directors**

As at the date of this Report, the Chairman of the Board of Directors is not the Issuer's chief executive officer, nor has he been delegated management powers. He does not play a specific role in the development of corporate strategies, nor is he a controlling shareholder of the Issuer.

#### **4.7.3 Honorary Chairman of the Board of Directors**

On 18 May 2023, the Board of Directors resolved to appoint Piero Ferrari as Honorary Chairman. He neither holds any operational duties or responsibilities, has any specific role in preparing strategy, nor is he a controlling shareholder of the Issuer.

#### **4.7.4 Supply of information to the Board of Directors by executive Directors and bodies**

During the Reporting Year, the Chief Executive Officer and the executive Director reported adequately and in a timely manner, at least on a quarterly basis, to the Board of Directors and the Board of Statutory Auditors on the activities undertaken concerning the powers conferred, doing so in a manner that enabled permit the Board to express, in an informed manner, its views on the matters under examination.

#### **4.7.5 Other Executive Directors**

As at the date of this Report, there are no Directors with delegated powers or responsibilities other than the Chief Executive Officer and the executive Director.

As at the date of this Report, no executive committee has been established.

### **4.8 INDEPENDENT DIRECTORS AND LEAD INDEPENDENT DIRECTOR**

#### **4.8.1 Independent Directors**

As at the date of this Report, the Board of Directors includes three independent directors out of a total of nine Directors. These are Directors who meet the independence requirements set forth in Article 148(3), CLFI, as referred to in Article 147-ter(4), CLFI, and in the Recommendation 7 of the Corporate Governance Code and the criteria indicated in Rule 3.13 of the Listing Rules according to Hong Kong law, as well as the criteria defined by the Board of Directors in accordance with recommendation 7, second paragraph of the Corporate Governance Code and Rule 3.13 of the Listing Rules.

Specifically, under recommendation 5 of the Corporate Governance Code, the Directors Zhu Yi, Stefano Domenicali and Patrick Sun meet the independence requirements.

The number of independent directors is compliant with recommendation 5 of the Corporate Governance Code and the Listing Rules and appropriate, also in light of their respective fields of expertise, the Company's requirements, the functioning of the Board of Directors, and the composition of the Committees.

On 18 May 2023, the Board of Directors approved the quantitative and qualitative criteria to be used in establishing Directors' independence, in order to assess the significance of dealings with the Company and/or the Group, pursuant to recommendation 7 of the Corporate Governance Code.

Specifically, the following are considered "significant":

- (a) a Director having a significant commercial, financial or professional relationship with the Company (see recommendation 7, paragraph 1, part (c)), from which he receives income that exceeds at least one of the following parameters:
  - (i) his annual compensation for the office of Director, including compensation for participation on Committees;
  - (ii) 5% of the average costs incurred by Ferretti in the last three financial years, in relation to relationships of the same commercial, financial or professional nature.

In any event, the relationship is considered significant where the amount of income paid to the Director exceeds euro 200,000 (two hundred thousand euros).

- (b) the additional remuneration (recommendation 7, paragraph 2, letter (d), of the Corporate Governance Code) that exceeds his annual compensation for the office of Director, including compensation for participation on Committees,

where:

- i “fixed compensation for the position” means: the compensation determined by the Shareholders’ Meeting for all Directors, or by the Board of Directors for all non-executive Directors, further to the aggregate amount approved by resolution of the Shareholders’ Meeting for the whole of the Board of Directors; any remuneration awarded based on the particular position of the non-executive Director within the Board of Directors (Chairman, Deputy Chairman (where appointed), Lead Independent Director (where appointed), determined in accordance with best practice, further to recommendation 25 of the Corporate Governance Code;
- ii “compensation for participation on Committees” means the remuneration any particular Director receives based on their participation in committees established pursuant to the Corporate Governance Code or committees or bodies for which the laws and regulations in force provide, other than remuneration for participating on any executive committees;
- iii for the purposes of determining the “additional remuneration” received by a Director of Ferretti, it is the “fixed compensation for the position” and the “compensation for participation on Committees” that the Director receives from companies of the Group that should be taken into consideration.

The independence of a Director may be compromised by being a close relation of a person in one of the aforementioned situations, where “close relations” are, without limitation, parents, children, spouse who is not legally separated, and co-habitees.

The Board of Directors verifies that these requirements are satisfied at the time of the appointment and on any occasion that circumstances relevant to independence transpire, and not less than annually. The Board of Statutory Auditors verifies that the criteria and assessment procedures used by the Board of Directors to assess the independence of its members have been correctly applied.

The Board of Directors assesses the initial and continuing satisfaction of the independence requirements, applying *inter alia* all the criteria set forth in the Corporate Governance Code, based on the information that the individuals in question are required to provide and such other information as is otherwise available to the Board of Directors. The outcomes of these assessments are made public through a press release.

On 18 May 2023, the Board of Directors confirmed, based on the information available to it, in particular that provided by the Directors, that the independence requirements set forth in Article 148(3), CLFI, as referred to in Article 147-ter(4), CLFI, and in recommendation 7 of the Corporate Governance Code, and based only on the criteria set forth in Rule 3.13 of the Listing Rules, under the laws of Hong Kong, were met by the following Directors: Hua Fengmao (who subsequently resigned, effective from 19 February 2023), Stefano Domenicali and Patrick Sun; and on 19 February 2024, the Board of Directors based on the information available to it, in particular that provided by the Director in question, verified that the independence requirements were met by Zhu Yi.

The quantitative and qualitative criteria to be used in establishing Directors’ independence, in order to assess the significance of dealings with the Company and/or the Group, pursuant to recommendation 7 of the Corporate Governance Code, were applied following the First Trading Day, and thus beginning with the assessment of the independence of Directors who were co-opted on 19 February 2024.

The outcome of the assessments regarding the independence of Stefano Domenicali, and Patrick Sun was favourable, and the market was informed by press release of 18 May 2023.

The outcome of the assessment regarding the independence of Zhu Yi was also favourable, and the market was informed by press release of 19 February 2024, which is available on the Issuer’s website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Investor Relations*.

With reference specifically to the terms of article 149(1) (c-*bis*), CLFI, and recommendation 6 of the Corporate Governance Code, the Board of Statutory Auditors confirmed that the criteria and assessment procedures used by the Board of Directors to assess the independence of its members have been correctly applied.

None of the independent directors have committed to remaining independent for the whole of their term of office and to resigning if necessary. In the event that a Director classified as an independent director ceases to meet the requirements, he must promptly inform the Board of Directors.

In the course of the Reporting Year, the independent directors never met without the other Directors.

#### **4.8.2 Lead Independent Director**

The Board of Directors did not consider it necessary to appoint a lead independent director, in that the tests that would require such an appointment under recommendation 13 of the Corporate Governance Code were not met, since:

- (a) the Chairman of the Board of Directors is not the Chief Executive Officer and does not hold material management responsibilities;
- (b) the Chairman of the Board of Directors does not control the Issuer, nor jointly with any other person; and
- (c) the Issuer does not qualify as a “large company” under the Corporate Governance Code.

### **5 MANAGEMENT OF CORPORATE INFORMATION**

The Board of Directors on 20 March 2023 at the proposal of the Chief Executive Officer, adopted the following procedures:

- (a) a procedure for handling and disclosing inside information, for governing the handling of Inside Information and Material Information, thus a mapping and identification of such information by the relevant functions within Ferretti; and
- (b) a procedure on internal dealing, pursuant to article 19, MAR, to regulate the disclosure obligations towards CONSOB and the public connected with transactions regarding financial instruments issued by the Company, performed by persons discharging managerial responsibilities and persons closely associated with them (as identified under the MAR and the aforementioned procedure).

Both documents are available on the Company’s website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Corporate Governance*.

### **6 COMMITTEES INTERNAL TO THE BOARD OF DIRECTORS (PURSUANT TO ARTICLE 123-bis(2)(D), CLFI)**

#### **6.1 ESTABLISHMENT OF COMMITTEES**

Pursuant to Principle XI and recommendation 16 of the Corporate Governance Code, and the laws and regulations in force, the Board of Directors may establish committees made up of its members, with fact-finding, consultative or proposal-making functions, regarding appointments, remuneration, and control and risks. Pursuant to the Listing Rules, the Board of Directors must establish the Controls, Risks and Related Parties Committee, the Nomination Committee and the Remuneration Committee. In accordance with the Listing Rules, those Committees were established from 21 December 2021.

On 18 May 2023, the Board of Directors resolved to establish the following committees with fact-finding, consultative or proposal-making functions, pursuant to Principle XI and recommendation 16 of the Corporate Governance Code:

- (a) the Controls, Risks and Related Parties Committee, which addresses internal controls, risk management and transactions with related parties under the RPT Rules and the RPT Procedure;
- (b) the Remuneration Committee, which addresses remuneration;
- (c) the Nomination Committee, which addresses the appointment of Directors and procedures for evaluating the performance of the Board of Directors; and
- (d) Sustainability Committee, which addresses issues of sustainability connected with the conduct of the Group’s business.

The Committees operate in accordance with their terms of reference, in compliance with the Corporate Governance Code and appendix C1 to the Listing Rules. The terms of reference of the Board committees are published on the Company's website and the Hong Kong Stock Exchange's website and are available to Shareholders upon request.

On 19 February 2024, pursuant to recommendation 1 of the Corporate Governance Code, the Board of Directors resolved to establish a Strategic Committee, and adopted Rules that would govern its proceedings on the same date.

As at the date of this Report, no Committees have been established beyond those recommended by the Corporate Governance Code, except for the Strategic Committee, which is described in detail in paragraph 6.4, below.

The members and chairmen of the Committees are appointed, and dismissed, by resolution of the Board of Directors. Members of Committees have no claims of any kind in the event of their dismissal from that role.

Except as the Board of Directors may determine otherwise at the time of their appointment, members of the Committees are appointed for the same term as that of the Board of Directors to which they also belong. Early termination of office of the Board of Directors for any reason also results in the immediate forfeiture of the Committees.

In the event that, for any reason, one or more members of a Committee cease to hold office, they are replaced by members of the Board of Directors.

Consistent with recommendation 17 of the Corporate Governance Code, the Board of Directors has in establishing the Committees' membership favoured expertise and experience, and avoided excessive concentration of duties. Specifically: (i) at least one member of the Remuneration Committee has appropriate knowledge and experience on financial matters and remuneration policies, which the Board of Directors is called to assess at the time of appointment; (ii) at least one member of the Controls, Risks and Related Parties Committee has appropriate knowledge and experience on accounting and finance, and risk management, which the Board of Directors is called to assess at the time of appointment; and (iii) at least one member of the Sustainability Committee has appropriate knowledge, expertise and experience on matters of social and environmental sustainability.

In accordance with the Board of Directors' determinations each time it appoints the Controls, Risks and Related Parties Committee, the Nomination Committee and the Remuneration Committee are each made up of at least three Directors, a majority of whom are non-executive and independent, while the Sustainability Committee and the Strategic Committee are each made up of at least three Directors, a majority of whom are non-executive. The Chairman of the Controls, Risks and Related Parties Committee is an independent non-executive Director. The Chairmen of the Sustainability Committee, the Strategic Committee and the Nomination Committee are each a non-executive Director and a Chairman of the Board of Directors.

Consistent with the requirements under the Listing Rules, (i) the Controls, Risks and Related Parties Committee is made up exclusively of non-executive Directors, with Patrick Sun (an independent non-executive Director) currently serving as its chairman. Sun has the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules; (ii) the Remuneration Committee has a majority of independent non-executive Directors with Stefano Domenicali (an independent non-executive Director) currently serving as its chairman; and (iii) the Nomination Committee comprises a majority of independent non-executive Directors, with Hao Qinggui (Chairman of the Board of Directors) currently serving as its chairman.

The Secretary to the Board of Directors, or another person he identifies from within the Company's secretariat, acts as secretary for each committee.

The Committees are granted a budget to ensure their independence.

The Directors accept appointment to one or more of the Committees only where they consider that they are able to dedicate the time necessary to performing the duties that entails.

During the Reporting Year, and through to the date of this Report, none of the functions for which the Corporate Governance Code recommends establishing a committee have been reserved to the Board of Directors.

## **6.2 OPERATION OF THE COMMITTEES**

With specific reference to the terms of recommendation 11 of the Corporate Governance Code, the functioning of the Committees is governed by the Rules of the Board of Directors and the rules of the individual Committees,

as approved by the Board of Directors, respectively, on 20 March 2023 and 18 May 2023, in the same form as had been adopted on 21 December 2021 (and, for the Strategic Committee, on 19 February 2024). These are made available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section, *Corporate Governance*.

Each Committees' meetings are called by the Chairman or one of its members, at regular intervals that enable them to perform their duties, and not less than once a year (except for the Controls, Risks and Related Parties Committee, which meets at least twice a year with the person responsible for auditing the Company's accounts). Meetings take place in the location stated on the notice of meeting, sent to all of the Committee's members.

The notice of meeting, prepared in English, is despatched by the Secretary, on the instruction of the Chairman of each Committee, by recorded delivery, fax, email or equivalent, provided that it offers proof of receipt. It provides the place, date and time of the meeting, the agenda, the manner in which the members may participate, and the other information required by law. Where necessary or urgent, the notice may be sent not less than 24 hours prior to the meeting, by the same means. A copy of the notice is sent to the Board of Directors (or its Chairman), the Chief Executive Officer (where he is not a member of the relevant Committee), the Board of Statutory Auditors (or its Chairman), the Head of Internal Audit (for the Controls, Risks and Related Parties Committee), and the Chief Human Resources & Organization Officer (for the Remuneration Committee).

Each Committee may validly resolve, even if no meeting has formally been called, when all members are present.

The Chairman of each Committee may, also at the request of the other members, invite to specific meetings the Chairman of the Board of Directors, the Chief Executive Officer (where he is not a member of the relevant Committee), the other Directors, and, with notice to the Chief Executive Officer, the executives and heads of the relevant business functions within the Company or the Group, the Secretary to the Board of Directors, where not acting as secretary to the meeting, and other persons, including persons from outside the Company and the Group, where their presence is considered useful, *inter alia*, to provide additional information regarding one or more of the matters of the agenda. The Chairman of the Board of Statutory Auditors, or another member he designates, participates in the work of the Committees. In such circumstances, the invitees are made aware of the notice of meeting and any documentation, to the extent that is necessary for them to participate effectively in the Committee's work.

The meetings of each Committees may be held by audio- or videoconference, provided that the chairman of the meeting is able to establish the identity of those participating in the meeting, they are able to follow the discussions, participate in the deliberations in real time regarding the meeting's activities, vote simultaneously, and are able to receive, provide and review documents in real time; and the person taking the minutes is able adequately to perceive the proceedings of the meeting that they are recording.

Any documentation regarding the items on the agenda is prepared in English and, where opportune or required, also in Italian. It is made available to the members and, where necessary or opportune, also to any invitees, by the secretary, in a manner that ensures the necessary confidentiality, which may include a dedicated IT platform. Ordinarily, it will accompany the notice of meeting, or, in urgent cases be made available at least 24 hours prior to the meeting, transmitted in the same manner as the notice of meeting.

The meetings of each Committee are chaired by their respective Chairman, of, if he is unable or absent, by the eldest member.

In order for the meetings to be validly constituted, a majority of its members must be present. Resolutions are passed with the approval of an absolute majority of those entitled to vote, or, only for the Controls, Risks and Related Parties Committee (where not acting as the Related Parties Committee), by an absolute majority of those present. In the event of a tied vote, the Chairman of the meeting holds the casting vote. No voting by proxy is permitted.

The minuting of meetings is overseen by the Secretary. Minutes of Committee meetings are prepared in English, with a draft submitted to the Committee's chairman (and to the Chairman of the Board of Statutory Auditors, or to the person acting in their stead, in the case only of the Controls, Risks and Related Parties Committee), and signed by the meeting's chairman. The meetings are considered to have been held in the location in which the chairman was present.

Except as the Committees may provide otherwise, the terms that govern the meetings of the Board of Directors apply to the meetings of the Committees, *mutatis mutandis*.

The Chairman of each Committee coordinates their work, and informs the Board of Directors at the next meeting, and at least annually (or quarterly, for the Controls, Risks and Related Parties Committee), or to such other

timetable as the Corporate Governance Code or other applicable laws and regulations may provide from time to time.

For further information regarding the scope of each Committee’s work and their composition, please see paragraphs 6.3, 6.4, 7.4, 8.2 and 9.3 of this Report.

Please refer to Table 2 in the Schedules for details of the Committees’ membership.

### 6.3 SUSTAINABILITY COMMITTEE

By resolution of 18 May 2023, the Board of Directors established a Sustainability Committee from among its number.

#### 6.3.1 Composition and operation (pursuant to article 123-bis(2)(d), CLFI)

The following table sets forth the composition of the Sustainability Committee as at the date of this Report.

DIRECTOR	DATE OF APPOINTMENT	REQUIREMENTS SATISFIED
Hao Qinggui (Chairman)	29 August 2025*	Non-executive Director
Tan Ning	28 February 2025**	Executive Director
Alberto Galassi	18 May 2023	Executive Director
Piero Ferrari	18 May 2023	Non-executive Director
Jiang Lan	18 May 2023	Non-executive Director
Zhu Yi	19 February 2024	Independent non-executive Director
Jin Zhao	29 August 2025***	Non-executive Director

\* Hao Qinggui was appointed as member of the Sustainability Committee on 28 February 2025 following the resignation of Zhang Quan. Hao Qinggui, who was appointed by the Board of Directors on 29 August 2025 as Chairman of the Sustainability Committee following Jiang Kui’s resignation, has appropriate knowledge, expertise and experience on matters of social and environmental sustainability.

\*\* Tan Ning was co-opted onto the Committee by the Board of Directors on 28 February 2025 following the resignation of Xu Xinyu.

\*\*\* Jin Zhao was co-opted onto the Committee by the Board of Directors on 29 August 2025 following the resignation of Jiang Kui.

A majority of the Sustainability Committee is made up of non-executive Directors (including the Chairman).

#### 6.3.2 Functions of the Sustainability Committee, and work performed

The operation of the Sustainability Committee is governed by the Rules of the Sustainability Committee, as approved by the Board of Directors on 18 May 2023 (as amended on 28 February 2025 to reflect the terms of Legislative Decree No. 125 of 6 September 2024, which transposed Directive (EU) No. 2022/2464 (the Corporate Sustainability Reporting Directive)).

The rules of the Sustainability Committee are available on the Company’s website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Investor Relations – Governance*.

The Sustainability Committee performs proposal-making and advisory functions for the Board of Directors, on each occasion that the Board of Directors must make evaluations, or reach decisions, involving matters related to sustainability, in connection with the Company’s operations or in interactions with stakeholders, including through the integration into business strategies of issues of sustainability; More specifically, the Sustainability Committee:

- (a) assumes a role in proposal-making, advising, and supervising, on all areas and issues regarding the activities of the Corporate Social Responsibility (“CSR”) unit, and CSR policies and strategies, including support

to the Board of Directors in analysing matters relevant to value generation over the long term, with respect to the Company's and the Group's business plan;

- (b) through its receipt of regular updates from the CSR unit, monitors implementation of the policies and directives set by the Board of Directors in terms of CSR;
- (c) provides advice, including those specifically requested, to the Board of Directors in determining and updating the Group's sustainability policy, also with a view to its formal approval by the Board of Directors, and examines the decisions and projects submitted or proposed to the Board of Directors that have a sustainability impact;
- (d) assesses the objectives and goals of management initiatives in connection with CSR matters, and reports to the Board of Directors on those considered most effective and consonant with the Company's broader strategies, monitoring their implementation over time;
- (e) proposes desirable approaches to growth that are consistent with the main drivers in the regulation of CSR, providing the Board of Directors with recommendations in that regard;
- (f) evaluates the procedures for the preparation of the Sustainability Report, pursuant to Legislative Decree No. 125 of 6 September 2024, as to their completeness and reliability, coordinating with the Controls, Risks and Related Parties Committee and without impinging on the latter's competencies in this area, and makes preliminary examinations of the annual disclosure, on which it gives its advice prior to its consideration by the Board of Directors for approval, along with any other documentation regarding disclosures on sustainability matters;
- (g) regularly reports to the Board of Directors regarding CSR issues that are relevant to the Company, and any emerging major problems;
- (h) evaluates and advises on the suitability, with respect to the CSR goals the Company pursues, of any proposals on CSR matters from shareholders or other classes of stakeholder;
- (i) examines the suitability of the Company's sustainability policies in light of its strategic guidance, monitoring against best practices internationally, and considering the Group's position on sustainability matters relative to the market;
- (l) monitors the development, and implementation, of the Company's ESG objectives, checks progress towards achievement of those objectives, and advises on the actions necessary to reach those objectives;
- (m) monitors and reports to the Board of Directors on ESG developments, including the main developments affecting the Company's ESG strategies and policies, and its objectives;
- (n) manages and identifies the ESG matters at the Group, and assigns them priorities based on their importance;
- (o) reviews the annual ESG reports, and the other information on sustainability, and makes recommendations to the Board of Directors on approval;
- (p) examines, prior to the Board of Directors' examination, the Sustainability Report, pursuant to Legislative Decree No. 125 of 6 September 2024, providing the Board of Directors with advice thereon.

In the course of the Reporting Year, the Sustainability Committee met twice, on 28 February 2025 and on 14 March 2025.

The Sustainability Committee's meetings were coordinated by the Chairman of the Sustainability Committee Jiang Kui. The same were duly minuted and the Chairman of the Sustainability Committee informed the Board of Directors at the next opportune meeting.

The duration of the first meeting of the Sustainability Committee was approximately 45 minutes, while the second meeting lasted approximately 15 minutes. The following attended the meeting on 28 February 2025: Jiang Kui, Alberto Galassi, Xu Xinyu, Jiang Lan (Lansi), Piero Ferrari, Zhang Quan and Zhu Yi. The following attended the meeting on 14 March 2025: Jiang Kui, Alberto Galassi, Tan Ning, Hao Qinggui, Jiang Lan (Lansi), Piero Ferrari, and Zhu Yi. Margherita Sacerdoti (Investor Relations & Sustainability Manager of Ferretti) was invited to attend both meetings.

In the course of the Reporting Year, the Sustainability Committee carried out the following activities:

- (a) Reviewed of the Company's ESG report for 2024;
- (b) Reviewed of the Company's ESG policies.

Also participating in the Sustainability Committee's meeting were senior individuals from business functions, invited by the Chairman of the Sustainability Committee, and the Chief Executive Officer was informed of the participation of those senior figures who had knowledge relevant to the discussions.

In discharging its duties, the Sustainability Committee may access such information and business functions as may be necessary for it to do so. It may also engage external advisors, upon terms agreed by the Board of Directors.

Finally, in the course of the year ending 31 December 2026, one meeting of the Sustainability Committee has already been held on 31 March 2026, and no further meetings are presently scheduled.

## 6.4 STRATEGIC COMMITTEE

By resolution of 19 February 2024, the Board of Directors established a Strategic Committee from among its number.

### 6.4.1 Composition and operation (pursuant to article 123-bis(2)(d), CLFI)

The following table sets forth the composition of the Strategic Committee as at the date of this Report.

DIRECTOR	DATE OF APPOINTMENT	REQUIREMENTS SATISFIED
Hao Qinggui (Chairman)	29 August 2025*	Non-executive Director
Tan Ning	28 February 2025**	Executive Director
Alberto Galassi	18 May 2023	Executive Director
Piero Ferrari	18 May 2023	Non-executive Director
Patrick Sun	18 May 2023	Independent non-executive Director
Jin Zhao	29 August 2025***	Non-executive Director

\* Hao Qinggui was appointed as member of the Strategic Committee on 28 February 2025 following the resignation of Zhang Quan. Hao Qinggui was appointed as the Chairman of the Strategic Committee by the Board of Directors on 29 August 2025 following the resignation of Jiang Kui.

\*\* Tan Ning was co-opted onto the Committee by the Board of Directors on 28 February 2025 following the resignation of Xu Xinyu.

\*\*\* Jin Zhao was co-opted onto the Committee by the Board of Directors on 29 August 2025 following the resignation of Jiang Kui.

The majority of the members of the Sustainability Committee is made up of non-executive Directors (including the Chairman).

### 6.4.2 Functions of the Strategic Committee and duties performed

The Strategic Committee's operation is governed by the Rules of the Strategic Committee, as approved by the Board of Directors on 19 February 2024.

The rules of the Strategic Committee are available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Corporate Governance*.

The Strategic Committee works with the other Committees to support the Board of Directors on the creation of value over the long term for the benefit of shareholders, taking into consideration also the interests of the Company's other stakeholders.

Without prejudice to the powers delegated to the Chief Executive Officer, the Strategic Committee, whose function is merely advisory, is tasked with, *inter alia*:

- (a) conducting studies and making recommendations regarding the Company's long-term strategic development plan;
- (b) conducting studies and making recommendations regarding major investment and financing proposals that are subject to approval by the Board of Directors;
- (c) conducting studies and making recommendations regarding major equity operations, and plans for managing assets that are subject to approval by the Board of Directors;
- (d) examining and monitoring implementation of the above matters.

In discharging its duties, the Strategic Committee may access such information and business functions as may be necessary for it to do so. It may also engage external advisors, upon terms agreed by the Board of Directors.

Finally, in the course of the Reporting Year, no meeting of the Strategic Committee has taken place, as the matters on which it is called to provide its opinion were already thoroughly discussed and examined during the individual meetings of the Board of Directors, where the members of the Strategic Committee had the opportunity to express their views and provide their advice.

## **7 DIRECTORS' REPLACEMENT AND ASSESSMENT OF THEIR OWN PERFORMANCE – NOMINATION COMMITTEE**

### **7.1 DIRECTORS' ASSESSMENT OF THEIR OWN PERFORMANCE**

Pursuant to Principle XIV of the Corporate Governance Code, the Board of Directors regularly assesses how effective it is, and the contribution made by individual members, using formal procedures whose implementation it oversees.

Specifically, in accordance with recommendation 22 of the Corporate Governance Code, the Board of Directors, at least once every three years, with its term of office drawing to a close, carries out a formal procedure for assessing its own performance, in order to assess how effective the work of the Board of Directors and the Committees has been, and express a view on the functioning in practice, the size, and the composition, of the Board of Directors and its Committees. That takes into consideration also the role it has had in setting strategies and monitoring operating performance, and the suitability of the internal controls and risk management system. In addition, in accordance with the Listing Rules, the listed companies are required to conduct a formal evaluation of the board's performance review at least every two years .

Following that assessment process, the Board of Directors identifies such corrective actions as it may consider necessary or opportune.

On 24 February 2026, the Board of Directors has carried out such an assessment process, in view of its renewal, on the approval of financial statements as at and for the year ended 31 December 2025, taking note of the positive assessment resulting from the self-evaluation of the proper functioning of the Board of Directors and the Committees, as well as of their size and composition, and of the related recommendations.

This evaluation process, which took place in February 2026, concerned the Reporting Year and was carried out through a questionnaire sent to all Directors. Suggestions and comments were provided with a guarantee of anonymity. The questionnaire was structured in several sections, addressing the topics considered most relevant, and in particular: (i) the size, composition, and functioning of the Board of Directors; (ii) the size, composition, and functioning of the Committees; (iii) communication between the Board of Directors and senior management; and (iv) corporate governance and risk management.

Once completed anonymously by all Directors, the Board of Directors reviewed the results in the meeting held on 24 February 2026. For the assessment of its own functioning, the Board of Directors did not deem it necessary to rely on external consultants.

The Chairman, with the assistance of the Secretary, ensures the adequacy and transparency of this self-evaluation process, taking into account the guidance provided by the Board of Directors and, in particular, by the independent directors.

### **7.2 STANCE ON THE COMPOSITION OF THE BOARD OF DIRECTORS**

On 24 February 2026, the Board of Directors approved the guidance regarding the optimal quantitative and qualitative composition of the Board of Directors in view of the renewal of the administrative body by the next

Ordinary Shareholders' Meeting scheduled for 14 May 2026, published on the Company's website ([www.ferrettigroup.com](http://www.ferrettigroup.com)), under the section "*Investor Relations – Governance*".

### 7.3 REPLACEMENT OF THE EXECUTIVE DIRECTORS

As at the date of this Report, the Company has not formally adopted guidelines on managing the succession of executive Directors, given that Ferretti does not qualify as a large company for the purposes of the Corporate Governance Code.

### 7.4 NOMINATION COMMITTEE

In accordance with the terms of recommendation 16 of the Corporate Governance Code, the Board of Directors by a resolution of 18 May 2023 established a Nomination Committee from among its number.

The Nomination Committee's composition, meetings, objectives, duties and work are fully consistent with the recommendations of the Corporate Governance Code, as described below.

#### 7.4.1 Composition and operation (pursuant to article 123-bis(2)(d), CLFI)

The following table sets forth the composition of the Nomination Committee as at the date of this Report.

DIRECTOR	DATE OF APPOINTMENT	REQUIREMENTS SATISFIED
Hao Qinggui (Chairman)	29 August 2025*	Non-executive Director
Stefano Domenicali	18 May 2023	Independent non-executive Director
Alberto Galassi	18 May 2023	Executive Director
Patrick Sun	18 May 2023	Independent non-executive Director with appropriate knowledge and experience on financial matters and remuneration policies
Zhu Yi	19 February 2024**	Independent non-executive Director

\* Hao Qinggui was appointed a member and Chairman of the Nomination Committee by the Board of Directors on 29 August 2025 following the resignation of Jiang Kui.

\*\* Zhu Yi was co-opted by the Board of Directors on 19 February 2024 following the resignation of the non-executive Director Hua Fengmao and therefore on the same date Zhu Yi was appointed onto the Committee.

The majority of the members of the Nomination Committee meet independence requirements.

#### 7.4.2 Functions of the Nomination Committee and duties performed

The operation of the Nomination Committee is governed by the Corporate Governance Code and by the Rules of the Nomination Committee as approved by the Board of Directors on 18 May 2023 (and amended on 14 March 2024).

The rules of the Nomination Committee are available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Corporate Governance*.

The Nomination Committee performs proposal-making and advisory functions for the Board of Directors, on each occasion that the Board of Directors must make evaluations, or reach decisions, involving matters related to appointments of Directors, or their assessment of their performance, thereby providing support to the Chairman of the Board of Directors in monitoring that process to ensure it is adequate and transparent. More particularly, the Nomination Committee is tasked with:

- (a) reviewing, at least annually or to such other timetables as the Corporate Governance Code and applicable laws and regulations may provide from time to time, the structure and composition of the Board of Directors and its Committees, and the number of Directors (including their areas of expertise, knowledge

- and experience), and drawing up proposals for changes to the composition of the Board of Directors and its Committees, in pursuit of full implementation of the Company's corporate governance strategy;
- (b) identifying qualified persons suitable to become members of the Board of Directors, selecting the persons for appointment as Directors or making recommendations to the Board of Directors regarding selection;
  - (c) determining the optimal composition for the Board of Directors and its Committees, providing advice also regarding the kinds of professional roles whose presence on the Board of Directors would be desirable;
  - (d) providing support in any presentation by an outgoing Board of Directors of a list of candidates for the Board, in a manner that ensures the list is compiled and submitted transparently;
  - (e) expressing, as a Board of Directors' term of office draws to a close, a stance regarding the Board of Directors' composition, both in quantitative and qualitative terms, taking into account the outcome of the own assessment process;
  - (f) regularly assessing the independence of the independent non-executive Directors (including on the basis of the applicative, quantitative and qualitative criteria that the Board of Directors has approved), the integrity of the Directors, and the absence of any grounds on which they would be ineligible or unelectable;
  - (g) drawing up proposals regarding the appointment (also where Directors are being co-opted), or reappointment, of Directors, and, where the Corporate Governance Code and/or applicable laws and regulations so provide, succession planning for Directors, in particular the Chairman and the executive Director; and
  - (h) making assessments regarding the Company's adoption of diversity policies, for application to the composition of the Board of Directors, Board of Statutory Auditors and the Supervisory Board, regarding aspects such as age, gender, training and professional backgrounds, defining objectives and the means by which they may be achieved.

The Nomination Committee also prepares advice for the Board of Directors on any activities carried out by Directors that are in competition with the Company's, where the Shareholders' Meeting authorises, generally and in advance, exceptions to the rule against competition under article 2390 of the Civil Code.

In the course of the Reporting Year, the Nomination Committee met twice, on 28 February 2025 and 29 August 2025.

During the Reporting Year, the abovementioned meetings were coordinated, respectively, by the Chairman of the Nomination Committee Jiang Kui. Both meetings were duly minuted, and the Chairman of the Nomination Committee reported them to the next available meeting of the Board of Directors.

Meetings of the Nomination Committee lasted approximately 30 minutes on average, with overall participation of the members Jiang Kui (who, it is recalled, resigned from the Board of Directors on 29 August 2025) Alberto Galassi, Patrick Sun, Zhu Yi and Stefano Domenicali, of 100%.

In the course of the Reporting Year, the Nomination Committee issued its opinion regarding the appointment of individuals co-opted by the Board of Directors, in particular Hao Qinggui and Tan Ning, who were co-opted by the Board of Directors on 28 February 2025 following the resignations of Xu Xinyu as an executive Director and Zhang Quan as a non-executive Director, as well as Jin Zhao, who was co-opted by the Board of Directors on 29 August 2025 following the resignation of Jiang Kui as a non-executive Director and Chairman of the Board of Directors.

The members of the Board of Statutory Auditors attended the work of the Nomination Committee in both meetings.

No member of the Board of Statutory Auditors participated in the work of the Nomination Committee at its meeting of 19 February 2024, having giving reasons for their absence; but all participated at its meeting of 29 August 2024.

Also participating in the Nomination Committee's meetings were senior individuals from business functions, invited by the Chairman of the Nomination Committee, and the Chief Executive Officer was informed of the participation of those senior figures, who had knowledge relevant to the discussions.

In discharging its duties, the Nomination Committee may access such information and business functions as may be necessary for it to do so. It may also engage external advisors, upon terms agreed by the Board of Directors.

Finally, in the course of the year ending 31 December 2026, one meeting of the Nomination Committee has already taken place, on 24 February 2026, to examine the guidance, approved by the Board of Directors on the same date, regarding the optimal quantitative and qualitative composition of the Board of Directors in view of the renewal of the administrative body by the next Ordinary Shareholders' Meeting scheduled for 14 May 2026.

## **8 REMUNERATION OF DIRECTORS AND THE REMUNERATION COMMITTEE**

### **8.1 REMUNERATION OF THE DIRECTORS**

#### **8.1.1 Remuneration Policy**

On 31 March 2026, the Board of Directors at the Remuneration Committee's proposal approved the 2026 Remuneration Policy, on members of the Board of Directors, Executives with Strategic Responsibilities, and, subject always to article 2402 of the Civil Code, members of the Company's and the Group's Board of Statutory Auditors. The policy is subject to mandatory approval from the Shareholders' Meeting that is called to approve the non-consolidated financial statements of the Company as at and for the year ended 31 December 2025.

For further information regarding the 2026 Remuneration Policy, please see Section I of the Remuneration Report, available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Corporate Governance*.

#### **8.1.2 Remuneration of Executive Directors and Senior Management**

For further information regarding the remuneration of executive Directors and the Group's senior management, please see the discussion of the 2026 Remuneration Policy in Section I of the Remuneration Report, available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Corporate Governance*.

#### **8.1.3 Share-based remuneration plans**

As at the date of this Report, the Company has not implemented any share-based remuneration plan.

#### **8.1.4 Remuneration of the Non-executive Directors**

In accordance with the terms of recommendation 29 of the Corporate Governance Code, during the Reporting Year and up to the date of this Report, the remuneration of the non-executive Directors was appropriate to the expertise, professional qualifications and commitment required by the duties they have within the Board of Directors and the Committees. That compensation is not linked to any financial performance targets.

For further information regarding the remuneration of non-executive Directors, please see the discussion of the 2026 Remuneration Policy in Section I of the Remuneration Report, available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Corporate Governance*.

#### **8.1.5 Accrual and payment of remuneration**

The Board of Directors, with the assistance of the Remuneration Committee, ensures that the remuneration paid and accrued is consistent with the principles set forth in the 2026 Remuneration Policy, in light of the results that were achieved and other relevant circumstances.

More particularly, as described in Section I of the Remuneration Report, with assistance from the Remuneration Committee the Board of Directors sets ex ante qualitative and quantitative objectives for the short and the medium to long term, to which the executive Directors' variable component of remuneration is linked. These are consistent with the Company's strategic objectives and with the goal of achieving sustainable success, and includes, where relevant, non-financial measures. Periodically, it assesses achievement of those objectives. Based on those evaluations, the Board of Directors, at the proposal of the Remuneration Committee, determines the portion of remuneration that has accrued for each executive Director and has those sums disbursed.

As at the date of this Report, the Group does not provide any incentive system connected with sustainability issues, for members of the administrative, management or control bodies.

#### **8.1.6 Compensation to Directors in the event of dismissal, resignation or termination following a public tender offer (pursuant to article 123-bis(1)(i), CLFI)**

As at the date of this Report, no agreements have been made between the Issuer and the Directors that provide for indemnities in the event of resignation or dismissal/revocation without just cause or termination following a public tender offer (including the Offer). Accordingly, the Issuer released no statement at the time of Xu Xinyu's

(executive Director) resignation on 28 February 2025 and of Jiang Kui's (non-executive Director and Chairman of the Board of Directors) resignation, following the resignation submitted on 29 August 2025, as no entitlement to compensation or other benefits arose to the outgoing Directors as a result.

However, as further detailed in the 2026 Remuneration Policy contained in Section I of the Remuneration Report, the Company intends to enter into agreements with executive Directors that regulate anteriorly financial aspects regarding early termination of employment at the initiative of the Company or the individual upon the occurrence of certain events, based on criteria in line with relevant benchmarks, without prejudice to the Company's statutory obligations.

## 8.2 REMUNERATION COMMITTEE

In accordance with the terms of recommendation 16 of the Corporate Governance Code, the Board of Directors by a resolution of 18 May 2023 established a Remuneration Committee from among its number.

The Remuneration Committee's composition, meetings, objectives, duties and work are fully consistent with the recommendations of the Corporate Governance Code, except as described below.

### 8.2.1 Composition and operation (pursuant to article 123-bis(2)(d), CLFI)

The following table sets forth the composition of the Remuneration Committee as at the date of this Report.

DIRECTOR	APPOINTMENT DATE	REQUIREMENTS SATISFIED
Stefano Domenicali (Chairman)	18 May 2023	Independent non-executive Director
Piero Ferrari	18 May 2023	Non-executive Director
Tan Ning	28 February 2025**	Executive Director
Patrick Sun	18 May 2023	Independent non-executive Director with appropriate knowledge and experience on financial matters and remuneration policies*
Zhu Yi	19 February 2024***	Independent non-executive Director

\* Person with appropriate knowledge and experience on financial matters and remuneration policies, as assessed by the Board of Directors at its meeting of 18 May 2023 and subsequently also on 19 February 2024.

\*\* Tan Ning was co-opted by the Board of Directors on 28 February 2025 following the resignation of Xu Xinyu and therefore on the same date Tan Ning was appointed onto the Committee.

\*\*\* Zhu Yi was co-opted by the Board of Directors on 19 February 2024 following the resignation of the non-executive Director Hua Fengmao, and therefore on the same date Zhu Yi was appointed onto the Committee.

The majority of the members of the Remuneration Committee meet the independence requirements, and the Chairman is among the independent directors.

Recommendation 26 of the Corporate Governance Code provides, *inter alia*, that the "remuneration committee be made up only of non-executive directors." The Company's Remuneration Committee departs from that recommendation in that it includes an executive Director, (*i.e.*, Tan Ning).

Tan Ning is a Director to whom the Board of Directors has delegated powers regarding supervision of the implementation of the Board of Directors' decisions, improvements to the Company's internal audit functions, and oversight of the quality of the Company's operations. Tan Ning's executive role is thus principally focussed on compliance and monitoring of the Company's management and operations.

In light of that role, and his capabilities and professional qualifications, the Company considers that his presence on the Remuneration Committee is consistent with that Committee's function of pursuing a remuneration policy intended to bring about sustainable success for the Company, and especially to ensure that the policy is correctly implemented. Accordingly, the Company's view is that the Remuneration Committee's current composition provides a contribution to good corporate governance practices.

The professional expertise and experience of Patrick Sun means that recommendation 26 of the Corporate Governance Code regarding appropriate knowledge and experience on financial matters and remuneration policies is satisfied.

### **8.2.2 Functions of the Remuneration Committee and duties performed**

The operation of the Remuneration Committee is governed by the Corporate Governance Code and by the Rules of the Remuneration Committee as approved by the Board of Directors on 18 May 2023.

The rules of the Remuneration Committee are available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Corporate Governance*.

The Remuneration Committee is tasked with assisting the Board of Directors in preparing the remuneration policy (see recommendation 25(a) of the Corporate Governance Code).

The Remuneration Committee: (i) submits proposals and provides advice to the Board of Directors on the remuneration of executive Directors and the other Directors with particular duties, and on setting performance objectives for the variable components of that remuneration (see recommendation 25(b) of the Corporate Governance Code); (ii) monitors the practical application of the Remuneration Policy, checking in practice that the performance objectives have in fact been achieved (see recommendation 25(c) of the Corporate Governance Code); (iii) regularly assesses the suitability and overall consistence of the remuneration policy for the Directors and for management roles (see recommendation 25(d) of the Corporate Governance Code).

In accordance with recommendation 26 of the Corporate Governance Code, in the course of the Reporting Year Directors refrained from participating in meetings of the Remuneration Committee at which proposals for their own remuneration were under consideration.

In the course of the Reporting Year, the meetings of the Remuneration Committee were coordinated by the Committee's Chairman, and were duly minuted, with the Chairman of the Remuneration Committee that reported it at the first available Board of Directors' meeting.

In the course of the Reporting Year, the Remuneration Committee met three times, on 28 February 2025, 14 March 2025 and 29 August 2025.

Meetings of the Nomination Committee lasted approximately 15 minutes on average, with the members Stefano Domenicali, Piero Ferrari, Patrick Sun, Zhu Yi and Xu Xinyu (the latter with reference to the meeting held on 28 February 2025) of 100% and Tan Ning (the latter with reference to the meetings held on 14 March 2025 and on 29 August 2025) attending half of the meetings.

In the course of the Reporting Year, the Remuneration Committee carried out the following activities:

- (a) submitted proposals regarding the emoluments to be awarded to new Directors, when the Board of Directors came up for reappointment;
- (b) verified achievement of the 2024 targets under the short-term incentive plan for 2022-2025, as approved by the Board of Directors on 28 April 2022, with respect to the Chief Executive Officer and certain senior management figures within the Group and therefore that the associated bonus had been duly paid; and
- (c) examined the Remuneration Policy for the Reporting Year.

During the Reporting Year, the Remuneration Committee has not made use of the services of any advisor for the purposes of obtaining information on remuneration practices in the market.

No member of the Board of Statutory Auditors participated in the work of the Remuneration Committee at its meeting of 29 August 2025, the members having given reasons for their absence; while at the meeting of 28 February 2025 the entire Board of Statutory Auditors attended. At the meeting on 14 March 2025 the Chairman of the Board of Statutory Auditors participated, whilst, the Standing Auditor Giuseppina Manzo and the Standing Auditor Luca Nicodemi having given reasons for their absence.

Also participating in the Remuneration Committee's meetings were senior individuals from business functions, invited by the Chairman of the Remuneration Committee, and the Chief Executive Officer was informed of the participation of those senior figures, who had knowledge relevant to the discussions.

In discharging its duties, the Remuneration Committee may access such information and business functions as may be necessary for it to do so. It may also engage external advisors, upon terms agreed by the Board of Directors.

Finally, during the year ending 31 December 2026, two meetings of the Remuneration Committee have already been held, on 24 February 2026 and 31 March 2026.

## **9 INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEM – CONTROLS, RISKS AND RELATED PARTIES COMMITTEE**

### **9.1 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

Ferretti's IARMS is, in accordance with the recommendations under article 6 of the Corporate Governance Code and best practices in the sector, the set of rules, procedures and organisational procedures intended to provide sound and proper management of the business, consistent with the Company's strategic objectives, through appropriate processes for identifying, measuring, managing and monitoring the major risks that the Company and its subsidiaries encounters.

An effective internal controls and risk management system contributes to safeguarding the Company's capital, and efficiency and effectiveness of its business operations, the reliability of its financial information, and compliance with laws and regulations.

On 18 May 2023, for the purpose of presenting the application for admission to trading of ordinary shares in the Company on Euronext Milan, the Board of Directors resolved in favour of adopting an internal controls and risk management system.

That system, which was implemented further during the Reporting Year, enables senior management to obtain, regularly and promptly, a sufficiently comprehensive view of the Company's business, results of operations and financial condition, and the risks to which it and the other main companies of the Group are exposed, while enabling them also: (i) to monitor the major key performance indicators and risk factors regarding the Company and the other main companies of the Group; (ii) to produce information, in particular financial information, in a form that enables analysis appropriate to the kind of business, the organisational complexity, and the management's particular information needs; and (iii) to prepare forward-looking financial information, for the business plan and the budgets, and to check on the achievement of business objectives through a variance analysis.

The IARMS that Ferretti has adopted involves the following parties, each with respect to the matters within its purview:

- (a) the Board of Directors, which sets the guidelines for, and assesses the suitability of the IARMS;
- (b) the Controls, Risks and Related Parties Committee, tasked, as more particularly set forth in paragraph 9.3, below, with providing support, through appropriate preparatory working and providing proposals, to the Board of Directors in making assessments and decisions regarding the IARMS, and regarding approval of the regular sets of accounts;
- (c) the IARMS Director, who is the executive Director Tan Ning, whose duties include identifying the major business risks and implementing the guidelines set by the Board of Directors, as more particularly described in paragraph 9.2, below;
- (d) the Head of the Internal Audit function, Fabio Innocenzi, who replaced Matteo Scarpa on 14 March 2025 and is responsible *inter alia* for verifying that the IARMS is appropriate and functioning, as part of the duties described in detail in paragraph 9.4 below;
- (e) the Board of Statutory Auditors, which, as a committee with oversight of internal and external auditing pursuant to article 19 of Legislative Decree 39/2010, oversees the effectiveness of the IARMS; and
- (f) the Supervisory Board, which is charged with overseeing the effectiveness and appropriateness of Ferretti's internal controls, and its 231 Model.

The Board of Directors, which guides and assesses the suitability of the system of internal controls and risk management, following opinion of the Controls, Risks and Related Parties Committee, in 2025 did the following:

- (a) monitored the process of implementation for the 231 Model, which the Board of Directors had approved on 6 December 2022 and, finally, updated by the Board of Directors on 24 February 2026. The objective of the 231 Model is to place the organisational and governance decisions of the Group's main companies on a formal footing, identifying the Group's central functions and the reporting lines from the various subsidiaries and associates, as a means of assuring organisational consistency;

- (b) directed the setting of the guidelines for the internal control and risk management system, in order that the main risks faced by the Issuer and its subsidiaries (including those that could become significant in terms of the Company's business sustainability over the medium and long term) were correctly identified and adequately measured, managed and monitored, consistent with the management of the business in line with its strategic objectives;
- (c) favourably evaluated the adequacy of the internal controls and risk management system with respect to the characteristics of the business and the risk profile it has assumed; and also the effectiveness of that system;
- (d) approved the working plan (2025 Audit Plan) drawn up by the Head of Internal Audit, following consultation with the Board of Statutory Auditors and the IARMS Director; and
- (e) examined the main features of the internal controls and risk management system, including an assessment of the system's adequacy.

In performing these tasks, the Board of Directors made use of contributions from the IARMS Director, and the Controls, Risks and Related Parties Committee. With respect to their involvement in the internal controls and risk management system, please see the following sections of this Report.

On 14 March 2024, the Board of Directors approved the Accounts Executive's guidelines for compliance with Law 262/05 (as subsequently amended on 14 March 2025), in terms of ensuring an internal controls system was in place that would reduce to a minimum the risks of error or fraud regarding the Group's financial information (the "262 Model").

### **9.1.1 Main characteristics of the internal controls and risk management system with respect to financial information**

The internal controls and risk management system includes among its core components the internal control system for assembling and preparing financial information. That system is intended to ensure the reliability, accuracy, dependability and timeliness of information, including financial information, in its preparation and release.

The administrative and accounting procedures used in drawing up the financial statements and other financial documentation are prepared by the Accounts Executive, who, together with the Chief Executive Officer, confirms their suitability and application in practice when the Company prepares its interim and annual consolidated and non-consolidated financial statements.

#### **(a) Main stages of the internal controls and risk management system with respect to financial information**

The methodology following in designing and reviewing the 262 Model is consistent with best practice internationally, and ensures its operation is fully traceable. It comprises three stages:

- Stage A: definition of the perimeter;
- Stage B: Preparation of the Risk Control Matrices; and
- Stage C: Testing.

In terms of identifying and assessing risks on financial information, the Issuer performs its analysis and auditing work on the subsidiaries whose value of production and asset base is above a materiality threshold.

Once the companies of the Group within the perimeter for these purposes are determined, the structure of the Risk Control Matrices is confirmed. These are the documents used by the Accounts Executive to determine the connection between the Company's non-consolidated financial statements and the control objectives, of an accounting or administrative nature. The activities are documented in organisational procedures and existing practices, which provide an account of each process within the scope of the 262 Model.

The risks, as measured and assessed in accordance with international risk assessment practices, regard the operating processes that feed into entries on the general ledger, the estimates and the accounting assertions, with a view to both preventing errors in terms of accuracy and completeness, and preventing fraud.

In relation to identifying and assessing the controls with respect to identified risks, the 262 Model provides for the identification of Key Controls, meaning those controls whose absence or misapplication, in part or in whole, could materially affect the correct representation of the Company's financial position, results of operations and cash flows, in the financial statements.

Assessments of the adequacy and effectiveness of the controls in mitigating risk are qualitative in nature, and based on the outcome of the testing activities carried out in the course of the 262 Model monitoring.

Testing activity is carried out in order to achieve the following objectives:

- confirmation that the controls observed in operating practice and the additional documentation used in drawing up the Company's consolidated and non-consolidated financial statements are applied effectively;
- confirmation that the controls performed are effective, with respect to the objectives of the tests;
- confirmation that the controls are performed in a manner that is consistent with the Risks Control Matrices.

The process seeks to verify that the controls operate effectively against the relevant risks, and are appropriately documented.

These checks are conducted annually or semi-annually in order to ensure that the controls are correctly implemented, their effectiveness relative to the test's objectives may be assessed, and to provide consistency in the manner in which the control activities are performed in relation to the Risk Control Matrices.

### **(b) Role and functions involved**

The system of controls on financial information processes is coordinated and managed by the Accounts Executive, Marco Zammarchi, who was appointed by the Board of Directors in accordance with laws in force and the By-Laws.

The Accounts Executive makes use of external advisors (DS Advisory S.r.l.) to carry out checks on the operations of the control system, and it is supported in that by a number of organisational units within the Company and by the relevant functions and senior figures within the subsidiaries, with respect in particular to administrative areas (for what concerns the companies of the Group) that, in relation to the matters within their purview, formally certify that the information flows used in preparing financial information are complete and reliable.

The Accounts Executive is directly responsible for checking that the administrative, accounting and financial management is carried out correctly and promptly, since it is his duty to continuously supervise all stages of monitoring and assessing the risks inherent in financial reporting.

The Accounts Executive periodically informs the Board of Statutory Auditors as to the adequacy, including the organisational adequacy, and the reliability, of the administrative and accounting system and reports to the Controls, Risks and Related Parties Committee and the Board of Directors on the activities he has performed and the effectiveness of the internal control system with regard to the risks inherent in financial reporting. The Accounts Executive also reports on the activities he has performed, and their outcome, to the Supervisory Board; and he liaises with the External Auditor with a view to ensuring a constant exchange of ideas and information regarding the assessment and effectiveness of controls relating to administrative and accounting processes.

Further to the activities and controls he performs, the Accounts Executive provides the statements and certificates contemplated by article 154-*bis*, CLFI.

In particular, pursuant to:

- (a) article 154-*bis*(2), CLFI, the Company's documents and communications to the market regarding its interim or annual financial information are accompanied by a written statement from the Accounts Executive, confirming that it corresponds with the documentary evidence, books and records;
- (b) article 154-*bis*(5), CLFI, the Accounts Executive and the Chief Executive Officer certify the annual non-consolidated financial statements, the condensed interim financial statements, and the annual consolidated financial statements, as to:
  - i. the adequacy and effective application of the administrative and accounting procedures during the period to which the documents relate;
  - ii. the documents having been prepared in accordance with international accounting standards recognised within the European Union;
  - iii. the documents correspond with the books and accounting records;

- iv. the documents provide a true and accurate representation of the Issuer's business, results of operations and financial condition, and collectively the businesses included within the consolidation perimeter;
- v. for the annual consolidated and non-consolidated financial statements, the report on operations provides a reliable analysis of performance and of the results of operations, and of the position of the Issuer and collectively the businesses included within the consolidation perimeter, together with a description of the principal risks and uncertainties to which they are exposed; and
- vi. for the condensed interim financial statements, the interim report on operations provides a reliable analysis of the information referred to by article 154-ter(4), CLFI.

### **9.1.2 Main characteristics of the risk management and internal control systems in relation to the sustainability reporting process**

As the tools used to reduce risks that could have negative impacts on business performance and the achievement of objectives, the Group's IARMS operates at a variety of levels of control as traditionally identified, subject to supervision by management and the Board of Directors.

The project for achieving with Directive (EU) No. 2022/2464 (the Corporate Sustainability Reporting Directive) is focused on 'Governance' and the 'Internal Control System for Sustainability Reporting' and seeks to improve the Group's decision-making processes and internal control procedures. The elements that form the framework for the Internal Control System for Sustainability Reporting (the "ICSSR") have been identified, along with an operating model and support methodologies.

The sustainability reporting process is governed by a specific reporting procedure, bolstered by references to the ICSSR framework, which is based on the assessment of business risk in relation to sustainability reporting.

In particular, the ICSSR's operating model includes a set of information identified as forming priority data points, selected based on the Group's impact, risk and opportunity assessments as part of the double materiality analysis. The data points that emerged as priorities are those relating to energy consumption, emissions and the EU Taxonomy. Subsequently, those datapoints have been entered into a risk control matrix, where the controls will be formalised and shared with management for regular monitoring.

The internal control system ensures data consistency and accuracy, thereby helping to mitigate key risks associated with the sustainability reporting process. The nature and frequency of the checks vary according to the risks specific to the particular datapoint. Depending on the type of control required, different tools will be used, including internal files created specifically for monitoring and a range of support software.

The main risks in sustainability reporting concern potential errors in the processing or consolidation of data from primary sources, particularly value chain data, over which the Group does not have direct operational control. To mitigate such risks, the Group adopts both preventive and detective controls that are intended to avoid or detect errors; and it is committed to building additional controls where those in place prove unsuitable. The Group works with internal and external experts to establish a system of governance over data collection and control systems.

In order to mitigate reporting risks, the internal business function responsible for monitoring the ICSSR, will periodically provide updates and where appropriate feedback to the Accounts Executive, who will liaise with the Board of Directors and the relevant supervisory bodies.

## **9.2 EXECUTIVE DIRECTOR IN CHARGE OF THE INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEM**

At the meeting of the Board of Directors of 28 February 2025, the executive Director Tan Ning was appointed as the IARMS Director, replacing Xu Xinyu who had resigned on the same date as an executive Director of the Issuer.

The role was assigned to a person other than the Chief Executive Officer on the basis of the characteristics of Ferretti's business, the Group's organisational structure, and the nature of the responsibilities held, respectively, by the Chief Executive Officer, Alberto Galassi, and the executive Director, Tan Ning (and, previously, Xu Xinyu) (see paragraph 4.7, above, for more details).

In performing his duties, the IARMS Director (previously Xu Xinyu and now Tan Ning), with support from the relevant functions:

- (a) oversaw identification of the major business risks, taking into account the strategy and the business characteristics of the Company and the Group;
- (b) implemented the guidelines that the Board of Directors had set, procuring the design, implementation and operation of the internal control system, and continuously checking its overall suitability and efficiency; and
- (c) dealt with adjusting the internal control system to changes in the businesses, operating conditions, and the legal and regulatory environment.

Tan Ning may request that the Internal Audit function carry out checks on specific operational areas, and on compliance with internal rules and procedures in the execution of the business, informing the Chairman of the Controls, Risks and Related Parties Committee and the Chairman of the Board of Statutory Auditors.

In carrying out his functions, the IARMS Director promptly makes the Controls, Risks and Related Parties Committee, the Board of Directors, the Board of Statutory Auditors, and the Supervisory Board aware of any major issues encountered or of which he has learnt.

### 9.3 CONTROLS, RISK AND RELATED PARTIES COMMITTEE

In accordance with Recommendation 16 of the Corporate Governance Code, the Board of Directors resolved on 18 May 2023 to establish the Controls, Risks and Related Parties Committee from among its number.

The Controls, Risks and Related Parties Committee's composition, meetings, objectives, duties and work are fully consistent with the recommendations of the Corporate Governance Code.

#### 9.3.1 Composition and operation (pursuant to article 123-bis(2)(d), CLFI)

The following table sets forth the composition of the Controls, Risks and Related Parties Committee as at the date of this Report.

DIRECTOR	DATE OF APPOINTMENT	REQUIREMENTS SATISFIED
Patrick Sun (Chairman)	18 May 2023	Independent non-executive Director with appropriate knowledge and expertise on matters of accounting, finance, auditing and risk management <sup>(*)</sup>
Jiang Lan	19 February 2024 <sup>(**)</sup>	Non-executive Director
Stefano Domenicali	18 May 2023	Independent non-executive Director
Zhu Yi	19 February 2024 <sup>(***)</sup>	Independent non-executive Director

<sup>(\*)</sup> Person with appropriate knowledge and experience on matters of accounting, finance, auditing and risk management, as assessed by the Board of Directors at its meeting of 18 May 2023.

<sup>(\*\*)</sup> Jiang Lan was co-opted by the Board of Directors on 19 February 2024 following the resignation of the non-executive Director Li Xinghao and therefore on the same date Jiang Lan was appointed onto the Committee.

<sup>(\*\*\*)</sup> Zhu Yi was co-opted by the Board of Directors on 19 February 2024 following the resignation of the non-executive Director Hua Fengmao and therefore on the same date Zhu Yi was appointed onto the Committee.

The Controls, Risks and Related Parties Committee is made up entirely of non-executive Directors, a majority of whom are independent, and the Chairman has been chosen from among those independent directors (see Recommendations 35 and 7 of the Corporate Governance Code).

The characteristics of its members are such that the Controls, Risks and Related Parties Committee overall has appropriate and satisfactory expertise regarding the business sector in which the Issuer operates, which is material to assessment of the risks it faces. Further, a member of the Controls, Risks and Related Parties Committee has appropriate knowledge and experience on matters of accounting, finance, auditing and risk management (see Recommendation 35 of the Corporate Governance Code).

### **9.3.2 Functions assigned to the Internal Controls, Risks and Related Parties Committee, and work performed**

The operation of the Controls, Risks and Related Parties Committee is governed by the Corporate Governance Code and by the Rules of the Controls, Risks and Related Parties Committee as approved by the Board of Directors on 18 May 2023 (as amended on 28 February 2025 to reflect the terms of Legislative Decree No. 125 of 6 September 2024, which transposed Directive (EU) No. 2022/2464, (the Corporate Sustainability Reporting Directive)).

The rules of the Controls, Risks and Related Parties Committee are available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section, *Corporate Governance*.

#### *(i) Duties regarding controls and risks*

In accordance with recommendations 33 and 35 of the Corporate Governance Code, the Controls, Risks and Related Parties Committee has the task of assisting the Board of Directors by using its investigative, proposal-making and advisory functions, in reaching evaluations and decisions relating to the internal controls and risk management system, as well as those relating to the approval of periodic financial and non-financial reports. More particularly, the Controls, Risks, and Related Parties Committee:

- (a) evaluates together with the Accounts Executive, the External Auditor and the Board of Statutory Auditors, the correct application of the accounting standards, and their consistency for the purpose of the preparation of the consolidated financial statements (see Recommendation 35(a) of the Corporate Governance Code);
- (b) evaluates the suitability of the periodic financial and non-financial reports, as to its correct representation of the Company's business model and strategies, the impact of its operations, and the performance achieved (see Recommendation 35(b) of the Corporate Governance Code), coordinating where relevant with the Sustainability Committee;
- (c) reviews the periodic non-financial information as is relevant to the system of internal controls and risk management (see recommendation 35(c) of the Corporate Governance Code);
- (d) express opinions on specific aspects relating to the identification of the main risks for the business (see Recommendation 35(d) of the Corporate Governance Code);
- (e) provides support to the Board of Directors in respect of its assessments and decisions regarding the management of risks arising from adverse events of which it has become aware (see Recommendation 35(d) of the Corporate Governance Code);
- (f) examines the periodic reports, and other reports of significance, from the Internal Audit function (see Recommendation 35(e) of the Corporate Governance Code);
- (g) monitor the autonomy, adequacy, effectiveness and efficiency of the Internal Audit function (see Recommendation 35(f) of the Corporate Governance Code);
- (h) may instruct the Internal Audit function to carry out reviews of specific operational areas, giving notice thereof to the Chairman of the Board of Statutory Auditors (see Recommendation 35(g) of the Corporate Governance Code); and
- (i) reports to the Board of Directors at least twice a year, at the time of the approval of the annual and interim financial statements, regarding the work performed and the appropriateness of the system of internal controls and risk management (see Recommendation 35(h) of the Corporate Governance Code).

#### *(ii) Duties regarding transactions with related parties.*

In terms of the composition and functioning of the Controls, Risks and Related Parties Committee in dealing with transactions with related parties, reference is made to the RPT Procedure.

The Controls, Risks and Related Parties Committee is tasked with carrying out the work regarding transactions with related parties under the RPT Procedure, with respect to both minor and major transactions. With respect to the terms of the RPT Procedure, please see the documentation on the Issuer's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section, *Corporate Governance*.

In the course of the Reporting Year, the meetings of the Controls, Risks and Related Parties Committee were coordinated by the Committee's Chairman, and were duly minuted, with the Chairman of the Controls, Risks and Related Parties Committee that reported it at the first available Board of Directors' meeting.

In the course of the Reporting Year, the Controls, Risks and Related Parties Committee met four times, on 27 February 2025, 14 March 2025 (when discussion included transactions with related parties), 31 July 2025 and 23 October 2025.

Meetings of the Controls, Risks and Related Parties Committee lasted approximately 60 minutes on average, with the members Patrick Sun, Jiang Lan and Zhu Yi attending 100% of the meetings, and Stefano Domenicali, three-quarters of the meetings.

In the course of the Reporting Year, the Controls, Risks and Related Parties Committee, in connection with controls and risks, has carried out the following activities:

- (a) reviewed the consolidated and non-consolidated financial statements as at and for the year ended 31 December 2024;
- (b) favorable opinion regarding the appointment of the new members of the Supervisory Body;
- (c) reviewed the 2025 Audit Plan;
- (d) reviewed the interim financial statements as at and for the six months ended 30 June 2025; and
- (e) reviewed ISA 260, jointly with the external auditor.

The Controls, Risks and Related Parties Committee reported to the Board of Directors on the work it had performed, and the appropriateness of the IARMS, and informed the Board of Directors regarding the meetings of the Controls, Risks and Related Parties Committee, and the issues addressed therein.

Pursuant to recommendation 17 of the Corporate Governance Code, at least one member of the Board of Statutory Auditors has always attended the meetings of the Controls, Risks and Related Parties Committee.

More particularly, also with reference to the terms of recommendation 17 of the Corporate Governance Code, over the Reporting Year the meetings of the Controls, Risks and Related Parties Committee saw the presence of members of the Board of Statutory Auditors and, where necessary for discussion of the items on the agenda, at the Chairman's invitation and with the agreement of the other attendees, the Accounts Executive, the Head of Internal Audit, and a representative from the external auditor. The attendance of the meetings by those persons with supervisory and audit duties fostered a debate and discussion of the major aspects involved in identifying business risks. The aforementioned persons participated in the meetings of the Controls, Risks and Related Parties Committee at the invitation of the Committee's Chairman.

In discharging its duties, the Controls, Risks and Related Parties Committee may access such information and business functions as may be necessary for it to do so. It may also engage external advisors, upon terms agreed by the Board of Directors.

Finally, during the year ending 31 December 2026, two meetings of the Controls, Risks and Related Parties Committee have already been held, on 24 February 2026 and 31 March 2026. Another meeting is anticipated before the end of the year, regarding *inter alia* the interim financial statements as at and for the six months ending 30 June 2026.

#### **9.4 HEAD OF INTERNAL AUDIT**

Fabio Innocenzi, an employee of the Company, was appointed the Head of Internal Audit from 14 March 2025, in accordance with current recommendations under article 6 of the Corporate Governance Code, replacing Matteo Scarpa in that role. The remuneration of the Head of Internal Audit is consistent with the Company's internal policies, and he has full autonomy in terms of spending in the discharge of his duties, subject to the limits in the general annual budget allocated to the Internal Audit function, subject to such amendments as may be examined and approved by the Board of Directors at any time at the proposal of the IARMS Director, with favourable opinion of the Controls, Risks and Related Parties Committee and following consultation with the Board of Statutory Auditors.

The Head of Internal Audit, who does not have an area of operational responsibility and who reports directly to the Board of Directors, provides the information that the IARMS Director, the Board of Statutory Auditors and the Controls, Risks and Related Parties Committee request.

Specifically, the Head of Internal Audit:

- (a) checks that the IARMS is functioning, appropriate, and operates in accordance with the guidance set by the Board of Directors;
- (b) checks, both on a continuous basis and as specific needs arise, consistent with international standards, that the IARMS is operative and suitable, through the Audit Plan that he puts together and which the Board of Directors approves, following advice from the Controls, Risks and Related Parties Committee, based on a structured process of analysis and prioritisation of the major risks;
- (c) prepares regular reports detailing his activities, the manner in which risk management is implemented, compliance with the plans drawn up to contain risk, and an assessment of the suitability of the IARMS;
- (d) promptly prepares reports on events of particular significance, including where asked to do so by the Board of Statutory Auditors;
- (e) provides those reports to the Chairmen of the Board of Statutory Auditors, the Controls, Risks and Related Parties Committee, and the Board of Directors, as well as the IARMS Director, except where the subject matter of those reports is specifically the work of those individuals; and
- (f) checks, as part of the Audit Plan, the reliability of the computer systems, including the accounting systems.

The Head of Internal Audit has direct access to all information useful for the performance of his duties and, where deemed necessary, also has access to documentation produced by third parties tasked with controls at the Company or subsidiaries. The Internal Audit function carries out its duties *inter alia* by carrying out spot checks on the processes governing the company's business, with its checks extending to all of the companies of the Group.

In the course of the Reporting Year, the Internal Audit function performed, and was involved in the following activities:

- (a) preparation of the Audit Plan for the fiscal year 2025, which was submitted to the Board of Directors at its meeting of 14 March 2025, following review by the Audit, Risks and Related Parties Committee and by the IARMS Director, whose reviews followed consultation with the Board of Statutory Auditors;
- (c) checking that the internal controls and risk management system was functioning, suitable and in accordance with the guidelines set by the Board of Directors;
- (d) scheduling and executing direct and specific control work, at the Issuer and at the major subsidiaries within the Group, in accordance with the above-mentioned Audit Plan, in order to identify any shortcomings in the internal controls and risk management system in the various risk areas;
- (e) evaluation and checking, both on a continuous basis further to the Audit Plan, and in relation to specific needs or to meet international standards, the internal controls and risk management system for adequacy, effectiveness and practical functioning (see recommendation 36(a) of the Corporate Governance Code);
- (f) checking, as part of the Audit Plan, the reliability of the computer systems, including the accounting systems (see recommendation 36(e) of the Corporate Governance Code);
- (g) preparation of regular reports detailing his activities, the manner in which risk management is implemented, compliance with the plans drawn up to contain risk, and an assessment of the suitability of the IARMS, whose evaluation he oversaw (see recommendation 36(b) of the Corporate Governance Code); and
- (h) submission of the reports under the prior item to the IARMS Director, the Chairman of the Board of Statutory Auditors, and the Chairman of the Controls, Risks and Related Parties Committee (see recommendation 36(d) of the Corporate Governance Code).

## **9.5 THE ORGANISATIONAL MODEL, PURSUANT TO LEGISLATIVE DECREE 231/2001 AND BUSINESS CONDUCT**

### 9.5.1 The 231 Model

At its meeting of 6 December 2022, the Board of Directors resolved to adopt, pursuant to and for the purposes of Legislative Decree 231/2001, a revised version of the 231 Model, comprising: (i) a General Section; (ii) a Special Section; and (iii) schedules, including the Code of Ethics. On 24 February 2026, the Board of Directors approved the third updated version of the 231 Model.

The 231 Model provides for policies and measures to ensure that activities are carried out in accordance with the law, to eliminate situations of risk, and a system of prevention that mitigates the risk of offences that is consistent with the organisational structure and best practice.

The Special Section clarifies the nature of significant offences identified in the areas of risk and the ways in which they might be committed, and the specific organisational safeguards implemented to prevent their commission.

The 231 Model puts in place appropriate systems and mechanisms for penalising any conduct that breaches its terms.

The requirements set forth in the 231 Model complement those of the Code of Ethics that the Board of Directors approved on 6 December 2022, that describes the ethical duties and responsibilities in the conduct of the Company's affairs and in the business to which every employee, and all those with whom the Company comes into contact in its business, are bound in the performance of their work, in the belief that ethical conduct in business is fundamental to its success. The 231 Model and the Code of Ethics are available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section, *Corporate Governance*.

On 31 July 2025, the Board of Directors reappointed the Supervisory Board for the period ending with the approval of the interim financial statements as at and for the six months ending 30 June 2028, composed by 3 (three) members, Pier Paolo Beatrizotti, as Chairman, and Monica Alberti and Luigi Bergamini, all three from outside the Group and all confirming their previous position. The Supervisory Board has powers to pursue initiatives and oversight that it may exercise autonomously, and is charged with (i) overseeing the effectiveness of the 231 Model, which means checking the consistency between conduct in practice and the 231 Model; (ii) reviewing the 231 Model for adequacy, meaning its practical ability broadly to prevent undesirable behaviour; (iii) carrying out an analysis regarding the 231 Model's ability over time to meet the requirements that it be sound and functional; (iv) oversee the dynamic revision of the 231 Model as necessary, by making specific suggestions, where the gap analysis makes corrections and adjustments necessary; and (v) carrying out follow-ups, to check implementation and the practical functioning of the solutions put forward. The Board of Directors considered at that time that it would not be necessary to appoint within the Supervisory Board a non-executive Director or a member of the Board of Statutory Auditors, or a person with responsibilities for legal or control matters within the Issuer, as the Issuer's internal structures would nonetheless ensure coordination among the various parties in the IARMS and also taking into account the activity carried out by the Director in charge of the IARMS.

On 31 July 2025, the Supervisory Board submitted its annual report on its work in the Reporting Year, and its findings.

Over the course of the Reporting Year, the Supervisory Board met eight times, on 29 January, 4 March, 7 April, 25 June, 17 July, 31 July, 3 October and 9 December 2025 and also carried out specific checks and monitoring as part of its annual plan of work.

### 9.5.2 Business Conduct

Ferretti deploys a traditional administration and control model, in which the governance bodies, including the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors, have a central role in defining and overseeing business conduct.

In addition, the Committees established within the Company ensure a structured and consistent approach to ensuring compliance with principles of responsible governance, which assists with the achievement of corporate objectives and promotes conduct based on sustainability, transparency and ethics.

The double materiality analysis identified business conduct as one of the most significant issues for the Group. This issue may be broken down further, to questions around corporate culture, the management of relationships with suppliers, including payment practices; whistleblower protection; and corruption and bribery.

In the process of assessing impacts, risks and opportunities, the whole of the Group's perimeter was taken into consideration, with greater importance attached to those companies with more employees or that are involved in manufacturing. These businesses were considered particularly material as they are more representative in terms of

operations and the potential effects on business conduct issues.

Through its business conduct policies, the Group promotes positive attitudes that strengthen internal cohesion, improve organisational coherence, optimise efficiency and boost the Issuer's reputation as sound and reliable.

The policies are intended to identify, analyse, and manage impacts, risks and opportunities related to business conduct issues, and, if necessary, take measures. These policies not only tackle current issues, but also reflect an ongoing commitment to monitoring and adapting the Issuer's practices to ensure compliance with ethical standards and the promotion of a healthy and responsible business culture.

In particular, corruption and fraud constitute significant threats to corporate integrity, with negative impacts on the Group's reputation, image and financial standing. For this reason, the Group adopts a zero-tolerance policy and actively engages in preventing and countering all forms of illegal acts. This commitment extends not only to employees, but also to advisors, suppliers and business partners, who are made subject to preventive measures, a disciplinary system and the inclusion of mandatory ethical clauses.

The Group also promotes strong and responsible relationships with its suppliers, based on principles of ethics, safety and sustainability. All of the Group's suppliers are informed about the Code of Conduct, which sets strict standards in terms of ethics, respect for human rights, product quality and other aspects, including health and safety in the workplace. In the event of any breach of the Code, the Group carefully evaluates each situation, and takes the measures it considers most appropriate.

It should be noted that Ferretti carries out no political influence or lobbying activities.

### **9.5.3 Whistleblowing system**

On 2 August 2023, the Board of Directors approved a whistleblowing procedure through which employees may report irregularities or breaches of applicable laws or regulations, or of internal procedures, in line with domestic and international best practice. It provides a specific, confidential channel that ensures the whistleblower remains anonymous.

The procedure provides information regarding that channel, how it may be used, and in what circumstances, for internal and external whistleblowing, pursuant to article 5(1)(e) of Legislative Decree 24/2023, and the protective measures for whistleblowers, pursuant to Chapter III of Legislative Decree 24/2023. The internal whistleblowing channel that the above-mentioned procedure provides also gives effect to the obligation under article 6(2-*bis*) of Legislative Decree No. 231/2001.

In addition, the whistleblowing policy, drawn up in line with the provisions of Legislative Decree No. 24/2023, prohibits retaliation of any sort against those who make internal or external reports, public disclosures or complaints to relevant authorities. The protection also extends to family members, colleagues and entities linked to such whistleblowers. Measures are in place to prevent retaliatory acts such as dismissal, demotion, transfer, discrimination, harassment or economic or reputational damage.

## **9.6 EXTERNAL AUDITOR**

Pursuant to the provisions of article 17 of Legislative Decree No. 39 of 27 January 2010, as amended by Legislative Decree 135/2016, the Shareholders' Meeting of 18 May 2023 approved an ordinary resolution, on the proposal of the Board of Statutory Auditors, for the appointment, effective from the First Trading Day, of the audit firm EY S.p.A. as auditor for the consolidated and non-consolidated financial statements of the Group as at and for each of the financial years ending 31 December 2023-2031, and to ensure that the accounts were duly kept and the operations correctly recognised in the ledgers in the course of those financial years.

Pursuant to Legislative Decree No. 125 of 6 September 2024 which transposed Directive (EU) No. 2022/2464 (the Corporate Sustainability Reporting Directive), on 21 January 2025 the Shareholders' Meeting appointed EY S.p.A. as sustainability reporting auditor, for a period ending with the approval of the non-consolidated financial statements as at and for the year ending 31 December 2026, in order to provide the compliance certification regarding the Sustainability Report.

In the course of the Reporting Year, the Board of Directors, following consultation with the Board of Statutory Auditors, assessed the findings reached by the external auditor in its supplementary related to the fiscal year 2024 report to the Board of Statutory Auditors.

## 9.7 ACCOUNTS EXECUTIVE AND OTHER ROLES AND FUNCTIONS

Article 25 of the By-Laws provides that the Board of Directors should, following mandatory, but not binding, consultation with the Board of Statutory Auditors appoint the Accounts Executive, in connection with the preparation of the financial statements and the discharge of the duties under applicable laws and regulations. Candidates for the position must have suitable professional qualifications and relevant experience of at least five years in matters of accounting and finance, and such other requirements as the Board of Directors or the rules (and regulations) in force may determine. The Accounts Executive participates in those meetings of the Board of Directors that are to discuss issues in respect of which he has purview.

On 18 May 2023, the Board of Directors, in light of his significant experience in finance and his in-depth knowledge of the Company and the Group, resolved, following favourable advice from the Board of Statutory Auditors, to appoint Marco Zammarchi (an employee of the Issuer and its Chief Financial Officer) as the Accounts Executive pursuant to article 154-*bis*, CLFI, with effect from the First Trading Day.

In accordance with the laws and regulations in force, the Accounts Executive is responsible for:

- (a) preparing appropriate administrative and accounting procedures, for the preparation of the consolidated and non-consolidated financial statements, as well as any other financial disclosures;
- (b) providing written declarations, confirming that the documents and disclosures provided by the Company to the market, relating to the Company's accounting information, including interim information, corresponds with the underlying documents, books and accounting records;
- (c) providing, together with the Chief Executive Officer, the certificates under article 154-*bis*(5), CLFI, in the form of a report prepared in accordance with CONSOB's template that is annexed to the non-consolidated financial statements, the condensed interim financial statements and the consolidated financial statements;
- (d) participating in the meetings of the Company's Board of Directors where the agenda includes the examination of the Company's financial information;
- (e) reporting without delay to the Chief Executive Officer and the Board of Directors, including through the Controls, Risks and Related Parties Committee, on any matters of significant importance believed, if incorrect, to merit inclusion in the certificates required by Art. 154-*bis*, CLFI; and
- (f) reporting semi-annually to the Board of Directors, the Controls, Risks and Related Parties Committee and the Board of Statutory Auditors on the work performed.

In accordance with the terms of article 154-*bis*(5-*ter*), CLFI, the Accounts Executive certifies, along with the relevant administrative managing bodies, that the sustainability reporting included within the report on operations was prepared in accordance with the reporting standards applied under Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013, and the Legislative Decree adopted further to article 13 of Law No. 15 of 21 February 2024, and the specifications adopted under article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

At the time of the appointment, the Board of Directors granted the Accounts Executive all such powers and resources as he may require for the performance of his duties under the laws and regulations in force and the By-Laws including direct access to all of the functions and offices, and all such information as is necessary for the production and checking of accounting and financial information, without any particular authorisation.

## 9.8 COORDINATION BETWEEN THE PERSONS INVOLVED IN THE INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEM

The Issuer has put in place measures for coordinating the various individuals and bodies involved in the internal controls and risk management system, to ensure they effectively and efficiently coordinate and share information. In particular, as mentioned earlier:

- (a) the IARMS Director (who was Xu Xinyu, and from 28 February 2025, Tan Ning), periodically reports on his work to the Controls, Risks and Related Parties Committee, which, in turn, provides the Board of Directors with its own assessment of the adequacy of the internal controls and risk management system;

- (b) the Head of Internal Audit (who was Matteo Scarpa and, from 14 March 2025, Fabio Innocenzi), maintains regular information flows with the other corporate bodies and structures with supervisory or monitoring functions in respect of the internal controls and risk management system, such as the Accounts Executive, the Supervisory Board and the External Auditor, each in relation to its particular areas of responsibility;
- (c) the participation of the Head of Internal Audit in the meetings of the Supervisory Board and in the meetings of the Controls, Risks and Related Parties Committee allows the Internal Audit function to maintain adequate visibility over the corporate risks the Group faces and manages, issues that have emerged and attracted the attention of the various supervisory and control bodies;
- (d) the Board of Statutory Auditors maintains regular information flows with the Board of Directors and the Controls, Risks and Related Parties Committee. In particular, at least one member of the Board of Statutory Auditors should attend every meetings of the Controls, Risks and Related Parties Committee; and
- (e) the External Auditor participates in the meetings of the Controls, Risks and Related Parties Committee where invited to do so, in order that it may be apprised of the Committee's activities and decisions, and report on its planning, and the results, of its audit work.

## **10 DIRECTORS' INTERESTS AND RELATED-PARTY TRANSACTIONS**

### **10.1 PROCEDURE FOR TRANSACTIONS WITH RELATED PARTIES**

The Issuer has adopted the RPT Procedure, which governs transactions with related parties carried out, with the Company or subsidiaries, in accordance with the provisions of the RPT Regulation.

The RPT Procedure was preliminarily approved by the Board of Directors of the Issuer on 18 May 2023, and came into force as of the First Trading Day. On 24 February 2026, supported by favourable opinion from the independent directors, the Board of Directors definitively approved the RPT Procedure.

The RPT Procedure is available on the Issuer's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Corporate Governance*, to which you should refer for further information.

As at the date of this Report, the Company has not adopted any specific operational solutions to facilitate the identification and management of situations in which a Director has an interest, of his own or on behalf of any third party, as it considers that the RPT Procedure and the general principles regarding Directors' responsibilities are sufficient.

With respect to the work performed by the Controls, Risks and Related Parties Committee regarding application of the RPT Procedure, please see paragraph 9.3.2 of this Report.

## **11 BOARD OF STATUTORY AUDITORS**

### **11.1 APPOINTMENT AND REPLACEMENT OF STATUTORY AUDITORS**

Pursuant to Article 27 of the By-Laws, the Board of Statutory Auditors has three standing auditors and two alternate auditors, who were appointed by the Shareholders' Meeting on the basis of lists submitted by shareholders. The minority is entitled to elect the standing auditor who is to act as Chairman of the Board of Statutory Auditors and an alternate auditor.

The Board of Statutory Auditors is appointed on the basis of lists that must be filed at the Company's registered office within the terms provided under relevant laws and regulations, in which candidates are ranked by order of preference. The list consists of two sections, one for candidates for the position of standing auditor, the other for candidates for the position of alternate auditor.

Lists containing three or more candidates must have candidates from both genders in accordance with legal requirements and/or the codes of conduct drawn up by companies managing regulated markets or by trade associations to which the Company belongs.

Only shareholders that individually or together with other shareholders hold shares with voting rights representing the percentage of the share capital required by the laws and regulation in force for the submission of lists of

candidates for election to the Company's Board of Directors are entitled to submit lists. The participation threshold most recently established by CONSOB for Ferretti pursuant to Art. 144-*septies*(1) of the Issuers' Regulations, under its resolution no. 155 of 27 January 2026, is 2.5%.

This shareholding must be established by certificates that must be produced, on the day on which the lists are filed, or within such period as the laws and regulation in force regarding the Company's publication of the lists. These details are set forth in the notice calling the meeting.

The list must be accompanied by: (a) information on the identity of the shareholders who submitted them, with an indication of the total percentage of shareholding held, (b) comprehensive information regarding the personal and professional characteristics of the candidates, (c) the declarations in which the individual candidates accept their candidacy and certify, under their own responsibility, that they meet the requirements under the law and the By-Laws for the office, (d) a list any positions of administration and control each candidate holds in other companies, (e) a declaration by the shareholders other than those who hold, individually or jointly, a controlling interest or represent the single-largest shareholding, as to the absence of affiliation with the latter, as applicable laws and regulations provide; and (f) any other declaration, disclosure and/or document required by the laws and regulations in force at the time.

In the event that, when the deadline under the laws and regulations in force for the submission of lists expires, a single list has been filed or more than one list has been filed by shareholders who are connected with each other pursuant to the provisions of the laws and regulations in force, further lists of candidates may be submitted until such latter date as the laws and regulations in force may provide, in which case, the percentage of participation in the Company's share capital required for the submission of a list is halved.

The election of the statutory auditors takes place as follows: (i) two standing auditors and one alternate auditor are elected from the list that obtained the highest number of votes at the Shareholders' Meeting, on the basis of the order in which they are listed in the sections of the list; (ii) from the list that obtained the second-highest number of votes and that is not connected in any way, directly or indirectly, pursuant to the laws and regulations in force at the time, with those who submitted, or voted for, the list under (i) above, is elected, in accordance with the laws and regulations in force, the remaining standing auditor, who becomes Chairman of the Board of Statutory Auditors; and the remaining alternate auditor, based on the ranking order in the sections of the list.

In the event that more than one list has obtained the same number of votes, a new ballot is held among for all those entitled to vote present at the Shareholders' Meeting, and the candidates on the list that obtains the single-largest number of votes is elected.

In the event that only one list has been submitted, the Board of Statutory Auditors shall be drawn entirely from that list, provided it receives the majorities required by law.

If, as a result of the application of this list voting mechanism, the composition of the Board of Statutory Auditors does not comply with the rules on gender balance, the Shareholders' Meeting appoints statutory auditors who do meet the requirements in place of the candidates who do not meet, drawing the replacements from the same list as those they replace.

In the event that the requirements of the law and the By-Laws are no longer satisfied, a statutory auditor ceases to hold office.

In the event that a statutory auditor is replaced, they are replaced by the alternate member from the same list, provided that they have confirmed they meet the requirements of the office, while complying with the rules in force on gender balance in the Board of Statutory Auditors, for the remainder of the term of office. If such a replacement cannot be made in a manner compliant with the regulations in force, the Shareholders' Meeting appoints a statutory auditor who meets the requirements for compliance.

In the event of the replacement of the Chairman, this office shall be assumed by the statutory auditor who takes his place.

The previous rules on the election of statutory auditors by voting list do not apply to Shareholders' Meetings that must appoint standing and/or alternate auditors to make the Board of Statutory Auditors up to its full number. In such cases, the Shareholders' Meeting resolves by the majority for which the law provides, in compliance with the principle that minorities must receive representation. Procedures for replacing statutory auditors must in any event ensure compliance with the laws and regulations in force regarding gender balance, as specified above.

## 11.2 COMPOSITION AND FUNCTIONING OF THE BOARD OF STATUTORY AUDITORS (PURSUANT TO ARTICLE 123-BIS(2)(D) AND (D-BIS), CLFI)

As at the date of this Report, the Board of Statutory Auditors in office had been appointed by resolution of the Shareholders' Meeting of 13 June 2023. Earlier in the Reporting Year, the Board of Statutory had comprised the Chairman, Luigi Capitani, and Luigi Fontana and Fausto Zanon (as standing auditors) and Giulia De Martino and Veronica Tibiletti (as alternate auditors).

Since the Company was listed on Euronext Milan following the appointment of the Board of Statutory Auditors, this appointment did not take place under the voting mechanism that was included in the By-Laws on 18 June 2023 with effect from the First Trading Day.

The votes resulted in the following persons being elected as members of the Board of Statutory Auditors: (i) Luigi Capitani, Chairman; (ii) Giuseppina Manzo, statutory auditor; (iii) Luca Nicodemi, statutory auditor; (iv) Tiziana Vallone, alternate auditor; and (v) Federica Marone, alternate auditor.

The Board of Statutory Auditors is thus comprised of five members, two of whom are men (40%) and three are women (60%). There is no representation of employees or other workers on the Board of Statutory Auditors. As of the date of this Report, the members of the Board of Statutory Auditors do not have specific expertise on sustainability. Accordingly, although specific skills and competences in the field of sustainability are subject to evaluation, they have neither been fully developed nor formally integrated into decision-making processes as at the date of this Report. The Group therefore intends to continue on a path of deepening and continuous improvement in these areas. In particular, Ferretti intends to implement a structured induction programme on ESG matters for the members of the Board of Statutory Auditors, to boost awareness and build the skills necessary for sustainability principles to be integrated into strategic business decisions.

The Board of Statutory Auditors will remain in office until the date of the Shareholders' Meeting called to approve the financial statements as at and for the year ended 31 December 2025.

The following table sets forth the composition of the Board of Statutory Auditors as of the date of this Report.

CHARGE	NAME AND SURNAME	PROFESSION
Chairman	Luigi Capitani	Chartered Accountant and Registered Auditor
Standing Auditor	Giuseppina Manzo	Chartered Accountant and Registered Auditor
Standing Auditor	Luca Nicodemi	Chartered Accountant and Independent Statutory Auditor
Alternate Auditor	Tiziana Vallone	Chartered Accountant and Independent Statutory Auditor
Alternate Auditor	Federica Marone	Chartered Accountant and Registered Auditor

Please refer to Table 3 in the appendix for further detail regarding the composition of the Board of Statutory Auditors.

The following are the main professional characteristics and experience related to sectors, products and areas of Ferretti of the members of the Board of Statutory Auditors:

- **Luigi Capitani**: a graduate in Economics and Commerce from the University of Parma, he has been a Chartered Accountant since 1993 and an Auditor since 1995. Since November 2023 he has also been a member of the Association of Business Recovery Professionals. He mainly deals with extraordinary transactions, corporate finance, business crisis, design and management of trusts and family assets, strategic, tax, corporate and financial consultancy. He has extensive experience in insolvency proceedings and corporate restructuring as well as a tax litigator. He holds positions on boards of directors and statutory auditors, and is a member of supervisory boards pursuant to Legislative Decree 231/2001, at a variety of entities and companies.
- **Giuseppina Manzo**: a graduate in Economics and Business Law in 2004 from Bocconi University in Milan, a Chartered Accountant since 2009. Since 2009 she has been a registered auditor. She works as a consultant on financial information and corporate finance for medium-sized and large companies and groups, including listed companies, operating mainly in the following sectors: banking, industrial, energy and luxury. She has extensive

experience in: (i) the valuation of companies and shareholdings, also for the purposes of impairment testing; (ii) fairness opinions on corporate matters; (iii) advising on financial statements and the application of domestic and international accounting standards (IAS/IFRS); (iv) expert reports, both for parties to litigation and for the tribunal itself, in the context of arbitration and court proceedings concerning valuation issues; (v) advice on debt sustainability, also pursuant to article 2501 bis of the Italian Civil Code; and specialization with respect to: (i) extraordinary finance transactions, such as mergers, demergers, contributions, transformations, acquisitions, sales and reorganizations of groups, and (ii) processes for the acquisition of share packages.

- Luca Nicodemi: a graduate in Business Administration from Bocconi University, with a specialisation in Finance, he is a Chartered Accountant and Independent Statutory Auditor, and a registered expert witness at the Court of Milan. An expert in corporate governance, he holds important positions in leading football and industrial companies, supervised entities and asset management firms. He has extensive experience in: (i) professional advice (on financial, accounting and tax matters) for M&A transactions, debt restructuring, company valuations for national and international institutional entities (banks, domestic and international private equity funds, sovereign wealth funds, leading investment banks, listed companies, and domestic and international law firms); (ii) valuation, fairness and accounting advice and opinions to leading industrial groups in, *inter alia*, the luxury, infrastructure, banking sectors; and (iii) professional work as a member of the supervisory boards pursuant to Legislative Decree 231/2001 for multinational companies and regulated entities.
- Tiziana Vallone: a graduate in Economics and Commerce at the State University of Bari, she is a chartered accountant, registered auditor and auditor of local authorities. Expert in auditing, corporate finance, corporate law and corporate restructuring, she holds positions on boards of directors and statutory auditors at a number of companies, including multinational and listed companies. She also currently advises as an expert to national roundtables organised by the Ministry of Industry and Made in Italy. She was a lecturer at Bocconi University in Milan until 2006 and currently holds courses at the Order of Chartered Accountants of Milan and the Bar Association of Milan, Bologna and Bergamo on topics of corporate finance, business crisis and risk management. She is a member of various commissions and working groups, such as the Crisis and Business Recovery Commission, where she is the vice-president.
- Federica Marone: a graduate in Economics and Business, specialising in law, at the Parthenope University of Naples, she has been a Chartered Accountant and Auditor since 2006. Until 2023 she was an adjunct lecturer for supplementary teaching activities for the Tax Law course at the Faculty of Law of the Suor Orsola Benincasa University of Naples and still collaborates with the University S. Orsola Benincasa of Naples, Faculty of Law, Chair of Tax Law. Currently she mainly deals with tax litigation and tax breaks.

For further information on the CVs and professional experience of the members of Ferretti's Board of Statutory Auditors, please refer to the Issuer's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section, *Corporate Governance*.

There has been no change in the composition and structure of the Board of Statutory Auditors between the end of the Reporting Year and the date of this Report.

The Board of Statutory Auditors is validly constituted where a majority of the statutory auditors is present and it resolves by a vote in favour from an absolute majority of those present.

The meetings of the Board of Statutory Auditors may also be held with the participants in multiple locations, which may be close at hand or remote, and may be connected by video or telephone conferencing, provided that the of the meeting is able to establish the identity of those participating in the meeting and their entitlement to do so, to govern the conduct of the meeting, and to observe and declare the outcome of votes; the person taking the minutes is able to adequately perceive the events being minuted; and all participants are able to participate in real time in the discussions and vote simultaneously, and be able to receive and transmit documentation in real time.

The meeting is deemed held in the place stated in the notice of call, where the person taking the minutes must also be in order to enable them to be prepared and signed.

The Chairman and the person taking the minutes may be in different places.

The Board of Statutory Auditors met twelve times in the course of the Reporting Year, on the following dates: 20 February, 25 February, 13 March, 24 March, 12 May, 4 June (two meetings were held on that day), 28 July, 28

August, 8 October, 19 October and 10 December 2025.

The meetings were duly minuted. The average duration of the Board of Statutory Auditors meetings was approximately 60 minutes.

In the year ending 31 December 2026, there have already been two meetings of the Board of Statutory Auditors on 24 February 2026 and 31 March 2026, and another ten meetings of the Board of Statutory Auditors are currently scheduled to be held.

In the course of the Reporting Year, with respect to the previous Board of Statutory Auditors, the overall participation rate was 86.1%, and specifically: (i) 75% for Luigi Capitani, (ii) 100% for Giuseppina Manzo; and (iii) 83.3% for Luca Nicodemi.

At its meeting of 4 July 2023, the Board of Statutory Auditors confirmed that it satisfied the requirements imposed by law and the Corporate Governance Code, in terms of professional standing, expertise, integrity and independence, and it completed its self-evaluation process, observing that it was consonant with its duties, given its suitably calibrated composition, specifically with reference to features of experience, gender composition and the age of its members. The members of the Board of Statutory Auditors also considered that they had the appropriate time and resources to devote to their duties in the Company. The outcome of these evaluations was subsequently transmitted to the Board of Directors and released to the market.

In carrying out the above evaluations, all the information made available by each member of the Board of Statutory Auditors was considered, as required by the recommendations of the Corporate Governance Code, with consideration of any circumstance that affects or could affect independence in accordance with the CLFI and the Corporate Governance Code (see recommendation 6, as referred to in recommendation 9) and all the criteria set forth in the Corporate Governance Code with respect to the independence of Directors were applied (recommendation 7, as referred to in recommendation 9).

The Board of Statutory Auditors has supervised and continues to supervise the independence of the External Auditor, verifying both its compliance with relevant regulations, and the nature and extent of the services other than accounting control that it and the other entities in its network provide to the Issuer or its subsidiaries.

The Board of Statutory Auditors has continuously maintained regular coordination with the Controls, Risks and Related Parties Committee, the Internal Audit function and the Supervisory Board. For information on the manner in which they coordinate, please see paragraph 9.8 of this Report, above.

Pursuant to Legislative Decree 39/2010 (in implementation of Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC, and repealing Council Directive 84/253/EEC), the Board of Statutory Auditors is assigned the functions of an audit committee, in particular, the functions of supervising: (i) the financial reporting process; (ii) the effectiveness of internal control, internal audit, where applicable, and risk management systems; (iii) statutory audit of the annual accounts and the consolidated accounts; and (iv) the independence of the External Auditor, in particular with respect to the provision of additional services to the audited entity.

The Board of Statutory Auditors supervises compliance with the provisions of Legislative Decree no. 125 of 6 September 2024; the Board of Statutory Auditors is therefore required to carry out both a supervisory role on the adequacy of all the procedures, processes and structures that govern the preparation of the Sustainability Report; and a verification of compliance with the relevant regulations.

For so long as the Company's shares are admitted to trading on an Italian regulated market, the Board of Statutory Auditors also exercises its other duties and powers under the specific legislation with particular reference to the information to which it is entitled, the Directors are pursuant to Article 150, CLFI, obliged to report on a quarterly basis.

The Chairman of the Board of Directors ensured that the statutory auditors have adequate knowledge of the sector in which the Issuer operates, relevant business dynamics and developments, the principles of correct risk management and the relevant regulatory framework. In particular, during the meetings of the Board of Directors during the Reporting Year, the Statutory Auditors received regular in-depth analysis of each specific sector in which the Issuer has business, in order to better understand the corporate dynamics underlying the business and the related developments that took place over the course of the year.

Statutory auditors' remuneration is set so as to be commensurate with the efforts required, the importance of the role, the size of the business, and the features of the sector in which it operates. In this regard, it should be noted

that the Shareholders' Meeting of 13 June 2023 set the remuneration of the Chairman of the Board of Statutory Auditors as an all-inclusive gross annual fee of Euro 40,000 and the remuneration of each of the standing auditors as an all-inclusive gross annual fee of Euro 30,000.

The Issuer has not enacted any specific obligation that statutory auditors promptly inform the other members of the Board of Statutory Auditors and the Chairman of the Board of Directors as to the nature, terms, origin and extent of any interest he has, of his own or on behalf of any third party, in any transaction involving the Issuer, as it considers that such disclosure would in any event be an ethical duty of any member of a board of statutory auditors.

In accordance with the By-Laws, over the course of the Reporting Year the Chief Executive Officer has, together with the executive Director, reported appropriately to the Board of Statutory Auditors on its work, on the general performance of the business and its anticipated future development, the most significant transactions for the business, results of operations and financial condition, and the most significant transactions in terms of size or other features by the Company and its subsidiaries, at the meetings of the Board of Directors and at least quarterly. That is particularly the case for transactions in which any Director has an interest on his own behalf or on behalf of third parties, or that are influenced by any person who directs or coordinates the Company's activities.

With regard to the provision of Article 123-*bis*(2)(d-*bis*), CLFI, on diversity policies as applied to administrative, management and control bodies, recognising the importance of diversity and inclusion to the Group's success, the Board of Directors on 18 May 2023 adopted a Group policy on diversity on boards of directors and statutory auditors, which sets out principles in pursuit of an objective of integrating management, professional and academic features, also of an international nature, while taking also into account balanced gender representation. For further information, please see the Diversity Policy available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section, *Corporate Governance*; and the Sustainability Report, similarly available on the Company's website, in the sections, *Investor Relations* and *Sustainability*.

With reference to gender diversity in particular, Law No. 160 of 27 December 2019 amended, *inter alia*, article 148, CLFI, introducing a new test, under which at least two-fifths of the members of the Board of Statutory Auditors (rather than the third that applied previously) must be reserved to the less-represented gender for six consecutive terms of office. This new test applies from the first appointment of such boards that occurs after 1 January 2020.

For the sake of completeness, it should be noted that CONSOB, by its resolution No. 21359 of 13 May 2020, consistent with its notice 1/2020 of 30 January 2020, amended article 114-*undecies*.1(3) of the Issuers' Regulations, specifying that where boards have three standing members, the calculation of the component for the less-represented gender under article 148, CLFI, is rounded down, not up.

Since the current Board of Statutory Auditors was appointed on 13 June 2023, prior to the Company's listing on Euronext Milan, the above provisions apply from the next appointment of the Board of Statutory Auditors.

Without prejudice to the above, as at the date of this Report, a third of the standing statutory auditors are in any event from the less-represented gender. Accordingly, the Board of Statutory Auditors' present composition complies with the test under article 148(1-*bis*), CLFI, both in its previous and current form, and with the recommendations under article 2 of the Corporate Governance Code.

In the course of the Reporting Year, no circumstances arose that resulted in any member of the Board of Statutory Auditors having to inform the Company of any interest they held, on their own behalf or on behalf of others, in any particular transaction by the Company.

## 12 SHAREHOLDER RELATIONS

Shareholders are kept suitably informed of developments at the Company and the Group through the prompt and regular publication of corporate documentation on the Issuer's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the sections *Investors* and *Corporate Governance*, and, where applicable laws and regulations so require on the Emarketstorage authorised storage mechanism (at [www.emarketstorage.it](http://www.emarketstorage.it)).

The Company encourages shareholders to take an active interest in the Company. During the Reporting Year, the Company has maintained effective and transparent communication with Shareholders by disseminating high-quality information to Shareholders in a timely manner through the publication of annual report, interim report, ESG report as well as the financial results announcements.

The Issuer's website allows investors to access and consult all of the Company's press releases, and, following their

approval by the relevant corporate bodies, a complete set of its accounting information (which is to say, the annual financial statements, the interim financial statements, and the interim report). The main documents related to the Group's governance and sustainability are also available for consultation on the Company's website.

On 18 May 2023, the Board of Directors resolved to appoint Margherita Sacerdoti to be Ferretti's Investor Relator & Sustainability Manager (email, [investorrelations@ferrettigroup.com](mailto:investorrelations@ferrettigroup.com)), with responsibility for relations with shareholders generally, including institutional investors, and some specific tasks regarding price-sensitive information and dealings with CONSOB and Borsa Italiana.

On 18 May 2023, the Board of Directors approved, on the proposal of the Chairman and by agreement with the Chief Executive Officer, the Shareholder Engagement Policy that reflected the recommendations of the Corporate Governance Code, domestic and international best practice, and engagement policies that institutional investors and asset managers had compiled (see recommendation 3 of the Corporate Governance Code).

The Shareholder Engagement Policy lays down terms governing: (i) the purpose and scope of the policy itself; (ii) the corporate bodies and organisational structures engaging in dialogue with shareholders and other interested parties; (iii) the instruments that may be used for that dialogue, and the manner in which they are used; (iv) the topics, content and timing of dialogue with shareholders and other interested persons; and (v) the terms upon which the policy may be amended, and the persons to whom requests for establishing dialogue with the Company should be directed.

The main topics discussed at conferences and in meetings with shareholders in the Reporting Year were:

- (a) operating performance, the full-year financial statements, and interim financial results;
- (b) business strategy;
- (c) share performance;
- (d) corporate communication and transparency towards the market;
- (e) the IARMS; and
- (f) ESG policies.

During the Reporting Year, dialogue with the financial community (meaning, investors and analysts) was consistent over time, through a number of initiatives, including:

- participation in roadshows (remotely and in person) in Europe and Asia, Canada and United States to foster direct discussions with investors;
- organisation of analyst and investor events, including visits to production facilities between April and November 2025, to show products and discuss how the market was performing; and
- attendance of conferences organised by brokers in the major European financial centres;
- participation, in September 2025, in the Euronext Sustainability Week organised by Borsa Italiana, which took place virtually and involved both one-to-one and group meetings with institutional investors focused on ESG themes.

The Shareholder Engagement Policy is available on the Issuer's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Corporate Governance*.

For so long as the shares are listed on the Stock Exchange of Hong Kong, the Company is obliged to establish and keep a shareholders' register in Hong Kong, in accordance with the laws and regulations of Hong Kong. This may be through a third-party supplier, authorised to supply transfer services in relation to shares quoted on the Stock Exchange of Hong Kong (a "**Hong Kong Branch Register**"), and that is without prejudice to the legal status and prevailing significance of the main register kept pursuant to the laws of Italy.

In this regard, pursuant to article 36 of the By-Laws, the Hong Kong Branch Register may be inspected by shareholders in the Company and by beneficial owners (meaning the indirect beneficiaries of shares in the Company under the laws of Hong Kong), without expenses and during a period of at least two hours each business day, as permitted by applicable law. The Hong Kong Branch Register may, by notice sent by any electronic means that is accepted for such purposes by the Stock Exchange of Hong Kong, be closed during particular hours or for periods not exceeding 30 days per year in aggregate, as the Board of Directors may determine, generally or in relation to any particular class of shares.

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With regard to the ways in which the interests and opinions of stakeholders are taken into account in its strategy and business model, the Group recognises the importance of dialogue and of stakeholders' direct involvement, in order to appreciate their various expectations and needs. In this way, the Group develops concrete and targeted plans, capable of meeting the expectations of each stakeholder group in an effective and timely manner.

Over the years, the collaboration with stakeholders has enabled the Group to develop strong personal and professional relationships that have enabled it to consolidate its position as a leader in luxury shipbuilding. This inclusive approach not only fostered innovation and product quality, but also helped strengthen trust and transparency with all stakeholders.

The following table sets forth a summary of the main categories of stakeholders, along with the means and methods of liaison used to understand their needs and expectations.

MAIN CATEGORIES OF STAKEHOLDERS	METHODS OF INVOLVEMENT AND PURPOSES	RESULTS
Industry associations	Attending conferences, events and meetings with marine industry associations	Monitoring of market trends, updates on regulations and innovations
Media	Partnerships with marine, lifestyle and financial media	Spread brand awareness and updates on Group progress and results
Regulatory bodies	Ongoing dialogue with regulators and institutions to ensure compliance with laws, regulations and industry standards	Compliance with laws and regulations, and continuous developments with respect to regulations in shipbuilding
Financial community	Regular meetings with (i) institutional investors and financial analysts; and (ii) financial institutions	Updates on financial results, business performance reviews and market analysis
Employees	<ul style="list-style-type: none"> <li>• Training activities</li> <li>• Whistleblowing platform</li> <li>• Corporate welfare</li> <li>• Special medical examination</li> </ul>	The principles of transparency, independence and integrity are a major feature of the relationships that functions within the Issuer have with the trades unions, fostering an appropriate and non-discriminatory dialogue to create a climate of mutual trust and constructive dialogue
Workers in the value chain	Whistleblowing platform	Workers along the value chain contribute decisively to the quality of services that are provided, to operational efficiency and the achievement of the Group's results. Accordingly, the engagement of and dialogue with these stakeholders are strategically important matters, for which operational responsibility is entrusted to the Supervisory Board.
Affected communities	<ul style="list-style-type: none"> <li>• Training activities (School of Trades)</li> <li>• Local community engagement initiatives: donating and creating employment opportunities.</li> <li>• Whistleblowing platform</li> </ul>	<p>As a result of these initiatives, the Group not only invests in future generations, but also bolsters its commitment to expanding expertise and the development of the Italian shipbuilding sector.</p> <p>In addition, Ferretti's whistleblowing system serves as a means of involving the communities involved, since it is accessible to all. This tool allows you to report any issues safely and transparently.</p>
Customers	<ul style="list-style-type: none"> <li>• Events and trade shows</li> <li>• Questionnaires</li> <li>• Technical support channels</li> <li>• Customer Satisfaction Index (CSI)</li> <li>• Whistleblowing platform.</li> </ul>	Ferretti attaches great importance to the feedback it receives from its customers regarding their yachts. This approach makes it possible to identify any critical issues and intervene in a timely and effective manner, ensuring an optimal yachting experience.

Please note that in defining the risks, impacts and relevant opportunities included in the Sustainability Report, Ferretti did not provide for the consultation of stakeholders.

## **13 SHAREHOLDERS' MEETINGS**

### **13.1 CALL OF SHAREHOLDERS' MEETING**

Pursuant to article 13 of the By-Laws, the ordinary Shareholders' Meeting must be called to meet at least once a year, to consider approval of the financial statements, within 120 days of the end of the financial year, or within 180 days where the Company is obliged to prepare consolidated financial statements, or where there are particular reasons for that longer period regarding the Company's structure or objects, subject always to article 154-ter, CLFI, and any laws and regulations in force.

Ordinary and extraordinary Shareholders' Meeting are generally held in the municipality in which the Company has its registered office, except where the Board of Directors resolves that it be held elsewhere, either in Italy or elsewhere in the European Union, the United Kingdom, a country within Greater China (the PRC, the Hong Kong Special Administrative Region, Macao or Taiwan), or the United States of America, subject always to article 14.5 of the By-Laws.

The Shareholders' Meeting is called, in accordance with the laws and regulations in force, by notice published in Italian and English on the Company's website, and publicised by the other means for which applicable laws and regulations provide. The notice contains the information required by the laws and regulations in force, which may reflect the items on the agenda.

The Board of Directors may also call a Shareholders' Meeting where shareholders representing at least 5% of share capital so request in relation to specified agenda items, and subject always to the limits set forth in the final part of article 2367 of the Civil Code. In the event of an unjustified delay in calling the meeting, the Board of Statutory Auditors may call it instead.

For so long as the shares are listed on the Stock Exchange of Hong Kong, the notice calling the meeting must also be published in Chinese, at least 21 days prior to the date of the Shareholders' Meeting (or such longer period as may apply under the law), and the rules governing communications for companies with shares listed on the Stock Exchange of Hong Kong apply. The notice must also be published, within the same periods, on the website of the Stock Exchange of Hong Kong.

Pursuant to article 126-bis, CLFI, shareholders who individually or together represent at least 2.5% of the share capital may request – except for topics whose proposal falls under the competence of the Board of Directors or is based on a project or report prepared by the Board of Directors – that additional items be added to the agenda, within ten days of the agenda's publication, or within five days where the call is made pursuant to article 125-bis(3) or article 104(2), CLFI. Requests should set out the items for inclusion or proposed resolutions on matters already on the agenda. Shareholders requesting to add items to the agenda must provide a suitably detailed report setting out the grounds for the proposed resolutions on any new items whose discussion they are proposing, or the grounds for the further proposals for resolutions on items already on the agenda, and provide that to the Board of Directors by the deadline for submission of additional items.

### **13.2 RIGHT TO ATTEND SHAREHOLDERS' MEETING**

The entitlement to attend and speak at the Shareholders' Meeting and the exercise of voting rights are governed by the laws in force at the time and the provisions of the By-Laws, subject always to the rules applicable to companies with shares listed on the Stock Exchange of Hong Kong.

Those rules provide that all persons who are direct holders of shares under the applicable laws and regulations are entitled to exercise all their rights with respect to the relevant company in the manner provided by applicable law and the By-Laws.

All beneficial owners who are not direct holders of the shares may exercise all corporate rights, including the right to attend and vote at Shareholders' Meetings, where no other person is entitled to do so on their own behalf, (a) collectively, through the Holder of Record registered in either the Main Register or the Hong Kong Branch Register, or a person authorised by the Holder of Record; or (b) individually, through the Holder of Record or a

person appointed by the Holder of Record, or, where the Holder of Record has granted authorisation and/or a proxy, on their own behalf, to the fullest extent permitted by all applicable laws and regulations.

The exercise of corporate rights by beneficial owners, in the name of the Holder of Record, collectively or individually, does not entail any obligation to update the Hong Kong Branch Register or the Main Register.

Where a holder of shares (or other financial instruments issued by the Company) is a clearing house recognised under applicable laws and regulations as a result of the shares' listing on the Stock Exchange of Hong Kong, or one or more of its nominees, it may nominate one or more persons to act as proxy and participate in any ordinary or extraordinary Shareholders' Meeting of the Company (or meeting of the holders of the other financial instruments), provided that, where they nominate more than one proxy, the authorisation must specify the number of shares (or other financial instruments) to which the authorisation relates. Any person authorised in the above manner is considered duly authorised without further certification, except where applicable laws or regulations require. They are entitled to exercise the same rights and powers on behalf of the principal (whether a clearing house or a nominee) as if the proxy (or representative) were a shareholder of the Company holding that number of shares (or other financial instruments, as the case may be) as was specified in the authorisation and any certificates that the laws or regulations require.

Entitlement to exercise shareholders' rights is based upon the records as at the dates set by the Board of Directors, for:

- (a) determining the shareholders entitled to receive payment of dividends, other distributions and rights, and the beneficial owners entitled to receive, under Hong Kong laws and regulations, payment of dividends, other distributions and rights in respect of the shares held by the Holder of Record. Specifically, with respect to beneficial owners, that date may be before, on, or after the date on which that payment of dividends, or other distributions or rights, is resolved upon, paid or made; and
- (b) determining the shareholders entitled to receive the materials related to the Company's ordinary and/or extraordinary Shareholders' Meeting.

A shareholder who is entitled to more than one vote is not obliged to apply all of their votes the same way. Divergent voting is valid and legitimate, except as applicable laws and regulations may specify otherwise.

Where the shares of the Company are admitted to trading on a market such as the Stock Exchange of Hong Kong, which distinguishes between legal ownership and beneficial ownership, shareholders' rights may, by authorisation from the legal owner, be exercised by beneficial owners, to the fullest extent permitted by applicable laws and regulations.

Under article 15 of the By-Laws, those entitled to vote may be represented by a proxy, in accordance with, and subject to the limits thereon imposed by, the law. The proxy must be granted in written by the principal or their authorised representative, or, where the principal is a company, by written proxy signed by an appropriate officer, representative or other duly authorised person. Where those entitled to vote act on behalf of clients, or other third parties, they may name as proxies the persons for whom they act, or one or more third parties those persons designate.

Where, as a result of the applicable laws and regulations in the place in which the Company's shares are listed, a shareholder must abstain from voting on a particular resolution, the vote by them or their proxy in breach of that requirement is not taken into consideration when determining whether the resolution has passed.

For the avoidance of doubt, the shares in question are included in the calculation of whether the meeting is quorate.

A proxy may be granted electronically, where that is consistent with applicable laws. Electronic notification to the Company of a proxy for the Shareholders' Meeting may be made by sending the document to the email address stated in the notice calling the meeting.

The Company may, for each Shareholders' Meeting, designate a person in the notice of call to whom shareholders may grant proxies and give voting instructions for all or some of the items on the agenda, within such periods and by such means as the law may provide (under article 135-*undecies*, CLFI).

For the Shareholders' Meetings of 21 January 2025 and of 13 May 2025, the Company decided to make use of the option available under article 106(4) of Decree-Law No. 18 of 17 March 2020, "*Measures to strengthen the National Health Service and economic support for families, workers and businesses in connection with COVID-19*", as converted into law, with amendments, as Law No. 27 of 24 April 2020. That article had previously been extended to the meetings to be held by 31 December 2025 pursuant to Legislative Decree No. 202/2024, as converted with amendments into

Law No. 15/2025. In particular, it was determined that (i) voting shareholders with shares deposited with an authorised intermediary participating in the Monte Titoli system could attend the Shareholders' Meeting, following registering on the registration portal accessible on the Company's website, via an audio-video link on a webcast platform or alternatively, pursuant to article 14.5 of the By-laws, they could cast their vote, in advance and directly on the various items on the agenda, via a link on the Company's website; (ii) shareholders holding shares deposited in the CCASS system could, since HKSCC Nominees Limited ("**HKSCC**") is the holder of the voting rights for such shares, issue voting instructions to HKSCC, or participate directly in the Shareholders' Meeting where they have requested and obtained authorization from HKSCC; and (iii) other persons entitled to attend (e.g., members of the Board of Directors or the Board of Statutory Auditors, representatives of the Independent Auditors, and executive employees within the Group) could participate in the Shareholders' Meeting only by such means of telecommunications as assure that participants may be duly identified, but there would be no requirement that the chairman of the Shareholders' Meeting and its secretary attend in the same location.

### **13.3 CONDUCT OF THE SHAREHOLDERS' MEETING**

The Shareholders' Meeting is chaired by the Chairman of the Board of Directors, or by the Deputy Chairman, where appointed. If they are absent or unable to act, the Shareholders' Meeting elects a chairman for the meeting by a majority vote of those present. The chairman is assisted by a secretary, who does not have to be a shareholder, appointed by the Shareholders' Meeting; and one or more vote scrutineers, if the chairman so wishes. Where the law so requires or the chairman of the Shareholders' Meeting wishes, a notary may act as the meeting's secretary.

In determining whether a meeting is quorate, and whether resolutions have passed, the Shareholders' Meeting, in both ordinary and extraordinary session, observes the provisions of the Civil Code, except that resolutions regarding the Company's voluntary liquidation, and/or changes to the By-Laws, require the vote in favour by at least 75% of the share capital represented at the Shareholders' Meeting.

The Shareholders' Meeting, in both ordinary and extraordinary session, is called to meet on a single occasion, unless the Board of Directors states in the notice of meeting that the Shareholders' Meeting may be subject to a second call, or further calls thereafter. Where however shareholders representing at least 5% of the share capital have requested that the meeting be called, and the request stated the items on the agenda, then, subject to the limits under article 2367, final part, of the Civil Code, the Board of Directors must only permit a first call of that meeting.

The Shareholders' Meeting, in both ordinary and extraordinary session, may take place with participants in multiple locations, which may be close at hand or remote, and may be connected by video and/or telephone conferencing, provided that all participants are able to be identified, and they are able to follow the discussions, participate in the deliberations in real time regarding the meeting's activities, and participate in voting, and that all of the above is recorded in the minutes of the meeting. Where the notice of call so states, those entitled to vote may vote electronically, in the manner the notice specifies.

Pursuant to article 10 of the By-Laws, a shareholder may withdraw from the Company in those circumstances under which he is permitted to do so by mandatory law.

The right to withdraw a shareholding is not available to shareholders who did not vote in the context of the approval of resolutions regarding an extension to the Company's term, or the introduction or removal of restrictions upon the circulation of shares. The shares' liquidation value is determined under article 2437-ter of the Civil Code.

After deduction of at least 5% to the legal reserve for so long as it has not reached one fifth of share capital, under article 30 of the By-Laws, net profits shown on the financial statements are allocated among the Shareholders in accordance with the resolutions passed by the Shareholders' Meeting.

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The Shareholders' Meeting approved the Rules of the Shareholders' Meeting on 18 May 2023 and these have been adopted as from the First Trading Day. They are available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the sections on *Corporate Governance*. The Rules of the Shareholders' Meeting provide, *inter alia*, that:

- (a) the chairman of the Shareholders' Meeting (that is, the Chairman of the Board of Directors, or a person designated by the Shareholders' Meeting, where he is absent or unable to act) may take all such measures

as are considered opportune to ensure that the meeting proceeds properly and the participants are able to exercise their rights;

- (b) the chairman governs discussions, allowing Directors, statutory auditors, general managers, CFOs, other executives, and those persons who have so requested, to speak. Those entitled to exercise voting rights are entitled to speak on each of the items under discussion and to make proposals in that regard. Directors, statutory auditors, the General Manager, the CFO, and other executives may request that they be permitted to speak, where that is considered necessary. Such a request may be brought as soon as the Shareholders' Meeting opens, and at any time before the chairman declares discussion of a particular item closed. In order to ensure that the Shareholders' Meeting is carried out in an orderly fashion, the chairman may establish a deadline for the submission of requests to speak, when discussion of particular items begins, or in the course of their discussion. The chairman establishes how such requests may be made, how they will be effected, and the order in which they are made;
- (c) before beginning voting, the chairman readmits to the Shareholders' Meeting any persons who were excluded during discussions under the terms of the Rules, and checks the number of attendees and the number of votes to which they are entitled;
- (d) the chairman establishes an order of voting for the various resolutions under consideration, also taking into consideration whether any are alternative to one another, and may order voting on each item after the end of its discussion, or at the end of discussion of some or all of the items on the agenda.

In the course of the Reporting Year, two ordinary Shareholders' Meetings were held, on 21 January 2025, where no. 8 members of the Board (Piero Ferrari having given reasons for absence) and no. 3 standing statutory auditors were present (Luigi Capitani, Giuseppina Manzo and Luca Nicodemi), and on 13 May 2025, at which all the members of the Board and no. 3 standing statutory auditors (Luigi Capitani, Giuseppina Manzo and Luca Nicodemi) were present.

The Board of Directors reported to the Shareholders' Meeting on its past and future work, and ensured that shareholders were in a position to make informed decisions on the matters before the Shareholders' Meeting.

Specifically, the Board of Directors published the reports prepared in connection with various items on the agenda, pursuant to article 125-*ter*, CLFI, as amended, and article 84-*ter* of the Issuers' Regulations.

Remote attendance of the Shareholders' Meeting members of the Boards of Directors and Statutory Auditors was permitted by means that ensured that could duly be identified and engage in the meeting, and there was no requirement that the chairman and the secretary taking the minutes attend in the same location.

With respect to the rights of shareholders not described in this Report, please refer to the applicable laws and regulations.

#### **14 SUBSEQUENT CHANGES TO CORPORATE GOVERNANCE PRACTICES**

On 2 August 2023, the Board of Directors approved a whistleblowing procedure through which employees may report irregularities or breaches of applicable laws or regulations, or of internal procedures. For information regarding the Company's whistleblowing system, please see paragraph 9.5.3 of this Report.

Otherwise, as at the date of this Report, no further corporate governance practices have been applied by the Issuer beyond its obligations under the laws and regulations in force.

#### **15 CHANGES SINCE THE END OF THE FINANCIAL YEAR**

No changes have been made since the end of the Reporting Year with reference to corporate governance.

#### **16 COMMENTS REGARDING THE LETTER DATED 18 DECEMBER 2025 FROM THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE**

In the course of its meeting of 31 March 2026, the Board of Directors' attention was brought to a letter from the Chairman of the Corporate Governance Committee that had previously been brought to the attention of the Board of Statutory Auditors, with respect to matters within its purview. The letter had been sent to the Chairman of the

Board of Directors, the Chief Executive Officer and the Chairman of the Board of Statutory Auditors on 18 December 2025.

It provided certain general indications regarding the application of the Corporate Governance Code that had emerged as a result of monitoring activities, and some recommendations regarding the manner in which the Code was applied, in the following areas: (i) measurability of the components of the remuneration policy; (ii) the development of dialogue with other relevant stakeholders.

#### Measurability of the components of the remuneration policy

Further to Recommendation 27 of the Corporate Governance Code, the performance objectives linked to payment of bonuses to the Chief Executive Officer and senior management are objectives related to individual and corporate performance, linked to predetermined, measurable financial metrics of growth. There are no non-financial performance targets and no sustainability targets.

For further information regarding the remuneration of the Chief Executive Office and of the senior management, please see the 2026 Remuneration Policy contained in Section I of the Remuneration Report, available on the Company's website at [www.ferrettigroup.com](http://www.ferrettigroup.com), in the section *Corporate Governance*.

Furthermore, it is confirmed that no end-of-office indemnity is provided for the Chief Executive Officer, Alberto Galassi, or for the executive Director, Tan Ning.

#### Development of dialogue with other relevant stakeholders

It is recalled that – although the Company does not qualify as a “*large company*” pursuant to the Corporate Governance Code – as early as 18 May 2023, the Company's Board of Directors, upon proposal of the Chairman and in agreement with the Chief Executive Officer, approved the Shareholders' Engagement Policy, prepared on the basis of the recommendations of the Corporate Governance Code, national and international best practices, as well as the engagement policies adopted by institutional investors and asset managers (cf. Recommendation no. 3 of the Corporate Governance Code).

The Shareholders' Engagement Policy – which defines the “Interested Parties” to whom it is addressed as “*current and potential shareholders of Ferretti S.p.A., as well as those having an interest in relation to the holding of shares, other financial instruments and the rights deriving from shares in the share capital on their own behalf or on behalf of third parties, such as, by way of example, intermediaries, asset managers, institutional investors, proxy advisors and rating agencies*” – governs: (i) the purposes and scope of application of the policy; (ii) the corporate bodies and organizational structures responsible for the dialogue with shareholders and other Interested Parties (i.e., the Board of Directors, which is the body responsible for managing the dialogue process with the “Interested Parties”; the Chief Executive Officer, who is entrusted with the operational management of such dialogue and exercises the delegated powers in coordination with the Chairman and with the support of the Chief Financial Officer and the Investor Relator, as well as any additional corporate functions, where appropriate); (iii) the tools supporting the dialogue and the modalities for conducting it; (iv) the topics, contents and timing of the dialogues with the “Interested Parties” (i.e., corporate strategies, outlook, business model and economic and financial dynamics; corporate governance matters; social and environmental sustainability; the definition of the remuneration policy for executive Directors and key management personnel and its proper implementation; significant transactions and related party transactions; the internal control and risk management system); and (v) the procedures necessary for amending and updating the policy, as well as the contact details to which requests to initiate a dialogue with the Company may be addressed.

Furthermore, the Shareholders' Engagement Policy assigns to the Chairman of the Board of Directors the task of ensuring that “*the Board is kept constantly informed, at the first available meeting, of the development and significant contents of the Dialogue held with the Interested Parties, also providing any clarifications and additional information that, during the meetings, may be requested by the Directors or by the Board of Statutory Auditors*”.

This Report outlines the main topics discussed in the course of the dialogue activities carried out with shareholders during the Reporting Year.

The recommendations were also submitted, within their respective areas of competence, to the Board of Statutory Auditors and to the relevant Committees.

\*\*\*\*

Milan, 31 March 2026

**Ferretti S.p.A.**

on behalf of Board of Directors

Alberto Galassi

(Chief Executive Officer)

**TABLES**

**TABLE 1 – COMPOSITION OF THE BOARD OF DIRECTORS AS AT THE END OF THE REPORTING YEAR**

Board of Directors													
Position	Member	Year of birth	Date of first appointment (*)	In office since	In office until	List (in which submitted) (**)	List (M/m) (***)	Executive	Non-executive	Independent per Code	Independent per CLFI	Other appts (****)	Participation rate (*****)
Chairman	Hao Qinggui	1981	28 February 2025	28 February 2025 <sup>(2)</sup>	Shareholders' Meeting to approve 2025 accounts	N/A	N/A		x			0	6/6
Chief Executive Officer	Alberto Galassi	1964	23 October 2013	18 May 2023	Shareholders' Meeting to approve 2025 accounts	N/A	N/A	x				2	6/6
Executive Director	Tan Ning	1981	28 February 2025	28 February 2025	Shareholders' Meeting to approve 2025 accounts	N/A	N/A	x				1	6/6
Director and Honorary Chairman	Piero Ferrari	1945	1 June 2017	18 May 2023	Shareholders' Meeting to approve 2025 accounts	N/A	N/A		x			4	6/6
Director	Jin Zhao	1985	29 August 2025	29 August 2025	Shareholders' Meeting to approve 2025 accounts	N/A	N/A		x			2	2/2
Director	Zhu Yi	1976	19 February 2024	19 February 2024	Shareholders' Meeting to approve 2025 accounts	N/A	N/A		x	x	x	0	6/6
Director	Stefano Domenicali	1965	21 December 2021	18 May 2023	Shareholders' Meeting to approve 2025 accounts	N/A	N/A		x	x	x	2	5/6
Director	Patrick Sun	1958	21 December 2021	18 May 2023	Shareholders' Meeting to approve 2025 accounts	N/A	N/A		x	x	x	3	6/6
Director	Jiang Lan (Lansi)	1967	18 May 2023	18 May 2023	Shareholders' Meeting to approve 2025 accounts	N/A	N/A		x			1	6/6

<sup>(2)</sup> Hao Qinggui has been appointed as chairman of the Board of Directors on 29 August 2025.

-----DIRECTORS WHO LEFT OFFICE DURING THE REPORTING YEAR -----													
Chairman	Jiang Kui	1964	29 August 2024	29 August 2024	Shareholders' Meeting to approve 2025 accounts	N/A	N/A		x			1	5/5
Executive Director	Xu Xinyu	1963	6 July 2012	18 May 2023	Shareholders' Meeting to approve 2025 accounts	N/A	N/A	x				0	1/1
Director	Zhang Quan	1963	19 February 2024	19 February 2024	Shareholders' Meeting to approve 2025 accounts	N/A	N/A		x			0	1/1

**Number of meetings held during the Reporting Year: 6**

**Shareholding required to submit a list for the election of one or more members (pursuant to article 147-bis, CLFI): 2.5%**

**Notes:**

The following systems are in the column, "Position":

• indicates the Director in charge of the internal controls and risk management system.

(\*) Each Director's date of first appointment is the first occasion on which they were ever appointed to the Issuer's Board of Directors.

(\*\*) This column indicates whether the Director appeared on a list submitted by shareholders or by the Board of Directors.

(\*\*\*) This column shows whether the list from which the Director was drawn was from a majority group of shareholders (indicated by "M"), or a minority group (indicated by "m").

(\*\*\*\*) This column shows the number of positions the Director holds as a director or statutory auditor in other listed, or materially large, companies. The main Report sets forth full details of the positions held.

(\*\*\*\*\*) This column shows the participation rate by Directors in meetings of the Board of Directors (the number of meetings attended, and the total number of meetings they could have attended, e.g., 6/8; 8/8 and so forth).

**TABLE 2 – COMPOSITION OF THE COMMITTEES, AS AT THE END OF THE REPORTING YEAR**

Board of Directors		Executive Committee		Controls, Risks and Related Parties Committee		Remuneration Committee		Nomination Committee		Sustainability Committee		Strategic Committee	
		(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
<b>Position and classification</b>	<b>Member</b>												
<b>Chairman of the Board of Directors– non-executive – not independent</b>	Hao Qinggui	N/A	N/A					0/0	C	1/1	C	0/0	C
<b>Chief Executive Officer – executive – not independent</b>	Alberto Galassi	N/A	N/A					2/2	M	2/2	M	0/0	M
<b>Executive Director – executive – not independent</b>	Tan Ning	N/A	N/A			0/0	M			1/1	M	0/0	M
<b>Director and Honorary Chairman of the Board of Directors– non-executive – not independent</b>	Piero Ferrari	N/A	N/A			2/2	M			2/2	M	0/0	M
<b>Director – non-executive – not independent</b>	Jin Zhao	N/A	N/A							0/0	M	0/0	M
<b>Director – non-executive – independent for purposes of CLFI and Corporate Governance Code</b>	Zhu Yi	N/A	N/A	4/4	M	3/3	M	2/2	M	2/2	M		
<b>Director – non-executive – independent for purposes of CLFI and Corporate Governance Code</b>	Stefano Domenicali	N/A	N/A	3/4	M	3/3	C	2/2	M				
<b>Director – non-executive – independent for purposes of CLFI and Corporate Governance Code</b>	Patrick Sun	N/A	N/A	4/4	C	3/3	M	2/2	M			0/0	M
<b>Director – non-executive – not independent</b>	Jiang Lan (Lansi)	N/A	N/A	4/4	M					2/2	M		
-----													
<b>Chairman of the Board of Directors– non-executive – not independent</b>	Jiang Kui	N/A	N/A					2/2	C	2/2	C	0/0	C
<b>Director – non-executive – not independent</b>	Xu Xinyu	N/A	N/A			1/1	M			1/1	M	0/0	M
<b>Director – non-executive – independent for purposes of CLFI and Corporate Governance Code</b>	Zhang Quan	N/A	N/A							1/1	M	0/0	M
-----MEMBERS OTHER THAN DIRECTORS-----													

<b>Meetings held during the Reporting Year</b>	N/A	4	3	2	2	0
<p>NOTES</p> <p>* This column indicates the Directors' participation in the Committees' meetings (the number of meetings in which they participated, and the number of meetings in which they could have participated overall.</p> <p>** This column indicates the Director's position on the Committee, either as Chairman (C) or as a member (M).</p>						

**TABLE 3 – COMPOSITION OF THE BOARD OF STATUTORY AUDITORS AS AT THE END OF THE REPORTING YEAR**

Board of Statutory Auditors									
Position	Member	Year of birth	Date of first appointment (*)	In office since	In office until	List (M/m) (**)	Independent (for purposes of the Corporate Governance Code)	Participation rate at meetings of the Board of Statutory Auditors (***)	Number of other positions (****)
Chairman	Luigi Capitani	1965	3 July 2012	13 June 2023	Shareholders' Meeting to approve 2025 accounts	N/A	x	9/12	11
Statutory Auditor (standing)	Giuseppina Manzo	1981	13 June 2023	13 June 2023	Shareholders' Meeting to approve 2025 accounts	N/A	x	12/12	3
Statutory Auditor (standing)	Luca Nicodemi	1973	13 June 2023	13 June 2023	Shareholders' Meeting to approve 2025 accounts	N/A	x	10/12	46
Statutory Auditor (alternate)	Tiziana Vallone	1969	13 June 2023	13 June 2023	Shareholders' Meeting to approve 2025 accounts	N/A	x	-	16
Statutory Auditor (alternate)	Federica Marone	1975	13 June 2023	13 June 2023	Shareholders' Meeting to approve 2025 accounts	N/A	x	-	0
-----STATUTORY AUDITORS WHOSE TERM OF OFFICE ENDED DURING THE REPORTING YEAR-----									

**Number of meetings held during the Reporting Year: 12**

**Shareholding required to submit a list for the election of one or more members (pursuant to article 148, CLFI): 2.5%**

**Notes:**

(\*) Each Statutory Auditor's date of first appointment is the first occasion on which they were ever appointed to the Issuer's Board of Statutory Auditors.

(\*\*) This column shows whether the list from which the Statutory Auditor was drawn was from a majority group of shareholders (indicated by "M"), or a minority group (indicated by "m").

(\*\*\*) This column shows the participation rate in meetings of the Board of Statutory Auditors (the number of meetings attended, and the total number of meetings they could have attended, e.g., 6/8; 8/8 and so forth).

(\*\*\*\*) This column shows the number of positions the statutory auditor holds as a director or statutory auditor for the purposes of article 148-*bis*, CLFI, and the implementing provisions contained in the Issuers' Regulations. The full list of appointments is published by CONSOB online, pursuant to article 144-*quinqüiesdecies* of the Issuers' Regulations.