REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURES

pursuant to Article 123-*bis* of the Italian Consolidated Law on Finance

(traditional management and control model)

THE ITALIAN SEA GROUP S.P.A.

www.theitalianseagroup.com

Financial Year ended 31 December 2024

Approved by the Board of Directors on 14 March 2025

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GLOSSARY

Appointments and Remuneration Committee	refers to TISG's appointments and remuneration committee, set up to implement the recommendations of the Code.
Articles of Association	refers to the TISG Articles of Association in force as of the Report Date and available on the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Documents, Policies and Procedures*" section.
Audit, Risk and Sustainability Committee	refers to the TISG Audit and Risk Committee, which is also responsible for sustainability and related party transactions. It is appointed in accordance with the CONSOB Regulation on Related Party Transactions.
Auditing Firm	means BDO Italia S.p.A., with registered office in Milan, Viale Abruzzi 94, enrolled in the Companies Register of Milan, Monza Brianza and Lodi, registration number, tax code and VAT No. 07722780967, enrolled in the Register of Statutory Auditors No. 167991.
Board of Directors or Board	refers to the Issuer's Board of Directors.
Board of Statutory Auditors	means the Board of Statutory Auditors of TISG.
Borsa Italiana	means Borsa Italiana S.p.A., with its registered office at Piazza Affari no. 6, Milan.
Business Plan	refers to the business plan on the outlook for the next 4 financial years, approved by the Board of Directors on 24 January 2023 and revised on 14 March 2025.
Chair	means the Chair of the Issuer's Board of Directors identified, from time to time, by the Shareholders' Meeting or the Board of Directors pursuant to Article 15.1 of the Articles of Association.
Chief Executive Officer	means the director of the Issuer to whom management powers have been delegated from time to time.
Code or CG Code	refers to the Italian Corporate Governance Code for listed companies, approved in January 2020 by the Italian Corporate Governance Committee.
Committee or CG Committee or Italian Corporate Governance Committee	refers to the Italian Corporate Governance Committee for listed companies, comprising not only Borsa Italiana, but also ABI, Ania, Assogestioni, Assonime and Confindustria.

CONSOB	refers to the Commissione Nazionale per le Società e la Borsa (Italian Securities and Exchange Commission), with offices at Via GB Martini no. 3, Rome, Italy.
CONSOB Issuers' Regulation	refers to the Regulation issued by CONSOB under Resolution No. 11971/1999 (as subsequently amended) regarding issuers.
CONSOB Market Regulation	refers to the Regulation issued by CONSOB under Resolution No. 20249/2017 regarding markets.
CONSOB Regulation on Related Party Transactions	refers to the Regulation issued by CONSOB under Resolution No. 17221 of 12 March 2010 (as subsequently amended) regarding related party transactions.
Consolidated Sustainability Report	means the Consolidated Sustainability Report drafted pursuant to Italian Legislative Decree 125/2024, approved by the Board of Directors on 14 March 2025 and made available on the Issuer's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Shareholders' Meeting*" section.
Decree 231	refers to Italian Legislative Decree No. 231 of 8 June 2001.
Deputy Chair	refers to the Deputy Chair of the Issuer's Board of Directors appointed from time to time by the Shareholders' Meeting or the Board of Directors pursuant to Article 15.1 of the Articles of Association.
ESRS	refers to the European Sustainability Reporting Standards defined in Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023.
Financial Reporting Manager	refers to the officer responsible for drafting the Company's accounting documents appointed by the Issuer's Board of Directors pursuant to Article 154-*bis* of the Italian Consolidated Law on Finance.
Financial Year	means the financial year ending 31 December 2024 to which the Report refers.
Group	means TISG and its subsidiaries within the meaning of Article 93 of the Italian Consolidated Law on Finance that fall within its scope of consolidation.
Inside Information Procedure	refers to the procedure for managing the disclosure of inside information, adopted by the Board of Directors on 18 February 2021.
Insider Register	refers to the list of persons who have access to inside information and with whom there is a professional relationship, including those with an employment contract, or who in any case perform certain tasks that grant them access on a regular or occasional basis to inside information, established pursuant to Article 18 of Regulation (EU) no. 596/2014.
Instructions to the Stock Exchange Rules	means the Instructions to the Rules for markets organised and managed by Borsa Italiana.

Internal Dealing Procedure	refers to the internal dealing procedure adopted by the Board of Directors on 18 February 2021.
Italian Civil Code	means the Italian Civil Code as approved by Royal Decree No. 262 of 16 March 1942, as subsequently amended.
Italian Consolidated Law on Finance	refers to Italian Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented.
Model	refers to the organisational, management and control model aimed at preventing offences pursuant to Decree 231, adopted by the Issuer on 22 December 2015 and subsequently amended on 28 May 2020 and 27 October 2022.
Prospectus	refers to the prospectus filed with CONSOB on 27 May 2021 following the approval issued by notice dated 27 May 2021, protocol no. 0586818/21.
Remuneration Policy	refers to first section of the Remuneration Report, approved by the Shareholders' Meeting on 1 July 2024, which sets out *(i)* the Company and Group policy on the remuneration of the members of the Board of Directors, Key Management Personnel and, without prejudice to the provisions of Article 2402 of the Italian Civil Code, of members of the Board of Statutory Auditors; and *(ii)* the roles involved and the procedures used for its preparation, approval and review, as well as its duration.
Remuneration Report	refers to the report on remuneration policy and remuneration paid that companies are required to prepare and publish pursuant to Articles 123-*ter* of Italian Consolidated Law on Finance and 84-*quater* of the CONSOB Issuers' Regulation, available in accordance with the law on the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Shareholders' Meeting*" section.
Report	refers to this Report on Corporate Governance and Ownership Structures that companies are required to prepare and publish pursuant to Article 123-*bis* of the Italian Consolidated Law on Finance.
Report Date	refers to 14 March 2025, the date on which this Report – as defined below – was approved by the Board of Directors.
Report on Remuneration Paid	refers to second section of the Remuneration Report for the financial year 2024, approved by the Board of Directors on 14 March 2025, based on the proposal of the Appointments and Remuneration Committee, and submitted for a non-binding vote to the Shareholders' Meeting called to approve TISG's financial statements for the year ended 31 December 2024.
RPT Procedure	refers to the procedure governing transactions between the Issuer and its related parties, in accordance with the CONSOB Regulation on Related

	Party Transactions, approved by the Board of Directors on 18 February 2021 and subsequently amended on 28 April 2021 and 21 May 2021.
Rules of the Board of Directors	refers to the rules adopted on 12 July 2021 by the Board of Directors.
Secretary	refers to the secretary of the Issuer's Board of Directors appointed from time to time by the Chair of the Board of Directors or by the Board.
Shareholder Engagement Policy	refers to the policy for the management of engagement and communication with institutional investors and all shareholders, approved by the Board of Directors on 24 January 2023.
Shareholders	means the shareholders of TISG.
Shareholders' Meeting	means the Shareholders' Meeting of TISG.
SME	refers to small and medium-sized enterprises that issue listed shares, as defined in Article 1(1)(*w-quater*.1) of the Italian Consolidated Law on Finance and Article 2-*ter* of the CONSOB Issuers' Regulation.
Supervisory Board	refers to the Supervisory Board established by the Issuer pursuant to Decree 231.
TISG or the Company or the Issuer	refers to The Italian Sea Group S.p.A., with registered office at Viale Colombo 4*bis*, Marina di Carrara, Carrara (Massa-Carrara), Italy, share capital of Euro 26,500,000, tax code and VAT no. 00096320452, REA no. 65218.

Unless otherwise specified, the definitions of the CG Code relating to the following shall be deemed incorporated by reference: **directors**, **executive directors**, **independent directors**, **significant shareholders**, **chief executive officer** (**CEO**), **board of directors**, **control body**, **business plan**, **concentrated ownership companies**, **large companies**, **sustainable success**, and **top management**.

Furthermore, unless otherwise specified, in the sections that refer to the content of the relevant ESRSs, the ESRS definitions themselves shall also be deemed incorporated by reference, in particular those relating to: **lobbying**, **value chain**, **affected communities**, **corruption and bribery**, **corporate culture**, **consumers**, **sustainability statement**, **employee**, **discrimination**, **suppliers**, **own workforce**, **impacts, sustainability-related impacts**, **workers in the value chain**, **non-employee workers**, **independent members of the board of directors**, **metrics**, **business model** , **harassment**, **objective**, **opportunities**, **sustainability-related opportunities**, **management and control bodies**, **policy**, **disadvantaged communities**, **stakeholders**, **sustainability issues**, **significance**, **risks**, **sustainability-related risks**, and **end users**.

1. ISSUER PROFILE

The Issuer is an Italian company based in Marina di Carrara, Carrara (Massa-Carrara), Italy, and a global player in the international yachting industry, specialising – through its Shipbuilding division – in the design, production and sale of luxury superyachts ranging from 17 to over 100 metres in length, with a focus on yachts between about 60 and 100 metres.

Since 8 June 2021, the Issuer's shares have been listed on Euronext Milan, a regulated market organised and managed by Borsa Italiana. On 29 July 2024, Borsa Italiana, with provision no. 9008, approved the listing of the Company's ordinary shares on the STAR segment, and from 6 August 2024 these have been traded on the relevant segment of the Euronext Milan market.

TISG is the owner of the following trademarks:

- Admiral: a historic brand established in 1966 and an international operator specialising in the construction of large custom-made yachts up to and over 100 metres;
- Tecnomar: a historic brand established in 1987 and an international operator specialising in the construction of sporty yachts up to 50 metres;
- Perini Navi: acquired in 2022, an iconic brand for large sailing yachts, established in 1983;
- Picchiotti: acquired in 2022, one of the oldest brands in the world, dating back to 1575 and a pioneer in the world of yachting, through which TISG offers a semi-custom line with a timeless vintage style.

TISG also provides refit services through its NCA Refit division, both on its own yachts and on boats built by third-party manufacturers – both motor and sailing boats.

From an industrial point of view, the Company is located within the Port of Marina di Carrara and also has great potential in terms of production capacity thanks its prestigious facility in La Spezia.

The Company's customers are ship operators, i.e. natural or legal persons who, whether or not they own the yacht, undertake, professionally or otherwise, the operation of a vessel for the purpose of leisure travel, charter, transport, etc..

Governance system adopted by the Issuer

In order to ensure an appropriate balance between management and control functions, TISG has adopted a corporate governance system in line with the principles and recommendations of the CG Code, to which the Company adheres.

In particular, the Issuer has adopted a traditional management and control system that is therefore characterised by:

(i) a Shareholders' Meeting, called at least once a year, responsible for ruling on matters reserved to it by the law, regulations and the Articles of Association;

(ii) the Board of Directors, responsible for the management of the Company and vested, without limitation, with the broadest powers for both the ordinary and extraordinary management of the Company, with the authority to carry out all actions, including acts of disposal, deemed appropriate for the achievement of the corporate purposes, excluding only those reserved by law to the Shareholders' Meeting. The Board acts as a collegial body and through the Chief Executive Officer. The Appointments and Remuneration Committee and the Audit, Risk and Sustainability Committee are established within the Board, which also has authority over related party transactions; and

(iii) the Board of Statutory Auditors, which is responsible for monitoring *(a)* compliance with the law and the Articles of Association and observance of the principles of proper management, *(b)* the adequacy of the organisational structure for the aspects falling within its areas of responsibility, the internal control system and the administrative and accounting system, as well as the reliability of the latter in

correctly representing management events, *(c)* the effective implementation of the corporate governance rules laid down in the CG Code, and *(d)* the adequacy of the Company's instructions to its subsidiaries.

The Ordinary Shareholders' Meeting of the Issuer held on 18 February 2021 assigned BDO Italia S.p.A. the task of performing the statutory audit (including verification of the proper keeping of accounting records, as well as the accurate recording of management events in the accounting records) for the financial years 2021-2029 in relation to the Issuer's individual financial statements and to the half-year financial report. In addition, with the proposal dated 10 March 2022, the mandate was supplemented by appointing the Auditing Firm the task of auditing the Group's consolidated financial statements for the financial years 2021-2029.

On 18 September 2024, BDO Italia S.p.A. was also appointed to perform limited assurance on the consolidated non-financial statement relating to the Financial Year. Pursuant to Article 18 of Italian Legislative Decree 125/2024, the mandates on the compliance of the non-financial statement, conferred under Article 3(10) of Italian Legislative Decree 254/2016 to the entities referred to in Article 17(1)(a) of the decree, shall remain valid until the agreed deadline for the attestation of compliance of the Sustainability Report.

The Board of Directors resolved to convene the Shareholders' Meeting for 22 April 2025 to discuss, *inter alia*, the proposal to assign the mandate concerning the compliance of the consolidated sustainability report for the 2025-2027 financial years.

Since 2012, the Company has adopted (and subsequently updated) an organisational model pursuant to Decree 231 and consequently set up a Supervisory Board.

The Company exercises management and coordination activities over its subsidiary CELI S.r.l., including on matters of governance, by recommending the adoption of specific standards and rules on the subject.

In accordance with Recommendation 11 of the CG Code, on 12 July 2021, the Board of Directors adopted the Rules of the Board of Directors, which define the internal rules for the functioning of the board itself and its committees, including procedures for taking the minutes of meetings and procedures for managing reporting to the directors (for more information on the Rules of the Board of Directors, see Section 4.4 of this Report).

Furthermore, on 24 January 2023, in accordance with Recommendation 3 of the CG Code, the Board adopted a Shareholder Engagement Policy, which is further discussed in Section 12 of this Report.

The Company has adopted the code of ethics approved by GC Holding S.p.A. on 22 December 2015, as subsequently updated.

In addition to the above and in compliance with regulatory provisions and the Code, the Issuer has, among other things:

(i) appointed 3 independent directors out of a total of 7 members of the Board of Directors (for more information on the composition of the Board of Directors, see Section 4.7 of this Report);

(ii) adopted the Inside Information Procedure governing the management and disclosure of inside information, as well as the establishment and updating of the Insider Register, pursuant to Article 18 of Regulation (EU) no. 596/2014, defining, in particular: *(a)* the identification of the persons responsible for maintaining the aforementioned Insider Register; *(b)* the criteria for identifying the persons to be listed in the Insider Register; *(c)* the procedures and operation of the Insider Register; *(d)* the entry of persons in the Insider Register; and (e) the updating of the Insider Register; and

(iii) adopted the Internal Dealing Procedure.

Due to the obligations introduced by Italian Legislative Decree 125/2024, on 14 March 2025, the Board of Directors approved the Consolidated Sustainability Report, which can be found on the Issuer's website https://investor.theitalianseagroup.com/, in the "Financial Documents" section.

It should be noted that, as of the Report Date, the Company:

(i) does not qualify as a "large company" as defined in the Code, as TISG's market capitalisation has been below the threshold for "large companies" in the last three calendar years (i.e. EUR 1 billion);

(ii) qualifies as a "concentrated ownership company" as defined in the Code, as GC Holding S.p.A. holds a total of around 53.60% of the voting rights exercisable at the Shareholders' Meeting (for more information, see Section 2 of this Report).

The Issuer falls within the definition of an SME pursuant to Article 1(1)(*w-quater*.1) of the Italian Consolidated Law on Finance and Article 2-*ter* of the CONSOB Issuers' Regulation, since TISG's market capitalisation as of 31 December 2024 was less than EUR 1 billion.

Sustainability

In accordance with the provisions of the CG Code, the Board of Directors manages the Company with the aim of pursuing its sustainable success. It aims to create long-term value for Shareholders while also considering all the interests of the stakeholders relevant to the Company.

To this end, the Issuer drafts and adopts specific documents, including the ESG Plan, Consolidated Sustainability Report (which replaces the Non-Financial Statement) and Code of Ethics.

In particular, in the Non-Financial Statement relating to the financial year 2022, the Company outlined its three-year ESG Plan. The implementation of the plan was subject to continuous monitoring by the Company during the Financial Year, specifically by the Audit, Risk and Sustainability Committee. In compliance with the requirements of the European Corporate Sustainability Reporting Directive (CSRD), TISG conducted its first double materiality analysis. According to the principle, there are two aspects to the analysis: impact materiality and financial materiality. A sustainability issue is considered material from an impact perspective when it involves significant impacts – whether negative or positive, actual or potential – on people or the environment in the short, medium, or long term (the so-called inside-out perspective, typical of impact materiality). Impacts include those related to the company's own operations and the upstream and downstream value chain. On the other hand, a sustainability issue is considered material from a financial point of view if it involves significant financial effects, i.e. when it can or could influence the current or future economic and financial performance of the organization (so-called outside-in perspective, typical of financial materiality). This occurs when a sustainability issue generates risks and/or opportunities that may arise from past or future events. The two aspects are interconnected and the interdependencies between them must be taken into account. However, a sustainability issue may be material from an impact perspective without necessarily being so from the financial point of view, and vice versa. Based on the information, the potential impacts, risks and opportunities (IROs) applicable to the Group were mapped, leading to the identification of 11 material topics for impact materiality and 12 for financial materiality. These represented the basis for the drafting of the Consolidated Sustainability Report relating to the Financial Year and will play a central role in the future updating of TISG's ESG plan.

The Group is committed to working responsibly to achieve the goal of integrating environmental, social and governance sustainability issues into its strategy, applying the following principles:

(i) mission: to build yachts that are unique and identifiable for their unparalleled aesthetic, qualitative and functional characteristics, while maintaining the highest level of integrity and sustainability for the Company's stakeholders;

(ii) purpose: to meet the highest standards of professional and ethical behaviour by putting our values into practice for the benefit of employees, shareholders, customers, suppliers and the local area.

The Company also shares, pursues and promotes the following values:

(i) integrity: the Company and its employees operate daily in accordance with high moral and ethical standards, acting conscientiously and respecting its personnel, customers, suppliers and stakeholders;

(ii) responsibility: the Company considers it essential to keep its promises and commitments, acting with full respect for others and the environment, with the aim of creating long-term sustainable value;

(iii) safety: the Company imposes very strict criteria, which are constantly reviewed and modified to avoid any risk. Corporate principles must be actively adhered to by employees, who are responsible for their own safety and the safety of others;

(iv) quality: every decision and action of the Company is driven by a constant pursuit of quality, with strict and uncompromising standards that result in excellent products and services;

(v) art and beauty: a passion for art and beauty permeates the corporate culture in every aspect, manifesting itself in both its projects and the work environment.

The Company has given the Audit, Risk and Sustainability Committee responsibility for sustainability in order to implement the Group's sustainable development initiatives. For further information in this regard, please refer to Section 9.2 of this Report.

The Board of Directors interprets its role of the guiding Issuer in accordance with the guidelines of the CG Code and the roles and responsibilities assigned to it, as detailed in the specific sections of this Report.

2. INFORMATION ON THE OWNERSHIP STRUCTURE (under Article123-*bis* (1) of the Italian Consolidated Law on Finance) AS OF THE REPORT DATE

Information on the ownership structures is set out below, in accordance with Article 123-*bis* (1) of the Italian Consolidated Law on Finance.

a) SHARE CAPITAL STRUCTURE (under Article123-*bis* (1)(a) of the Italian Consolidated Law on Finance)

At the end of the Financial Year, TISG's subscribed and paid-up share capital amounted to Euro 26,500,000.00, divided into 53,000,000 shares (see **Table 1** in the appendix).

As of the Report Date, there were no changes in the amount of share capital.

The majority shareholder GC Holding S.p.A. held 28,410,000 shares equal to 53.60% of the share capital as of 31 December 2024. As of the Report Date, no changes related to the shareholder's ownership interest occurred.

TISG's share capital consists of ordinary shares with no nominal value, admitted to trading on the STAR segment of Euronext Milan, a regulated market organised and managed by Borsa Italiana.

The shares are indivisible, registered and freely transferable. Each share entitles the holder to one vote at the Company's Ordinary and Extraordinary Shareholders' Meetings. The Articles of Association provide Shareholders with the option to request an increase in voting rights for shares that have been held continuously for at least 24 months, starting from the date of entry on the special list held by the Company.

The shares are subject to the dematerialisation regime and are entered in the centralised management system pursuant to Articles 83-*bis* et seq. of the Italian Consolidated Law on Finance.

The Company does not hold, directly or indirectly, any treasury shares, nor were any such shares purchased or sold during the reporting period.

On 1 July 2024, the Company's Extraordinary Shareholders' Meeting approved, among other things, an increase in the share capital, against payment and in a divisible manner, with the exclusion of the option right pursuant to Article 2441 (5), (6) and (8) of the Italian Civil Code, to be executed in one or more tranches, for a maximum nominal amount of Euro 795,000.00, plus any share premium, through the issue of a maximum of 1,590,000 ordinary shares with no nominal value and regular entitlement, having the same characteristics as the ordinary shares outstanding on the date of issue. The share capital increase – to be subscribed by 31 December 2029 – is reserved to service a stock option plan for executive directors, general managers, key management personnel and employees with permanent employment contracts of the Company and its subsidiaries. For details on the plan, please refer to the document pursuant to Article 84-*bis* of the CONSOB Issuers' Regulation and Section I (e) of the Remuneration Report, both approved by the Board of Directors on 31 May 2024 and published on the website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Shareholders' Meeting*" section.

As of the Report Date, TISG has not issued any additional financial instruments granting the right to subscribe for newly issued shares.

b) RESTRICTIONS ON THE TRANSFER OF SECURITIES (under Article 123-*bis* (1)(b) of the Italian Consolidated Law on Finance)

The Articles of Association do not include restrictions on the transfer of shares or limits on the ownership of securities or the need to obtain the approval of the corporate bodies or Shareholders of TISG for admission to the corporate structure.

c) SIGNIFICANT SHAREHOLDINGS IN THE CAPITAL (under Article123-*bis* (1)(c) of the Italian Consolidated Law on Finance)

The Company falls within the definition of SME under Article 1(1)(*w-quater*.1) of the Italian Consolidated Law on Finance. Therefore, pursuant to Article 120(2) of the Italian Consolidated Law on Finance, the minimum shareholding subject to disclosure is 5% of the share capital.

Based on the information available, including communications received from the Company pursuant to Article 120 of the Italian Consolidated Law on Finance, as well as any other available information, the Shareholders that directly or indirectly own more than 5% of the subscribed and paid-up share capital are those indicated in **Table 1** in the appendix to this Report.

d) SECURITIES CONFERRING SPECIAL RIGHTS (under Article 123-*bis* (1)(d) of the Italian Consolidated Law on Finance*)*

As of the Report Date, the Company has not issued securities conferring special rights of control, nor do the Articles of Association provide for special powers for certain Shareholders or holders of particular categories of shares.

On 1 July 2024, the Shareholders' Meeting amended the Articles of Association by introducing the option for Shareholders to request an increase in voting rights for shares that have been held continuously for at least 24 months, starting from the date of entry on the special list held by the Company. As of 31 December 2024, 28,410,000 shares corresponding to 53.60% of the share capital were registered on the appropriate list. None of the registered shares has acquired enhanced voting rights.

It should be noted that Article 6.16 of the Articles of Association provides that the Company may issue, pursuant to the laws in force at the time, classes of shares with different rights from those of the shares already issued, defining their terms and conditions in the relevant issuance resolution. The Shareholders' Meeting may also approve the issuance of equity-based financial instruments pursuant to Article 2346 of the Italian Civil Code, which may carry ownership rights or even voting rights, in accordance with the applicable provisions.

e) EMPLOYEE SHAREHOLDING: MECHANISM FOR EXERCISING VOTING RIGHTS (under Article 123-*bis* (1)(e), of the Italian Consolidated Law on Finance)

As of the Report Date, no employee share ownership system is in place in which voting rights are not exercised directly by the employees themselves.

f) RESTRICTIONS ON VOTING RIGHTS (under Article 123-*bis* (1)(f) of the Italian Consolidated Law on Finance)

As of the Report Date, the Articles of Association do not contain any specific provisions establishing restrictions, limitations or time limits imposed on the exercise of voting rights, nor are the financial rights attached to securities separate from their ownership.

g) AGREEMENTS BETWEEN SHAREHOLDERS (under Article123-*bis* (1)(g) of the Italian Consolidated Law on Finance)

As of the Report Date, the Issuer is not aware of any shareholders' agreements disclosed pursuant to Article 122 of the Italian Consolidated Law on Finance.

h) CHANGE OF CONTROL CLAUSES (under Article 123-*bis* (1)(h) of the Italian Consolidated Law ON FINANCE) AND STATUTORY PROVISIONS ON PUBLIC TAKEOVER BIDS (under Articles 104 1-*ter*) and 104-*bis* (1) OF THE ITALIAN CONSOLIDATED LAW ON FINANCE)

The Company and its subsidiaries, as part of their activities, may be parties to agreements which, as is common in facility agreements, include clauses giving each of the parties the right to terminate or amend such agreements in the event of a direct and/or indirect change of control of one of the parties.

As of the Report Date, the Issuer is party to the following facility agreements which contain change of control clauses:

1. Facility agreement signed between the Issuer and MPS Capital Services Banca per le Imprese S.p.A. on 14 January 2022 for EUR 40,000,000.00.

   In relation to the agreement in question, "Change of Control" means one or more of the following cases:

   - occurrence of any event resulting in the acquisition of direct and/or indirect control of the Issuer by one or more parties other than GC Holding S.p.A.; and/or
   - loss, for any reason whatsoever, by GC Holding S.p.A., while directly and/or indirectly holding control of the Issuer, of the power to appoint the majority of the members of the Issuer's Board of Directors; and/or
   - occurrence of any event resulting in the acquisition of direct and/or indirect control of GC Holding S.p.A. by one or more persons other than Giovanni Costantino; and/or
   - loss, for any reason whatsoever, by Giovanni Costantino, even if he directly and/or indirectly controls GC Holding S.p.A., of the power to appoint the majority of the members of the Board of Directors of GC Holding S.p.A.

   In such cases, the Issuer shall, at the same time as the Change of Control, provide for the mandatory full early repayment of the facility together with any other amounts due to the lending bank pursuant to the provisions applicable to the existing facility agreements.

2. Facility agreement signed on 27 January 2022 by the Issuer and GC Holding S.p.A. with the lending banks UniCredit S.p.A. and Deutsche Bank S.p.A. for EUR 32,500,000.00.

   In particular, the facility agreement states that if a change of control occurs:

   - any obligation of the lending banks (each of them) to make a disbursement shall immediately cease; and
   - the Company shall repay the outstanding credit facility on the interest payment date immediately following the date on which the change of control occurred.

3. Facility agreement signed on 20 December 2024 between the Issuer and Crédit Agricole Italia S.p.A. for EUR 6,000,000.00.

   Pursuant to the agreement, "Change of Control" means one of the following circumstances:

   - occurrence of any event resulting in the acquisition of direct and/or indirect control of the Issuer by one or more parties other than GC Holding S.p.A.;
   - occurrence of any event resulting in the acquisition of direct and/or indirect control of GC Holding S.p.A. by one or more persons other than Giovanni Costantino; and/or
   - loss, for any reason whatsoever, by Giovanni Costantino, even if he directly and/or indirectly controls GC Holding S.p.A., of the power to appoint the majority of the members of the Board of Directors of GC Holding S.p.A.

   In the event of a Change of Control, unless prior consent is given by the lending bank (which cannot be unreasonably denied), *(i)* the unused amounts of the credit facility will be immediately cancelled and will therefore not be usable, and *(ii)* the credit facility, together with the related accrued interest as well as any other amount due under the agreement, must be fully repaid on the date the Change of Control occurs.

The Issuer's Articles of Association do not deviate from the provisions of the passivity rule set out in Article 104 (1) and (1-*bis*) of the Italian Consolidated Law on Finance and do not provide for the application of the neutralisation rules set out in Article 104-*bis* (2) and (3) of the Italian Consolidated Law on Finance.

i) POWERS TO INCREASE THE SHARE CAPITAL AND AUTHORISATIONS TO PURCHASE TREASURY SHARES (under Article 123-*bis* (1)(m) of the Italian Consolidated Law on Finance)

As of the Report Date, the Shareholders' Meeting has not resolved to authorise the Board of Directors to increase the share capital pursuant to Article 2443 of the Italian Civil Code.

Treasury shares

On 1 July 2024, the Shareholders' Meeting of the Issuer resolved – after revoking the previous resolution to authorise the purchase of treasury shares dated 27 April 2023 – to authorise the Board of Directors *(i)* to purchase, for a period not exceeding eighteen months from the date of the resolution, ordinary shares of TISG without nominal value, including in one or more tranches and at any time, including on a revolving basis, up to a maximum number of shares not to exceed 10% of the share capital – taking into account the shares held by the Company at any given time – and within the limit of the distributable profits and available reserves resulting according to the last approved financial statements, and *(ii)* to dispose of, either directly and through intermediaries, all or part of the treasury shares purchased pursuant to the aforementioned resolution, in one or more tranches and at any time, without time limits, even before reaching the maximum number of shares that may be purchased. This disposal may be carried out in the manner deemed most appropriate in interest of the Company and in compliance with both national and European regulations in force on the subject, including the sale of shares off-market, through accelerated bookbuilding or by transfer of any real and/or personal rights relating to them (including, for example, the securities loan), it being understood that such transactions, if carried out as part of share incentive plans, must be assigned to the recipients of the plans in force from time to time, in the manner and within the terms indicated in the regulations of those plans.

The treasury share purchase and disposal program is aimed at enabling the Company to pursue the following objectives:

(i) execute the Long Term Incentive Plan 2027-2029, approved by the Shareholders' Meeting of 1 July 2024, in addition to any share incentive programs in favour of management, employees and collaborators or proceed with free allocations to Shareholders or fulfil obligations arising from warrants, convertible financial instruments, with mandatory conversion or exchangeable for shares (based on transactions in place or to be approved/implemented);

(ii) utilise surplus cash resources;

(iii) operate in the market, in compliance with the provisions in force from time to time, directly or through intermediaries, to mitigate abnormal fluctuations in trading volumes and prices of shares traded on Euronext Milan in response to potential distortions arising from excess liquidity;

(iv) undertake medium- and long-term liquidity investment transactions, including for the purpose of building lasting investments, or, in any case, to capitalise on opportunities to maximise value arising from market performance;

(v) allow the use of treasury shares in the context of transactions related to current management or extraordinary transactions in line with the Company's strategic objectives, including, but not limited to, transactions involving exchange, swaps, offsets, and capital contributions and/or transactions in support of capital operations or other corporate and/or financial transactions and/or other extraordinary transactions involving the allocation or disposal of treasury shares.

The shares may be purchased at a price per share not exceeding the higher of the price of the last independent transaction or the highest current price of an independent purchase offer on the trading venue where the purchase is made. In any case, the purchase price of each share must not be lower by more than 10% or higher by more than 10% compared to the reference price recorded by the share during the stock exchange session on the day prior to each transaction.

During the Financial Year, the Company did not purchase any treasury shares and did not hold any TISG shares as of 31 December 2024.

No changes had occurred as of the Report Date.

j) MANAGEMENT AND COORDINATION ACTIVITIES (under Articles 2497 et seq. of the Italian Civil CODE)

The Company is not subject to management and coordination activities pursuant to Articles 2497 et seq. of the Italian Civil Code. In fact, although as of the Report Date GC Holding S.p.A. holds a 53.60% stake in the share capital of TISG, that company does not exercise any management or coordination activities of an operational, administrative, or financial nature over the Issuer, as defined under Article 2497 of the Italian Civil Code.

In particular, based on an examination of the relevant facts, the Issuer considers that none of the activities typically involved in management and coordination pursuant to Articles 2497 et seq. of the Italian Civil Code exist, and that therefore, by way of example:

(i) decisions concerning management of the Issuer are taken within the Issuer's own corporate bodies;

(ii) the Issuer's Board of Directors is responsible, among other things, for the review and approval of: *(a)* the Issuer's strategic, business and financial plans and budgets; *(b)* the Issuer's financial policies and access to credit; and *(c)* the Issuer's organisational structure. In addition, the Issuer's Board of Directors is responsible for assessing the adequacy of the organisational, management and accounting structure of the Company;

(iii) the Issuer operates with full autonomy in managing its relationships with customers and suppliers, without any interference from external parties;

(iv) GC Holding S.p.A. does not perform – directly or indirectly – any centralised treasury functions on behalf of the Issuer.

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The information required under Article 123-*bis* (1)(i) ("*agreements between the company and directors ... which provide for severance payments in the event of resignation or dismissal without just cause or if their employment ends as a result of a public takeover bid*") is contained in the remuneration section of the Report (Section 8.1).

The information required under Article 123-*bis* (1)(l), first part ("*the rules applicable to the appointment and replacement of directors ... if different from the laws and regulations applicable by way of supplementary provisions*") is set out in this Report in the Board of Directors section (Section 4.2).

The information required under Article 123-*bis* (1)(l), second part ("*the rules applicable ... to the amendment of the Articles of Association, if different from the laws and regulations applicable by way of supplementary provisions*") is outlined in this Report in the Shareholders' Meeting section (Section 13).

3. COMPLIANCE (under Article123-*bis* (2)(a), first part of the ITALIAN CONSOLIDATED LAW ON FINANCE)

The Issuer has signed up to the CG Code approved by the Italian Corporate Governance Committee as last updated on 31 January 2020.

The CG Code is available on the Italian Corporate Governance Committee's website at https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf.

In accordance with the comply or explain criterion underlying the CG Code, the recommendations that the Company has decided not to adopt, either in whole or in part, are specified in this Report.

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It should also be noted that TISG and its subsidiaries are not subject to laws other than Italian law that influence the Issuer's corporate governance structure.

4. BOARD OF DIRECTORS

4.1 ROLE OF THE BOARD OF DIRECTORS

The Board of Directors manages the Company with the aim of pursuing its sustainable success based on the Business Plan, which the Company updates on an annual basis, consistent with the Group's mission and purpose, as well as the values that inspire it.

Pursuant to Article 18 of the Articles of Association, the Board of Directors is vested, without any limitation, with the broadest powers for the ordinary and extraordinary management of the Company, with the authority to carry out all actions, including acts of disposal, deemed appropriate for the achievement of the corporate purposes, excluding only those reserved by law to the Shareholders' Meeting.

The Issuer's Board of Directors plays a key role in the corporate organisation and is responsible for providing strategic and organisational guidance, as well as ensuring the existence of the necessary controls to monitor the performance of the Company and the Group.

With specific reference to the management of sustainability issues, on 15 March 2023, the TISG Board of Directors granted the Chief Executive Officer the responsibility for implementing the policies that will be defined from time to time by the Board of Directors, as the body with strategic oversight functions, and entrusted the Audit, Risk and Sustainability Committee with the relevant investigative and recommendatory functions. The Chief Executive Officer is also responsible for implementing all the initiatives and actions necessary for the identification of relevant sustainability topics, for the collection of the necessary data and for reporting on them according to the methods that will be deemed most appropriate, as well as for implementing the activities necessary for the achievement of the strategic objectives defined by the Board of Directors. The Board of Directors is the body responsible for approving the Consolidated Sustainability Report and, where necessary, the annual update of the materiality matrix on which it is based, as well as for defining the strategic guidelines on sustainability matters.

On the same date, a sustainability team comprising the corporate departments most involved in activities with a strong environmental, social and governance impact was also established, namely: (i) Human Resources, (ii) Legal Department, (iii) Technical-R&D Department, (iv) Site Services, (v) Investor Relations, (vi) Quality, and (vi) Management Control, with the involvement of any other department called to collaborate on specific projects. This team is coordinated internally by the ESG Director, who acts as project leader and therefore coordinates the activities carried out and periodically reports to the Audit, Risk and Sustainability Committee and the Board of Directors on the matter.

In performing the duties assigned to it, the Board:

(i) defines the strategies of the Issuer and the Group in accordance with the pursuit of sustainable success and monitors their implementation. In particular, the Board of Directors is responsible for examining and approving the strategic, business and financial plans of the Issuer and the Group, and for regularly monitoring their implementation. The Board also defines the nature and level of risk compatible with the Issuer's strategic objectives, including in its assessments all aspects that may be relevant to the Issuer's sustainable success. During the Financial Year, the Board of Directors, with the support of the Audit, Risk and Sustainability Committee, based in part on the analysis of issues relevant to the generation of long-term value, periodically monitored the implementation of the Business Plan and on 14 March 2025 approved the update of the Plan;

(ii) defines the corporate governance system that best supports the company's business operations and the pursuit of its strategies: *(i)* taking into account the areas of autonomy permitted by the legal framework; and *(ii)* where appropriate, evaluating and proposing appropriate changes, submitting them, when required, to the Shareholders' Meeting. In particular, the Board: *(a)* granted powers to the Chief Executive Officer; *(b)* established the board committees, assigning them specific functions; and *(c)* approved the Group's organisational model. It should be noted that during the Financial Year, the

Board did not consider it necessary or appropriate to draw up reasoned proposals to submit to the Shareholders' Meeting concerning the corporate governance system, as it considers the current corporate governance system suitable for the company's needs. The Board of Directors also assesses the adequacy of the Issuer's organisational, management and accounting structure and strategically important subsidiaries, with specific reference to the Internal Control and Risk Management System (please refer to Section 9 of this Report);

(iii) defines the nature and level of risk compatible with the Company's strategic objectives, including with a view to ensuring sustainable success;

(iv) promotes, in the most appropriate forms, dialogue with shareholders and other stakeholders relevant to the Issuer. In this regard, the Board, on 24 January 2023, adopted the Shareholder Engagement Policy aimed at ensuring that communication with TISG Shareholders is inspired by principles of fairness and transparency and is conducted in compliance with EU regulations on market abuse, as well as in line with international best practices (for more information on the Shareholder Engagement Policy, please refer to Section 12 of this Report);

(v) assesses the general management performance, comparing the results achieved with those planned;

(vi) reviews and makes decisions regarding the transactions of the Issuer and its subsidiaries that have a significant strategic, economic, financial or equity-related significance for the Issuer, establishing general criteria for identifying significant transactions;

(vii) adopted the Inside Information Procedure (for more information see Section 5 of this Report).

With regard to the additional powers of the Board regarding its composition, operation, appointment and self-assessment, remuneration policy, and Internal Control and Risk Management System, please refer to the following paragraphs of this Section and to Sections 8 and 9 of the Report.

With reference to the role of the Board of Directors in overseeing the procedures for managing material risks, impacts and opportunities, please refer to the "Governance Structure" section of the Consolidated Sustainability Report.

4.2 APPOINTMENT AND REPLACEMENT (under Article 123-*bis* (1)(l), first part of the Italian Consolidated Law on Finance)

Pursuant to Article 12 of the Articles of Association, the Company is governed by a Board of Directors consisting of a minimum of five and a maximum of eleven members.

The members of the Board of Directors are appointed by the Shareholders' Meeting, which also determines their number.

The directors are appointed for a period of three financial years, or for the shorter period determined at the time of appointment, and they can be re-elected. The directors' terms of office expire on the date of the Shareholders' Meeting called for the approval of the financial statements related to the last financial year in which they are in office.

The appointment of the members of the Board of Directors is carried out based on lists consisting of no more than eleven candidates, listed in sequential order. Candidates must meet the requirements laid down by law, as well as the additional requirements set out in the Articles of Association and the CG Code.

Lists with more than three candidates must comprise candidates belonging to both genders in compliance with the applicable legal and regulatory provisions on gender balance. It should be noted that pursuant to Article 147-*ter* of the Italian Consolidated Law on Finance, the least represented gender must account for at least two fifths of the elected directors. This allocation criterion applies for six consecutive terms.

In this regard, it should be noted that three-sevenths of the Board in office as of the Report Date comprises directors belonging to the least represented gender.

The lists must be submitted to the Company's registered office under the terms and in compliance with the regulations applicable to the Company from time to time.

Only shareholders who, individually or jointly with others, hold voting shares representing at least the percentage required for the Company under the applicable regulations are entitled to submit lists. In particular, it should be noted that pursuant to Article 144-*quater* of the CONSOB Issuers' Regulation, the percentage for the submission of lists is 2.5% of the Company's share capital.

Ownership of the minimum share required for the submission of lists must be proven by appropriate certifications, which must be produced, if not available on the day on which the lists are submitted, after the submission of the lists, provided that they are submitted within the deadline set out by the laws in force for the publication of the lists by the Company.

The Issuer's Articles of Association do not include the possibility for the outgoing Board of Directors to submit a list of candidates for the appointment of the Board of Directors.

Shareholders, including those connected by control or affiliation relationship pursuant to the Italian Civil Code or who are party to a shareholders' agreement under Article 122 of the Italian Consolidated Law on Finance concerning Company shares, cannot submit or vote for more than one list, either directly or through a proxy or trust company.

Together with the submission of each list, under penalty of inadmissibility, a comprehensive profile of the personal and professional qualifications of each candidate must be submitted, along with statements in which the candidates accept their nomination and certify, under their own responsibility, the absence of any grounds for ineligibility or incompatibility, as well as the possession of the required integrity and, if applicable, independence requirements. Each candidate can appear on only one list, under penalty of ineligibility.

At the end of the voting, the procedure is as follows:

(i) a number of directors equal to the total number to be elected minus one are drawn from the list that received the highest number of votes, following the sequential order in which the candidates are listed;

(ii) from the list that received the second highest number of votes – which is not connected in any way, either directly or indirectly, to those who submitted or voted for the list referred to in point *(i)* above – one director is drawn, in accordance with legal provisions, following the sequential order in which the candidates are listed.

If two lists obtained the second highest number of votes, a new vote is held by the Shareholders' Meeting and the candidate obtaining the simple majority of votes is elected.

For the purposes of distributing the directors to be elected, as permitted under Article 147-*ter* of the Italian Consolidated Law on Finance, lists that obtained a percentage of votes at the Shareholders' Meeting of less than half of those required for the submission of lists will not be considered.

If, following the application of the above procedures, *(i)* the minimum number of directors meeting the independence requirements is not appointed, and/or *(ii)* the composition of the Board does not comply with the laws or codes of conduct issued by organizations managing regulated markets to which the Company adheres regarding gender balance, candidates meeting the requirements will be elected to replace the candidates lacking such requirements from the same list as the candidates to be replaced.

If only one list is submitted, the directors shall be drawn from the submitted list provided that it has obtained the approval by a simple majority of the votes.

If no lists are submitted (or the submitted list does not allow for the appointment of directors in compliance with applicable laws and regulations or, in any case, if it is not possible to proceed according to the list voting rules) or if it is not necessary to appoint all the members of the Board of Directors, the members of the Board will be appointed by the Shareholders' Meeting with the statutory majorities, without the application of the list

voting mechanism, and without prejudice to the obligation to ensure the presence of the minimum number of independent directors required under the regulations in force from time to time, as well as the compliance with the gender balance rules.

If one or more directors leave office during the financial year, the others will replace them by a resolution approved by the Board of Statutory Auditors, provided that the majority is still made up of directors appointed by the Shareholders' Meeting. The replacement is made by appointing, in sequential order, individuals drawn from the list to which the outgoing director belonged, provided they are still eligible and willing to accept the position. Replacement procedures must in any case ensure the presence of the necessary number of directors that meet the independence requirements and compliance with the applicable regulations in force concerning gender balance.

The directors appointed it this way will remain in office until the next Shareholders' meeting.

If, due to resignation or other causes, the majority of the directors appointed by the Shareholders' Meeting cease to hold office, the entire Board of Directors will be dissolved and a Shareholders' Meeting for the appointment of the new Board of Directors must be urgently called by the directors remaining in office.

If all directors cease to hold office, the Shareholders' Meeting for the appointment of the Board of Directors must be urgently called by the Board of Statutory Auditors, which may, in the meantime, perform routine management activities.

With regard to information on the role of the Board of Directors and board committees in the processes of self-assessment, appointment and succession of directors, please refer to Section 7 of this Report.

4.3 COMPOSITION (under Article 123-*bis* (2)(d) and (d-*bis*) of the Italian Consolidated Law on Finance)

Members of the Board of Directors

The Board of Directors in office as of the Report Date was appointed by the Shareholders' Meeting of 27 April 2023.

Specifically, the Shareholders' Meeting held on that date agreed to set *(i)* the number of members of the Board of Directors at seven, and *(ii)* the term of office of the new Board of Directors at three years (i.e. until the date of approval of the financial statements for the financial year ended 31 December 2025).

The Board of Directors was appointed by applying the list voting system provided for in the Articles of Association. Specifically, of the seven members of the Board:

(i) six directors were elected from the list submitted by GC Holding S.p.A.[1] ("BoD List 1"), which as of the date of submission of the list held 33,222,000 ordinary shares of the Company, equal to 62.68% of the share capital – first in terms of number of votes[2];

(ii) the remaining director was elected from the list submitted by Giorgio Armani S.p.A.[3] ("**BoD List 2**"), which as of the date of submission of the list held 2,644,700 ordinary shares of the Company, equal to 4.99% of the share capital – second in terms of number of votes[4].

No director was elected from the list submitted by shareholders Arca Fondi Sgr S.p.A. (fund manager: Fondo Arca Economia Reale Equity Italia, Fondo Arca Economia Reale Opportunità Italia and Fondo Arca Azioni Italia) and BancoPosta Fondi S.p.A. SGR (manager of the Bancoposta Rinascimento fund), Eurizon Capital SGR S.p.A. (manager of the Eurizon Pir Italia-Eltif fund) and Mediolanum Gestione Fondi Sgr S.p.A.

[1] Comprising Giovanni Costantino, Antonella Alfonsi, Filippo Menchelli, Gianmaria Costantino, Marco Carniani, Fulvia Tesio and Massimo Bianchi.
[2] The list obtained 33,422,000 votes in favour, representing 73.92% of the voting participants.
[3] Comprising Laura Angela Tadini.
[4] The list obtained 8,469,700 votes in favour, representing 18.733% of the voting participants.

(manager of the Mediolanum Flessibile Futuro Italia and Mediolanum Flessibile Sviluppo Italia funds)[5], together holding, as of the date of submission of the list, 1,458,729 ordinary shares of the Company, equal to 2.75232% of the share capital – third by number of votes[6].

On 7 June 2024, Filippo Menchelli resigned as a member and Chair of the Board of Directors. Article 14 of the Articles of Association states that the replacement of an outgoing director shall occur by co-option from the same list as the resigning director, provided the candidates are still eligible. However, Massimo Bianchi stated that he was not available to hold the position due to unforeseen commitments; therefore, on 9 June 2024, the Board of Directors co-opted Simona Del Re as a member and Chair, whose appointment was confirmed by the Shareholders' Meeting of 1 July 2024.

On 6 November 2024, Simona Del Re resigned as a member and Chair of the Board of Directors with effect from 12 November 2024, the date on which the Board co-opted Filippo Menchelli as member and Chair.

The composition of the Company's Board of Directors as of the Report Date is as follows:

Name and surname	Office	List
Filippo Menchelli	Chair(**)	(****)
Marco Carniani	Deputy Chair(***)	BoD List 1
Giovanni Costantino	Chief Executive Officer(**)	BoD List 1
Gianmaria Costantino	Director(***)	BoD List 1
Fulvia Tesio	Director(*) (***)	BoD List 1
Antonella Alfonsi	Director(*) (***)	BoD List 1
Laura Angela Tadini	Director(*) (***)	BoD List 2

(*) Director meeting the independence requirements set out in Article 148(3) of the Italian Consolidated Law on Finance, as referred to in Article 147-*ter* (4) of the Italian Consolidated Law on Finance.
(**) Executive directors.
(***) Non-executive directors.
(****) Originally drawn from BoD List 1 and subsequently co-opted as described above.

In accordance with the principles set out in Article 2 of the CG Code, as of the Report Date, the Board of Directors comprises executive and non-executive directors, all of whom have the professional qualifications and skills appropriate to the duties assigned to them. With specific reference to non-executive directors (a significant proportion of whom meet the independence requirements required by law), the Issuer considers them, given their number and diverse professional and administrative/management experience, able to contribute specialist and relevant expertise, both in terms of scope and professional skills, to help the board make careful and accurate assessments as part of its decision-making process. It is therefore considered that the non-executive directors have a significant influence in the Board's decision-making process, ensuring effective oversight of management.

All members of the Board of Directors meet the integrity requirements set out in Article 2 of Italian Minister of Justice Regulation No. 162/2000, as referred to in Article 147-*quinquies* of the Italian Consolidated Law on Finance, and do not fall under any of the conditions of ineligibility or disqualification set out in Article 2382 of the Italian Civil Code.

In accordance with current regulations, the Board comprises three independent directors pursuant to the Italian Consolidated Law on Finance and the Code.

It should be noted that on 21 March 2024, 12 November 2024 and 14 March 2025, the Board of Directors assessed the existence of the independence requirements set out in Article 147-*ter* (4) of the Italian Consolidated Law on Finance (which refers to Article 148(3) of the Italian Consolidated Law on Finance) and

[5] Comprising Giulia Cavalli and Pietro Cordova.
[6] The list obtained 3,321,991 votes in favour, representing 7.347% of the voting participants.

Article 2 of the CG Code for the independent directors Laura Angela Tadini, Antonella Alfonsi and Fulvia Tesio.

With regard to the assessment of the independence of its members, the Rules of the Board of Directors provides that the Board, in order to identify any relationships that might compromise their independence of judgement, evaluates the independence of its non-executive members based on the information provided by them:

(i) after appointment;

(ii) during the term of office upon the occurrence of circumstances relevant to independence; and, in any case,

(iii) annually, when reviewing the draft financial statements for the financial year to be submitted to the Shareholders' Meeting for approval.

For the purposes of assessing independence, the Board may, in addition to the circumstances that compromise or appear to compromise a director's independence as expressly set out in the CG Code, consider any additional aspects deemed useful and appropriate in relation to the specific situations concerning each director. The Board may adopt additional or partially different criteria that prioritize substance over form.

On 10 September 2024, the Board of Directors approved the policy on quantitative and qualitative criteria for the evaluation of independence requirements pursuant to Recommendation 7 of the Code.

If an independent director no longer meets the independence requirement, the director will not be disqualified, without prejudice to the obligation to notify the Board of Directors immediately, if the requirements continue to be met by the minimum number of directors.

The composition and structure of the current TISG Board of Directors, as well as that of the board committees, are detailed in **Table 2** in the appendix to the Report. There have been no changes in the composition of the Board since the end of the Financial Year.

The members of the Board of Directors are all domiciled for the purposes of their office at the Company's headquarters.

Below is a brief CV of each director, outlining their skills and experience in business management.

Filippo Menchelli, born in Milan, Italy on 2 March 1972. Filippo Menchelli began his career as administrative manager for the Inalco pharmaceutical group (based in Milan), focusing on the production facilities and research centres in Tuscany from 2002 to 2012. In 2012, he started working with the Issuer as administrative manager of Tecnomar S.p.A. and Nuovi Cantieri Apuania S.p.A. In 2014, he was promoted to Chief Financial Officer and Head of Legal Affairs. Since 2017, Filippo Menchelli has been a director of the Issuer and in December 2018 he was also entrusted with the role of "employer" as defined in Italian Law No. 81/2008. He has been Chair of the Issuer's Board of Directors since 2020.

Giovanni Costantino, born in Taranto, Italy on 17 October 1963. In 1982, he started his career as a businessman in the building and customised furniture sector. In 1997, he joined the multinational company Natuzzi S.p.A., where for 11 years, until mid-2008, he contributed to the group's growth in the role of General Manager, gaining broad and diverse experience. In 2009, Giovanni Costantino began his career in shipbuilding with the acquisition, through GC Holding S.p.A., of the Tecnomar brand. In 2011, the business acquired the Admiral brand. In 2012, in response to the growing market demand for large yachts, GC Holding S.p.A. acquired Nuovi Cantieri Apuania S.p.A., a company in which Giovanni Costantino served as Chair of the Board of Directors. In 2020, Giovanni Costantino established The Italian Sea Group S.p.A. and, since then, has held the position of Chief Executive Officer. The Company's listing on "Euronext Milan", a regulated market organised and managed by Borsa Italiana, followed in 2021.

Marco Carniani, born in Florence, Italy on 10 August 1980, has been working with TISG for over ten years and is now the Company's Chief Financial Officer. With a degree in Economics and Business from the

University of Florence, during his professional career Marco Carniani has gained significant experience in auditing and corporate finance with leading international advisory firms. Specifically, from 2006 to 2009, he held the position of Auditor and, subsequently, Senior Auditor at Deloitte&Touche S.p.A. Between 2009 and 2014, he held the position of Manager at BDO.

Gianmaria Costantino, born in Mercato San Severino (Salerno), Italy on 8 May 2001. Gianmaria Costantino graduated in International Economics and Finance from Università Commerciale Luigi Bocconi (Bocconi University). After gaining experience in the financial sector, he then oversaw the Issuer's IPO process. Former Chair of the Board of Directors of GC Holding S.p.A., the majority shareholder of TISG, Gianmaria Costantino has supported the Company's management on strategic-commercial projects, gaining interdepartmental experience within the business.

Antonella Alfonsi, born in Civitavecchia, Italy on 7 April 1967. Antonella Alfonsi is a lawyer with a law degree from the University of Rome "La Sapienza" and a Master of Laws (LLM) in Corporate and Commercial Law from University College London, United Kingdom. Her education and professional experience has focused on corporate law, M&A and commercial law, and she has gained specific expertise in the area of corporate governance. She has also spoken at numerous conferences and events, mainly on topics of corporate governance, corporate law and regulatory compliance (including in the banking and finance sector). From 2007 to 2018, Antonella Alfonsi was managing partner of Studio Legale Associato – Deloitte.

Fulvia Tesio, born in Turin, Italy on 17 December 1967. Fulvia Tesio holds a degree in Economics and Business from the University of Turin and has been a chartered accountant and auditor since 2001. From 1996 to 1998, she worked at the European Training Foundation, a European Community agency, as a Financial Assessor. From 1998 to 2008, she worked with Studio Dante & Associati in Turin. From 2008 to 2009, she worked as a tax and corporate consultant at Fenera Holding Group. In 2009, she founded her own professional firm of Chartered Accountants, which since 2012 has been part of the WCT Corporate Advisors network, now Baker Tilly WCT Advisors Dottori Commercialisti, where she provides ordinary and extraordinary consultancy to companies in corporate, tax and corporate governance matters; she also works as of counsel at Studio Dante & Associati in Turin. She specialises in business valuations in the context of M&A transactions, court-appointed expert consultations, and extraordinary operations. She also holds positions as independent auditor and statutory auditor and is a strategic advisor to international innovative start-ups working alongside venture capital companies and investment funds. Finally, Fulvia Tesio has collaborated with several working groups at the Association of Chartered Accountants of Turin. Independent director Fulvia Tesio served as Chair of the Board of Statutory Auditors from 2010 to 2014 at GC Holding S.r.l. and as that company's sole statutory auditor from 2015 to 2018.

Laura Angela Tadini, born in Milan, Italy on 12 October 1970. Laura Angela Tadini graduated in Economics from the Catholic University of Milan and is a registered auditor. From 1994 to 2001 she worked for the companies of the Andersen Group, serving from 1994 to 1996 as auditor at Andersen S.p.A. and from 1996 to 2001 as manager at Andersen MBA S.r.l. From 2001 to 2003 she served as Project Manager and Investor Relator for the Coin Group. She has been working for the Giorgio Armani Group since 2003: from 2003 to 2008 she served as Internal Audit Director; from 2008 to 2013 she held the role of Indirect Procurement and Internal Audit Director; and she has been Global HR Director since 2013. She is also a member of the governing bodies of some Giorgio Armani Group companies.

For more information on the lists submitted for the appointment of the Board of Directors, as well as to access the full CVs of the directors, please refer to the Issuer's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Shareholders' Meeting*" section.

From the end of the Financial Year to the Report Date, no director ceased to hold office and there were no changes in the composition of the Board.

A description of the composition and diversity of the Board of Directors is also provided in the "Board of Directors" paragraph in the "Governance Structure" section of the Consolidated Sustainability Report. In this

regard, it should be noted that the TISG Board of Directors comprises figures with different professional qualifications who, as of the Report Date, cover the role of manager within the group – such as the Chief Financial Officer Marco Carniani and the Chief Commercial Officer Gianmaria Costantino – or carry out activities, in listed and non-listed companies, which, although not related to TISG's sector of activity, allow them to provide a valuable contribution at each board meeting.

In order to facilitate the updating and development of skills in sustainability matters, the Audit, Risk and Sustainability Committee, comprising the three independent members of the Board of Directors, periodically checks the progress of work with the help of the technical consultant in charge of supporting the Company. More information on this can be found in the "Board of Directors" paragraph in the "Governance Structure" section of the Consolidated Sustainability Report.

For information about:

- the representation of employees and other workers, please refer to the "Own Workforce"/"Metrics" paragraph in the "Social Information" section of the Consolidated Sustainability Report;
- the experience relating to the sectors, products and geographical areas of the company, please refer to in the "Strategy, business model and value chain" section of the Consolidated Sustainability Report;
- the percentages broken down by gender and other aspects of diversity that the company takes into account, please refer to the "Governance Structure" section and the "Own Workforce"/"Metrics" paragraph in the "Social Information" section of the Consolidated Sustainability Report;
- the number of Board members with and without executive positions and the percentage of independent directors, please refer to the "Board of Directors" paragraph in the "Governance Structure" section of the Consolidated Sustainability Report.

Diversity criteria and policies for the composition of the Board and company organisation

Taking into account the structure and size of the Company, the qualitative and quantitative composition of the Board of Directors, which ensures sufficient diversification in terms of skills, age, experience, including international experience, and gender, as well as the related ownership structure and the list voting system provided for in the Articles of Association, which in turn ensures a transparent appointment procedure and a balanced composition of the governing body, the Board of Directors did not consider it necessary to adopt diversity policies in relation to the composition of the administration and management bodies with regard to aspects such as age, gender composition and educational and professional background.

In particular, with regard to the composition of the Board of Directors, the Company considered the diversity criteria provided for by current legislation and the Code, including those regarding gender. In fact, the current composition of the Board of Directors reflects the gender balance provisions as most recently amended by Italian Law No. 160 of 27 December 2019, given that three-sevenths of the directors belong to the least represented gender.

On 24 January 2023, in line with the values of integrity and accountability and the guidelines in the Code of Ethics, the Board of Directors approved the Issuer's "Diversity and Inclusion Policy", which outlines the procedures and principles aimed at protecting and supporting diversity and inclusion by the Group and all its stakeholders.

This policy, echoing what is already provided for in the GC Holding S.p.A. Code of Ethics, which the Company adheres to, is guided by the main international references and standards, including, by way of example, the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work, the fundamental Conventions of the International Labour Organization, and the UN 2030 Agenda, with particular reference to Sustainable Development Goal 8 on gender equality and Goal 10 on reducing inequalities.

The Group promotes respect for the dignity of others and does not tolerate discrimination of any kind – whether sexual, ethnic, religious, political, social, or otherwise – in accordance with the Code of Ethics. The Group is also committed to the creation of a healthy working environment that aims to promote the physical and

psychological well-being and personal growth of the individual in the name of equal opportunities and mutual respect by aligning itself with international conventions and with the ILO Declaration of Philadelphia, which states that "all human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity".

Within this framework, the Group has committed itself to: i) eliminating any form of discrimination; ii) promoting equal opportunities and reducing the gender pay gap; and iii) creating an inclusive working environment. In addition, the Group's selection and recruitment processes as well as career paths within the Group are based on the actual skills and characteristics of individuals and on merit.

Any violation of the aforementioned policy can be reported to the Legal Affairs Department at the e-mail address affarilegali@admiraltecnomar.com, or via the mailbox located near the attendance terminal at the Company's registered office.

A description of the composition and diversity of the Board of Directors is also provided in the "Board of Directors" paragraph in the "Governance Structure" section of the Consolidated Sustainability Report.

More information on the policies aimed at eliminating discrimination and promoting equal opportunities and other solutions in support of diversity and inclusion adopted by the Company can be found in the "Policies" paragraph in the "Social Information" section of the Consolidated Sustainability Report.

Maximum number of positions held in other companies

Given that the Issuer does not fall into the "large companies" category as defined in the Code, the Board of Directors did not consider it necessary to define general criteria regarding the maximum number of directorships and auditing positions in other companies that can be considered compatible with the effective performance of the role of director of the Company.

Nonetheless, each candidate for the office of director shall assess in advance, at the time of accepting the office in the Company and regardless of the limits established by laws and regulations on the number of positions, the ability to effectively perform the assigned tasks with due care, taking into consideration the overall commitment required by the offices held externally to the Issuer.

Each director is also obliged to inform the Board of any directorships or auditing positions accepted in other companies in order to fulfil disclosure obligations under applicable laws and regulations.

Considering the positions held by its members in other companies, the Company's Board of Directors considers that the number and quality of the positions held does not interfere and is, therefore, compatible with the effective performance of the office of director of the Company. This is without prejudice to the right of the Board of Directors to make a different, reasoned assessment, which will be published in the Annual Report on Corporate Governance and Ownership Structures and adequately justified therein.

4.4 OPERATION OF THE BOARD OF DIRECTORS (under Article 123- *bis* (2)(d) of the Italian Consolidated Law on Finance)

The operating procedures of the Board of Directors are governed by the Articles of Association and the Rules of the Board of Directors adopted on 12 July 2021 in accordance with Recommendation 11 of the CG Code.

The purpose of these Rules is to govern the operating procedures of the Company's Board of Directors, including the procedures for taking minutes of meetings and the procedures for managing directors' reports, in compliance with current laws, regulations and Articles of Association, as well as in light of the principles and criteria established by the Code.

Pursuant to Article 17 of the Articles of Association, as a rule the Board meets – including outside the registered office – at least once every three months and whenever the Chair deems it appropriate, as well as when at least

two directors or a director to whom powers have been delegated submit a written, reasoned request. The Board of Directors can also be called by at least one statutory auditor, with prior notification to the Chair.

The Board is called by the Chair through written notice, accompanied by all relevant information for deliberation, and sent at least three days in advance – or, in cases of urgency, at least one day in advance – before the date set for the meeting, by registered letter with acknowledgement of receipt, certified or ordinary e-mail, or any equivalent means, provided that proof of receipt is obtained in the latter case. The Board of Directors shall be deemed duly constituted, even in the absence of a formal notice, if all its members and the regular members of the Board of Statutory Auditors are present.

The Board can also meet via audio conference and/or video conference, provided that all participants can be identified by the Chair and by the other participants, that they are able to follow the discussion, to participate in real time in the discussion of the items on the agenda, and to receive, send or view documents.

For the Board's resolutions to be valid, a quorum consisting of a majority of its current members is required. Resolutions are resolved on an absolute majority of those present.

Board meetings are chaired by the Chair of the Board of Directors, who sets the agenda, oversees the proceedings, and ensures that directors receive adequate information on agenda items in a timely manner. If the Chair is absent, the meetings are chaired by the Deputy Chair or, in the latter's absence, by another director appointed by the Board.

The Rules of the Board of Directors state, among other things, that directors shall act and make decisions with full knowledge of the facts, independent judgement, and autonomy, prioritizing the overall interests of the Company with the primary aim of creating value for shareholders in the medium to long term.

The timeliness and completeness of pre-meeting information are ensured by: *(i)* a regular flow of information between the delegated bodies and the Board of Directors, and *(ii)* the Secretary of the Board of Directors, who provides accurate, clear, and comprehensive information well in advance of Board meetings to enable directors to perform their roles in an informed manner.

Under Article 15 of the Articles of Association, the Board can establish an executive committee and/or other committees with different functions and tasks, stipulating their composition and mode of operation. The Board of Directors can also appoint one or more general managers.

In addition, under the Rules of the Board of Directors, directors accept the office if they believe they can devote the necessary time to the diligent performance of their duties, also taking into account the commitment to their work and professional activities and the number of positions they hold in other companies or entities (including foreign ones).

A member of the Board of Directors who, either on their own behalf or on behalf of third parties, has an interest in a particular transaction of the Company must promptly and fully inform the other directors and the Board of Statutory Auditors of the nature, terms, origin and extent of that interest. If the member is the Chief Executive Officer, the latter must refrain from performing the transaction and notify the Board.

The Rules of the Board of Directors also specifies that the Board resolutions should be recorded in minutes signed by the Chair of the meeting and the Secretary. The minutes should adequately record any objections expressed by the members of the Board of Directors on individual topics and their reasons.

The Rules of the Board of Directors also stipulate that for the organisation of its work, the Board of Directors should be supported by the Secretary of the Board, whose role and functions are described in the next Section.

If deemed useful or appropriate in relation to the matters to be discussed, the Chair may, also upon the request of one or more directors, invite the Company's executives responsible for the relevant corporate functions to attend Board meetings to provide appropriate in-depth information on the items on the agenda.

Based on the items on the agenda, the board committees report on their activities and their evaluations.

In relation to confidentiality, the Rules of the Board of Directors specify that all members of the Board of Directors and the Board of Statutory Auditors are required to maintain the confidentiality of the documents and information acquired in the performance of their duties and to comply, even after their term of office has expired – without prejudice to the obligations imposed by law, judicial and/or supervisory authorities – with the procedures adopted by the Company for the internal management and external communication of such documents and information.

Lastly, the Rules of the Board of Directors state that at least once every three years – prior to each renewal – the Board must undergo a self-assessment to evaluate the effectiveness of its activities. This assessment should also cover the actual functioning of the Board and its committees, their size and composition, and the contribution of each director, taking into account the professional characteristics, experience, gender, and tenure of its members.

On a case-by-case basis, the Chair assesses whether the Company should be assisted by an independent external consultancy firm to carry out this activity. The Chair also ensures that the self-assessment process is carried out effectively, that the way it is conducted is consistent with the degree of complexity of the Board's work, and that corrective measures are taken to address any shortcomings identified.

During the Financial Year, the Board met 22 times, with the regular attendance of the members of the Board of Directors and the Board of Statutory Auditors.

The meetings lasted on average about 1 hour and were duly minuted.

The percentage attendance at these meetings by Board members since their respective appointments took effect was as follows: Filippo Menchelli 100%[7], Giovanni Costantino 100%, Marco Carniani 100%, Gianmaria Costantino 100%, Fulvia Tesio 100%, Antonella Alfonsi 100%, Laura Angela Tadini 100%, and Simona Del Re 100%[8].

In light of the above, the Company believes that the directors dedicated adequate time during the Financial Year to perform their duties at TISG.

The Chair of the Board of Directors ensured that the documents relating to the items on the agenda were brought to the attention of the directors and auditors well in advance of the meeting date. The timeliness and completeness of pre-meeting information was ensured by the continuous sharing of documentation.

During the 2025 financial year and up to the Report Date, the Board of Directors met four times – namely on 10 February 2025, 28 February 2025, 14 March 2025 and 20 March 2025 – and at least four further meetings are planned before the end of the 2025 financial year.

For more information see **Table 2** in the appendix.

The Board of Directors, subject to the mandatory opinion of the Board of Statutory Auditors, appoints the Financial Reporting Manager responsible for drafting the company's accounting documents, pursuant to Article 154-*bis* of the Italian Consolidated Law on Finance, granting the Financial Reporting Manager adequate means and powers to perform the assigned tasks.

4.5 ROLE OF THE CHAIR OF THE BOARD OF DIRECTORS

Chair of the Board of Directors

At its meeting on 12 November 2024, the Board of Directors co-opted Filippo Menchelli as a member of the Board of Directors and appointed him as Chair.

As of the Report Date, the Chair of the Company's Board of Directors is assigned management powers related to the figure of "employer" within the Company. In addition, as provided for by the Rules of the Board of

[7] Percentage calculated based on Board meetings held during the periods in which Filippo Menchelli held the position of Chair.
[8] Percentage calculated based on Board meetings held during the period in which Simona Del Re held the position of Chair.

Directors, the Chair plays the role of liaison between the executive and non-executive directors and ensures the effective operation of the Board of Directors.

The Chair calls s the Board of Directors, sets its agenda, plans and coordinates its work and activities, and ensures that all of the directors receive adequate information on the items on the agenda. In particular, in compliance with the provisions of the Code and under the Rules of the Board of Directors, the Chair, with the support of the Secretary of the Board, ensures:

a) the timeliness and completeness of the pre-meeting information and that this and additional information provided at meetings is adequate to enable directors to perform their role in an informed manner;

b) that the activities of the board committees with investigative, recommendatory and advisory functions are coordinated with the activities of the Board of Directors;

c) that, in agreement with the Chief Executive Officer, the executives of the Company and those of the Group companies responsible for the relevant corporate functions attend Board meetings, including at the request of individual directors, to provide appropriate details on the items on the agenda. Specifically, during the Financial Year, the investor relators attended the Board meetings; and

d) that all members of the management and control bodies may participate, after their appointment and during their term of office, in initiatives aimed at providing them with an adequate knowledge of the business sectors in which the Company operates, of corporate dynamics and their evolution, including with a view to the sustainable success of the Company itself, and of the principles of proper risk management and of the regulatory framework of reference.

The Chair formulates - in agreement with the CEO - proposals for the adoption or amendment of the Shareholder Dialogue Policy. During the Financial Year, the Chair is responsible for ensuring that the Board of Directors is informed, at the earliest possible meeting, about the developments and significant content of the dialogue that has taken place with them.

As part of the Board of Directors' self-assessment process, which takes place every three years, the Chair will ensure its adequacy and transparency with the support of the Appointments and Remuneration Committee.

With reference to the responsibilities and capacities of the management and control bodies on sustainability matters or access to such responsibilities and capacities, please refer to the "Board of Directors" paragraph in the "Governance Structure" section of the Consolidated Sustainability Report.

Board Secretary

The Rules of the Board of Directors specify that the Secretary, appointed by the Board on the recommendation of the Chair, will provide support in organising its work.

In this regard, it should be noted that, in accordance with Recommendation 18 of the CG Code, at its meeting of 3 March 2023, the Board of Directors, on the recommendation of the Chair, appointed Simona Del Re as Secretary. On 12 November 2024, the Board of Directors appointed Marco Carniani as Secretary. Subsequently, on 28 February 2025, Enrico Filippi was appointed as Secretary.

The Secretary supports the work of the Chair and provides impartial assistance and advice to the Board of Directors on all aspects relevant to the proper functioning of the corporate governance system.

In particular, the Secretary assists the Chair in activities related to the proper functioning of the Board of Directors and provides the directors with impartial assistance and legal advice (with the support of external consultants, if necessary) on corporate governance issues and in relation to their rights, powers, duties and obligations to ensure the proper exercise of their powers.

The Secretary may be either an employee of the Company or external to the Company itself; when considered appropriate, the Secretary may also be a member of the Board of Directors.

In any case, the Secretary must have the necessary professional qualifications and exercise independent judgement, as well as having adequate experience in the role of Secretary at the Company or in the corporate secretariat of listed companies, or have participated in the board and governance activities of other listed companies. A description of the composition and diversity of the Board of Directors is also provided in the "Board of Directors" paragraph in the "Governance Structure" section of the Consolidated Sustainability Report.

In the event of the Secretary's absence, the Board shall appoint a replacement on a case-by-case basis.

The person identified by the Board of Directors to act as Secretary shall also perform the same duties within the executive committee, if appointed.

During the Financial Year, the Secretary supported the activities of the Chair and provided impartial assistance and advice to the Board of Directors on every aspect relevant to the proper functioning of the corporate governance system.

4.6 EXECUTIVE DIRECTORS

Chief Executive Officers

Pursuant to the law and the Articles of Association, the Board can delegate its powers to an executive committee comprising some of its members or to one or more of its members.

On 12 November 2024, the Board of Directors resolved to grant Chief Executive Officer Giovanni Costantino the power to:

1. exercise voting rights in the name and on behalf of the Company at Ordinary and Extraordinary Shareholders' Meetings of the companies in whose share capital TISG holds a stake;
2. apply for and grant loans and financing to affiliated companies within the limit of EUR 1,000,000.00 per transaction or resulting in a total annual indebtedness of up to EUR 30,000,000.00;
3. enter into loan agreements within the limit of EUR 4,000,000.00 per transaction or resulting in a total annual indebtedness of up to EUR 30,000,000.00;
4. acquire or sell, including through licensing, industrial property rights for trademarks, patents, inventions, industrial designs and certification marks, up to an asset value limit of EUR 500,000.00;
5. lease secondary offices, branches, office spaces, warehouses, storage facilities, agencies, and other premises related to the Company's business activities;
6. lease or sublease to third parties premises for civil and industrial purposes, as well as machinery, equipment, installations, and similar assets;
7. enter into consultancy and service agreements;
8. dispose of or lease business branches, including any related rights of enjoyment related to assets or parts of assets under state concession, also being able to assume obligations and arrange for third parties to take over – either temporarily or permanently – the same state concessions, carrying out all preparatory or consequential activities (including delegating such activities to third parties, if necessary);
9. represent the Company before judicial and administrative authorities in any lawsuit, procedure, including arbitration, or proceedings, whether judicial or extrajudicial, with the broadest powers, including, but not limited to, the power to conciliate and settle, collect sums, and, more specifically, to provide formal testimony, take supplementary oaths, give informal testimony, and participate in conciliation attempts;
10. establish, amend and cancel instruments involving mortgages, pledges, liens, attachments and other similar encumbrances against third parties in favour of the Company;

11. carry out all activities relating to safe-deposit boxes established or to be established with credit institutions;
12. open bank accounts;
13. agree and define credit lines with credit and financial institutions, provided that each individual transaction does not exceed EUR 20,000,000.00 or result in a total annual indebtedness exceeding EUR 60,000,000.00;
14. sign requests for approval and foreign exchange-free approvals for temporary and permanent import and export issued by the Bank of Italy and agent banks on behalf of the Company;
15. act to protect the Company's interests before expert and arbitration boards;
16. request security deposits and/or sureties from third parties on behalf of the Company for:
    a. participation in tenders, bids, calls for proposals, contracts, or competitions for the execution of works covered by sales contracts;
    b. collections and advances from customers;
    c. other reasons related to the performance of the Company's activities;
    d. tax refunds;
17. request and receive from third parties sums as a security deposit against the price of a future sale;
18. make and withdraw security deposits from ministries, public deposit offices, deposit and loan banks, regional revenue offices, customs and municipal offices, provinces, regions and any other public or private office or entity, including for basic utilities (telephone, internet, electricity, etc.) or supplies of goods and services (engines, moulds, models, designs, containers, furniture, furnishings, etc.);
19. assign receivables as security to banks;
20. collect receivables for any amount on behalf of the Company;
21. collect on behalf of the Company: bank cheques, banker's drafts, promissory notes, bills of exchange, money orders, and other negotiable instruments, issuing receipts for them;
22. order payments, issue and endorse bank cheques, money orders and other credit instruments, make withdrawals from active and overdrawn bank accounts within the available credit limits, and withdrawals from postal accounts within the available credit limits;
23. sign any declarations (document, appeal, or formality) required by tax regulations and represent the Company before any financial office of the public administration, as well as before tax dispute bodies at any level and in any jurisdiction;
24. pay and negotiate taxes, duties and contributions, accepting or rejecting assessments and refunds, and carry out all necessary actions to ensure accurate tax assessments;
25. collect parcels, letters, including registered and insured letters from post offices, national railways, transport companies and customs, collecting goods and submitting claims and complaints for any reason or cause whatsoever, and initiating claims for damages and requesting compensation;
26. carry out any transaction with the vehicle registration office;
27. sign company correspondence;
28. purchase, sell, and exchange boats and cars, completing the necessary paperwork for the appropriate public registers or other competent offices, as well as installations, machinery and accessories, equipment, furnishings, computing equipment and vehicles, up to a limit of EUR 6,000,000.00 for each individual transaction;

29. purchase goods, raw materials, semi-finished products, finished products and services within the scope of the Company's business, committing the Company to all rights and obligations that may arise, and entering into the relevant purchase, exchange, supply, consultancy, agency or intermediation contracts, among others;

30. enter into contracts with insurance companies and institutions, signing the relevant policies and having the authority to deal with any matters related to the settlement of claims or compensation;

31. grant or accept commissions, agency appointments and representations, including on an exclusive basis, entering into the relevant contracts and ensuring their periodic update;

32. enter into storage and shipping contracts, including maritime shipping, agreeing on terms and conditions;

33. issue certifications and statements for income reporting to social security and welfare institutions, as well as to other public bodies, in relation to employment relationships with executives;

34. arrange for the payment of periodic salaries for executive employees, as well as the related contributions and statutory obligations;

35. sell and export, including through ongoing contracts, company products, establishing terms and conditions with third parties, granting rebates and discounts, and signing the relevant documents up to a limit of EUR 1,000,000.00 for each individual transaction;

36. sell raw materials and semi-finished products of the Company's production process;

37. sell scrap, waste and processing residues;

38. sign the necessary documents for the Company's participation in tenders, contracts, auctions and bids with private companies or with local or regional public and governmental bodies or with any other public sector organisation;

39. manage disputes and arbitrations, and settle litigation;

40. appoint business agents for individual acts or categories of acts within the limits of the powers conferred;

41. hire, promote and dismiss executives and modify their conditions of employment, as well as define the exact fulfilment of existing executive employment contracts at the Company, without prejudice to the exclusive responsibility of the Chair of the Board of Directors regarding all employees in matters of health, safety and accident prevention;

42. define and/or modify the duties of executive personnel; make decisions on any disciplinary measures, without prejudice to the exclusive responsibility of the Chair of the Board of Directors regarding all employees in matters of health, safety and accident prevention;

43. represent the Company at employment tribunals at all levels and instances, as well as in out-of-court, trade union, arbitration, and any other relevant forums, in disputes concerning employment and social security matters involving executive personnel, with all the broadest powers, including those to appoint and dismiss lawyers, attorneys, defence counsel and experts, to reconcile and settle disputes, ensure the enforcement of judgements, and take any other actions necessary and appropriate for the complete and effective resolution and settlement of such disputes involving executive personnel, including with specific reference to Articles 410, 411, 412, 412 *bis*, *ter*, *quarter* and 420 of the Italian Code of Civil Procedure;

44. enter into, amend and terminate collective labour agreements and other trade union agreements applicable to executive personnel;

45. purchase, sell, exchange and perform any form of transfer of real estate and/or land, including property forming part of building complexes or apartment blocks, including under state, civil or maritime

concession, or subject to a planning agreement, up to a limit of EUR 2,000,000.00 for each individual transaction, with the right to delegate to third parties any activities that are functional or instrumental to the aforesaid real estate transfers;

46. represent the Company in place of or in the absence of the Chair, i.e.:
    a. delegate global sales management, with responsibility for all sales activities of the offices in Italy and abroad, both in terms of costs and sales budgets, which will be defined at the beginning of each financial year and allocated across the various subsidiaries, countries and/or business areas;
    b. represent the Company in the performance of all negotiation activities necessary for the conclusion of sales contracts, up to a limit of EUR 2,500,000.00 for each individual transaction;
47. oversee sales prices and the resulting margins with monitoring of the budget allocated by the reference corporate function and verification of the conformity with technical specifications;
48. direct and coordinate client relationship management activities, managing each and every relationship and critical issues with the various shipping companies from the start of negotiations until delivery of the vessel, including the entire contractual warranty period;
49. manage the successful completion of each payment by the shipping companies starting from the down payment, through each interim payment certificate, until final payment for delivery of the vessel;
50. strategic responsibility in the Company's research and development innovations, providing input for both technical and design development to meet all market requirements;
51. coordinate, update and strategically share all decisions relating to marketing and communication aimed at the market as well as customers, partners, brokers etc.

Pursuant to Article 18.3 of the Articles of Association, the Chief Executive Officer is the legal representative of the Company before any administrative or judicial authority and third parties, and also holds signatory powers. The Chief Executive Officer can also appoint attorneys for the performance of specific acts and transactions or categories of acts and transactions, determining their powers and remuneration, if any.

Article 17.6 of the Articles of Association specifies that, pursuant to Article 150 of Italian Consolidated Law on Finance and, in any case, any provision currently in force applicable to the Company, the directors must report at least quarterly to the Board of Statutory Auditors on the activities carried out and on the most significant transactions – in terms of size or characteristics – performed by the Company or its subsidiaries; in particular, they report on transactions in which they have an interest, on their own behalf or on behalf of third parties, or which are influenced by the party exercising management and coordination activities.

As Chief Executive Officer, Giovanni Costantino qualifies as the main person responsible for managing the company.

Chair of the Board of Directors

The Chair of the Board of Directors is not the primary person responsible for the management of the Issuer (Chief Executive Officer) and is not a controlling shareholder of the Issuer.

On 12 November 2024, the Board of Directors identified Filippo Menchelli as the "Employer" pursuant to and for the purposes of Article 2(1)(b) of Italian Legislative Decree 81/2008, and granted him the following delegations and powers to:

1. enter into, modify and terminate contracts for the purchase, sale and exchange of movable property, installations, machinery and equipment essential to the organization of work, as well as occupational health and safety and accident prevention, including for compliance with environmental legislation;

2. enter into, modify and terminate service and/or works contracts for the maintenance of installations and equipment essential to the organisation of work, occupational health and safety and accident prevention, including the fulfilment of environmental obligations;
3. issue certifications and statements for income reporting to social security and welfare institutions, as well as to other public bodies, in relation to employment relationships;
4. arrange for the payment of periodic salaries for non-executive employees, as well as the related contributions and statutory obligations;
5. hire, promote and dismiss non-executive employees, as well as define the exact fulfilment of existing non-executive employment contracts with the Company;
6. define and/or modify the duties of non-executive employees; make decisions relating to potential disciplinary measures;
7. represent the Company at employment tribunals at all levels and instances, as well as in out-of-court, trade union, arbitration, and any other relevant forums, in disputes concerning employment and social security matters involving non-executive personnel, with all the broadest powers, including those to appoint and dismiss lawyers, attorneys, defence counsel and experts, to reconcile and settle disputes, ensure the enforcement of judgements, and take any other actions necessary and appropriate for the complete and effective resolution and settlement of such disputes involving non-executive personnel, including with specific reference to Articles 410, 411, 412, 412 *bis*, *ter*, *quarter* and 420 of the Italian Code of Civil Procedure;
8. perform any act, sign, submit and withdraw any application, request, complaint, appeal and/or document aimed at the establishment, management or termination of employment relationships with non-executive personnel and/or social security and welfare relationships inherent to the employment relationships of non-executive personnel before any public body, governmental and/or administrative authority, including, but not limited to, ministries, regional, county, and local authorities, as well as public entities, including those with an economic function;
9. all powers related to the obligations required by authorities and public bodies with regard to labour law, social security, compulsory insurance, and all labour relations, representing the Company before the employment inspectorate, social security institutions and welfare agencies. This is carried out in the role of "employer" as defined in Article 2(1)(b) of Italian Legislative Decree 81/2008;
10. enter into, amend and terminate collective labour agreements and other trade union agreements applicable to non-executive personnel;
11. sign company correspondence, limited to the powers conferred herein;
12. appoint representatives and/or special attorneys within the scope of the powers conferred herein;
13. the broadest powers to carry out all the activities necessary and aimed at guaranteeing occupational health, safety and hygiene and preventing accidents and occupational diseases of all the Company's employees and, more generally, to guarantee the safety of the Company's production activities, including in relation to third parties and the environment, ensuring compliance with the provisions of the law on accident prevention and occupational hygiene, as well as the provisions of the law on environmental protection.

Executive committee (only if appointed) (under Article 123-*bis* (2)(d) of the Italian Consolidated Law on Finance)

During the Financial Year and up to the Report Date, the Board of Directors did not establish an executive committee.

Information to the Board by the Directors/delegated bodies

During the Financial Year, the delegated bodies reported periodically – at the meetings held on 21 March 2024 and 10 September 2024 – to the Board of Directors and the Board of Statutory Auditors on the activities performed in exercising the powers delegated to them, this in such a way as to enable the directors to express their opinion in an informed manner on the matters submitted to them from time to time.

Other executive directors

During the Financial Year and up to the Report Date, there were no executive directors other than the Chief Executive Officer and the Chair**.**

The roles and responsibilities of the management and control bodies in overseeing the procedures for managing material risks, impacts and opportunities are illustrated in the "Double Materiality Analysis" and "Governance Structure" sections of the Consolidated Sustainability Report.

The responsibilities and capacities of the management and control bodies on sustainability matters or access to such responsibilities and capacities are described in the "Board of Directors" paragraph in the "Governance Structure" section of the Consolidated Sustainability Report.

4.7 INDEPENDENT DIRECTORS AND LEAD INDEPENDENT DIRECTOR

Independent directors

As of the Report Date, the Board of Directors comprises seven members, three of whom are independent directors, i.e. directors who meet the independence requirements set out in Article 148(3) of the Italian Consolidated Law on Finance, as referred to in Article 147-*ter* (4) of the Italian Consolidated Law on Finance and Recommendation 7 of the Code.

In particular, the directors Laura Angela Tadini, Fulvia Tesio and Antonella Alfonsi meet the independence requirements.

In accordance with Recommendation 5 of the CG Code, the number and competencies of the independent directors are appropriate to the needs of the Company and the functioning of the Board, as well as the establishment of the relevant committees.

On 10 September 2024, the Board of Directors determined the quantitative and qualitative criteria for assessing the significance of relevant circumstances under the CG Code for evaluation of the independence of the directors and auditors. Based on the quantitative criteria adopted, the following can be considered "significant":

- a relationship of a commercial, financial or professional nature – entered into during the year in which the statement of independence is made, or in the three previous years with respect to the date on which the statement is made – with the Company, its subsidiaries, or with its executive directors or top management, as well as with the party who controls the Company (including if control is exercised together with third parties through a shareholders' agreement) or, if the parent company is a company or entity with the relevant executive directors or top management, if such relationships involve, or have involved, considered individually or cumulatively, a direct annual financial recognition in favour of the director or auditor of a value equal to or greater than a certain percentage *(i)* of the fixed compensation received annually by the same for the office and, with reference to directors, for any participation in committees (or bodies) established within the Board of Directors, or *(ii)* if the director or auditor indirectly maintains such relationships, for example, as a partner of a professional firm or a consulting firm, of the turnover (consolidated, where applicable) for the last year of such companies or professional firms;
- the additional remuneration received by the director or auditor in the previous three financial years, if it exceeds a specified percentage of the annual compensation received by the director or auditor.

Based on qualitative criteria, in the event that the director or auditor is also a partner or shareholder of a consulting firm or professional firm, the relationships that may have an effect on the director or auditor's position and role within the consulting firm or professional firm or in any case related to significant transactions of the Company and its parent group are also identified as significant, regardless of the quantitative parameters.

For the purposes of assessing the significance of the relationships, the Board of Directors may consider additional elements considered useful and/or appropriate that may affect the independence of the director or auditor.

In addition to the definition of these criteria, no further provisions have been made with respect to the provisions of the Italian Consolidated Law on Finance and the Code.

The fulfilment of the independence requirements was verified by the Board of Directors following the appointment of the Board approved by the Shareholders' Meeting of 27 April 2023 and, subsequently, on 10 May 2023, 21 March 2024, 12 November 2024 and 14 March 2025. The results of the assessments were disclosed to the market as recommended by the Code.

Specifically, on 10 May 2023, the Board of Directors deemed Laura Angela Tadini and Fulvia Tesio to be independent, noting that (i) Laura Angela Tadini is an employee of a minority shareholder who, due to the stake held, is not a significant shareholder of the Company, and (ii) Fulvia Tesio had only occasional external consulting relationships with the law firm that assisted the Company with the Board of Directors' self-assessment project; the amount paid to the law firm for the project, however, was small and insufficient to affect her independence.

During the assessment, the Board considered all available information, in particular that provided by the directors under review, and evaluated all circumstances that appear to compromise independence as identified by the Italian Consolidated Law on Finance and the CG Code, and applied all the criteria (among others) set out in the Code with reference to the independence of directors.

The outcome of these assessments were positive and there were no exceptions or deviations from any of the requirements set out in the Code. As a result of these assessments, the current directors Laura Angela Tadini, Fulvia Tesio and Antonella Alfonsi were deemed to meet the aforementioned independence requirements.

The Board of Statutory Auditors verified the correct application of the assessment criteria and procedures adopted by the Board for assessing the independence of its members, and in particular of the new "Policy on quantitative and qualitative criteria for the assessment of independence requirements pursuant to recommendation 7(1) (C) and (D) of Article 2 of the Italian Corporate Governance Code", approved by the Board of Directors on 10 September 2024.

Finally, it should be noted that the independent directors undertook to maintain independence during their term of office and, if necessary, to resign in the event that the independence requirements were no longer met; it should be noted that these circumstances did not occur during the Financial Year.

Lead Independent Director

The Board of 25 July 2024 considered it appropriate, partly in order to obtain STAR status for the Company's ordinary shares, to appoint the director Antonella Alfonsi as Lead Independent Director, granting her the following powers:

a) call, independently or at the request of other directors, the independent or non-executive directors at least once a year, to address issues of interest with respect to the functioning of the Board of Directors or corporate management, taking responsibility for chairing the meetings;

b) be, within the Board of Directors, the point of reference and coordination for the requests and contributions of the independent directors;

c) work with the Chair of the Board of Directors to ensure that the directors receive complete and timely information;

d) perform any additional tasks that may be assigned from time to time by the Board of Directors, in particular on strategic issues and/or extraordinary transactions.

5. MANAGEMENT OF CORPORATE INFORMATION

With reference to the management of corporate information, the Board of Directors, on the recommendation of the Chair, in agreement with the Chief Executive Officer, adopted the following procedures in order to monitor access to and circulation of inside information before it is disclosed to the public, as well as to ensure compliance with the confidentiality obligations provided for by appropriate laws and regulations.
As of the Report Date the (*i*) Inside Information Procedure regulating the management and disclosure of inside information, as well as the establishment and updating of the register of persons with access to inside information, and (*ii*) Internal Dealing Procedure regulating the fulfilment of internal dealing obligations, both approved by the Board of Directors on 18 February 2021, were in force.

For further information, please refer to the text of the procedures available on the Issuer's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/" *Documents, Policies and Procedures*" section.

6. BOARD COMMITTEES (under Article 123-*bis* (2)(d) of the Italian Consolidated Law on Finance)

Establishment of committees

Pursuant to Principle XI and Recommendation 16 of the Code, the Board of Directors establishes internal committees with investigative, advisory and recommendatory functions, in relation to appointments, remuneration, control and risks.

In compliance with corporate governance requirements, in order to increase the effectiveness and efficiency of the Board of Directors, the latter established an internal Appointments and Remuneration Committee and an Audit, Risk and Sustainability Committee, which was also assigned the function of Related Party Transactions Committee, as detailed below.

The composition of the committees was determined by taking into account the expertise and experience of their members, avoiding an excessive concentration of responsibilities.

For a description of the composition, functions, duties, resources and activities of the committees, please refer to Sections 7.2, 8.2 and 9.2 of this Report.

The committee members are appointed and removed by resolution of the Board of Directors, which also appoints the committee Chairs.

The Board of Directors defines the committees' tasks, giving priority to the expertise and experience of their members.

In accordance with what is established from time to time by the Board of Directors at the time of appointment, the committees are composed of three non-executive and independent directors, who hold office until the expiry of the Board of Directors. The early termination of the Board of Directors for any reason whatsoever results in the immediate termination of the committees.

During the Financial Year and up to the Report Date, none of the functions recommended by the Code were assigned to the Board of Directors.

Operation of committees

The committee operating procedures, including the procedures for taking minutes and those for the management of information provided to the member directors, the procedures for safeguarding the confidentiality of the data and information provided in such a way as not to prejudice the timeliness and completeness of the information, are governed by committee regulations.

The members of each committee shall meet collectively as often as the respective chairs deem it necessary or if the other two directors make a request in writing, and in any case as often as necessary to perform their duties, normally on the dates set out in the respective annual meeting calendars approved by the committees. The documentation relating to the items on the meeting agenda shall be shared by e-mail to the addresses provided by the member directors members, with sufficient advance notice on all occasions where an in-depth analysis or opinion on the matter is requested by the committee.

The committee meeting can be held anywhere, including at locations other than the Company's registered office, in Italy or abroad, and also by audio conference or video conference provided that all participants are identifiable and are able to follow the meeting and take part in the discussion.

The meeting is called by the chair or, on the chair's instructions, by the committee secretary, by communication sent at least three days before the date set for the meeting or, in urgent cases, at least one day before.

The notice of meeting must specify the place, date and time of the meeting, as well as a list of the items to be discussed.

The meetings are chaired by the chair of the committee or, in the event of the chair's absence or incapacity, by another member of the committee appointed for the purpose by those present.

For the committee to be duly convened and for its resolutions to be validly passed, it is necessary that a majority of its serving members are present. In the absence of formal notice of a meeting, all serving members of the committee must be present. The committee members shall act collectively and resolve on their resolutions by majority vote.

The work of the committees is coordinated by the respective chairs and involves the Chair of the Board of Statutory Auditors or another auditor appointed by the Chair; however, other auditors can also participate.

The committees can have access to the corporate functions and information necessary to perform their tasks, and can make use of external consultants, adequately bound by the necessary confidentiality, under the terms established by the Board of Directors.

Non-members of the committees can therefore attend committee meetings at the invitation of the committee, with reference to individual items on the agenda.

The minutes of the resolutions passed are drafted by the committee secretary and signed by the latter and all directors attending the meeting. The directors, if absent, may sign the minutes for acknowledgement of receipt.

The chair of the Audit, Risk and Sustainability Committee is responsible for maintaining a record of committee meetings and resolutions. The secretary of the Appointments and Remuneration Committee is responsible for maintaining a record of committee meetings and resolutions.

The chairs of each committee report to the earliest possible Board of Directors on the meetings held by the relevant committee.

The chairs of each committee report to the Board, according to the timetable specified in their respective regulations, on the activities carried out by the committee.

The directors who are members of the committees must observe the strictest confidentiality and secrecy with regard to all data, information and reports provided and discussed in connection with their work, and undertake not to disclose them in any way or to issue statements and/or declarations concerning their work.

Additional committees (other than those provided for by law or recommended by the Code)

The Board did not consider it necessary to establish committees other than those mentioned in the previous paragraph.

7. SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS – APPOINTMENTS AND REMUNERATION COMMITTEE

7.1 SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS

Pursuant to Principle XIV of the Code, the Board periodically evaluates the effectiveness of its activities and the contribution made by its individual members through formalised procedures whose implementation it oversees.

In particular, in compliance with the provisions of Recommendation 22 of the Code, the Board – at least every three years – carries out a self-assessment to evaluate the effectiveness of the activities of the Board of Directors and of the board committees and expresses an opinion on their size, composition[9] and operations, also considering the role played by the Board in defining strategies and monitoring management performance and the adequacy of the Internal Control and Risk Management System.

As part of the self-assessment activities, the Company may rely on the support of an external consultant.

Following the self-assessment, the Board of Directors identifies any necessary or appropriate corrective actions.

Since the date of admission to trading on Euronext Milan of TISG's shares, the self-assessment was carried out only once in March 2023 with reference to the financial year 2022.

This assessment process, which took place in March 2023, was carried out by submitting an anonymous questionnaire with closed questions to all directors. The questionnaire was divided into sections and focused on the size, composition and operations of the Board of Directors and committees, the definition of management strategies and monitoring, the Internal Control and Risk Management System and the management of conflicts of interest.

The questionnaire was prepared by the Company with the help of an external consultant, Clovers. Clovers is an international law firm specialising in corporate law and compliance with a specific division dedicated to the preparation of reports and questionnaires aimed at the self-assessment of boards of directors and the preparation of policies for the evaluation of the independence of board members.

The results of the self-assessment were analysed by the Board of Directors at its meeting on 21 March 2023 and were reviewed in the Report on Corporate Governance and Ownership Structures for the financial year 2022, which is available on the Issuer's website https://investor.theitalianseagroup.com/, in the "Shareholders' Meeting" section.

Guidelines on the Composition of the Board of Directors

The Board of Directors in office until the approval of the financial statements for the year ended 31 December 2022, taking into account the results of its self-assessment and in view of the expiry date, did not consider it necessary to provide guidelines on its optimal quantitative and qualitative composition.

Succession plans for executive directors

The Board, considering the shareholding structure and size of the Company, had not adopted a succession plan for the Chief Executive Officer and executive directors as of the Report Date, while verifying the existence of adequate procedures for the succession of top management.

However, in accordance with the recommendations of the CG Code, the Board of Directors intends to align with best practices by considering the preparation of a plan in 2025, at least for the early termination of the office of the CEO and other executive directors.

7.2 APPOINTMENTS AND REMUNERATION COMMITTEE

[9] Taking into account the professional characteristics, experience, knowledge, expertise and gender of its members, as well as their tenure.

Composition and functioning of the Appointments and Remuneration Committee (under Article 123-*bis* (2)(d) of the Italian Consolidated Law on Finance)

The Appointments and Remuneration Committee, as established by the Board of Directors on 3 May 2023 and in office as of the Report Date, comprises three non-executive and independent directors: Fulvia Tesio, who serves as committee chair, Laura Angela Tadini and Antonella Alfonsi.

The Issuer considers that the composition of the Appointments and Remuneration Committee complies with the Code in that *(i)* it comprises non-executive directors who meet the independence requirements of the CG Code, *(ii)* it is chaired by an independent director, and *(iii)* its members have adequate knowledge and experience in financial and remuneration policy matters.

If, during the term of office, one (or more) of the directors serving on the committee leaves office, the Board of Directors will arrange the replacement of that director; the replacement, thus appointed, will serve until the expiry of the term of office of the entire Board of Directors.

For more information on the internal functioning of the committee, minutes of meetings and the management of information, please refer to Section 6, "Operation of committees", of this Report.

In line with the recommendations of the Code, directors must not take part in Appointments and Remuneration Committee meetings during which proposals are made to the Board of Directors regarding their remuneration.

During the Financial Year, the Appointments and Remuneration Committee met 8 times with the regular attendance of its members. In addition to the ordinary oversight of the activities carried out in the context of human resources through the regular updates by the reference manager, the work of the committee took place in the meetings related to: i) the allocation, proposed by the Board of Directors, of the compensation due to the committee members; ii) the characteristics of the new 2027-2029 share incentive plan and its beneficiaries; iii) the approval of the new 2027-2029 incentive plan; iv) the co-option at the meetings of 9 June and 12 November 2024 of a member of the Board; v) the supervision of the application of the criteria for the assessment of the independence of directors; and vi) preliminary information regarding the ongoing Enterprise Risk Management (ERM) analysis.

The average duration of the meetings was 1.5 hours.

The percentage attendance at these meetings by committee members was as follows: Fulvia Tesio 100%, Laura Angela Tadini 100%, and Antonella Alfonsi 85.7%.

From the end of the Financial Year to the Report Date, the Appointments and Remuneration Committee met twice, on 10 March 2025 and 11 March 2025, and a further four meetings are scheduled in 2025.

There have been no changes in the composition of the committee since the end of the Financial Year.

For more information, please refer to **Table 3** in the appendix.

Committee meetings were attended by directors or members of corporate functions who are not members of the committee, at the invitation of the committee chair, and notifying the Chief Executive Officer.

Barbara Bortolotti, as a member of the Board of Statutory Auditors of the Company, took part in the meeting of the Appointments and Remuneration Committee held on 22 November 2024.

Functions of the Appointments and Remuneration Committee

In line with the provisions of the CG Code, according to the committee's terms of reference, adopted by the Board of Directors on 18 February 2021 and approved by the committee on 12 July 2021, the Appointments and Remuneration Committee is assigned the following functions.

With regard to appointments, the committee's function is to provide assistance to the Board of Directors in the following activities:

(i) self-assessment of the Board of Directors and its committees, supporting the Chair in ensuring the adequacy and transparency of the self-assessment process;

(ii) definition of the optimal composition of the Board of Directors and its committees;

(iii) identification of candidates for the office of director in the event of co-option;

(iv) preparation, updating and implementation of any succession plan for the Chief Executive Officer and other executive directors.

In the area of remuneration, the committee's function is to:

(i) assist the Board of Directors in drafting the remuneration policy;

(ii) present proposals or expresses opinions on the remuneration of executive directors and other directors who hold special offices, and on the setting of performance targets for the variable component of this remuneration;

(iii) monitor the effective application of the remuneration policy and verify, specifically, the actual achievement of performance targets;

(iv) periodically assess the adequacy and overall consistency of the Remuneration Policy for directors and top management.

During the Financial Year, the Appointments and Remuneration Committee assisted the Board of Directors in defining and implementing short and long-term incentive mechanisms.

During the Financial Year, the Company applied short-term incentive mechanisms based on standardised plans that include ad-hoc performance indicators/parameters defined according to the different organisational level of the beneficiaries.

The short-term incentive mechanism (MBO) defines the scope of subjects identified as beneficiaries, the applicable mechanisms and the relationship between the fixed portion and the variable portion of remuneration according to the organisational level of the beneficiaries.

The elements that characterise short-term variable remuneration were published in the Remuneration Policy, valid for three years.

With regard to long-term variable remuneration, the Shareholders' Meeting of 1 July 2024 approved the adoption of the "Long Term Incentive Plan 2027-2029".

The plan provides for the free grant of option rights exercisable for the subscription or purchase of the Company's ordinary shares, subject to the fulfilment of certain vesting conditions.

The plan is reserved for executive directors, general managers, key management personnel and/or employees with a permanent employment contract with the Company and its subsidiaries pursuant to Article 93 of the Italian Consolidated Law on Finance.

On 4 July 2024, the Board of Directors, subject to the favourable opinion of the Appointments and Remuneration Committee, approved the plan's terms of reference and identified the beneficiaries of the first cycle of the plan. Also in the context of the long-term incentive plan, the identification of the plan beneficiaries focuses on compliance with the Company's sustainability objectives.

With regard to ordinary activities, the Appointments and Remuneration Committee:

- met the Director of the Human Resources Department to verify compliance of the department's work with the regulatory provisions;
- met the Head of the Company's Internal Audit Function to define the mapping of risks associated with the adopted remuneration and grading policies;

– verified the personnel selection procedures, based on the principles and rules of conduct included in the Model.

As a result of the above checks, the committee did not identify any procedural anomalies.

During the Financial Year, the committee expressed a positive opinion on the proposal for the distribution of the compensation approved by the Shareholders' Meeting on 1 July 2024, totalling EUR 135,000, increasing the remuneration allocated to the independent directors for the activity of participating in the committees.

During the Financial Year, the committee also supported the Board in identifying the candidates co-opted at the meetings of 9 June and 12 November 2024.

In addition, during August the committee supported the Board in drafting the policy on quantitative and qualitative criteria for the purpose of assessing independence requirements.

Meetings of the Appointments and Remuneration Committee were coordinated by the committee chair and duly recorded.

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In carrying out its functions, the Appointments and Remuneration Committee had access to the corporate functions and information necessary to perform its tasks and to financial resources, and made use of external consultants, within the terms set by the Board.

8. DIRECTORS' REMUNERATION – REMUNERATION COMMITTEE

8.1 DIRECTORS' REMUNERATION

Remuneration Policy

On 1 July 2024, the Issuer's Shareholders' Meeting approved the Remuneration Policy.

For all information regarding *(i)* the procedure through which the Board of Directors prepared the policy for the remuneration of directors, auditors and top management, *(ii)* the manner in which the policy for the remuneration of directors, auditors and top management defined by the Board is important to the pursuit of the Issuer's sustainable success, and takes into account the need to recruit, retain and motivate persons with the professional skills and qualifications required by the role held in the Issuer, please refer to the Remuneration Policy available on the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Shareholders' Meeting*" section.

Remuneration of executive directors and top management

For information on the remuneration of the Group's executive directors and top management, please refer to the Remuneration Policy available on the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Shareholders' Meeting*" section.

Share-based remuneration plans

On 1 July 2024, the Board of Directors approved a share incentive plan called the "Long Term Incentive Plan 2027-2029", aimed at executive directors, general managers, key management personnel and/or employees with permanent employment contracts of the Company and any of its subsidiaries pursuant to Article 93 of the Italian Consolidated Law on Finance.

For more information on the incentive plan, as well as on the ways in which this plan encourages alignment with the interests of shareholders in the long term, please refer to the document pursuant to Articles 114-*bis* of the Italian Consolidated Law on Finance and 84-*bis* of the CONSOB Issuers' Regulation, as well as the Remuneration Policy, available on the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Shareholders' Meeting*" section.

Remuneration of non-executive directors

For information on the remuneration of non-executive directors, please refer to the Remuneration Policy available on the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Shareholders' Meeting*" section.

Accrual and payment of remuneration

The Board of Directors, through the delegated body, ensures that the remuneration accrued and paid is consistent with the principles defined in the Remuneration Policy, in light of the results achieved and other circumstances relevant to its implementation.

To this end, in line with the Group's growth and development strategies, the short-term quantitative and qualitative objectives to which the variable remuneration component is linked are defined and communicated in advance for each manager. Based on these objectives, the remuneration accrued for each manager is identified and paid.

Access to short-term (MBO) and long-term variable remuneration is linked to the achievement of a prerequisite condition based on financial and operational performance indicators. If this condition is met, the accrual of variable remuneration is linked to the achievement of individual targets, which is verified by assessing job performance during the reference period running from July of each year to June of the following year (12 months). Among the various indicators monitored, there are also parameters related to the improvement of the Company's ESG profile. For more details on this, please refer to the Report on Remuneration Policy and

Remuneration Paid, available at https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Shareholders' Meeting*" section.

Information regarding the integration of sustainability-related performance in incentive schemes can be found in the "Governance Structure" and "Disclosure requirement related to ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes" sections of the Consolidated Sustainability Report.

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Directors' severance pay in the event of resignation, dismissal or termination of office following a public takeover bid (under Article 123-*bis* (1)(i) of the Italian Consolidated Law on Finance)

For information on directors' severance pay in the event of resignation, dismissal or termination of office following a public takeover bid, please refer to the Remuneration Policy available on the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Shareholders' Meeting*" section.

8.2 APPOINTMENTS AND REMUNERATION COMMITTEE

For information on the composition and functioning of the Appointments and Remuneration Committee, as well as the functions it performs, please refer to Section 7.2 of this Report.

9. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM – AUDIT, RISK AND SUSTAINABILITY COMMITTEE

The Internal Control and Risk Management System consists of a set of rules, procedures and organisational structures aimed at the effective and efficient identification, measurement, management and monitoring of the main risks, in order to contribute to the sustainable success of the Issuer.

An effective Internal Control and Risk Management System contributes to ensuring the efficiency and effectiveness of company operations, the reliability of financial information, compliance with laws and regulations, and the protection of company assets in order to strengthen safeguards to protect investors.

On 18 February 2021, the Company's Board of Directors, having heard the opinion of the Board of Statutory Auditors, resolved to approve an Internal Control and Risk Management System. The system is described in a memorandum and provides managers with a sufficiently complete picture of the financial situation of the Company and the Group companies on a regular and timely basis, allowing them to properly *(i)* monitor key performance indicators and risk factors pertaining to the Company and the main Group companies; *(ii)* produce data and information with particular regard to financial information, according to analytical dimensions appropriate to the type of business, organisational complexity and the specific nature of management's information needs; and *(iii)* process forward-looking financial data of the business objectives plan through a variance analysis, both industrial and budgetary, as well as verification of the achievement of business objectives through an analysis of the aforementioned variances.

On 15 November 2021, the Board of Directors, having heard the opinion of the Audit, Risk and Sustainability Committee, appointed the Head of the Internal Audit Function, responsible for verifying that the Internal Control and Risk Management System is functional and adequate, ensuring that they are provided with adequate means to perform their functions, including in terms of the operational structure and internal organisational procedures for access to the information necessary for their role. The Head of the Internal Audit Function was confirmed on 7 November 2023.

The Internal Control and Risk Management System involves, in accordance with reference best practices, and each within their respective areas of responsibility: the Board of Directors, the Chief Executive Officer, the Audit, Risk and Sustainability Committee, the Head of the Internal Audit Function, and the Board of Statutory Auditors.

The Head of the Internal Audit Function reports periodically to the Board of Directors and the Board of Statutory Auditors through the Audit, Risk and Sustainability Committee and submits an annual report to the Board of Directors.

The corporate functions, units, processes and/or sub-processes specified in detail in the "Annual Internal Audit Report" are subject to internal auditing.

The Internal Audit Function is responsible for reporting to the corporate bodies as follows:

(i) every financial year it submits the Audit Plan to be put in place for the performance of its functions;

(ii) it reports promptly if any significant shortcomings are detected;

(iii) it reports to the Audit, Risk and Sustainability Committee every six months on its activities;

(iv) it reports on a quarterly basis on the progress of the Audit Plan and any additional issues that may arise during the financial year;

(v) it annually submits the Annual Internal Audit Report to the Board of Directors.

During the Financial Year, internal audits were conducted using the methods of analysis considered most effective at the time for the purpose of forming an opinion on the suitability of the auditing protocols. In particular, international internal auditing methodologies and reference standards (International Professional

Practice Framework - IPPF) were used, as well as the COSO Internal Control – Integrated Framework (COSO Framework).

During the Financial Year, in cooperation with the Head of the Internal Audit Function, testing activities were carried out on the procedures, conducted by means of statistical sampling, taking into account the frequency of the audits, so as to align them with the activities actually performed and improve the internal control system.

In particular, during the Financial Year, the Head of the Internal Audit Function:

(i) assessed – on an ongoing basis and also in relation to specific requirements and in compliance with international standards – the efficiency and suitability of the Internal Control and Risk Management System by means of an Audit Plan based on a structured process of analysis and prioritisation of the main risks;

(ii) prepared periodic reports containing adequate information on their activities, on the ways in which risks are managed, and on compliance with the plans defined to limit them, and also assessed the adequacy of the Internal Control and Risk Management System, and forwarded them to the Chairs of the Board of Statutory Auditors, the Audit, Risk and Sustainability Committee and the Board of Directors, as well as the CEO (except in cases where the subject of these reports specifically concerned the activities of these parties);

(iii) assessed, in the context of the Audit Plan, the reliability of the information systems including accounting systems.

The roles and responsibilities of the management and control bodies in overseeing the procedures for managing material risks, impacts and opportunities are illustrated in the "Double Materiality Analysis" and "Governance Structure" sections of the Consolidated Sustainability Report.

The responsibilities and capacities of the management and control bodies on sustainability matters or access to such responsibilities and capacities are described in the "Board of Directors" paragraph in the "Governance Structure" section of the Consolidated Sustainability Report.

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Main characteristics of the internal control and risk management systems in relation to the financial reporting process (under Article 123-bis (2)(b) of the Italian Consolidated Law on Finance)

The risk management system should not be considered separately from the internal control system in relation to the financial reporting process; both are in fact elements of the same system (the "**System**").

This System is aimed at ensuring the reliability, accuracy, trustworthiness and timeliness of financial reporting.

During the Financial Year, the Company launched a project aimed at implementing a structured and integrated risk assessment process by defining an Enterprise Risk Management (hereinafter also referred to as "ERM") model in line with the recommendations of the Corporate Governance Code and the reference models and international best practices on risk management (e.g. COSO Framework, COSO ERM WBCSD). This model is aimed at supporting the Company in identifying and assessing the main corporate risks and the methods for managing them, as well as defining the methods of organising the system of safeguards for their containment within acceptable limits.

An integrated and structured risk identification, assessment and classification process will be defined based on the analysis of the objectives of each business process, in line with the structure of the roles and responsibilities defined in terms of internal control and a mapping of the Group's risks, classified by materiality. The system that will be adopted for integrated risk management provides for the periodic performance of the following main activities: validation of the risk governance model, updating of the mapping, identification and assessment of the risks and the safeguards adopted for their containment, assessments relating to the overall risk level, and definition of appropriate monitoring and management strategies.

This analysis, carried out with the support of an external consultant, started from a review of the strategic objectives and then continued through meetings with the company departments/functions in order to define the risk model and risk register, assessing the risks in terms of probability and impact. As of the Report Date, the corporate risk profile was being finalised.

Following its completion, an action plan will then be defined aimed at: *i)* defining the qualitative/quantitative business cases relating to the top risks identified during the definition of the corporate risk profile; and *ii)* collecting the mitigation plans for the implementation of a dashboard for the monitoring of the top risks. Finally, the ERM model will be defined with the aim of: *i)* carrying out an ERM maturity assessment and sharing a multi-year development path for the ERM process; and *ii)* defining an ERM policy.

The main risks thus identified and monitored will be classified into external risks and internal risks, with the latter being subdivided into strategic, operational and financial risks, and any material sustainability risks (so-called ESG risks) being identified.

Based on the analyses performed to date, relating to the verification of the efficiency of the controls, no shortcomings were found that could have a material impact on the correctness of the information in the annual and consolidated financial statements.

The administration, finance and control function includes the administration and finance area, which, in compliance with Article 154-*bis* (4) of the Italian Consolidated Law on Finance, supports the Financial Reporting Manager in supervising and overseeing accounting procedures.

The Issuer has identified the need to undertake a series of initiatives to bring the organisational and governance structure into line with the requirements of applicable laws and regulations, including the Code.

At the operational level, the Company's Internal Audit Function communicates with the directors through:

- periodic reports to the committees to update them on the status of the annual auditing;
- a six-monthly report for audits carried out in the first 6 months;
- an annual report submitted to the Board of Directors in which an opinion is provided on the internal control system, which indicates that based on the results of the activities carried out and following the results obtained on the performance of the annual Audit Plan, the Internal Control and Risk Management System can be considered suitable to cover the identified risk areas and, for the Financial Year, was effective.

From the information obtained from the audit reports prepared by the Internal Audit, Risk Management and 231 Compliance Function relating to 2024, the Financial Reporting Manager did not become aware of any information of particular significance that had not already been considered in the accounting records.

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During the Financial Year, the Board assessed the adequacy of the Internal Control and Risk Management System in relation to the characteristics of the business and risk profile, as well as its effectiveness.

9.1 CHIEF EXECUTIVE OFFICER

The Company's Board of Directors entrusted the Chief Executive Officer with the task of establishing and maintaining the Internal Control and Risk Management System.

The Chief Executive Officer, in accordance with Recommendation 34 of the CG Code, during the Financial Year:

(i) oversaw the identification of the main business risks, taking into account the characteristics of the activities carried out by the Issuer and its subsidiaries, and submitted them periodically to the Board for review;

(ii) implemented the guidelines defined by the Board, looking after the design, implementation and management of the Internal Control and Risk Management System and continuously verifying its adequacy and effectiveness, as well as adapting it to changes in the operating conditions and the legislative and regulatory framework;

(iii) entrusted the Internal Audit Function with the task of carrying out audits on specific operating areas and on compliance with internal rules and procedures in the execution of corporate transactions, at the same time notifying the Chair of the Board, the Chair of the Audit, Risk and Sustainability Committee and the Chair of the Board of Statutory Auditors.

(iv) reported promptly to the Audit, Risk and Sustainability Committee on problems and critical issues that had arisen in the course of its activities or which it had otherwise become aware of, so that the committee could take appropriate action.

9.2 AUDIT, RISK AND SUSTAINABILITY COMMITTEE

Composition and functioning of the Audit, Risk and Sustainability Committee (under Article 123-*bis* (2)(d) of the Italian Consolidated Law on Finance)

The Audit, Risk and Sustainability Committee, as established by the Board of Directors on 3 May 2023 and in office as of the Report Date, consists of three non-executive and independent directors: Antonella Alfonsi (who serves as Chair of the Committee), Laura Angela Tadini and Fulvia Tesio.

On the same date, the Board of Directors resolved to assign the functions of Related Party Transactions Committee to the Audit, Risk and Sustainability Committee, as provided for by CONSOB Communication no. DME/10078683 of 24 September 2010.

The Issuer considers that the composition of the Audit, Risk and Sustainability Committee complies with the provisions of the Code in that *(i)* it is composed of non-executive directors who meet the independence requirements set out in the CG Code, *(ii)* it is chaired by an independent director, *(iii)* in light of the characteristics of its members, the committee as a whole has adequate expertise in the business sector in which the Company operates, important for assessing the relative risks, and *(iv)* the members have adequate knowledge and experience in accounting and financial matters or risk management.

On 25 July 2024, the Board of Directors appointed Antonella Alfonsi as Lead Independent Director.

If, during the term of office, one (or more) of the directors serving on the committee leaves office, the Board of Directors will arrange the replacement of that director; the replacement, thus appointed, will serve until the expiry of the term of office of the entire Board of Directors.

The Chair of the committee – and Lead Independent Director – reports to the Board of Directors at least every six months on the activities carried out by the committee as well as on the adequacy of the Internal Control and Risk Management System.

For more information on the internal functioning of the committee, minutes of meetings and the management of information, please refer to Section 6, “Operation of committees”, of this Report.

During the Financial Year, the Audit, Risk and Sustainability Committee met 6 times – namely on 06 February 2024, 18 March 2024, 15 May 2024, 24 July 2024, 5 September 2024 and 11 November 2024 – with the regular attendance of its members and members of the Board of Statutory Auditors. The average duration of the meetings was 3 hours.

The percentage attendance at these meetings by committee members was as follows: Antonella Alfonsi 100%, Fulvia Tesio 100% and Laura Angela Tadini 66%. The percentage attendance at the meetings by the members of the Board of Statutory Auditors was as follows: Alfredo Pascolin 100%, Felice Simbolo 83% and Barbara Bortolotti 100%.

From the end of the Financial Year to the Report Date, the Audit, Risk and Sustainability Committee met twice, on 5 February 2025 and 10 March 2025, and a further 5 meetings are planned.

In particular, also with reference to the provisions of Recommendation 17 of the Code, during the Financial Year the meetings of the Audit, Risk and Sustainability Committee were held, where necessary for the discussion of the items on the agenda, with the presence, on the invitation of the Chair of the Committee – notifying the Chief Executive Officer –, of the Financial Reporting Manager, of the function managers and of the Head of the Internal Audit Function.

In particular, during the Financial Year, the Audit, Risk and Sustainability Committee had access to the corporate functions and information necessary to perform its duties.

There have been no changes in the composition of the committee since the end of the Financial Year.

For more information, please refer to **Table 3** in the appendix.

Functions assigned to the Audit, Risk and Sustainability Committee

The Audit, Risk and Sustainability Committee was appointed by the Board of Directors to perform the following functions.

In relation to audits and risks, the Committee shall:

(i) support the Board in performing the tasks entrusted to it by the CG Code with regard to internal control and risk management;

(ii) assess – after consulting the Financial Reporting Manager for the preparation of corporate accounting documents, the statutory auditor and the Board of Statutory Auditors – the correct use of accounting principles and, in the case of groups, their consistency for the purpose of drafting the consolidated financial statements;

(iii) assess the suitability of periodic financial and non-financial information to correctly represent the Issuer's business model, strategies, the impact of its activities and the performance achieved;

(iv) evaluate the content of periodic non-financial information relevant to the Internal Control and Risk Management System;

(v) express opinions on specific aspects relating to the identification of the main corporate risks and support the Board's assessments and decisions relating to the management of risks arising from adverse events of which the latter has become aware;

(vi) review periodic and particularly significant reports prepared by the Internal Audit Function;

(vii) monitor the independence, adequacy, effectiveness and efficiency of the Internal Audit Function;

(viii) entrust the Internal Audit Function – where necessary – with the task of carrying out audits on specific operating areas, at the same time notifying the Chair of the Board of Statutory Auditors;

(ix) report to the Board, at least when the annual and half-year financial reports are approved, regarding the activities carried out and the adequacy of the Internal Control and Risk Management System.

With regard to sustainability, the Audit, Risk and Sustainability Committee performs recommendatory and advisory functions in relation to the Board of Directors, in order to encourage the gradual integration of environmental, social and governance factors into the company's operations aimed at creating sustainable value for shareholders and other stakeholders in the medium to long term.

It should be noted that, in light of the Corporate Governance Committee's recommendations, the Chair of the Board of Directors recognised the importance of the issue of sustainability and the opportunity for the Chief Executive Officer to be supported in ESG activities by a sustainability team composed of the corporate functions most involved in activities with a strong environmental, social and governance impact, namely: *(i)*

Human Resources, *(ii)* Technical-R&D Department, *(iii)* Site Services, *(iv)* Investor Relations, *(v)* Quality, and *(vi)* Management Control. To this end, during the meeting of 15 March 2023, the Board of Directors agreed to establish a sustainability team, comprising the corporate functions listed above, and on the same date agreed to appoint Simona Del Re as ESG Manager, with the function of coordinating the team's activities. On 28 February 2025, the Board of Directors approved the ESG reporting procedure, which provides for the specific activities of the ESG Director aimed at supporting the company in the preparation of its Consolidated Sustainability Report. As of Report Date, the ESG Director role is held by Enrico Filippi.

The Audit, Risk and Sustainability Committee was also assigned the function of Related Party Transactions Committee, qualified to express an opinion on related party transactions pursuant to the RPT Procedure and the CONSOB Regulation on Related Party Transactions. For information on the Procedure, please refer to the text of the Procedure available on the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Documents, Policies and Procedures*" section.

During the Financial Year, the Audit, Risk and Sustainability Committee carried out monitoring activities related to the Internal Control and Risk Management System, meeting with the managers of the Refit company departments for software management, Industrial Process, Investor Relator & ESG Director and Legal & Corporate Governance to review the internal processes, dedicated structures, and operations of the departments and to acquire their reference procedures. The committee:

- was regularly updated on the targets achieved in 2024 in relation to the sustainability plan – as defined in the Consolidated Non-Financial Statement for the financial year 2023 – with reference to environmental, social and governance aspects, and noted that the Company used a consultant (KPMG S.p.A.) for support in the preparation of the Consolidated Sustainability Report;
- met with the Head of the Company's Human Resources Department, sharing progress on the drafting of the MBO plan and the definition of ESG objectives;
- noted the achievement of ISO 14001 certification of the Environmental Management System;
- was kept informed of the activities carried out for the process of obtaining the STAR classification for the Company's ordinary shares**;**
- met with the Auditing Firm for an update on the activities carried out by the latter in relation to the financial statements and on the main contents of the Audit Plan;
- noted that the Company initiated the Enterprise Risk Management (ERM) project which was entrusted to an external consultant;
- monitored the autonomy, adequacy, effectiveness and efficiency of the Internal Audit Function, meeting with the Head of the function at all meetings, who reported on the development of the Audit Plan and the monitoring conducted and shared the annual and half-year reports on the activities carried out;
- periodically met with the Chief Financial Officer and the Financial Reporting Manager for the preparation of corporate accounting documents to share periodic results and verify the procedures followed, positively assessing the correct use of accounting principles and their consistency for the purposes of drafting the consolidated financial statements. The CFO informed the committee about any pending litigation and potential litigation risks of the Company, as well as the organisational changes that occurred during the year.

The committee did not hold any meetings during the Financial Year as the Related Party Transactions Committee, but received adequate information from the Chief Financial Officer on low-value transactions and exempt transactions concluded during 2024.

The meetings of the Audit, Risk and Sustainability Committee were coordinated by the chair of the committee and Lead Independent Director, and were duly recorded.

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In carrying out its functions, the Audit, Risk and Sustainability Committee had access to the corporate functions and information necessary to perform its tasks and to financial resources, and made use of external consultants, within the terms set by the Board.

9.3 HEAD OF THE INTERNAL AUDIT FUNCTION

In compliance with the provisions of Recommendation 33 of the Code, on 15 November 2021, the Board of Directors appointed – after hearing the opinion of the Audit, Risk and Sustainability Committee – Umberto Cappetti as the Company's Head of the Internal Audit Function. On 7 November 2023, Umberto Cappetti was confirmed in the role of Head of the Internal Audit Function.

Umberto Cappetti is an external party to the Issuer and possesses adequate requirements of professionalism, independence and organisation.

In addition, Umberto Cappetti has adequate resources to fulfil the assigned tasks.

The Board also defined the remuneration of the Head of the Internal Audit Function in a manner consistent with its corporate policies.

During the Financial Year, the Board approved the work plan prepared by the Head of the Internal Audit Function, in consultation with the Board of Statutory Auditors and the Chief Executive Officer.

The purpose of the auditing was to verify formal and procedural compliance with the procedures in force and to examine the overall process of control, management and monitoring of the risks to which the Company is exposed.

The objective of the auditing was to ascertain the correct application of company procedures, proposing possible corrective actions and verifying their implementation.

In addition, procedures were put in place to identify any areas where a strengthening of the internal control system was necessary and to foster the improvement of the company's organisational processes.

The audits were carried out using the analytical methodologies deemed most effective on a case-by-case basis for the purpose of forming an opinion on the adequacy of the auditing protocols. In particular, international internal auditing methodologies and reference standards (International Professional Practice Framework - IPPF) were used, as well as the COSO Internal Control – Integrated Framework (COSO Framework). These activities were also carried out by means of statistical sampling, taking into account the frequency of the audits.

In particular, during the Financial Year, the Head of the Internal Audit Function:

(i) assessed – on an ongoing basis and also in relation to specific requirements and in compliance with international standards – the efficiency and suitability of the Internal Control and Risk Management System by means of an Audit Plan based on a structured process of analysis and prioritisation of the main risks;

(ii) prepared periodic reports containing adequate information on their activities, on the ways in which risks are managed, and on compliance with the plans defined to limit them, and also assessed the adequacy of the Internal Control and Risk Management System, and forwarded them to the Chairs of the Board of Statutory Auditors, the Audit, Risk and Sustainability Committee and the Board of Directors, as well as the CEO (except in cases where the subject of these reports specifically concerned the activities of these parties);

(iii) assessed, in the context of the Audit Plan, the reliability of the information systems including accounting systems.

The Head of the Internal Audit Function had access to all information relevant to the performance of the assigned role and related activities.

9.4 ORGANISATIONAL MODEL PURSUANT TO ITALIAN LEGISLATIVE DECREE 231

In 2012, the Company adopted an organisational, management and control model for the prevention of offences pursuant to Decree 231, subsequently updated in 2015, in 2020 and in 2022, in order to incorporate any regulatory and organisational changes that had taken place since that time.

The Model consists of the following sections: general part, special part and risk assessment; code of ethics, group disciplinary system, whistleblowing procedure; contractual clauses, and compliance evidence sheet.

The Model requires appropriate policies and measures to ensure that activities are carried out in compliance with the law and to identify and eliminate risk situations, as well as a prevention system capable of mitigating the risk of offence consistent with the organisational structure and with reference best practices.

For more information, please refer to the text of the Model available on the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Documents, Policies and Procedures*" section.

The Issuer adheres to the Code of Ethics adopted by GC Holding S.p.A., which is an integral part of the Model and defines the ethical principles and rules of conduct for shareholders, members of corporate bodies, employees and other recipients, contributing to the establishment of a control framework that ensures that the Issuer's activities are always inspired by the principles of fairness and transparency and reducing the risk of the commission of the offences set out in Decree 231. The Issuer pursues its objectives through corporate actions conducted in compliance with legal requirements and fundamental human rights, guided by clear and transparent rules, and in harmony with the external environment and the goals of the community in which it operates. The adopted Code of Ethics defines the principles of loyalty and integrity, which all employees and collaborators are required to follow. In addition, all Group companies are is committed to promoting respect for the physical, moral and cultural integrity of individuals, ensuring personal dignity and safe working environments, and rejecting all forms of discrimination in the workplace based on gender, race, language, religion, political opinions, trade union membership, or social and personal status. The Issuer does not pursue political influence or engage in lobbying. For more information, please refer to Code of Ethics available on the Issuer's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Documents, Policies and Procedures*" section.

On 28 February 2025, the Issuer appointed the Supervisory Board, pursuant to Article 6 of Italian Legislative Decree 231, assigning it the tasks specified in the Model (which states that the Supervisory Board has autonomous powers of initiative and control). As of the Report Date, the Supervisory Board is composed of Annalisa De Vivo and Carlo De Luca. The composition of the Supervisory Board, on the one hand, ensures the correct performance of the activities and powers assigned to it by the applicable regulations and, on the other hand, allows the Company to optimize the use of resources and the correct allocation of overhead costs. Moreover, the internal organisation of the Company allows the corporate bodies to support the Supervisory Board in the mapping of risks and in the control and audit function. For these reasons, together with the continuous sharing between the internal structure and the management and control bodies, the Board considered that it was not essential to include a member of the management and control bodies among the members of the Supervisory Board.

The Supervisory Board is entrusted with the task of supervising the operation of and compliance with the Model, assessing its adequacy, informing the Board of Directors of any necessary updates to the Model and monitoring its implementation and updating. In addition, the Supervisory Board is responsible for promoting and monitoring training activities under Decree 231, obtaining approval for the Internal Audit Plan, reviewing reports in accordance with the Model's provisions, and managing the information flows received.

In order to regulate the activities related to these tasks, the Supervisory Board has had its own regulations since 2016 (last updated on 27 May 2019).

The Supervisory Board must periodically meet and report to the Board of Directors, with particular reference to information on the breach of the provisions of the Model and any anomalies or unusual situations encountered. In addition, the Supervisory Board must submit to the Board of Directors the documents that the Board is required to review under the relevant corporate procedures. In fact, the general part of the Model specifies that information that may be relevant to potential breaches of the Model and information relating to the Company's activities which may be relevant to the performance by the Supervisory Board of its assigned tasks, must be sent to the Supervisory Board.

Information about the company's business ethics and culture, management of relationships with suppliers, activities and commitments related to the exercise of its political influence are contained in the "Governance Information" section of the Consolidated Sustainability Report.

During the Financial Year, the Supervisory Board met eight times – namely on 11 January 2024, 25 January 2024, 29 March 2024, 8 July 2024, 19 July 2024, 5 September 2024, 24 October 2024 and 16 December 2024 – as well as carrying out specific auditing and monitoring activities in accordance with the annual work plan.

9.5 AUDITING FIRM

The firm mandated to carry out the statutory audit and, pursuant to the provisions of Article 18 of Italian Legislative Decree 125/2024, to certify compliance with the Issuer's sustainability report, is BDO Italia S.p.A., with registered office at Viale Abruzzi 94, Milan, Italy, registered in the Register of Companies of Milan, Monza Brianza and Lodi, registration number, tax code and VAT number 07722780967, registered in the Register of Statutory Auditors with No. 167991 pursuant to Articles 6 et seq. of Italian Legislative Decree 39/2010, as amended by Italian Legislative Decree no. 135 of 17 July 2016.

On 18 February 2021 – upon the reasoned proposal of the Board of Statutory Auditors – the Issuer's Ordinary Shareholders' Meeting assigned the Auditing Firm the task of performing the statutory audit of the accounts for the financial years 2021-2029 (including verification of the proper keeping of accounting records, as well as the accurate recording of management events in the accounting records) in relation to the Issuer's individual financial statements, replacing the assignment entrusted to the same Auditing Firm on 13 April 2018. In addition, the Issuer's Ordinary Shareholders' Meeting appointed the Auditing Firm to audit the Issuer's half-year financial report for the six-month period ended 30 June of the financial years 2021-2029.

With a proposal dated 10 March 2022, the mandate was supplemented by appointing the Auditing Firm to audit the Group's consolidated financial statements for the financial years 2021-2029.

On 18 September 2024, BDO Italia S.p.A. was also appointed to perform limited assurance on the consolidated non-financial statement relating to the Financial Year. Pursuant to Article 18 of Italian Legislative Decree 125/2024, the mandates on the compliance of the non-financial statement, conferred under Article 3(10) of Italian Legislative Decree 254/2016 to the entities referred to in Article 17(1)(a) of the decree, shall remain valid until the agreed deadline for the attestation of compliance of the Sustainability Report.

On 28 February 2024, the Board of Directors resolved to approve a reporting procedure for non-financial information in order to align with the recommendations of the auditing firm BDO Italia S.p.A., as per the letter relating to the non-financial statement.

9.6 FINANCIAL REPORTING MANAGER AND OTHER COMPANY ROLES AND FUNCTIONS

Pursuant to Article 19 of the Articles of Association, "*where required by law, the Board of Directors – subject to the mandatory opinion of the Board of Statutory Auditors – shall appoint a Financial Reporting Manager responsible for drafting corporate accounting documents and fulfilling the duties provided for by applicable laws and regulations. The chosen person must have at least three years' experience in accounting or governance with a listed company or a company with a share capital of no less than EUR 1 million*".

In this regard, it should be noted that on 18 February 2021, the Issuer's Board of Directors, after hearing the opinion of the Board of Statutory Auditors, appointed Marco Carniani as Financial Reporting Manager responsible for drafting accounting documents pursuant to Article 154-*bis* of the Italian Consolidated Law on Finance. In particular, the Issuer believes that, in accordance with the provisions of the Articles of Association, the Financial Reporting Manager must have at least three years' experience in accounting or governance matters in a company with listed shares or in any case with a share capital of not less than EUR 1 million.

On 12 November 2024, the Board appointed Marco Carniani as the manager responsible for certifying the Consolidated Sustainability Report.

During his professional career, Marco Carniani has gained significant experience in auditing and corporate finance with leading international advisory firms. In particular, from 2006 to 2009, he held the position of auditor and, subsequently, senior auditor, at Deloitte and Touche S.p.A. and, between 2009 and 2014, he held the position of manager at BDO Italia S.p.A.

Since 3 March 2023, Marco Carniani has been Deputy Chair of the TISG Board of Directors.

Pursuant to Article 154-*bis* of the Italian Consolidated Law on Finance, the Financial Reporting Manager:

(i) prepares written accompanying statements for the documents and communications disclosed by the Company to the market, pertaining to accounting information, including interim reports;

(ii) establishes suitable administrative and accounting procedures for drafting the financial statements and consolidated financial statements, and any other communications of a financial nature;

(iii) together with the Chief Executive Officer, certifies in an appropriate report regarding the annual financial statements, the condensed interim financial statements and the consolidated financial statements *(a)* the adequacy and effective application of the administrative and accounting procedures for the preparation of the financial statements and consolidated financial statements; *(b)* that the documents are drafted in compliance with the applicable international accounting standards recognised in the European Community pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002; *(c)* that the documents correspond to the results in the books and accounting records; *(d)* the suitability of the documents to provide a true and fair representation of the financial position and performance of the Company and of the group of companies included in the consolidation; *(e)* for the annual financial statements and consolidated financial statements, that the management report includes a reliable analysis of performance and operating results, as well as the situation of the Issuer and of the group of companies included in the consolidation, together with a description of the main risks and uncertainties to which they are exposed; and *(f)* for the consolidated interim financial statements, that the interim management report contains a reliable analysis of the information referred to in Article 154-*ter* (4) of the Italian Consolidated Law on Finance.

The Board granted the Financial Reporting Manager all the powers and means necessary for the performance of the assigned tasks under the laws and regulations in force, including:

(i) free access to any information deemed relevant for the performance of the duties, both within the Company and within the Group companies;

(ii) the power to communicate with the management and control bodies of the Company and its subsidiaries;

(iii) the power to approve corporate procedures having an impact on the Company's financial statements, consolidated financial statements or other documents requiring certification;

(iv) participation in the design of information systems that impact the Company's financial position and performance; and

(v) the ability to use the information systems.

Subsequently, on 12 July 2021, the Audit, Risk and Sustainability Committee issued its favourable opinion.

Please note that on 31 January 2022, the Company's Board of Directors resolved to appoint Marco Carniani as Chief Financial Officer of the Company, subject to the positive opinion of the Appointments and Remuneration Committee.

9.7 COORDINATION BETWEEN THE PARTIES INVOLVED IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Board of Directors facilitates and monitors coordination between all parties involved in the Issuer's Internal Control and Risk Management system. This coordination is carried out in a timely manner and in accordance with the rules and regulations in force as well as best practices for listed companies.

As described in detail in the Sections dedicated to each of the figures involved in the Company's Internal Control and Risk Management System, to which reference is expressly made, the activities of each figure are characterised by full cooperation in the exchange of information, in order to optimise and implement the overall efficiency of the system, reduce duplication of activities and ensure the effective performance of the Board of Statutory Auditors' tasks. More specifically:

(i) the Chief Executive Officer promptly reports to the Audit, Risk and Sustainability Committee any problems and critical issues that have arisen in the performance of the activities or which the CEO has otherwise become aware of, so that the committee can take appropriate action;

(ii) the Audit, Risk and Sustainability Committee reports to the Board on its activities as well as on the adequacy of the Internal Control and Risk Management System;

(iii) the Head of the Internal Audit Function periodically reports on the relevant activities, on the ways in which risk management is conducted and on compliance with the plans defined for risk containment, as well as on the suitability of the Internal Control and Risk Management System, to the Chairs of the Board of Statutory Auditors, the Audit, Risk and Sustainability Committee and the Board of Directors, as well as to the Chief Executive Officer;

(iv) the Board of Statutory Auditors maintains regular communication flows with the Board of Directors and the Audit, Risk and Sustainability Committee. In particular, consistent with the provisions of Recommendation 37 of the CG Code, the Board of Statutory Auditors and the Audit, Risk and Sustainability Committee exchange information relevant to the performance of their respective tasks in a timely manner, and at least one member of the Board of Statutory Auditors attends the meetings of the Audit, Risk and Sustainability Committee; and

(v) when invited, the Auditing Firm attends meetings of the Audit, Risk and Sustainability Committee.

10. INTERESTS OF DIRECTORS AND RELATED PARTY TRANSACTIONS

On 18 February 2021, as subsequently amended on 28 April 2021 and 21 May 2021, the Issuer's Board of Directors approved the RPT Procedure, which governs related party transactions in accordance with the CONSOB Regulation on Related Party Transactions.

The RPT Procedure establishes the rules to which the Company must adhere in order to ensure the transparency and substantive and procedural fairness of related-party transactions carried out directly or through any subsidiaries.

The full text of the RPT Procedure is available on the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Documents, Policies and Procedures*" section.

On 18 February 2021, the Board of Directors resolved to assign the functions of the Related Party Transactions Committee to the Audit, Risk and Sustainability Committee, as provided for by CONSOB Communication no. DME/10078683 of 24 September 2010. More information on this can be found in Section 9.2 of this Report.

On 7 November 2023, the Board of Directors approved the conflict of interest management policy to facilitate the identification of, and adequately manage, situations in which a director has an interest on their own behalf or on behalf of third parties.

11. BOARD OF STATUTORY AUDITORS

11.1 APPOINTMENT AND REPLACEMENT

Pursuant to Article 21 of the Articles of Association, the Board of Statutory Auditors consists of three standing auditors and two alternate auditors appointed by the Shareholders' Meeting based on the lists submitted by the Shareholders.

Only Shareholders who, individually or jointly with others, hold voting shares representing at least the percentage required under the regulations in force for the submission of lists of candidates for the election of the Company's Board of Directors are entitled to submit lists[10]. Ownership of the minimum stake must be proven by appropriate certificates that must be produced, if not available on the day on which the lists are filed, within the deadline set out by the regulations in force for the publication of the lists by the Company.

The lists are submitted to the Company's registered office in accordance with the procedures and deadlines set out in the applicable regulations. In addition, the lists must be made available to the public by the Company in accordance with the procedures and deadlines set out in the applicable regulations.

Candidates are listed according to a sequential number. Every list consists of two sections: one for candidates for the role of standing auditor and the other for candidates for the role of alternate auditor. Lists with a number of candidates equal to or greater than three must comprise candidates belonging to both genders, in accordance with any legal provisions in force or codes of conduct drafted by companies managing regulated markets to which the Company adheres.

Persons who do not hold more positions than those permitted by the applicable regulations and who meet the requirements of integrity, professionalism and independence established by Italian Decree No. 162 of 30 March 2000 and, in any case, by any legislative or regulatory provision in force from time to time can be candidates.

Each Shareholder, as well as Shareholders, connected by control or affiliation relationships pursuant to the Italian Civil Code or who are party to a shareholders' agreement under Article 122 of the Italian Consolidated Law on Finance concerning Company shares, cannot submit or vote for more than one list, either directly or through a proxy or trust company.

Each candidate can appear on only one list, under penalty of ineligibility.

If, by the deadline for the submission of lists, only one list has been submitted, or if only lists submitted by shareholders who are connected to each other pursuant to applicable laws and regulations have been submitted, it will be possible to submit additional lists up to the subsequent deadline established by the applicable regulations. In this case, the percentage shareholding in the Company's capital required for the submission of lists under this provision of the Articles of Association is reduced by half.

The lists must also be accompanied by: *(i)* information on the identity of the shareholders submitting the lists, with an indication of the percentage of the overall stake held; *(ii)* a declaration by the shareholders other than those who hold, even jointly, a controlling or relative majority interest, certifying the absence of any relationship of connection with the latter envisaged by current regulations; *(iii)* exhaustive information on the personal and professional characteristics of the candidates and declarations through which the individual candidates accept their candidacy and certify, under their own responsibility, that they meet the requirements of the law and the Articles of Association for their respective positions; *(iv)* a list of management and control positions held by the candidates in other companies with the commitment to update this list on the date of the Shareholders' Meeting; and *(v)* any other document or information required by law.

Statutory auditors shall be elected as follows:

[10] Which, pursuant to Article 144-*quater* of the Issuers' Regulation, is equal to 2.5% of the Company's share capital.

(i) two standing auditors and one alternate auditor shall be drawn from the list that received the highest number of votes at the Shareholders' Meeting, based on the sequential order in which they are listed in the sections of the list;

(ii) the third standing auditor – who will hold the position of Chair of the Board of Statutory Auditors – and the second alternate auditor will be selected, in the order in which they are listed in the relevant sections, from the list that obtained the second highest number of votes at the Shareholders' Meeting and that is not associated in any way, not even indirectly, in accordance with the laws and regulations in force at the time, with those who submitted or voted for the list referred to in the previous point *(i)*.

In the event of a tie between multiple lists, a new vote will be held by the Shareholders' Meeting, and the candidates obtaining a simple majority of the votes will be elected.

If, as a result of the application of the list voting mechanism indicated above, the composition of the Board of Statutory Auditors does not comply with the regulations on gender balance, the Shareholders' Meeting will appoint auditors with the necessary requirements to replace the candidates lacking such requirements from the same list as the candidates to be replaced.

In the event that only one list is submitted, the auditors will be drawn from the list submitted with the statutory majorities.

All auditors must be registered in the Register of Statutory Auditors, must meet all additional requirements under current laws and regulations, and must have performed the role of statutory audit for a period of no less than three years.

The auditors shall remain in office for three financial years and can be re-elected.

Without prejudice to compliance with the legal and regulatory provisions in force from time to time on gender equality, if, for any reason, an auditor ceases to hold office, that auditor will be replaced by the alternate auditor belonging to the same list as the outgoing one. If, for any reason, it is not possible to proceed as indicated above, a Shareholders' Meeting must be called to appoint additional members to the Board of Statutory Auditors in accordance with ordinary procedures and majorities, without applying the list voting mechanism, while ensuring compliance with the applicable legal and regulatory provisions in force from time to time regarding gender balance. In such cases, the Shareholders' Meeting shall act in accordance with the principle of ensuring minority representation.

If the chair is replaced, this position will be taken over by the auditor replacing the Chair. It is understood that the chair of the Board of Statutory Auditors will be the auditor drawn from the list that came second by number of votes.

11.2 COMPOSITION AND FUNCTIONING (under Article 123-*bis* (2)(d) and d-*bis*) of the Italian Consolidated Law on Finance)

The Issuer's Board of Statutory Auditors in office as of the Report Date was appointed by the Shareholders' Meeting of 27 April 2023 and will remain in office for three financial years, until the approval of the financial statements for the year ended 31 December 2025.

The Board of Statutory Auditors was appointed by applying the list voting mechanism provided for in the Articles of Association. In particular, of the five members of the Board of Statutory Auditors:

(i) two standing members and one alternate member were taken from the list submitted by GC Holding S.p.A.[11] ("**BoSA List 1**"), which as of the date of submission of the list held 33,222,000 ordinary shares of the Company, equal to 62.68% of the share capital – first in terms of number of votes[12];

11. Consisting of: Felice Simbolo (standing auditor), Mauro Borghesi (standing auditor), Barbara Bortolotti (standing auditor), Anna Lisa Naldi (alternate auditor), and Roberto Scialdone (alternate auditor).
12. The list obtained 41,691,700 votes in favour, representing 92.210% of the voting participants.

(ii) one standing auditor, who assumed the position of chair of the Board of Statutory Auditors, and one alternate auditor were taken from the list submitted by the shareholders Arca Fondi Sgr S.p.A. (fund manager: Fondo Arca Economia Reale Equity Italia, Fondo Arca Economia Reale Opportunità Italia and Fondo Arca Azioni Italia) and BancoPosta Fondi S.p.A. SGR (manager of the Bancoposta Rinascimento fund), Eurizon Capital SGR S.p.A. (manager of the Eurizon Pir Italia-Eltif fund) and Mediolanum Gestione Fondi Sgr S.p.A. (manager of the Mediolanum Flessibile Futuro Italia and Mediolanum Flessibile Sviluppo Italia funds)[13] ("**BoSA List 2**"), together holding, as of the date of submission of the list, 1,458,729 ordinary shares of the Company, equal to 2.75232% of the share capital – second by number of votes[14].

In light of this shareholders' resolution, the composition of the Company's Board of Statutory Auditors as of the Report Date is as follows:

Name and surname	**Office**	**List**
Alfredo Pascolin	Chair	BoSA List 2
Felice Simbolo	Standing Auditor	BoSA List 1
Barbara Bortolotti	Standing Auditor	BoSA List 1
Roberto Scialdone	Alternate Auditor	BoSA List 1
Sofia Rampolla	Alternate Auditor	BoSA List 2

All members of the Board of Statutory Auditors meet the independence requirements of Article 148(3) of the Italian Consolidated Law on Finance and Article 2 of the CG Code. The statement made by the members of the Board of Statutory Auditors regarding the fulfilment of independence requirements was verified by the Board of Directors on 26 May 2023. In addition, all auditors meet the requirements of professionalism and integrity required by Article 148 of the Italian Consolidated Law on Finance and the Regulation adopted by Ministry of Justice Decree No. 162/2000.

Below is a brief CV of the members if the Board of Statutory Auditors, outlining their skills and experience in business management.

Alfredo Pascolin, born on 13 October 1967 in Palmanova, Italy, an expert in commercial law at the Faculty of Law of the University of Trieste, exercising the profession of chartered accountant and statutory auditor. He is Chair of the Association of Chartered Accountants of Gorizia and holds the position of statutory auditor and member of the board of statutory auditors and supervisory board in several companies. He has also served as a member of the Board of Directors and liquidator, negotiated settlement expert, certifier, and insolvency practitioner.

Felice Simbolo, born in Naples, Italy on 7 March 1963. He graduated in Economics and Business in 1989. During his career, he has worked as an auditor, chair of the board of statutory auditors and auditor of numerous corporations and entities. Felice Simbolo has also served as chair of the board and director in corporations and is a founding partner of FMG & partners corporate advisors S.r.l. He served as a director of the Issuer from 2012 to 2017 and was Chair of the Issuer's Board of Statutory Auditors from 2020 to 2023.

Barbara Bortolotti, born in Rome, Italy on 6 June 1972. She holds a degree in Economics and Business from La Sapienza University in Rome and is a qualified chartered accountant and statutory auditor. Barbara Bortolotti is a member of boards of statutory auditors of various corporations, as well as liquidator in several limited liability cooperative companies in compulsory liquidation and winding-up procedures pursuant to Article 2545 *septiesdeces* of the Italian Civil Code. She also advises on financial statements, accounting and tax matters in real estate management companies and companies operating in other sectors; voluntary and statutory business valuations and branch valuations; management of tax litigation before tax commissions and

13. Consisting of Alfredo Pascolin (statutory auditor) and Sofia Rampolla (alternate auditor).
14 The list obtained 3,321,991 votes in favour, representing 7.347% of the voting participants.

financial offices; and business crisis management (preparation of certified plans pursuant to Articles 160 et seq. of Italian Royal Decree 267/1942).

Roberto Scialdone, born on 3 September 1962 in Capua, Italy. Roberto Scialdone holds a degree in Economics and Business from the University of Florence and is a qualified chartered accountant and statutory auditor. He is a member of several boards of statutory auditors, chair of the board of statutory auditors of two joint-stock companies and performs statutory audits for several companies.

Sofia Rampolla, born on 24 September 1961 in Palermo, Italy. Sofia Rampolla holds a degree in Economics and Business from the University of Palermo.

For more information on the lists submitted for the appointment of the control body by the Shareholders' Meeting of 27 April 2023, please refer to the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Shareholders' Meeting*" section, where the complete lists submitted by shareholders and the CVs of each statutory and alternate auditor are available.

During the Financial Year, the Board of Statutory Auditors met 13 times, namely on 16 February 2024, 20 March 2024, 21 March 2024, 27 March 2024, 5 April 2024, 15 May 2024, 28 May 2024, 4 June 2024, 9 June 2024, 1 August 2024, 5 September 2024, 20 September 2024, and 12 November 2024; the duration of the meetings was approximately 2 hours and thirty minutes.

The percentage shareholding of each statutory auditor was respectively equal to: Alfredo Pascolin 100%, Felice Simbolo 100%, and Barbara Bortolotti 100%.

It should also be noted that from the end of the Financial Year to the Report Date the Board of Statutory Auditors met twice on 5 February 2025 and 19 March 2025, and at least 5 more meetings are scheduled until the end of the financial year 2025.

Please refer to **Table 4** at the end of this Report for information on the meetings held during the Financial Year.

There have been no changes in the composition of the Board of Statutory Auditors since the end of the Financial Year.

A description of the composition and diversity of the Board of Directors is also provided in the "Governance Section" of the Consolidated Sustainability Report.

The Issuer believes that the composition of the Board of Statutory Auditors is adequate to ensure the independence and professionalism of its function, as it is composed of professionals who are experts in statutory auditing, with experience on the Boards of Statutory Auditors of other companies.

Diversity criteria and policies

Taking into account the structure and size of the Company, the qualitative and quantitative composition of the Board of Statutory Auditors, which ensures sufficient diversity in terms of skills, age, gender and experience, including international, as well as the relative ownership structure and the list voting mechanism provided for in the Articles of Association, which in turn ensures a transparent appointment procedure and a balanced composition of the control body, the Issuer has not deemed it necessary to adopt diversity policies in relation to the composition of the control body with regard to aspects such as age, gender composition and educational and professional background.

In particular, with regard to the composition of the Board of Statutory Auditors, the Company considered the diversity criteria provided for by current legislation and the Code, including those regarding gender.

As of the Report Date, one-third of the standing auditors are members of the least represented gender. Therefore, the current composition of the Board of Statutory Auditors complies with the allocation criterion set out in Article 148 of the Italian Consolidated Law on Finance and the recommendations of the Code.

Independence

On 10 September 2024, the Board of Directors determined the quantitative and qualitative criteria for assessing the significance of relevant circumstances under the CG Code for evaluation of the independence of the directors and auditors. For more information on these criteria, please refer to Section 4.7 of this Report.

At its meeting of 16 May 2023, the Board of Statutory Auditors positively assessed the existence of the independence requirements required by the law and the Italian Corporate Governance Code for the members of the Board of Statutory Auditors. The positive outcome of this assessment was subsequently forwarded to the Board of Directors and disclosed to the market.

The existence of the independence requirements, as established by law and the Code, for the members of the Board of Statutory Auditors was also assessed by the Board of Directors on 21 March 2024 and by the Board of Statutory Auditors itself on 19 March 2025.

In carrying out the above assessment, all information made available by each member of the Board of Statutory Auditors was considered, as provided for in Recommendation 9 of the Code, assessing all circumstances that appear to compromise independence as identified by the Italian Consolidated Law on Finance and the CG Code (Recommendation 6, as referred to in Recommendation 9) and applying all the criteria provided for by the CG Code with reference to the independence of directors (Recommendation 7, as referred to in Recommendation 9).

Remuneration

In accordance with the recommendations of the Code, the remuneration of statutory auditors is appropriate to the competence, professionalism and commitment required by the importance of the role covered and the company's size and sectoral characteristics.

Management of interests

Therefore, an auditor who – independently or on behalf of third parties – has an interest in a specific transaction of the Issuer must promptly and fully inform the other auditors and the Chair of the Board of Directors about the nature, terms, origins and extent of this interest.

In carrying out its activities during the Financial Year, the Board of Statutory Auditors is coordinated with the Internal Audit Function and the Audit, Risk and Sustainability Committee through joint meetings and the exchange of the relevant documentation.

11.3 ROLE

The Board of Statutory Auditors detailed the activities carried out during the Financial Year in the report pursuant to Article 153 of the Italian Consolidated Law on Finance of 5 April 2024.

The report was drafted in compliance with the guidance provided by CONSOB with Communication DAC/RM/97001574 of 20 February 1997 and with Communication DEM/1025564 of 6 April 2001, amended and supplemented by Communications DEM/3021582 of 4 April 2003 and DEM/6031329 of 7 April 2006: the Board reports on its activities separately for each area of supervision, as required by the rules governing its operations.

In particular, the report consists of the following sections:

- the Board of Statutory Auditors;
- self-assessment of the Board of Statutory Auditors;
- supervision of the adequacy of the organisational structure and compliance with sound management principles;
- auditing activities on the annual and consolidated financial statements;

- supervision of the Internal Control and Risk Management System and the administrative and accounting system;
- transactions and events of major economic, financial, and equity significance that occurred in the financial year 2023 or after the year end;
- monitoring of atypical and/or unusual transactions carried out with third parties or intercompany and related party transactions;
- activities carried out by the Board of Statutory Auditors during the financial year 2023 on compliance with laws, regulations and provisions of the Articles of Association – participation in meetings of corporate bodies;
- supervision of the financial reporting process;
- supervision of the non-financial reporting process;
- supervision of the proper implementation of Corporate Governance rules;
- reports and complaints under Article 2408 of the Italian Civil Code. Any omissions, disputable facts or irregularities noted;
- remuneration of directors, the general manager and key management personnel;
- additional opinions expressed by the Board of Statutory Auditors;
- supervision pursuant to Italian Legislative Decree No. 39/2010 – verification of the independence of the Auditing Firm;
- meetings of the Board of Statutory Auditors, the Board of Directors and the board committees;
- conclusions.

12. RELATIONS WITH SHAREHOLDERS AND OTHER SIGNIFICANT STAKEHOLDERS

Access to information

The Issuer has established a special section on its website that is easily identifiable and accessible, in which information concerning the Issuer that is relevant to its Shareholders is made available, in order to enable the latter to exercise their rights in an informed manner, and for other relevant stakeholders.

In particular, all press releases issued to the market and – following their approval by the competent corporate bodies – the Issuer's full periodic financial documents are accessible and available for consultation on the Issuer's website. The main documents relating to governance of the Group are also available on the Company's website.

In addition, on 3 May 2024, the Issuer's Board of Directors appointed Simona Del Re as the person in charge of relations with shareholders and institutional investors (Investor Relator). Subsequently, on 28 February 2025, after discussions by the Appointments and Remuneration Committee during the meeting of 5 November 2024, this role was entrusted to Enrico Filippi. The Issuer has also set up an ad-hoc corporate structure to facilitate dialogue with shareholders and the timely and adequate provision of information concerning the Issuer.

Dialogue with shareholders and other significant stakeholders

The Issuer, on the recommendation of the Chair formulated in agreement with the Chief Executive Officer, also taking into account the engagement policies adopted by institutional investors and asset managers, has adopted the Shareholder Engagement Policy, approved by the Board of Directors on 24 January 2023 and available on the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Documents, Policies and Procedures*" section.

This policy was prepared in line with the principles of fairness and transparency and ensures that the dialogue with TISG Shareholders is conducted in compliance with EU regulations on market abuse, as well as in line with international best practices.

The function responsible for dialogue with the financial community is the "Investor Relations Office", which has set up a series of channels for sharing information with the aim of facilitating the effectiveness of dialogue with institutional investors and shareholders in general, through the organisation of meetings, conference calls, site visits and roadshows.

The function also has access to the aforementioned dedicated website (https://investor.theitalianseagroup.com/), which brings together the documents and information considered to be of most interest, which can be consulted in both Italian and English.

In addition to the above, the Investor Relations Office organises additional meetings with shareholders, in person or by conference call – one-to-one or group-based – when requested by the aforementioned parties.

During the last financial year, there were no requests made by investors for direct dialogue with the Company that have therefore required the involvement of the Chair or the Board of Directors.

The TISG Shareholders' Meeting, described in the next section, is also an important opportunity for discussion between the shareholders and the directors.

The ways in which the interests and views of stakeholders are taken into account in the strategy and business model, as well as the involvement of stakeholders, and the Company's understanding of the interests and views of key stakeholders are set out in the "Own workforce"/"Interests and views of stakeholders" paragraph in the "Social Information" section and the "Strategy, Business Model and Value Chain" section of the Consolidated Sustainability Report.

13. SHAREHOLDERS' MEETINGS (under Article 123-*bis* (1)(l) and (2)(c) of the Italian Consolidated Law on Finance)

Call of Shareholders' Meetings

The duly constituted Shareholders' Meeting represents all Shareholders, and its resolutions, adopted in accordance with the law and the Articles of Association, are binding on all shareholders. The Shareholders' Meeting may be ordinary or extraordinary and addresses matters in accordance with the law.

Pursuant to Article 9 of the Articles of Association, an Ordinary Shareholders' Meeting must be called at least once a year, within one hundred and twenty days of the end of the financial year, or within one hundred and eighty days if the Company is required to prepare consolidated financial statements or when special needs relating to the structure and purpose of the Company so require, without prejudice to the provisions of Article 154-*ter* of the Italian Consolidated Law on Finance.

The Shareholders' Meeting may be called at a location other than the registered office, as long as it is within the national territory.

The Shareholders' Meeting is called by the directors by means of a notice containing the date, time and place of the meeting and the matters to be discussed, as well as any additional information required under the law, including the regulations in force at the time. The notice is published on the Company's website and in the additional ways and under the terms established by the laws and regulations in force from time to time.

Pursuant to Article 126-*bis* of the Italian Consolidated Law on Finance, Shareholders who, including jointly, represent at least one fortieth of the share capital, may request – with the exception of items whose proposal is the responsibility of the Board or based on a draft or a report prepared by them – within ten days of the publication of the notice of meeting, or within five days in the case of a call pursuant to Article 125-*bis* (3) of the Italian Consolidated Law on Finance or Article 104(2) of the Italian Consolidated Law on Finance, additions to the list of items to be discussed, indicating the proposed items in the request, or to submit resolution proposals on items already on the agenda. Shareholders who request integrations to the agenda must prepare a report outlining the rationale for the proposed resolutions on the new items or for the additional resolutions related to items already on the agenda. This report must be submitted to the Board of Directors by the deadline for submitting such requests.

Furthermore, pursuant to Article 127-*ter* of the Italian Consolidated Law on Finance, Shareholders may ask questions on the items on the agenda before the Shareholders' Meeting. Responses to any questions received before the Shareholders' Meeting will be provided at the latest during the meeting. The Company reserves the right to provide a single answer to questions with the same content. The notice of call indicates the deadline by which the questions asked prior to the Shareholders' Meeting must be received by the Company, which may not be earlier than 5 (five) trading days prior to the date of the Shareholders' Meeting – first call or single call – or the date indicated in Article 83-*sexies* (2) of the Italian Consolidated Law on Finance (i.e. the end of the accounting day of the seventh trading day prior to the date of the Shareholders' Meeting) if the notice of meeting requires the Company, prior to the Shareholders' Meeting, to respond to the questions received. In this case, the responses are provided at least two days before the Shareholders' Meeting, also being published in a special section of the Company's website.

The Ordinary and Extraordinary Shareholders' Meetings are held in a single call. In any case, the Board of Directors may also call the Shareholders' Meeting on second and third call in accordance with current legislation, indicating the date, time and place in the notice of meeting.

In any case, the Shareholders' Meeting is considered duly convened if the entire share capital is represented and the majority of the directors and standing auditors of the Board of Statutory Auditors in office attend the Shareholders' Meeting, in accordance with Article 2366 of the Italian Civil Code.

Attendance of the Shareholders' Meeting

Anyone with the right to vote is entitled to attend the Shareholders' Meeting.

The right to attend the Shareholders' Meetings and exercise voting rights is confirmed by a notification to the Company issued by the authorised intermediary in accordance with the law, based on the evidence of its accounting records at the end of the accounting day of the seventh trading day prior to the date set for the Shareholders' Meeting on single call, and received by the Company within the statutory deadlines.

It is the responsibility of the chair of the Shareholders' Meeting, who may rely on appointed officials, to verify the right to attend the Shareholders' Meeting and to resolve any disputes that may arise.

Those entitled to vote at the Shareholders' Meeting may be represented by proxy in accordance with the law. The proxy may be notified to the Company by certified e-mail in compliance with the applicable provisions in force from time to time.

Pursuant to the Articles of Association, the Company may designate for each Shareholders' Meeting a person to whom the Shareholders may grant, in the manner and within the deadlines set out by the law and by the applicable regulatory provisions, a proxy with voting instructions on all or some of the proposals on the agenda. The proxy is only valid for proposals in relation to which voting instructions are given.

The Company may require, pursuant to Article 135-*undecies*.1 of the Italian Consolidated Law on Finance, that the attendance and exercise of the right to vote at the Shareholders' Meeting by the subjects entitled to vote may also take place exclusively through the designated representative referred to in Article 135-*undecies* of the Italian Consolidated Law on Finance, where permitted by, and in accordance with, the legislation, including the regulations in force at the time, as provided for by the Board of Directors and specified in the notice of call. The designated representative may also be granted proxies and sub-proxies pursuant to Article 135-*novies* of the Italian Consolidated Law on Finance.

Conduct of the Shareholders' Meeting

The Shareholders' Meeting is chaired by the Chair of the Board of Directors or, in the event of the Chair's absence or incapacity, by the Deputy Chair, where appointed. If there are multiple Deputy Chairs, precedence is given to the oldest Deputy Chair. In the event of absence or incapacity of the aforementioned persons, the Shareholders' Meeting shall elect its own Chair from among the directors or, if none are available, from outside the Board.

The validity of the constitution and resolutions of both Ordinary and Extraordinary Shareholders' Meetings shall be governed by the legal provisions in force from time to time.

The chair shall be assisted by a secretary, who is not required to be a shareholder, appointed by the Shareholders' Meeting. In the cases provided for by law, and in any case when the chair of the Shareholders' Meeting considers it appropriate, the minutes are drafted by a notary public chosen by the chair. The resolutions of the Shareholders' Meeting shall be recorded in the minutes, signed by the chair and the secretary, or the notary public.

In order for an Ordinary or Extraordinary Shareholders' Meeting to be validly constituted and for its resolutions to be valid, the provisions of the law and the Articles of Association must be observed.

The Ordinary and Extraordinary Shareholders' Meetings may be held, if specified in the notice of call, with participants located in multiple venues, either nearby or remote, connected via audio-conferencing and/or video-conferencing, provided that all participants can be identified and are able to follow the discussion, to participate in real time in the discussion of the items on the agenda, to receive and send documents and to take part in the voting, and provided that all of the above is acknowledged in the relevant minutes.

Pursuant to the Articles of Association, the Board has the power to resolve on the matters set out in Article 2365(2) of the Italian Civil Code.

The Articles of Association provide Shareholders with the option to request an increase in voting rights for shares that have been held continuously for at least 24 months, starting from the date of entry on the special list held by the Company. In order to be registered in the special list, the eligible party must submit a specific application, attaching a statement issued by the intermediary holding the shares, certifying share ownership in accordance with the applicable regulations. The enhanced voting rights may also be requested for only part of the shares held by the holder.

The right of withdrawal is governed by law, it being understood that shareholders are not entitled to withdraw if they did not take part in the approval of resolutions concerning: *(i)* the extension of the term of the Company, and *(ii)* the introduction, amendment or removal of restrictions on the transfer of shares.

** ** **

The Issuer's Shareholders' Meeting held on 29 April 2022 approved the rules of procedure governing the conduct of TISG's Ordinary and Extraordinary Shareholders' Meetings, in compliance with the law, regulations and the Articles of Association.

During the Financial Year, two Shareholders' Meetings were held, on 29 April 2024 and 1 July 2024. These meetings were attended by all members of the Board of Directors and the Board of Statutory Auditors.

The Board of Directors reported to the Shareholders' Meeting on the activities carried out and planned, and endeavoured to ensure that the Shareholders received adequate information so that they could make informed decisions at the Shareholders' Meeting.

In particular, the Board of Directors published explanatory reports on the various items on the agenda, drafted pursuant to Article 125-*ter* of the Italian Consolidated Law on Finance and Article 84-*ter* of the CONSOB Issuers' Regulation.

With reference to the Shareholders' Meeting of 1 July 2024, it should be noted that the shareholder GC Holding S.p.A. disclosed to the public, well in advance of the proposal submitted by it to the Shareholders' Meeting, the confirmation of the director and Chair of the Board of Directors co-opted pursuant to Article 2386 of Italian Civil Code.

During the Financial Year, the Board of Directors did not deem it necessary to draw up reasoned proposals to be submitted to the Shareholders' Meeting to establish a corporate governance system more suited to the company's needs, concerning:

(i) the choice and characteristics of the corporate governance model (traditional, one-tier, two-tier);

(ii) size, composition and appointment of the Board and term of office of its members;

(iii) the structuring of economic rights attached to shares;

(iv) the thresholds established for the exercise of rights protecting minority shareholders.

With reference to the proposal relating to the introduction of enhanced voting rights, submitted by the Board to the Shareholders' Meeting of 1 July 2024, it should be noted that the reasons for this decision and the decision-making process followed by the Board, as well as the effects of the enhanced voting rights on the Issuer's ownership and control structure are discussed in the explanatory report prepared by the Board of Directors and available on the Company's website https://investor.theitalianseagroup.com/, in the "*Corporate Governance*"/"*Shareholders' Meeting*" section.

14. FURTHER CORPORATE GOVERNANCE PRACTICES (under Article 123-*bis* (2)(a), second part of the Italian Consolidated Law on Finance)

There are no additional corporate governance practices beyond those already specified in the preceding sections of this Report.

15. CHANGES SINCE THE END OF THE FINANCIAL YEAR

There have been no changes in the Issuer's governance structure since the end of the Financial Year.

16. COMMENTS ON THE LETTER OF THE CHAIR OF THE ITALIAN CORPORATE GOVERNANCE COMMITTEE

On 14 March 2025, the letter sent by the Chair of the Corporate Governance Committee to the chairs of the board of directors, chief executive officers and chairs of the boards of statutory auditors of listed companies on 17 December 2024 was brought to the attention of the Chair and Deputy Chair of the Board of Directors, the Chief Executive Officer and the chair of the Board of Statutory Auditors.

The recommendations were considered in order to identify possible governance changes and to address any gaps. The Issuer's comments are described below:

- with regard to the timeliness of pre-Board meeting information, the Company recognises the importance of sending information to the directors in good time and is taking action to improve the current timing;

- with regard to the quantitative details of the remuneration policies, the Company has already begun to provide details on the qualitative/quantitative parameters already in the Report on Remuneration Paid, submitted to the Shareholders' Meeting for approval on April 22, and will proceed with any further additions;

- regarding the role of the Chair, who has been granted executive authority, the Company has appointed a Lead Independent Director, as prescribed by the CG Code.

TABLES

TABLE 1: INFORMATION ON THE OWNERSHIP STRUCTURE AS OF THE REPORT DATE

SHARE CAPITAL STRUCTURE				
	No. of shares	**No. of voting rights**	**Listed / unlisted**	**Rights and obligations**
Ordinary shares (specifying whether it is possible to enhance the voting rights)	53,000,000	53,000,000	Euronext Milan - STAR	In accordance with the law and the Articles of Association. It should be noted that the Articles of Association provide for enhanced voting rights.
Preference shares	-	-	-	-
Multiple-vote shares	-	-	-	-
Other categories of voting shares	-	-	-	-
Savings shares	-	-	-	-
Convertible savings shares	-	-	-	-
Other categories of non-voting shares	-	-	-	-
Other	-	-	-	-

OTHER FINANCIAL INSTRUMENTS (granting the right to subscribe for newly issued shares)				
	Listed (specify markets) / unlisted	No. of outstanding instruments	Class of shares reserved for conversion/exercise	No. of shares reserved for conversion/exercise
Convertible bonds	-	-	-	-
Warrant	-	-	-	-

SIGNIFICANT SHAREHOLDINGS IN SHARE CAPITAL			
Notifying Shareholder	Direct Shareholder	% of ordinary capital	% of voting capital
Giorgio Armani S.p.A.	Giorgio Armani S.p.A.	4.99	4.99
Marc Coucke	Alychlo NV	10.96	10.96
	Mylecke Management, Art & Invest NV	0.05	0.05
	Marc Coucke	0.38	0.38
	Total	***11.39***	***11.39***
Giovanni Costantino	GC Holding S.p.A.	53.60	53.60

TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AT THE END OF THE FINANCIAL YEAR

Board of Directors													
Office	**Members**	**Year of birth**	**Date of first appointment (*)**	**In office from**	**In office until**	**List (proposers) (**)**	**List (M/m) (***)**	**Exec.**	**Non-exec.**	**Indep. Code**	**Indep. Italian Consolidated Law on Finance**	**No. of other positions (****)**	**Attendance (*****)**
Chair	Menchelli Filippo	1972	31 May 2013	12 November 2024	Financial Year 31 December 2025	-	-	X				0	**100%**
Deputy Chair	Carniani Marco	1980	3 March 2023	27 April 2023	Financial Year 31 December 2025	Shareholders	M		X			0	**100%**
Chief Executive Officer	Costantino Giovanni	1963	21 December 2012	27 April 2023	Financial Year 31 December 2025	Shareholders	M	X				4	**100%**
Director	Tadini Laura Angela	1970	27 April 2023	27 April 2023	Financial Year 31 December 2025	Shareholders	m		X	X	X	10	**100%**
Director	Tesio Fulvia	1967	18 February 2021	27 April 2023	Financial Year 31 December 2025	Shareholders	M		X	X	X	5	**100%**
Director	Costantino Gianmaria	2001	22 October 2022	27 April 2023	Financial Year 31 December 2025	Shareholders	M		X			1	**100%**
Director °	Alfonsi Antonella	1967	18 February 2021	27 April 2023	Financial Year 31 December 2025	Shareholders	M		X	X	X	12	**100%**
Directors who left office during the financial year													
Director	Del Re Simona	1969	9 June 2024	9 June 2024	12 November 2024	-	-		X			0	**100%**

Notes

The following symbols must be entered in the "Position" column:

- • This symbol means that the director is responsible for the Internal Control and Risk Management System.
- ○ This symbol indicates the Lead Independent Director (LID).

(*) Date of first appointment of each director, meaning the date on which the director was appointed for the first time (ever) to the BoD of the Issuer.

(**) This column indicates whether the list from which each director was drawn was submitted by shareholders (indicating "Shareholders") or by the Board of Directors (indicating "BoD").

(***) This column indicates whether the list from which each director was drawn is a "majority" list (indicating "M") or a "minority" list (indicating "m").

(****) This column shows the number of positions of director or auditor held by the person concerned in other listed or large companies. The positions are indicated in detail in the Corporate Governance Report.

(*****) This column specifies the attendance of directors at BoD meetings (specify the number of meetings attended out of the total number of meetings that the director could have attended; e.g. 6/8; 8/8 etc.).

TABLE 3: STRUCTURE OF BOARD COMMITTEES AT THE END OF THE FINANCIAL YEAR

Board of Directors		Executive Committee		RPT Committee		Audit, Risk and Sustainability Committee		Remuneration Committee		Appointments Committee		Other committee		Other committee	
Office/Status	**Members**	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Chair of the BoD/non-executive/non-independent	Menchelli Filippo	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deputy Chair of the BoD/non-executive/non-independent	Carniani Marco	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chief Executive Officer/executive/non-independent	Costantino Giovanni	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director/non-executive/non-independent	Costantino Gianmaria	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-executive director – independent as per Italian Consolidated Law on Finance and/or Code	Tadini Laura Angela	-	-	-	M	80%	M	100%	M	100%	M	-	-	-	-
Non-executive director – independent as per Italian Consolidated Law on Finance and/or Code	Tesio Fulvia	-	-	-	M	100%	M	100%	C	100%	C	-	-	-	-
Non-executive director – independent as per Italian Consolidated Law on Finance and/or Code	Alfonsi Antonella	-	-	-	C	100%	C	86%	M	86%	M	-	-	-	-
Directors who left office during the financial year															
Director/non-executive/non-independent	Del Re Simona	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any non-director members															
Issuer Executive/Other	Last Name First name	-													
No. of meetings held during the Financial Year:		Audit, Risk and Sustainability Committee: 6				Appointments and Remuneration Committee: 8									

Notes
(*) This column specifies the attendance of directors at committee meetings (specify the number of meetings attended out of the total number of meetings that could have been attended; e.g. 6/8; 8/8 etc.).
(**) This column indicates the status of the director within the committee: “C”: chair; “M”: member.

TABLE 4: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS AT THE END OF THE FINANCIAL YEAR

Board of Statutory Auditors									
Office	**Members**	**Year of birth**	**Date of first appointment (*)**	**In office from**	**In office until**	**List (M/m) (**)**	**Indep. Code**	**Attendance at the Board of Statutory Auditors meetings (***)**	**No. of other positions (****)**
Chair	Pascolin Alfredo	1967	27 April 2023	27 April 2023	Financial Year 31/12/2025	m	x	100%	17
Standing Auditor	Simbolo Felice	1963	21 December 2012	27 April 2023	Financial Year 31/12/2025	M	x	100%	6
Standing Auditor	Bortolotti Barbara	1972	8 May 2020	27 April 2023	Financial Year 31/12/2025	M	x	100%	4
Alternate Auditor	Scialdone Roberto	1962	27 April 2023	27 April 2023	Financial Year 31/12/2025	M	x		11
Alternate Auditor	Rampolla Sofia	1961	27 April 2023	27 April 2023	Financial Year 31/12/2025	m	x		1
Auditors who left office during the financial year									
-	-	-	-	-	-	-	-	-	-

Notes
(*) Date of first appointment of each auditor, meaning the date on which the auditor was appointed for the first time (ever) to the Board of Statutory Auditors of the Issuer.
(**) This column indicates whether the list from which each auditor was drawn is a "majority" list (indicating "M") or a "minority" list (indicating "m").
(***) This column specifies the attendance of the auditors at the Board of Statutory Auditors meetings (specify the number of meetings attended out of the total number of meetings the auditor could have attended; e.g. 6/8; 8/8 etc.).
(****) This column specifies the number of positions of director or auditor that are held by a person referred to in Article 148-*bis* of the Italian Consolidated Law on Finance and the relevant implementing provisions set out in the CONSOB Issuers' Regulation. The complete list of positions is published by CONSOB on its website pursuant to Article 144-*quinquiesdecies* of the CONSOB Issuers' Regulation.