



FERRETTIGROUP

Ferretti S.p.A.

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

(Stock Code: 09638)

TERMS OF REFERENCE OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Article 1 Preamble

These terms of reference govern the establishment, operation and functions of the committee for the environmental, social and governance policies and practices (the “**Committee**”) of Ferretti S.p.A. (the “**Company**”).

Article 2 Establishment

1. The Committee was established by resolution of the Board of Directors of the Company (the “**Board of Directors**”) on 21 December 2021.
2. The Committee is composed of not less than three Directors, all chosen from among the members of the Board of Directors. The term of the mandate shall be determined from time to time by the Board of Directors or, where no such determination is made, shall coincide with the term of office of the Board of Directors. Premature cessation, for any reason, of the Board of Directors shall result in the immediate forfeiture of the Committee’s mandate.
3. The Committee shall have one Chairman upon election by the Board of Directors. The Chairman shall have the task of coordinating and planning the activities of the Committee and guiding the progress of its meetings.
4. In the event that, for any reason, one or more members of the Committee ceases to hold office, the Board of Directors shall replace them in accordance with the provisions of the preceding paragraphs.

Article 3
Meetings and Resolutions

1. Committee meetings shall be convened by the Chairman or one of its members, as required and in all cases at least once per year, in the place indicated by the Chairman in an appropriate notification sent to all members.
2. The notice of meeting, to be sent at least three business days prior to the date of the meeting, shall indicate the place, date and time of the meeting, together with the agenda.
3. Meetings of the Committee may be held by audio or video conference, provided that all participants can be identified, are able to follow the discussion, are able to participate in real time deliberations on the business of the meeting and are able review documents in real time.
4. Committee meetings shall be chaired by the Chairman or, in the event of the latter's absence or impediment, by the most senior member.
5. The presence of a majority of incumbent members is necessary in order for meetings to be validly constituted.

Resolutions shall be adopted by an absolute majority of votes. In the event of a tied vote, the vote of the person chairing the meeting shall prevail. Votes cannot be cast by proxy.

6. Minutes shall be kept of Committee meetings which, once transcribed into the book kept by the Chairman, shall be signed by the person chairing the meeting and by the secretary, appointed as required, including from persons who are not members of the Committee. Meetings shall be deemed to be held in the place where the Chairman of the meeting is present. The minutes shall be sent to the members of the Committee.

Article 4
Functions, objectives and duties

1. In the performance of its functions, the Committee shall have the right to access Company information and offices as necessary to perform its duties.

2. The Committee may avail itself of the services of independent consultants in order to acquire necessary information, in particular on the standards of the most effective systems of remuneration, provided adequately tied to the necessary confidentiality. Whenever deemed necessary to fulfil its functions, the Committee charges to the Company the costs of required assistance of independent professionals.
3. The Company shall provide the Committee with sufficient financial resources to perform its duties, within the limits of the budget approved by the Board of Directors.
4. The Committee is entrusted with the task of:
 - directing, reviewing and developing the Company's environmental, social and governance management policies, strategies, principles and visions to ensure that they are up-to-date, relevant and meets applicable legal and regulatory requirements;
 - monitoring the development and implementation of the Company's environmental, social and governance objectives, including setting the Company's performance targets for environmental, social and governance management, reviewing the progress of achieving those targets, and advising on the actions required to achieve those targets;
 - monitoring and reporting to the Board of Directors the external environmental, social and governance trends and major trends affecting the Company's environmental, social and governance policies and strategies and its objectives;
 - directing and reviewing the identification and prioritization of the materiality of environmental, social and governance issues of the Group;
 - reviewing annual environmental, social and governance reports and other environmental, social and governance-related disclosures, and make recommendations to the Board of Directors for approval;
 - identifying environmental, social and governance risks and opportunities related to the Company, assessing the impact arising from such risks or opportunities on the Group, and making recommendations to the Board of Directors on responses to those risks or opportunities; and
 - other responsibilities delegated by the Board of Directors.
5. The Committee shall report to the Board of Directors on its activities at least annually.

6. The Committee may establish a work group thereunder to take charge of the tasks such as drafting and making recommendations on the environmental, social and governance policies and practices of the Company, preparing annual environmental, social and governance reports, monitoring environmental, social and governance performance, identifying environmental, social and governance risks and implementing the environmental, social and governance activities of the Company in a comprehensive manner.

Article 5

Final provisions

These terms of reference shall be available to members of the Board of Directors and the Board of Statutory Auditors at the registered office of the Company and at the place where the Committee is convened and published on the websites of the Company and of The Stock Exchange of Hong Kong Limited.

Any amendment to these terms of reference must be adopted by resolution of the Board of Directors.

These terms of reference were adopted on 21 December 2021.