Fostering a *sustainable future*

SUSTAINABILITY REPORT 2022

FERRETTIGROUP

FOSTERING A SUSTAINABLE FUTURE

FERRETTIGROUP

Welcome message

from our CEO

The year 2022 was a remarkable year for the Ferretti Group. Besides the important business advancement, Ferretti S.p.A. became a publicly traded company listed on the Hong Kong Stock Exchange. As a Hong Kong listed company, with our new, larger and stronger shareholder base, we had the opportunity to start consolidating our role of a sustainable leader in the luxury yachting sector. Our attention became even more focused with the efforts we put into the process for the dual listing, which was successfully concluded in June 2023, increasing again our shareholders network and our attention to develop a sustainable business model and to promote innovations centered on product and people. In 2022 the Ferretti Group recorded a strong increase in net revenue surpassing €1 billion thanks to the continuous commitment towards developing a more sustainable product portfolio and strengthening the ancillary services for our ever-increasing client base and our loyal customers across all our 7 brands. The impressive results we have achieved would not have been possible without our people.

We have always considered our people the vital spark of our Company. We are market leaders also thanks to the craftsmanship of our artisans; it is therefore our prerogative to cultivate this unique relationship over time. In line with this belief, in 2022 we decided to strengthen the dialogue with local communities planning to launch the "Scuola dei Mestieri", a professional training course for young people looking at a career in boatbuilding that combines theory and experience in the yard, while we continued to refine the assessment of the impacts of our business, also in accordance with the new impact materiality analysis required by the 2021 GRI Standards.

Our commitment towards reducing our environmental impact can be witnessed through our constant investments in R&D to remain at the forefront of innovation in our industry and position ourselves as an "e-Luxury" yachting manufacturer with environmentally friendly and sustainable solutions. Our increasing presence in the sailing segment with Wally, allows us to make the most out of our know-how and experience in launching "green" models across all our portfolio brands, such as the full electric Riva El-Iseo in the e-luxury segment, the upcoming INFYNITO range as a more responsible kind of yachting and the announced Navetta 50 which is equipped with Selective Catalytic Reduction system. We have also been working on forefront technologies through strategic partnerships with leading third-party manufacturers such as Rolls Royce, extending the agreement for the development of hybrid propulsion systems until the end of 2027, and Ballard Power Systems for the development of fuel-cell power systems thanks to a JV established with Weichai Group. Hydrogen is attracting increasing attention as an energy source and has the potential to become a game-changer in the maritime sector as well.

We have also been seeking innovative solutions involving the use of eco-friendly materials to create lighter weight boats without compromising on quality and durability. This innovation will allow us to optimize fuel consumption which will reduce pollutant emissions. These new materials also include antifouling paints, water-based coatings and linen fibers that have significant environmental benefits. Our shipyards are all gradually adjusting to the ISO 14001:2015 environmental certification, introducing innovative solutions and increasingly proficient solar panels that help us to reduce both energy consumption and emissions.

The corporate governance structure of the Ferretti Group is closely related to our business strategy as it is also a fundamental pillar of our path towards becoming a sustainable leader in the luxury yachting sector. As a matter of fact, the ESG Committee is responsible for supporting the Board on all matters regarding the ESG policies and strategies and for reviewing and assessing our sustainability performance, allowing us to create value for all our stakeholders.

In response to the climate and environmental emergency, we are proudly doing what we are called to do: being part of the change with our passion, creativity and state-of-the-art-capabilities in order to achieve the most rewarding sustainability progresses across all our products and value chain. We are doing it and we do it right.

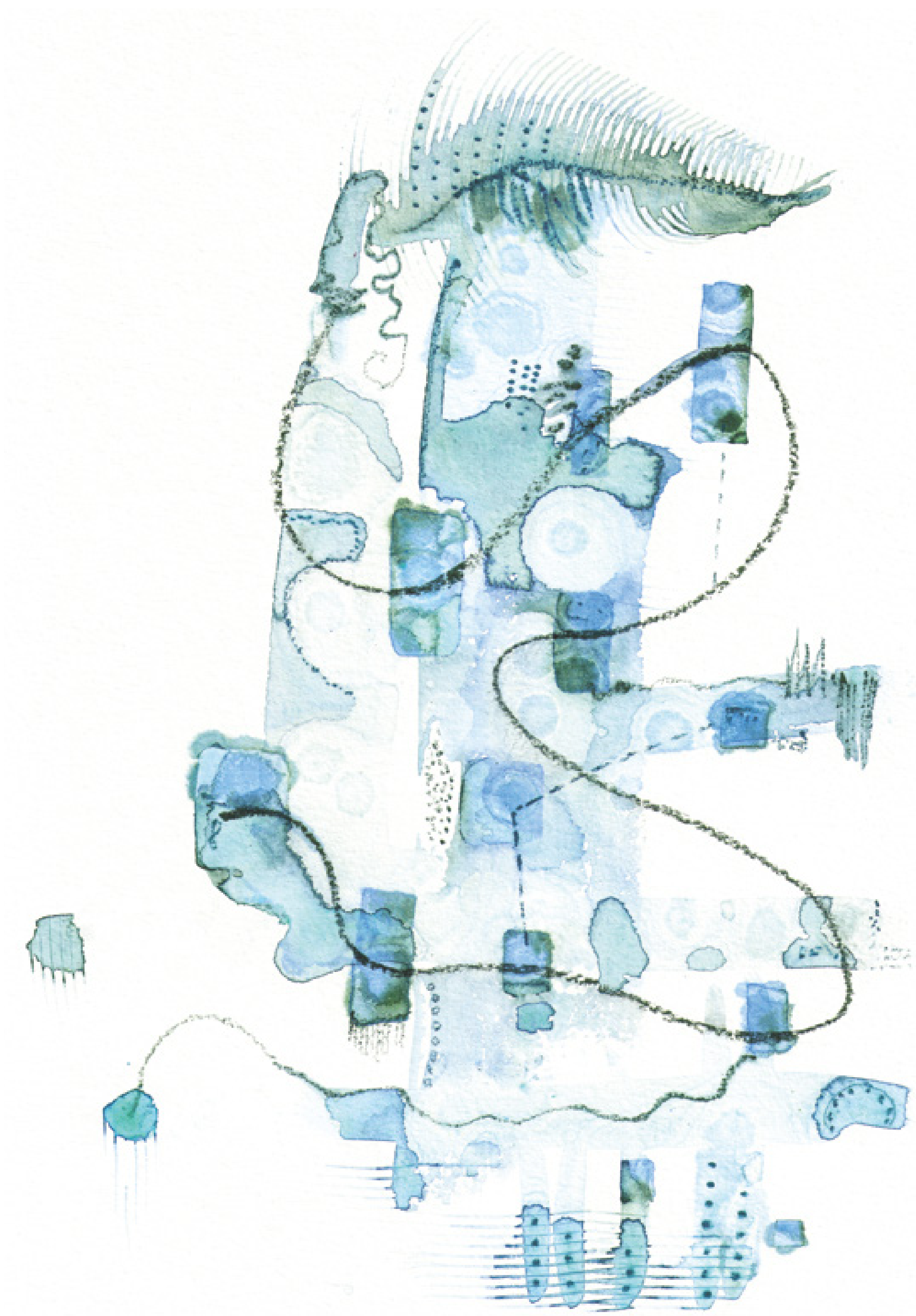
Alberto Galassi
CEO of the Ferretti Group

Contents

01

FERRETTI GROUP

Leading the Future



.1

Riva	CRN	FERRETTI YACHTS	itama	PERSHING	WALLY	CUSTOM LINE
1842	1963	1968	1969	1985	1994	1996
The most iconic brand in the history of yachting	World-leading expertise in the design and construction of fully-custom and bespoke superyachts and megayachts in metal up to 90 metres	The brand that built the Group, one yacht at a time	Sporty open yachts with unique elegance	The pioneer in high-performance luxury yachts	The brand that inspired the modern yachting philosophy and which introduced carbon fibre to the luxury yacht	Timeless high-end superyachts with custom interiors, cutting-edge technology, ingenious functional solutions and unmistakable design
+181 *years*	+60 *years*	+55 *years*	+54 *years*	+38 *years*	+29 *years*	+27 *years*

The Ferretti Group is among the world leaders in the luxury yacht industry and works in the design, construction and sale of yachts and pleasure boats.

The Ferretti Group has been synonymous with luxury, innovation, passion and excellence for over fifty years, boasting a portfolio of unique brands that were well established long before joining the Group, including Riva, famous for its Italian craftsmanship and design for more than 180 years.

Today, Ferretti still maintains strong ties to Italy's centuries-old yachting tradition, and is well-known for its distinctive Italian style and design, along with production centres that are on the industrial cutting edge.

The Ferretti Group possesses a unique portfolio of seven prestigious and exclusive brands, including: Wally, Ferretti Yachts, Pershing, Itama, Riva, CRN, and Custom Line. Ferretti produces over 200 boats every year for customers from over 71 countries around the world, who are contacted and assisted through an extensive international network.

Ferretti is one of the world's leading yacht groups thanks to ongoing product and process innovation, combined with cutting-edge technological solutions. The Group's fleet is internationally renowned and admired in ports and marinas all over the world, and it's all thanks to precision, innovation and teamwork. Ferretti's **Strategic Product Committee** coordinates with its **Marketing Department** and **Engineering Division** to continuously improve its fleet, which ranges from 8-metre tenders to super-yachts over 95 metres in length.

The Ferretti Group collaborates with internationally renowned architects and designers to help Ferretti marry style with functionality and innovation in order to achieve the highest degree of excellence and pique the interest of boat owners and enthusiasts every single day.

Our history

From 1968 to today

1968 – Founding of Ferretti

1993 – Creation of Ferretti America Inc.

1994 – Creation of a strategic network of dealers outside Europe

1996 – Creation of Custom Line

1998 – Acquisition of Pershing

1999 – Acquisition of CRN

2000 – Acquisition of Riva

2001 – Acquisition of Mochi Craft

2003 – Acquisition of Zago

2004 – Acquisition of Itama Cantieri Navali

Significant event

Acquisition | New brand

2008
Acquisition of Allied Marine

2012
Weichai Group acquires a majority stake in Ferretti Group

2014
Alberto Galassi is appointed CEO

2016
F investments acquires 13% of Ferretti Group

2016
Creation of Ferretti Security Division

2019
Wally became a brand of Ferretti Group

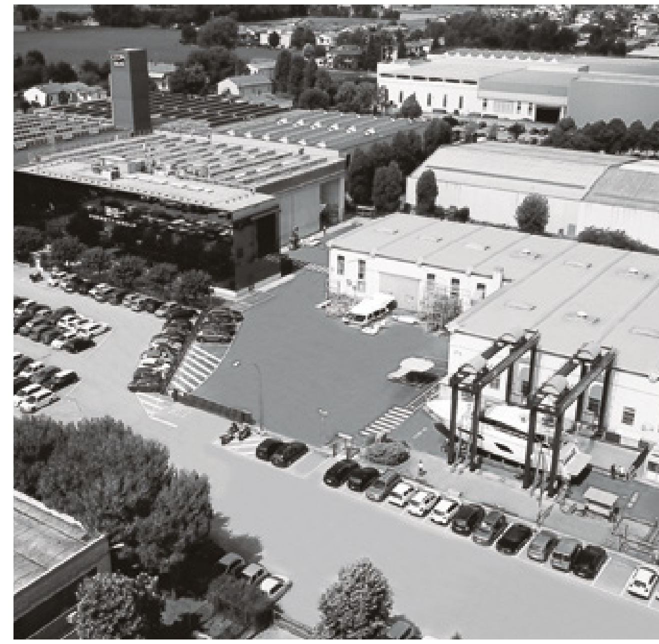
2019
Adtech Advanced Tech. acquires 3% of Ferretti Group

2021
RAM S.p.A. joined Ferretti Group

2022
Listing on the Stock Exchange of Hong Kong

2022
Fratelli Canalicchio S.p.A. and Il Massello Srl joined Ferretti Group

Ferretti in 1970



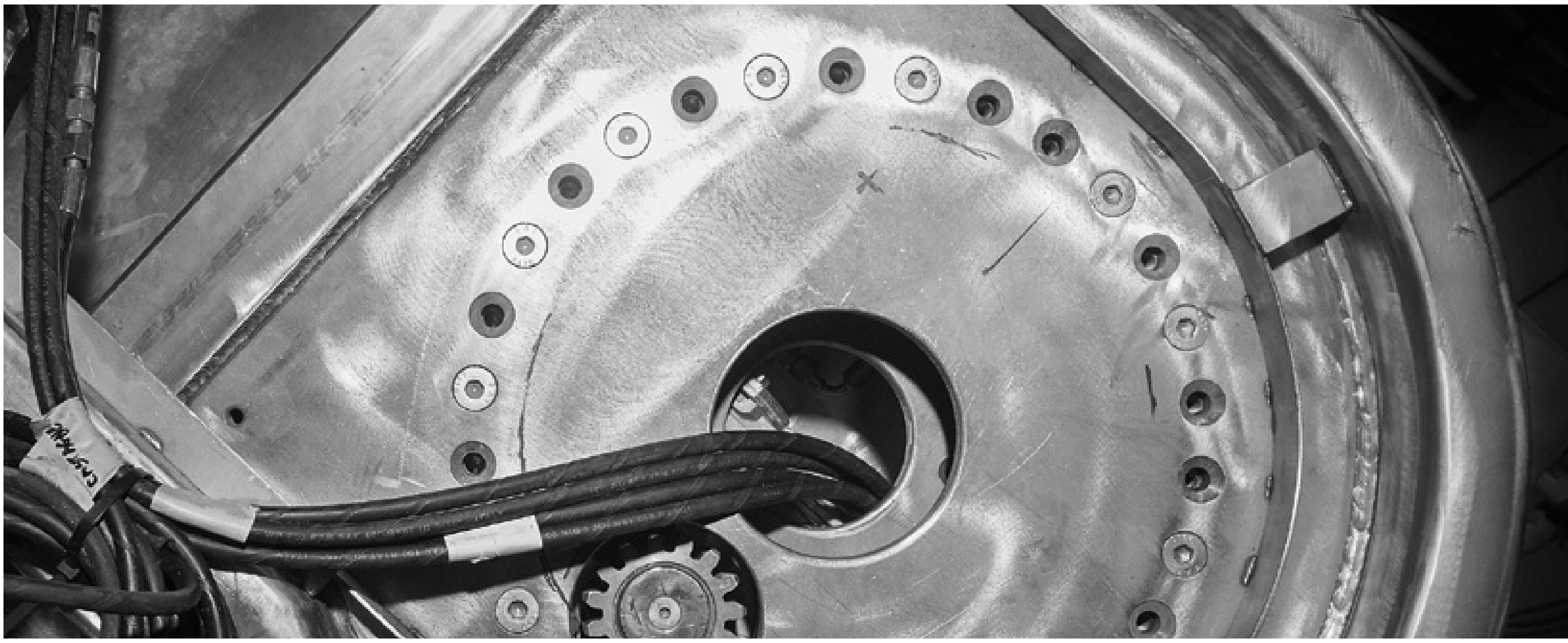
Beginnings
1968-1980

Ferretti's story takes us back to 1968, when two brothers decided to try their hand at selling boats. After winning the right to represent Chris Craft (a US motor boat brand) in Italy, the brothers opened their very first shop, Ferretti Nautica, in Bologna.
The brothers' first motor sailor boat was built in a shipyard in Cattolica. It was equipped with both a sail and a motor and was exhibited at the 1971 Genoa Boat Show under the name Ferretti Craft.

The arrival of motor boat
1980-1990

Ferretti's first major product transformation took place in the early 1980s and saw the company shift from sailing vessels in favour of motor boats. Ferretti began to venture into new markets with the construction of sport fishing, open and flybridge boats.

In 1987, Ferretti opened a new shipyard in Forli where it is still located to this day.



The GIESSE, which brought Team Ferretti to victory in the 1994 World Championships

The Company goes global

1990-1999

Ferretti's passion for advanced technology led to the birth of its **Engineering Division** in 1989, a research hub specialised in designing new boats and studying new materials. This strategic move marked Ferretti's entry into the offshore racing sector, a discipline of powerboating. It was during these years that Ferretti began to **expand globally** by establishing a network of dealers outside Italy.

In 1996, Ferretti launched **Custom Line,** a product range featuring a series of fibreglass flybridge yachts measuring from 28 to 40 metres in length. Two years later, the Group acquired the prestigious Pershing brand through Cantieri Navali dell'Adriatico - CNA S.r.l., which specialised in the construction of open motor boats that combined high performance with comfort and original design.

Acquisitions

1990-1999

After acquiring **Pershing** in 1998, the following year saw the Group purchase **C.R.N. S.p.A.**, a shipyard specialised in manufacturing maxi-yachts with composite materials, superyachts with steel hulls, and aluminium superstructures measuring over 30 metres in length. The following year, Ferretti acquired 100% of **Riva S.p.A.**, a world-famous shipyard located in Sarnico, on the shores of Lake Iseo. In 2003, the Group acquired **Zago S.p.A.,** an Italian company that manufactures high-end wooden products and furnishings.

In 2004, shipyards owned by Itama, a prestigious company specialised in constructing open motor yachts, joined the Group, while in 2008, Ferretti absorbed the assets, brands and activities of **Allied Marine,** an American company specialising in after-sales assistance, the marketing of new and pre-owned motor yachts, and brokerage services.

Growth and success

2012-present

The 2008-2010 recession affected both Ferretti and the maritime sector as a whole, and as a consequence, in 2012, the **Weichai Group** – a leading international industrial group specialised in the commercial vehicle and construction machinery sectors – acquired the majority of the Ferretti Group.

In August 2012, **Tan Xuguang** was appointed Chairperson of the Ferretti Group, and in 2014, **Alberto Galassi** became its Chief Executive Officer. Galassi put together a new team to focus on R&D and product innovation, with the hope of steering the Group's yachts – well known for their expert technology and Made in Italy style – into new markets.

These years saw Ferretti make significant investments in products, processes, marketing and events. The Ferretti Group continued to grow in record numbers, outdoing the sector average and going on to open an office in

Hong Kong for **Ferretti Group Asia Pacific Ltd.** in order to strengthen its presence in Asia.

February 2016 saw the establishment of the **FSD** (Ferretti Security Division) to design, develop and manufacture a new range of state-of-the-art naval platforms. Some models were also equipped with hybrid propulsion, along with features and mission profiles intended to meet specific security and patrolling needs, as well as those related to search and rescue missions in international, regional and coastal waters. Ferretti Security Division's first Fast Patrol Vessel (known as the FSD195) was a high-performance yacht, measuring 20 metres in length and capable of reaching speeds of over 55 knots. It boasted a range of over 500 miles, along with CE and RINA FPV certifications.

The Group's excellent economic performance permitted one final acquisition, which was concluded after several months of negotiations. In 2019, the **Wally** brand – founded by Luca Bassani and his innovative, ultra-technological yachts – joined the Ferretti Group.

Following its significant economic growth in recent years – and eager to raise funds by diversifying its funding streams to accelerate development and compete in an increasingly challenging environment – the Group began the process of listing on the Hong Kong Stock Exchange in 2021. The initial public offering (IPO), i.e., the first sale of securities issued by the Company, took place in March 2022.

Finally, over the recent years, the Group also started a process of vertical integration, aiming at increasing its control over the supply chain and ensuring supply of key inputs. As part of this strategy, in 2022 the Group strategically acquired Il Massello S.r.l. and Fratelli Canalicchio S.p.A, two of its historical suppliers.

Ferretti Group Profile

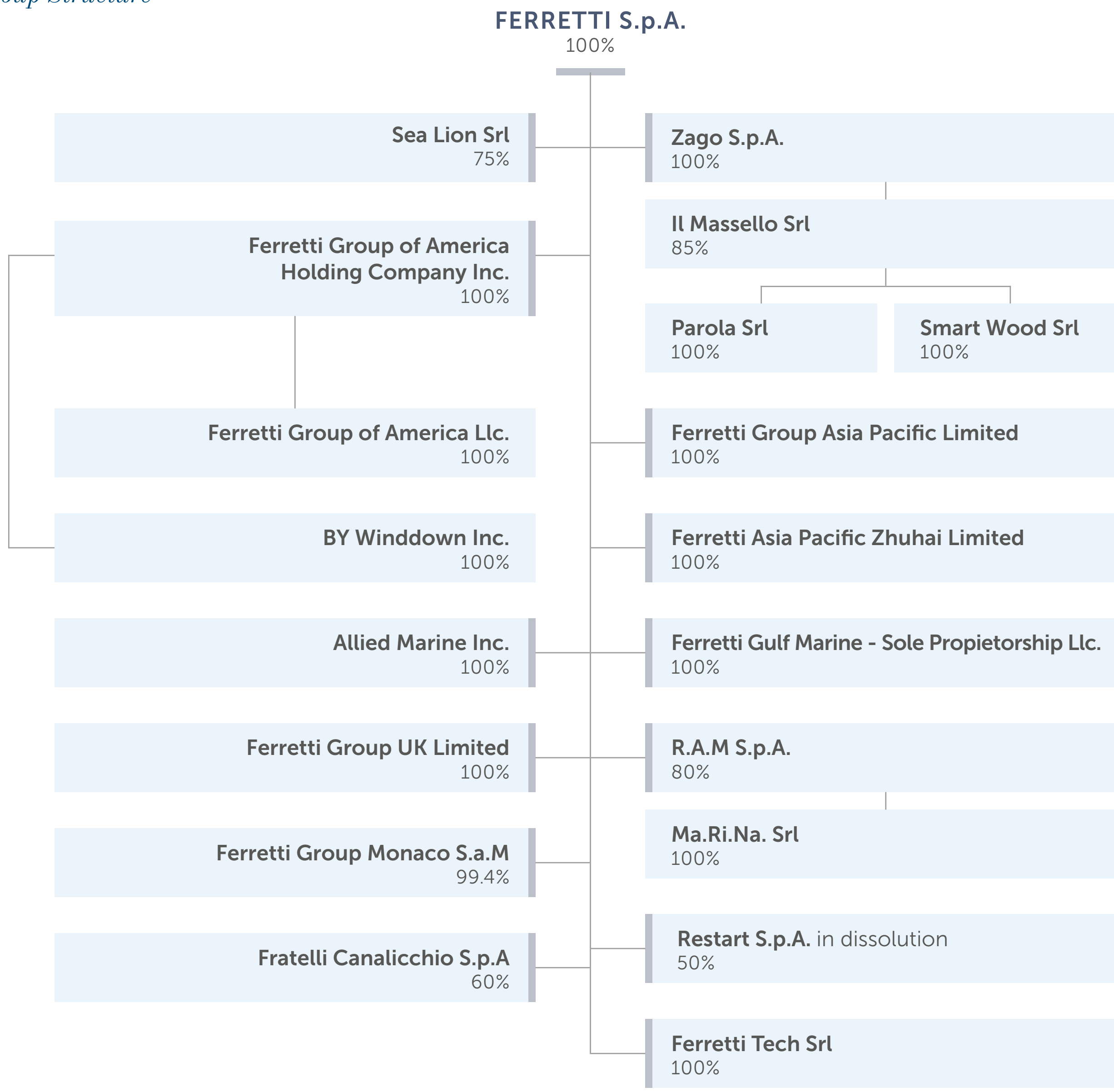
Italy is world famous for its excellence in the yachting and luxury sectors, and the Ferretti Group is considered a truly iconic brand.

The secret to the Group's success lies in its concrete foundations, in addition to a few key characteristics that have contributed to its identity over the decades.

The Group boasts a large portfolio of iconic brands that manufacture a wide range of models sold in various market segments

[1] *Performance classification based on average speed achieved from 15 to 50 knots.*

Group Structure



- An experienced and passionate *management team* with an impressive track record
- Ambitious *shareholders* who support the Group's long-term growth
- Various *market segments* that mitigate the cyclical and seasonal nature of the Group's core business
- A *multi-brand structure* that allows the unique features of each brand to stand out
- A *production management approach* that optimises the impact on working capital
- A *sales strategy* that emphasises direct relationships with customers, using dealers and brokers as intermediaries while launching a large number of new products on the market each year
- A close relationship with *Made in Italy excellence and Italy's maritime district*

Products and services

The Ferretti Group specialises in the design and construction of yachts measuring from 8 to 95 metres in length. The product portfolio satisfies a broad customer base, featuring brands and models that vary in type, length, performance, design, materials, and level of customisation.

WALLY FERRETTI YACHTS PERSHING ITAMA RIVA CRN CUSTOM LINE

The Group's seven boat brands can be divided into three categories according to their key features:

Composite Yachts
This category includes vessels of different sizes, up to a maximum of 30 metres (100 feet) in length. Yachts in this category have composite hulls made from fibreglass or carbon fibre, and feature a standard set of accessories, materials, and decorative elements that owners can configure according to their preferences; given their intrinsic characteristics, yachts in this category follow a "one-piece flow" production process and have the fastest delivery times of the three categories.

Made-To-Measure Yachts
This category includes vessels that are almost entirely made-to-measure and range from 30 to 43 metres (100-140 feet) in length. Yachts in this category have composite hulls made from fibreglass or carbon fibre, but unlike our Composite Yachts, they offer many more options for customisation: the interior layout, furnishings, and accessories can be almost completely tailored to customer needs, while the hulls are predefined depending on the model, thus benefiting from the production advantages of our Composite Yachts.

COMPOSITE YACHTS	*MADE-TO-MEASURE YACHTS*	*SUPER YACHTS*
36	*11*	*5+∞*
models	*models*	*offering*
PRODUCTS <100 FT (COMPOSITE HULL)	**PRODUCTS >100 FT (COMPOSITE HULL)**	**PRODUCTS >100 FT (ALLOY HULL)**
WALLY, FERRETTI YACHTS, PERSHING, ITAMA, RIVA	PERSHING, RIVA, CUSTOM LINE	WALLY, PERSHING, RIVA, CRN

Super Yachts

Our Super Yacht range includes vessels with alloy hulls that measure up to 95 metres in length (164 feet). This category is further subdivided into two model types: fully-custom yachts, which are unique and designed to meet customer needs both inside and out, and branded super yachts flagship models with fully-customizable interiors, but reflecting the distinctive exterior design of the respective Riva, Pershing and Custom Line brands as well as sailing super yachts under Wally brand.

Given their distinctive nature, the production process takes longer and strictly depends on the design complexity.
All three yacht categories have differing construction and delivery times.
In fact, our bigger boats offer more scope for customisation and as such often require longer build times. Our yacht-selling methods also vary according to size.

	COMPOSITE YACHTS *8-30 m*	*MADE-TO-MEASURE YACHTS* *30-43 m*	*SUPER YACHTS* *Up to 95 m*
Level of personalisation	List of predefined options to choose from (colours, fabrics, etc.)	Layout and interior details	Hull and exterior and interior design
Build time	2-8 months	7-15 months	28-48 months
Sales channel	Dealer	Dealer & Broker	Broker

Fibreglass hull   *Metal hull*

The Group sells a total of 47 composite and made-to-measure yachts, including one Riva model, one steel Pershing model, and a series of super yachts, which are constructed at the Ferretti Group Superyacht Yard in Ancona and are highly customisable. The Wally brand has seen its range expand with the addition of three sailing superyachts: the wallywind110, the wallywind130 and the wallywind150.

The table below summarises the positioning of each brand in terms of the **type of yachts** made and the relative **footage range:**

TYPE	FEATURES	TYPICAL USAGE	FERRETTI YACHTS	RIVA	PERSHING	ITAMA	CUSTOM LINE	CRN	WALLY
Open	Motor yacht built to enjoy open-air activities	Open-air activities, day trips, short cruises							
Coupè	Inboard motor yacht with a focus on engine power and performance	Short and medium-length trips							
Flybridge	Inboard motor yacht with an additional deck on the main superstructure, equipped with helm stations and living area	Medium-length and long trips and cruises							
Sportfly	An evolution of the coupè with an additional deck and greater focus on performance	Medium-length and long trips and cruises							
Navetta	Spacious, comfortable yacht designed for long trips. Extremely safe and usable in all sea conditions. Limited cruising speed	Long cruises					Navetta models		
Crossover	Hybrid between "flybridge" and "navetta", able to combine performance and great comfort on board	Medium or long stays and cruises							wallywhy range
Superyacht Division	Full bespoke. Branded flagship superyacht	Long cruises							
Sail	Full carbon superyachts, light weighted, combine performance with comfortable cruising	Superyachts made with a double purpose: cruising and racing							

In addition to constructing and selling yachts – the Group's core business accounting for more than 91% of its revenues – Ferretti is also engaged in:

A 360° ecosystem

The design and construction of boats for supervising and patrolling international, regional and coastal waters through the FSD Division (Ferretti Security Division).

Conception, design and manufacture of wooden interior furnishings and kinetics systems

Brokerage, chartering and management services

Aftersales and refitting services

Brand extension activities

The growth in revenues deriving from these activities – which help support the Group's key business – is an important strategic strength as it mitigates the cyclical and seasonal nature of the Group's core business.

Being Global: Ferretti Group travels the world

71 Countries

6 Production sites (shipyards)

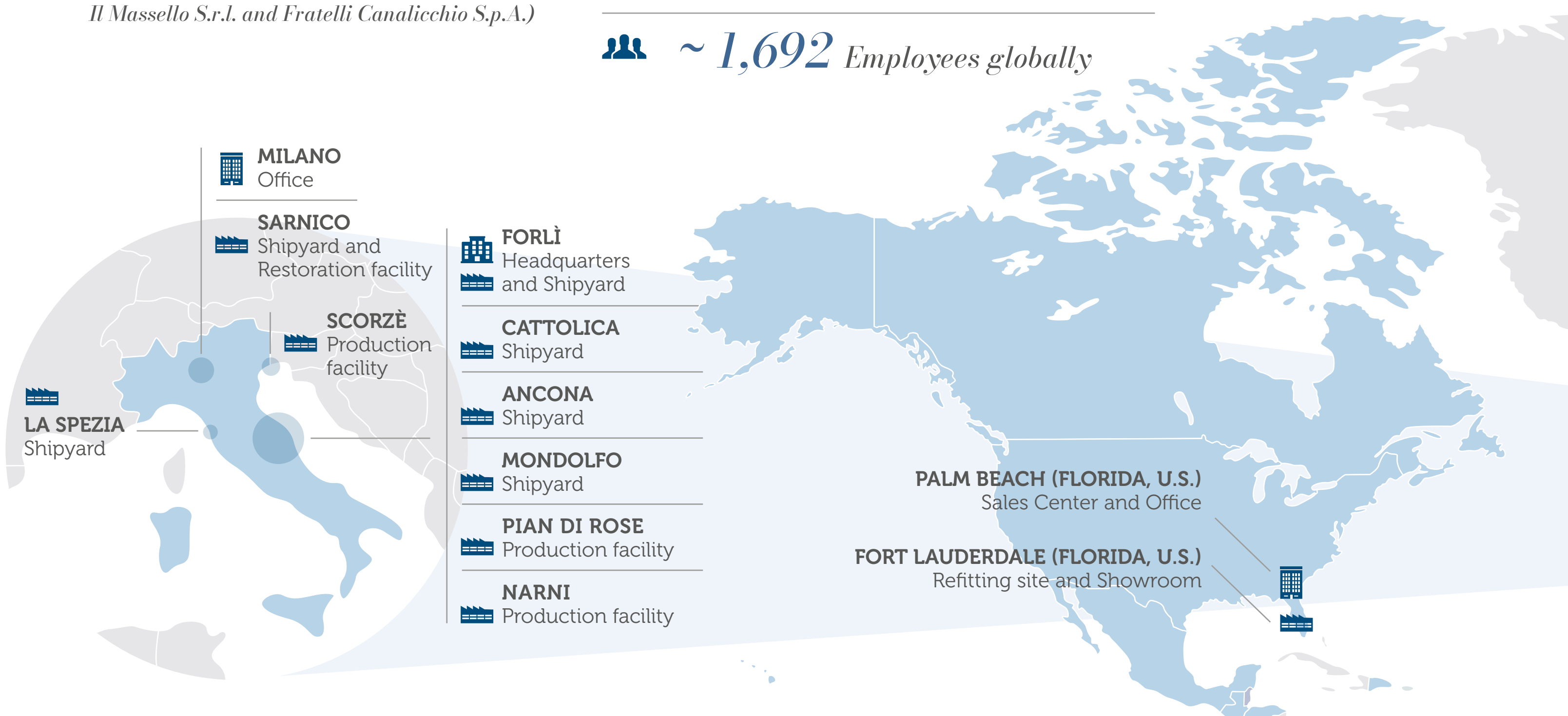
3 Production facilities (Zago S.p.A., Il Massello S.r.l. and Fratelli Canalicchio S.p.A.)

1 Restoration facility (R.A.M. S.p.A.)

1 Naval refitting site (Fort Lauderdale)

8 Sales offices

~ 1,692 Employees globally

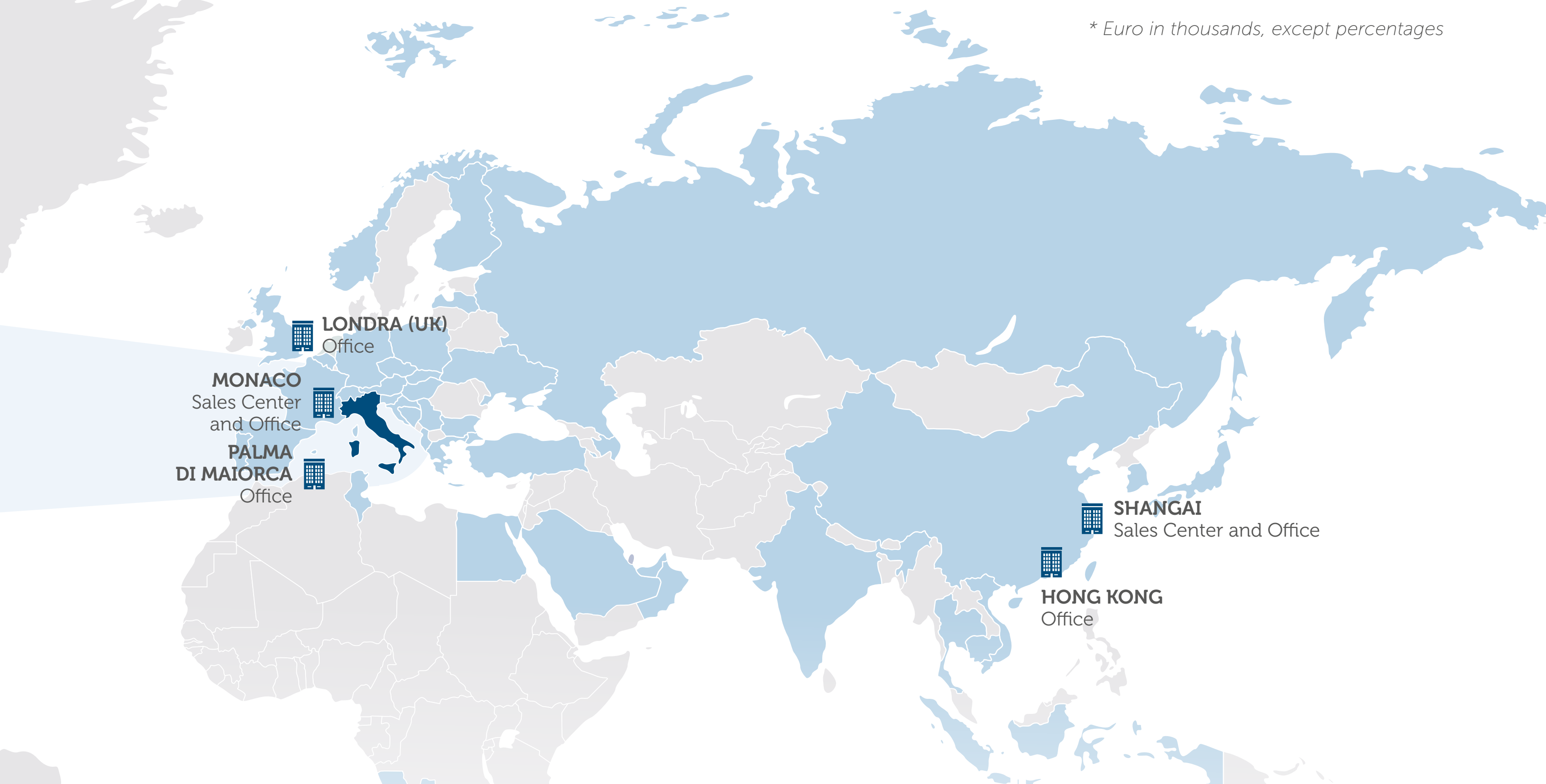


As of December 2022, following the merger between C.R.N S.p.A. and Ferretti S.p.A., the ISO 9001:2015 certification covers the Custom Line yard at the Ancona shipyard, but it does not currently cover the Super Yachts yard. The Group will consider whether to obtain certification for the Super Yacht yard at a later stage. The Group's headquarters and shipyards have both the ISO 9001:2015 certification and the ISO 14001:2015 certification (except for Ancona shipyard, where the Group is in the process of obtaining the certification, expected for spring 2023). The Group also obtained the Biosafety Trust Certification in the summer of 2020, following the spread of the COVID-19 pandemic, with the aim to prevent and mitigate the spread of infections from biological agents.

PRODUCTION SITES	TOTAL SURFACE AREA	COVERED SURFACE AREA[2]	CERTIFICATIONS[3]	PRODUCTS MADE
Forlì (Shipyard)	51,524 m²	23,251 m²	ISO 9001:2015 ISO 14001:2015	Ferretti Yachts (from 45 to 70 feet) Itama (45 and 62 feet) Sailing Yachts, wallytender43 and 48 inboard and outboard, wallypower58
Cattolica	12,212 m²	6,757 m²	ISO 9001:2015 ISO 14001:2015	Ferretti Yachts (from 75 to 100 feet)
Mondolfo	83,377 m²	21,219 m²	ISO 9001:2015 ISO 14001:2015	Pershing Itama (75 feet) wallywhy200
Ancona	76,945 m²	32,194 m²	ISO 9001:2015	CRN and Riva SuperYachts Division Custom Line, Pershing 140
Sarnico	43,378 m²	16,986 m²	ISO 9001:2015 ISO 14001:2015	Riva from 27 to 66 feet
La Spezia	39,025 m²	15,905 m²	ISO 9001:2015 ISO 14001:2015	Riva from 66 feet

	2021		2022	
EMEA	376,021	41.9%	376,756	36.6%
APAC	49,280	5.5%	95,876	9.3%
AMAS	288,724	32.1%	372,487	36.2%
Global[4]	84,561	9.4%	95,441	9.3%
Other businesses[5]	99,835	11.1%	89,539	8.7%
Total	**898,421**	**100%**	**1,030,099**	**100.0%**

** Euro in thousands, except percentages*



OTHER FACILITIES	TOTAL SURFACE AREA	COVERED SURFACE AREA[2]	CERTIFICATIONS[3]	PRODUCTS MADE
Scorzè, Zago SpA	16,200 m^2	10,200 m^2	ISO 9001:2015	Interiors and furnishings
Sarnico, R.a.m. SpA	6000 m^2	4000 m^2	-	Boat restoration
Pian Di Rose, Il Massello Srl	8,750 m^2	5,250 m^2	-	Interiors and furnishings
Narni, F.lli Canalicchio SpA	12,200 m^2	6,400 m^2	ISO 9001:2015	Interiors and furnishings

SHIP REFITTING SITE				
Fort Lauderdale	5,809 m^2	4,708 m^2	-	Naval Refitting

[2] Surface as of 31/12/2022
[3] An ISO 9001:2015 certification attest compliance with the best standards for business processes that impact product and service quality and, ultimately, customer satisfaction. ISO 14001:2015 is an international standard specifying requirements for an effective environmental management system. For more information on quality and environmental management system certifications, please refer to chapters 4 and 5.
[4] Representing revenue attributable to super yachts not allocable to an individual country because, for example, the customer's country of residence is different from the vessel's country of registration.
[5] Mainly comprising revenue from ancillary businesses (including trading of pre-owned yachts) and the FSD business.

Our journey and our values

Imagine for a moment that the Ferretti Group is a robust, well-built yacht that has been sailing around the world for over 180 years, led by a crew of 1,692 people. Passion and people are our engine, innovation is our fuel, and excellence, authenticity and luxury are all key destinations along our route.

Passion in creating and appreciating greatness is the engine that drives both our employees and our customers. It's a passion that starts out at sea and is expressed in a range of different components. It's a key element around which navigation, design, luxury and technology revolve. That same passion also exists in our employees, and manifests itself as a sense of pride in the unique yachts we build, which will sail the seas for decades to come. This passion, in all its forms, has compelled us to create robust, high-performing, innovative yachts for over 180 years.

Innovation continues to fuel our dream, which is to build magnificent yachts that leave onlookers speechless and boat enthusiasts eager and enthusiastic to know more. Ours is a contagious innovation, and one that permeates through our employees, products, processes, designs and the most advanced technologies on the market. For the Ferretti Group, innovation is all about manufacturing new models that are faithful to the brand's history and heritage, all while looking to the future. We owe our success to significant investments and adequate infrastructure. In fact, our broad portfolio only exists thanks to teamwork, cutting-edge design, innovative materials, modern machinery and scrupulous craftsmanship, which represents the heart of Made in Italy excellence.

Quality, distinctiveness and **exclusivity** are the core values that guide us on this journey. One that has taken the Ferretti Group in a clear direction, allowing us to stand out from the crowd and forge a unique identity over the years. For us, quality rhymes with responsibility. Managing and growing some of the sailing world's most exclusive and prestigious brands fills us with pride every day, as well as a sense of responsibility that ensures we never fall prey to compromise. Ferretti is a real leader in its field. The Group is well known for combining craftsmanship with expertise and nautical innovation, and we owe it all to our culture of excellence.
Distinctiveness is also about permitting our brands to push the boundaries and seek out future development, without ever losing sight of their roots. Exclusivity in luxury is the ability to develop what we might call the heritage of our sector, our country and our industrial culture, while preserving its authenticity.
By bringing all of these elements together, the Group is able to pursue continuous **growth** through an integrated business model and strong central coordination, without forgetting that **sustainability** is key to that growth.

Vision

To embrace innovation as belonging to a bold and modern vision for the luxury yacht sector. With a vision that focuses on quality and authenticity, Ferretti Group hopes to define the trends and craftsmanship of the future luxury yacht sector. We dare to think differently and to shape our vision of the yachting world innovatively, passionately and sustainably, all while allowing people to express their personality and individuality.

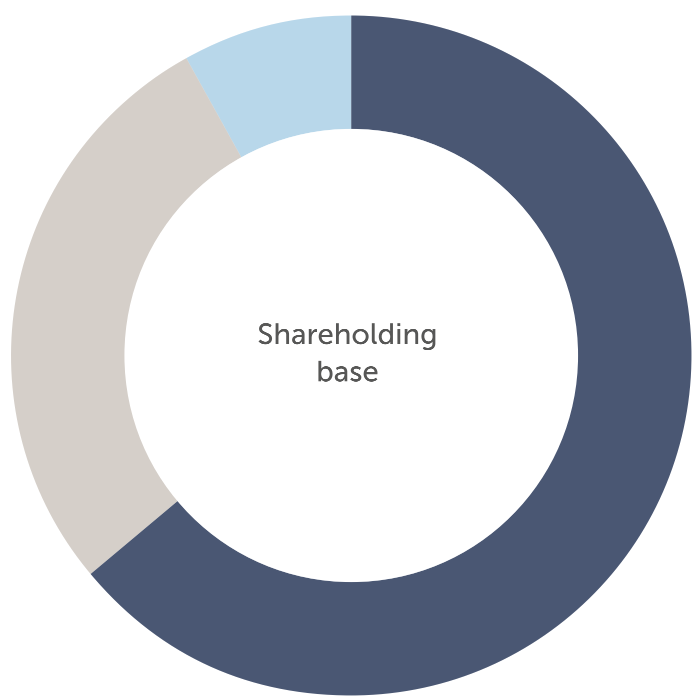
Mission

A Group mission, a daily commitment.
Our mission is to become the world's most influential luxury yacht group in terms of innovation, sustainability and performance, creating yachting experiences that set the industry benchmark for quality, elegance and customer relationships.

Group governance

Shareholders and Governance Bodies

On March 31st 2022 Ferretti Group listed on the Hong Kong Stock Exchange and this is the shareholding base



64% Ferretti International Holding S.p.A.

28% Market

8% F Investments SA

The Parent Company, "Ferretti S.p.A.", is registered with the Romagna Forlì Cesena and Rimini Companies Register and incorporated as a joint-stock company.

Ferretti S.p.A. has its registered office in Cattolica (RN), while its administrative office is located in Forlì.

The Group's governance is structured according to the traditional administration and control model and consists of the following corporate bodies:

- the **Shareholders' Meeting**
- the **Board of Directors,** within which a Chairman, a Chief Executive Officer and Vice-Chairman are appointed.
- the **Board of Statutory Auditors,** within which a Chairman, two effective auditors and two alternate auditors are nominated.

On December 31, 2022, the Board of Directors comprised the following eight members:

ROLE	NAME	DATE OF APPOINTMENT
Chairman and Non-Executive Director	Xuguang Tan	July 3, 2012
Chief Executive Officer and Executive Director	Alberto Galassi	October 23, 2013
Vice-Chairman and Non-Executive Director	Piero Ferrari	June 16, 2016
Non-Executive Director	Xinyu Xu	July 6, 2012
Non-Executive Director	Xinghao Li	March 6, 2020
Non-Executive Independent Director	Fengmao Hua	December 21, 2021
Non-Executive Independent Director	Stefano Domenicali	December 21, 2021
Non-Executive Independent Director	Patrick Sun	December 21, 2021

The breakdown of members by gender and age is as follows:

GENDER AGE GROUP	30-50	50-60	OVER 60	TOTAL
Male	1	4	3	8
Female	0	0	0	0
Total	1	5	2	8

The following legally required bodies have also been established:

- the Board of Statutory Auditors
- the Supervisory Body

The **Board of Statutory Auditors** provides oversight on compliance with law and the company By-Laws, on compliance with the principles of correct administration and in particular on the adequacy of the company's organisational, administrative and accounting structure.

- Chairman: Luigi Capitani
- Effective Auditor: Fausto Zanon
- Effective Auditor: Luigi Fontana
- Alternate Auditor: Giulia De Martino
- Alternate Auditor: Veronica Tibiletti

The **Supervisory Board** appointed by the Board of Directors on July 31, 2019, and in office from September 1, 2019, was composed as follows at the reporting date:

- Chairman: Paolo Beatrizzotti
- Member: Monica Alberti
- Member: Luigi Bergamini

In addition, the Group has set up four internal Board committees:

- Audit Committee
- Remuneration Committee
- Appointments Committee
- ESG Committee

The **Audit Committee** comprises four Directors: Patrick Sun (Chairman), Stefano Domenicali, Hua Fengmao, and Li Xinghao. This committee is responsible for reviewing and overseeing the Group's financial reporting process and internal control system and supports the Board of Directors' assessments and decisions relating to the internal control and risk management system and the approval of periodic financial reports.

The **Remuneration Committee** comprises five Directors: Stefano Domenicali (Chairman), Patrick Sun, Hua Fengmao, Piero Ferrari, and Xu Xinyu. The Remuneration Committee is responsible for evaluating the remuneration polices for directors and senior management of the Company and making recommendations thereon to the Board of Directors. The establishment of the Remuneration Committee ensures extensive information and transparency on the remunerations due to the directors and senior management of the Company, as well as on the way such remunerations are determined.

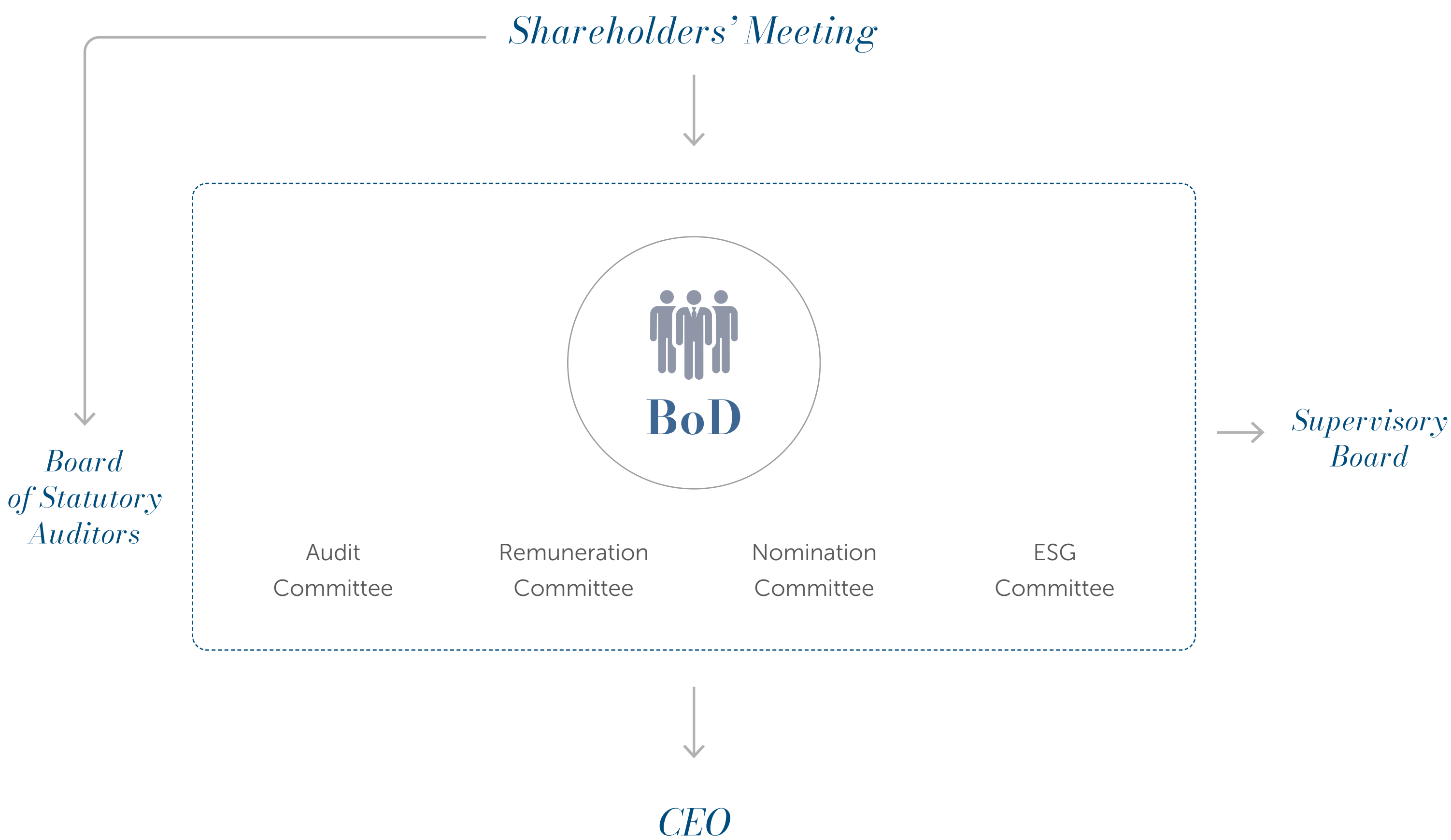
The Remuneration Committee is in charge of, and supports the Board of Directors in:

- the development of the remuneration policy;
- submitting proposals or delivering opinions on the remuneration of executive directors and other directors holding special offices, as well the setting of performance objectives related to the variable component of such remuneration;
- submitting proposals for the establishment of a transparent procedure for the development of the remuneration policy and monitoring the implementation of the policy;
- verifying the consistency of the remuneration paid with the principles and criteria defined in the policy;
- monitoring on an annual basis, or with the different frequency established by the Board of Directors, the actual application of the policy, in accordance with the modalities set forth in the procedure, verifying, in particular, the actual achievement of the performance objectives related to the variable component of the remuneration of executive directors or other directors who hold special offices;
- evaluating periodically the adequacy and overall consistency of the policy of directors and top management.

The **Nomination Committee** comprises five Directors: Tan Xuguang (Chairman), Patrick Sun, Stefano Domenicali, Hua Fengmao, and Alberto Galassi. The Nomination Committee is responsible for identifying, screening and recommending qualified candidates to serve as Directors on the Board.

The primary duties of the Nomination Committee include, among other things, reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board, identifying individuals suitably qualified to become Board members, making recommendations to the board on the selection of individuals nominated for directorships, assessing the independence of independent non-executive Directors, making recommendations to the Board on the appointment or reappointment of Directors and succession planning for Directors (in particular the Chairman and the Chief Executive), as well as making recommendations on any proposed changes to our Board composition to complement our corporate strategies.
In identifying and selecting suitable candidates for directorships, the Nomination Committee considers the relevant criteria of director nomination as formulated by the Company that are necessary to complement the corporate strategy and achieve board diversity, where appropriate, before making recommendation to the Board.

The **ESG Committee** comprises five Directors: Tan Xuguang (Chairman), Piero Ferrari, Xu Xinyu, Alberto Galassi, and Hua Fengmao. The ESG Committee is mainly responsible for supporting the Board in formulating ESG policies and strategies, monitoring ESG issues, reviewing and evaluating sustainability performance, setting metrics and targets, making recommendations to the Board, and overseeing the ESG reporting process through the review and approval of the Sustainability Report.



Remuneration of the Board of Directors

The Remuneration Committee is the only responsible for the determination, review and approval of the Directors' remuneration, following the principles of meritocracy and equity. The top management's remuneration, apart from a fixed pay, also includes a variable one, based on MBOs and the achievement of specific targets, both quantitative (mainly linked to financial KPIs) and qualitative (i.e., the development of particular activities or projects), defined at corporate, department and individual levels. As of 2022, there are neither MBOs nor other incentives related to the socio-environmental performance of the Board of Directors or other employees.

In line with the GRI standards, during 2022, the ratio of the annual total compensation for the highest-paid individual to the median annual total compensation for all employees is 129.26. The ratio of the percentage increase in annual total compensation for the highest-paid individual to the median percentage increase in annual total compensation for all employees is 7.43. For the purposes of this calculation, the following items were considered: fixed and variable pay, performance-based retribution, and bonuses.

Annual total compensation ratio[6]

YEAR	ANNUAL COMPENSATION RATIO	CHANGE IN THE ANNUAL TOTAL COMPENSATION RATIO
2020	41.80	8.91
2021	94.21	13.44
2022	129.26	7.43

[6] *The remuneration ratios reported in the table do not include figures for R.A.M. S.p.A.*

Organisation model and code of ethics pursuant to legislative decree no. 231/2001

The Code of Ethics is a key document that defines the Company's approach to business ethics and the principles that guide its culture and identity.

The document, published on the Group's website, contains both our moral vision as a Group – which focuses on maintaining and developing stakeholder trust – and a list of core values that guide the Ferretti Group, such as honesty, fairness, transparency, equity and reciprocity. The Code of Ethics features specific sections on topics that are particularly important to the Group, such as workplace safety and customer privacy.
The Code of Ethics therefore applies to the entire Group and is informally extended to all stakeholders, in the hope that the Group's moral and ethical values can be expanded well beyond its physical limits.

When drafting the Code of Ethics, the Group took into consideration also all of the activities that help combat the offences that all Italian companies are obliged to prevent pursuant to Legislative Decree No. 231 of June 8, 2001. As such, the Code of Ethics – updated in 2022 – constitutes a fundamental element of the Organisation, Management and Control Model adopted by the Ferretti Group also in order to prevent the offences listed in Legislative Decree No. 231/2001.
Defining the 231 Model involved carrying out an initial assessment of the Group's pre-existing organisational model in order to identify areas and activities that could pose a risk of crime, as envisaged by the Decree. We then defined control protocols for any important activities we had previously identified, in order to align our control principles with the Legislative Decree in question.

The Ferretti Group approved the 231 Model in 2019, bringing it into force and publishing it on the Group's website from that date onwards. The latest updated version of the Model was approved on December 6, 2022. Ferretti Group also established a Supervisory Board, which was assigned certain tasks included in the model. The company also undertakes to constantly update the Model, adding new offences to the Special Section.

The Supervisory Board oversees the functioning and observance of the 231 Model, assessing its adequacy, communicating necessary updates to the Board of Directors, and monitoring its implementation and updating.

In 2022 the Group updated the 231 Model, which has been finalized and approved in the last quarter of 2022; for 2023, a training session involving all employees is planned, also including all the provisions regarding anti-corruption and anti-bribery.

As a Group, we have been actively engaged in preventing the risk of bribery and corruption and money laundering, and above all, we strive to promote integrity and precision at all levels of the organisation and in every country in which we operate.
In addition to affecting trust and respectful competition between market operators, behaviour that goes against the principles of fairness and integrity risks undermining the very foundations of the Ferretti Group, which has championed morality and excellence for more than fifty years.
Given the Group's presence in a number of countries, including so-called 'tax havens', the Group is exposed to the risk of violating anti-corruption and anti-money laundering legislation in all nations in which it operates, as well as incurring financial penalties imposed by the European Union and the United States of America, which would have a very detrimental impact on the Group's reputation. This risk is also present with regard to the Ferretti Security Division, as it often fulfils requests financed by governments and international institutions.

The circumstances described above and the related risks are addressed by means of two key tools, namely the Group's Code of Ethics and the Organisational and Management Model for the prevention of crimes pursuant to Legislative Decree No. 231/2001. The Group also adopted a zero-tolerance anti-corruption policy. During the Reporting Period, the Group has complied with the relevant laws and regulations that have a significant impact

on the Group relating to bribery, extortion, fraud and money laundering.

Finally, we can confirm that there were no episodes of bribery, corruption or other critical concerns involving the companies of the Group in the period from 2017 to 2022.

Ferretti gives primary importance to the protection of minors and to the repression of exploitation of any kind against them. Furthermore, in order to guarantee total respect for the person, as stated in its Code of Ethics, Ferretti Group is committed to complying and ensuring its employees, suppliers, collaborators and partners comply with the legislation in force on protection of employment, with specific attention to child labour, as outlined in the Minimum Age Convention No. 138/1973 and the Worst Forms of Child Labour Convention No. 182/1999 adopted by the ILO, and the exploitation of women and foreigners from outside the European Union and also by respecting the principles of the European Charter of Fundamental Rights.

The Group has complied with the relevant laws and regulations that have a significant impact on the Group relating to preventing child and forced labour. No issues or concerns regarding child labour and compulsory labour from suppliers have been identified by the Group along the 2020-2022 reporting period.

According to the Code of Ethics, every act or behavior that could lead, even potentially, to conflicts of interests with the Group's business or to make biased and impartial decisions, should be avoided. In such situations, actual or potential, all employees are asked to notify the risk of conflicts of interest to the Supervisory Board. Similarly, if any employee becomes aware during his/her work of the commission of acts or behaviors which may harm personal safety as identified above, or constitute the exploitation or subjection of a person, he/she must immediately notify his/her superiors, without prejudice to obligations imposed by law, and the Group will take appropriate actions as and when appropriate. To this end, specific clauses are set up in the individual contracts with suppliers.

Violations of the general principles of the Code of Ethics involve sanctioning mechanisms based on the type of violation committed, aimed at reaffirming the significance of adhering to the principles within the Group.

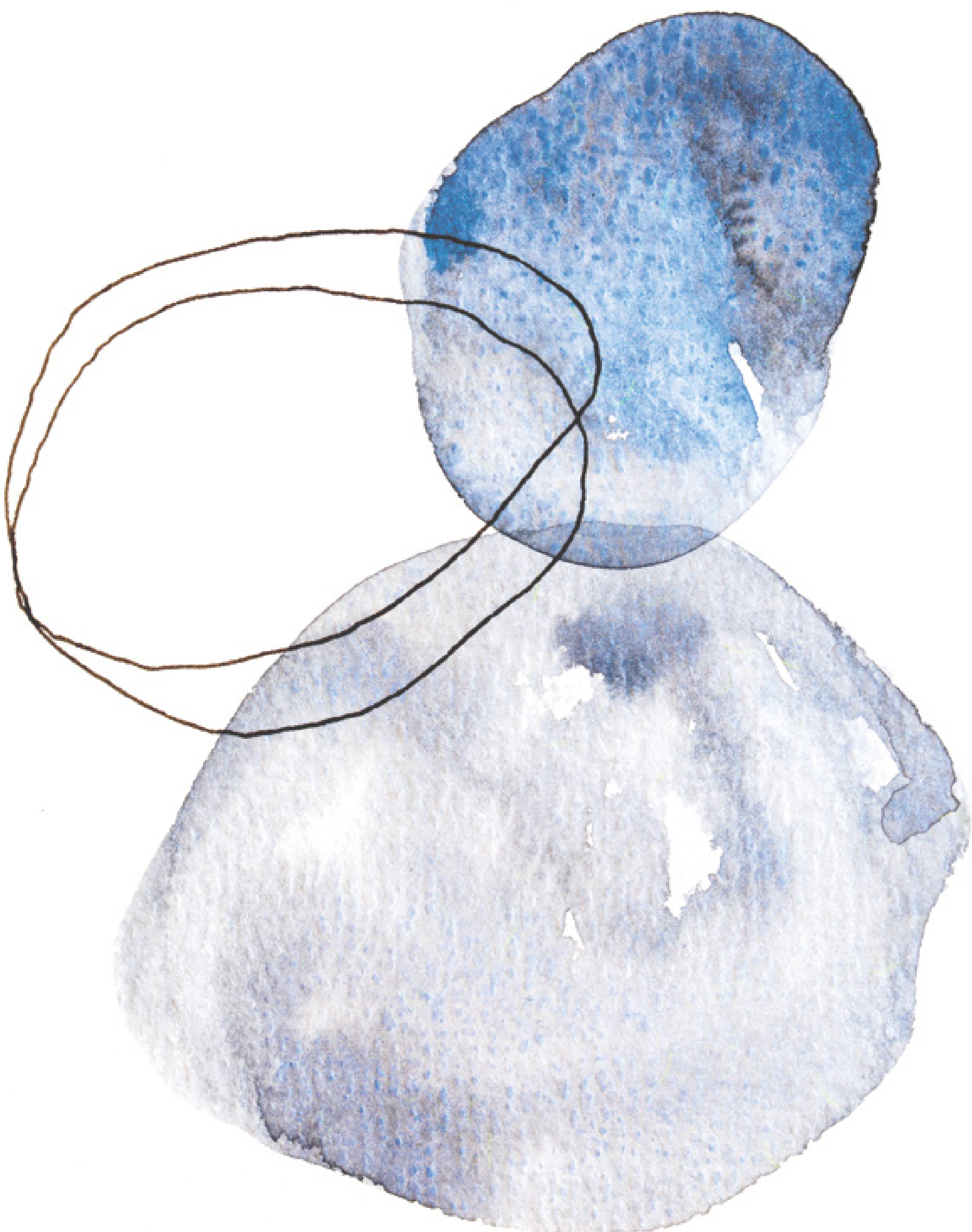
These mechanisms of sanctions are designed to address different types of violations and serve as a means of accountability. By implementing appropriate consequences, the Group emphasizes the importance of upholding the ethical principles that guide its actions.
Ferretti Group has also adopted a dedicated policy to manage Whistleblowing Reports, in compliance with the Legislative Decree 24/2023. Furthermore, according to Legislative Decree 231/2001, all Recipients of the 231 Model are obliged to provide circumstantiated reports of any major unlawful conduct or breaches of the Organisation, Management and Control Model adopted by the Company. The Supervisory Board has the task of managing the Reports and treats the reports as confidential and adopts appropriate verification procedures to protect both the Whistleblower's privacy and the reported persons' identity and integrity.

The group has not yet implemented specific policy commitments outside certification requirements; however, it is actively engaged in enhancing its corporate governance framework to establish efficient and tailored mechanisms that align with its organizational structure. The organization recognizes the importance of robust governance practices and is diligently working towards implementing effective tools and frameworks to ensure responsible decision-making and operational excellence. By proactively addressing governance matters, the group aims to establish a solid foundation for sustainable growth and stakeholder trust.

02

OUR BUSINESS MODEL

from Made in Italy Excellence
to Evolution in the Name of Innovation



.1

The Ferretti Group model

When industrial innovation meets true craftsmanship

Being a cutting-edge entity and leader in the luxury yachting market is all about embracing the two distinct qualities that allow us to manufacture yachts that fulfil our customers' wishes: industrial innovation and craftsmanship. In fact, industrial innovation is all about improving the efficiency of our serial production process year upon year, while craftsmanship allows us to offer excellent scope for personalisation and to produce some truly unique products. In many cases, the yachts we manufacture are one-of-a-kind prototypes, boasting exclusive features developed in collaboration with our customers.

In keeping with our dual spirit, the Ferretti Group model sees our yachts pass through a production line in which all components are assembled, starting from the hull, through to the engines and electrical systems, and finally, the furnishings and fittings, depending on the type of yacht we are producing and the customer's personal preferences. The Group coordinates the entire process, managing the project as a whole and directly overseeing the design, selection and procurement of raw materials and components, ready for production. The industrial aspect is evident in the planning, programming and control of the progress of each activity, while the artisan soul is left to the execution of the activity.

The Ferretti model helps us guide customers, studying ad hoc feasibility for them, through decision-making processes while gifting us with a strong understanding of market demand. This allows us to anticipate new trends while maintaining a strong bond with our suppliers, with whom we continuously explore cutting-edge solutions.

The new product development process

Over the years, we have developed and perfected our New Product Development Process, which allows us to alter and restyle existing products, as well as to carry out in-house modifications on products with pre-set specifications.

By defining and applying this process, we are able to guarantee consistency with the Ferretti Group's strategy and values when developing new products. The process also allows us to pursue specific objectives with regard to time-to-market, quality, costs, profitability and the maximum exploitation of brand partnerships.

The Process cuts across various company departments to ensure that each step – from pre-development to prototype creation – is fully developed and implemented using the appropriate skills.

The process begins with the completion of market analysis by the product marketing department to establish the macro-requirements for the new yacht model to be developed. This step is followed by a preliminary feasibility study on the amount of investment required, which determines whether development of the new model will continue. The technical features and architecture of the new model are then developed by the Operative Product Committee (OPC), which is assisted by external naval architects and designers, and our technical team. Subsequently, the members of the SPC (Strategic Product Committee) proceed with the final approval of the concept, conducting an economic assessment of the investment required to develop the model.

Strategic Product Committee

SPC

The **Strategic Product Committee** supervises meetings to define product ranges, overseeing requirements and time-to-market, and reviews each product before it is formally approved.

Operational Product Committee

OPC

The **Operational Product Committee**, on the other hand, reviews projects from a technical and architectural perspective, in order to guarantee their optimisation in terms of human resources and implementation times.

Both **Committees** work according to a process with several phases; the decision-making process is only undertaken when work at every stage of the project has been addressed and implemented correctly. This ensures that every new model is in line with the Group's strategy and targets.

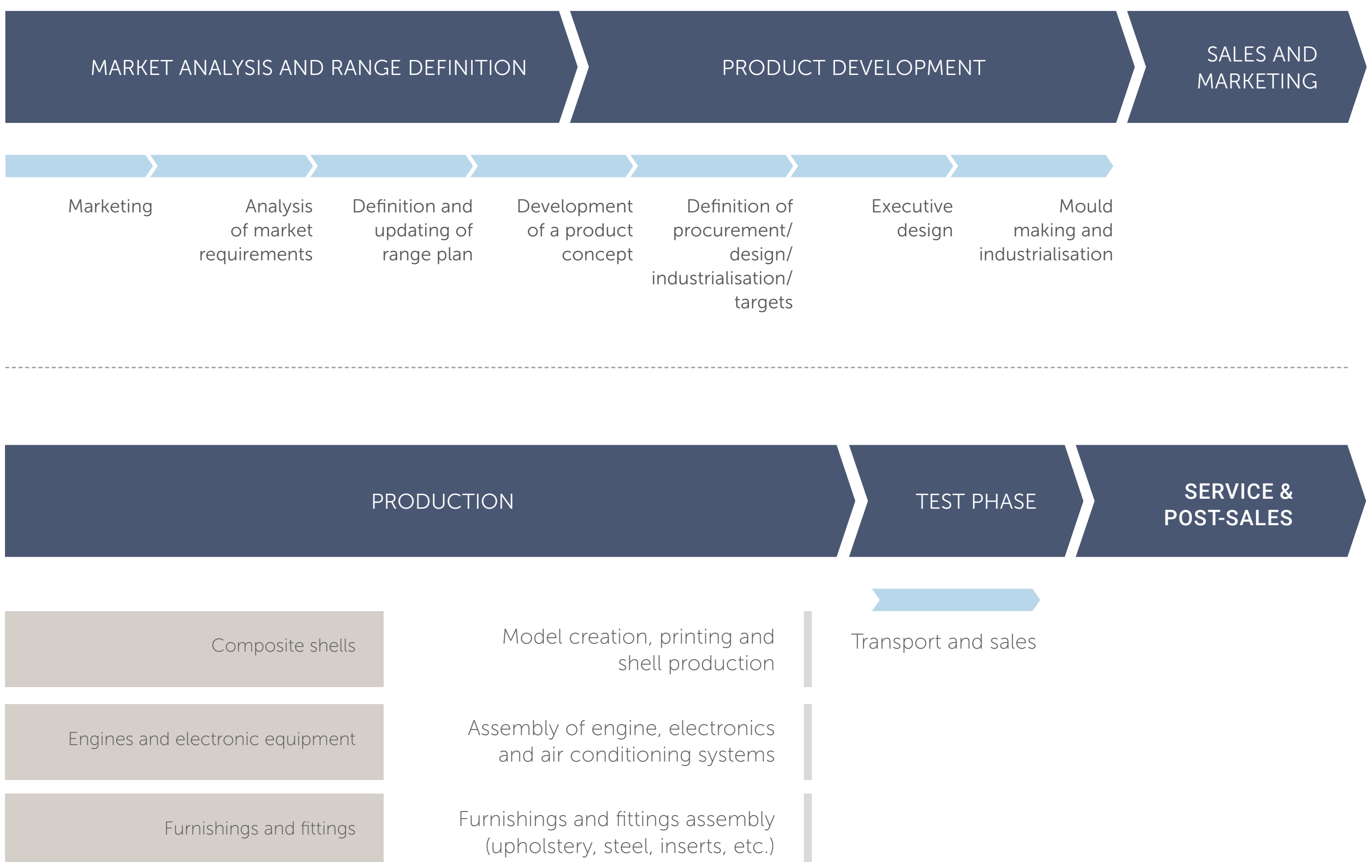
The Committee monitors the development of the prototype and the final design, keeping track of the costs and time taken to complete the process. Once the first product has been built and tested, and the industrialisation costs have been defined, a final meeting is convened to determine the adherence to the approved values and any actions.

The Group is equipped with a team of internal and external professionals who work together to define the layout for new models. As previously mentioned, our in-house design team collaborates with external naval architects and designers to research styles and define new product lines.

Our engineering department (in cooperation with project managers and project architects) is responsible for defining the technical layout of new models. Along with the technical departments and project management department, they are tasked with performing operational analysis, monitoring product development, and conducting ongoing checks to satisfy the finance department, which evaluates and ensures that all new products meet financial margins and targets, as an independent collaborator in the process.

Below is a diagram that demonstrates how the Group's product development and production model works:

Product development process



Thanks to work carried out by the Strategic and Operational Committees and our Development Process, the Group was able to present and launch more than 24 new models on the market between 2020 and 2022. This is the result of work begun by the Company's management team back in 2014, and means that the majority of the Ferretti Group's turnover is now generated from models launched in recent years.

The table below provides a breakdown of models currently available on the market by footage segment and brand:

BRAND	MODEL	Number of models	COMPOSITE 20-59ft	COMPOSITE 60-79ft	COMPOSITE 80-99ft	MADE-TO-MEASURE >100ft	SUPER YACHT >100ft
Custom Line	Navetta 30	7				✓	
	Navetta 33					✓	
	Navetta 37					✓	
	Navetta 42					✓	
	CL106'					✓	
	CL120'					✓	
	CL140'					✓	
Ferretti Yachts	500	8	✓				
	550		✓				
	670			✓			
	720			✓			
	780MY			✓			
	860				✓		
	920				✓		
	1000				✓		
Itama	45S	3	✓				
	62RS			✓			
	75			✓			
Pershing	5X	7	✓				
	6X			✓			
	7X			✓			
	8X				✓		
	9X				✓		
	GTX116					✓	
	140						✓

BRAND	MODEL	Number of models	COMPOSITE 20-59ft	COMPOSITE 60-79ft	COMPOSITE 80-99ft	MADE-TO-MEASURE >100ft	SUPER YACHT >100ft
Riva	Iseo	18	✓				
	El-Iseo		✓				
	Aquariva Super		✓				
	Anniversario		✓				
	Rivamare		✓				
	Dolceriva		✓				
	56' Rivale		✓				
	66' Ribelle			✓			
	68' Diable			✓			
	76' Bahamas Super			✓			
	76' Perseo Super			✓			
	88' Florida				✓		
	88' Folgore				✓		
	90' Argo				✓		
	102' Corsaro Super					✓	
	110' Dolcevita					✓	
	130' Bellissima					✓	
	Riva 50 METRI						✓
Wally	wallytender43	9	✓				
	wallytender43x		✓				
	wallytender48		✓				
	wallytender48x		✓				
	wallypower58		✓				
	wallywhy200				✓		
	wallywind110						✓
	wallywind130						✓
	wallywind150						✓
			16	11	9	11	5
					52		

Seven souls, one heart

Our brands

The Ferretti Group seeks to enhance the value of its brands in order to preserve their unique identities and distinctive features while also making use of the Group's central structure.

The histories of our brands have crossed paths several times over the past few decades and continue to do so, through partnerships, the sharing of ideas, projects and new horizons. As such, we're proud to tell seven different stories with one shared dream: to package together the best yachts in the world.

FERRETTIGROUP

CENTRALIZED FUNCTIONS
at Group level to leverage industrial efficiencies

HIGH-VALUE ADDED FUNCTIONS

- R&D
- PROCUREMENT
- MANUFACTURING

CORPORATE FUNCTIONS

- HR
- INVESTOR RELATIONS
- FINANCE
- LEGAL
- IT

DECENTRALIZED ACTIVITIES
at Brand level to nurture each Brand's DNA and target all customer segments

WALLY · FERRETTI YACHTS · PERSHING · itama · Riva · CRN · CUSTOM LINE

- MARKETING
- DESIGN
- SALES

BUSINESS MODEL DESIGNED TO
promote Brand distinctiveness while capturing synergies

Wally

20 years ahead

A world leader in nautical innovation, Wally combines the most advanced technologies with contemporary design in a constant search for an improved on-board experience that integrates performance, comfort and style.

Founded by Luca Bassani in 1994, Wally became part of the Ferretti Group in 2019. Since the beginning, it has fundamentally changed the concept of the yacht, creating revolutionary sail and motor yachts that have become landmarks in the yachting and design worlds.

Wally is a highly innovative brand that introduced technologies - such as the use of carbon fibre - which have since become a standard in the maritime industry. Each design solution is developed in line with an overall aesthetic to create a final result whose design is iconic in terms of simplicity and purity, and which creates a yacht that is consistent in every aspect. It is this approach that has made Wally the only maritime brand to have twice received the world's most prestigious award for quality and design, the Compasso d'Oro by ADI, the Industrial Design Association, respectively in 2004 and in 2008.

The Wally product range includes both sailing and motor yachts, in serial and full-custom models.

Year founded
1994

Shipyard site
Forlì and Mondolfo

Models
Open, Coupé, Crossover, Sailing Super Yachts

Number of models
6 Composite Yachts
3 Sailing Super Yachts

Speed range
21-54 knots

Ferretti Yachts

Just like home

Ferretti Yachts is the historic brand that began the history of the Group in 1968. The brand manufactures 3-deck yachts measuring from 15 to 30 meters in length at the Group's headquarter in Forlì and at the historic Cattolica-based shipyard and are well known for their excellent quality. Every model is permeated by refined design and a passion for the sea embracing a 'classic-contemporary' style, which combines a traditional mood, consolidated over the years, with aesthetic design and functionality. Quality, innovation and excellence in design are the pillars. The unconditional love for the sea and desire to build a future in harmony with the environment have led the brand to sustainability with the new range that gives shape to owners' new needs: seamless contact with the surrounding environment, more sustainable materials and navigation, custom detailing, and a direct link with the sea and the sky. Today Ferretti Yachts features two different ranges: the iconic flybridge yachts and the new born INFYNITO.

FLYGRIDGE

The flybridge range perfectly embodies the Just like home philosophy, an emblem of comfort and seaworthiness.

Each yacht is an intimate, personal space, expression of an eternal yet contemporary beauty, in which the owner can relax and drawinspiration from the surroundings, feeling completely at ease. Ferretti Yachts flybridge are intended for customers who are familiar with yachting culture and are previous boat owners. Customers of Ferretti Yachts are looking for comfort, quality and excellence in design. They're not usually swayed by the latest trends, but instead they opt for classic, timeless style.

INFYNITO

The brand new range which contains the brand's initials "FY" in its name, encapsulates the Ferretti Yachts DNA to perfection. INFYNITO was inspired by explorer vessels, boats designed for long voyages and to welcome guests in total comfort, giving the owner a feeling of intimacy and relaxing atmosphere. INFYNITO range, also introduces new technologies and cutting-edge solutions, that make Ferretti Yachts the first brand of Ferretti Group equipped with F.S.E.A. (Ferretti Sustainable Enhanced Architecture), a novel high-tech package of eco-friendly solutions that opens the way to a future in harmony with the environment. A commitment to a better future, with solar panels, recycled and recyclable materials, and a zero-emissions mode as just some of the innovations available. The first model in the new range to debut in 2023 is Ferretti Yachts INFYNITO90.

Year founded
1968

Shipyard site
Forlì and Cattolica

Models
Flybridge

Number of models
8 Composite Yachts

Speed range
24-28 knots

Pershing

The dominant species

John Joseph "Black Jack" Pershing was an American General who distinguished himself in the Spanish-American war for his bravery and outstanding tactical skill. He has since become an example for all American Generals, and gave his name to the Pershing missiles which were installed at European NATO bases around the same time the Pershing brand of yachts was created.

The Cantiere Navale dell'Adriatico had all these things in mind when it chose the name "Pershing" for the yacht's first launch in 1985. The brand became part of the Ferretti Group in 1998, when it produced high-performance open and coupé vessels which were dynamic and sporty and built using composite materials including carbon fibre. In over 30 years it has produced more than 30 models, often in a number of different versions, satisfying a variety of customers and cultures, as evidenced by its entry into markets in the Far East. A fundamental part of the Pershing story is the promotion of innovation in the nautical field. This has been led by constant research into new solutions and a focus on design ideas that are creative, distinctive and original.

Design, innovation, technology, performance and comfort are the core values of the Pershing philosophy. Production takes place at the cutting-edge shipyard in Mondolfo, while the Pershing 140 superyacht is produced at the Superyachts division in Ancona.

Moreover, first unveiled at Miami Boat Show 2022, Pershing GTX116 is the flagship of the new GTX range which redefines the boundaries of the market segment between 20 and 40 meters introducing a revolutionary yacht, both in concept and design and represents the perfect union of current market trends and the future of the Sport Utility Yacht category.

Year founded
1985

Shipyard site
Mondolfo and Ancona

Models
Coupé, Sportfly and Motor Yacht[1]

Number of models
5 Composite Yachts
1 Made-To-Measure
1 Flagship Super Yacht

Speed range
36-50 knots

[1] It is equivalent to the Super Yacht category.

Itama

The enhancement of freedom

We create open yachts whose sporty character and inimitable elegance make them unmistakable. It is the perfect blend of power and style that provides an unparalleled sailing experience.
Itama is about more than simply building yachts: it is about skilfully and creatively giving form to the idea of elegance and power, an idea that has always allowed our open yachts "designed for the sea" to stand out from the crowd.

Founded in 1969 by Mario Amati (whose surname spelled backwards gave the brand its name), Itama is a historic brand within the Italian shipbuilding tradition. It is renowned in the sector for open vessels made from composite materials, in a single configuration featuring a classic external steering position.

The yacht's shape, high-performance hull and powerful engines allow top speeds of between 34 and 42.5 knots, providing a unique experience for every owner.

Itama has been part of the Group since 2004. Becoming part of the Ferretti Group universe has allowed the brand to grow and prosper on an international market while simultaneously retaining the strengths that make it a worldwide ambassador for Italian style.

In recent years the Itama fleet has been restyled in order to enhance and update some functional and technological design features, while preserving the brand's famous timeless qualities. Declined in 3 models, 45, 62 and 75 feet, Itama vessels are now built in the Ferretti Group facilities of Mondolfo and Forlì.

In 2022 Itama 62RS took the stage at the Cannes Yachting Festival in a quintessential Mediterranean, sporty and elegant form: with a blue hull and a deck entirely clad in teak, this new version of the much-loved 19-metre-plus open is an anthem to intelligent cruising, featuring a technological upgrade that makes it even smarter keeping the boat's original spirit.

Year founded
1969

Shipyard site
Forlì and Mondolfo

Models
Open

Number of models
3 Composite Yachts

Speed range
34-43 knots

Riva

Nothing else

Riva is an emblem of modern, sophisticated elegance expressed in the skilful combination of ultramodern design with high-quality materials. In fact, Riva is the oldest and most iconic shipyard in the world, and is incredibly well known for its tradition and innovation. The brand has also played a starring role in the film industry for over 60 years, often stealing the show from international actors and actresses.

Back in 1842, a terrible storm damaged a fleet of fishing boats on Lake Iseo, inspiring a young shipwright named Pietro Riva to open a small shipyard to repair damaged boats. Thus began one of the most fascinating stories in maritime history. Word soon spread of Pietro's talent, and before long, he started to build a range of different boats. Pietro's son, Ernesto Riva, eventually took over the business from his father and introduced internal combustion engines. This decision gave further impetus to the shipyard, which started to manufacture boats to transport goods and passengers over the lake towards the end of the 1800s. After World War One, it was Serafino Riva's turn to take the reins, and he transformed the shipyard's valuable products into a tangible brand. In the 1950s, Carlo Riva further consolidated the brand, associating it with elegance, status and perfection. One of the most famous yachts to be manufactured in this decade was the Aquarama, which became an instant classic.

In May 2000, Riva was acquired by the Ferretti Group and in 2014, following the entry of a new management team and a new majority shareholder, the Weichai Group, the brand announced its return to the superyacht sector with a Riva Superyachts Division located in Ancona. The division designs a fully customisable fleet of superyachts, featuring two product lines that differ in style and design and measure from 50 to 90 metres in length.

Riva's light-alloy superyachts feature displacement hulls and have become a real symbol of ambitious and ingenious potential, going far beyond the boundaries Carlo Riva once broke to build famous motor yachts for the Caravelle and Atlantic series in the 1960s and '70s, as well as six motor yachts measuring over 20 metres for the Marco Polo series between 1970 and 1978, and two Vespucci boats measuring 28 and 30 metres respectively (90 and 100 feet).

Year founded

1842

Shipyard site

Sarnico, La Spezia and Ancona

Models

Open, Sportfly, Flybridge, Motor Yacht[2]

Number of models

14 Composite Yachts
3 Made-To-Measure Yachts
1 Flagship Super Yacht

Speed range

26-42 knots

[2] It is equivalent to the Super Yacht category.

CRN

Made by you with our own hands

CRN means total commitment of body, head and soul on every single project, but also the ability to listen to and interpret the vision of the owners. This is the spirit in which every one of our voyages begins, and this is how we have always made our yachts: with a winning combination of creativity, expertise, capacity for innovation and total dedication. Our passion and experience are put at the service of the owner's vision to create a work of art that is also an absolutely unique and sublime experience of life at sea.

CRN is the Italian shipbuilder specialising in the design and construction of fully custom aluminium and steel/aluminium superyachts up to 90 metres, working with the owners' vision. Founded in 1963 in Ancona, Italy, the shipyard has always created bespoke superyachts of immeasurable breakthrough and peerless beauty. Its cutting-edge solutions set the standard for functional innovation, representing Italian manufacturing at its finest. With sixty years of success behind it, CRN's is a compelling story of remarkable ideas, inspiring challenges and iconic achievements that have made it the outstanding brand it remains today. Every yacht is unique, first and foremost an individual masterpiece before being part of the CRN fleet: starting from a blank sheet for an exclusive design and construction journey experience tailored for the owners.

It's the idea behind each yacht that makes her as special and distinctive as her owner. Starting from a blank sheet, listening to and shaping the client's desires, CRN develops innovative concept designs that transform the owner's vision into a breathtaking pure custom superyacht through a winning blend of passion and expertise, flexibility and creativity, dependability and total commitment. Every aspect of every yacht is crafted inch by inch, with an immaculate eye for beauty and the sublime, taking care of the subtlest details.

Quality is highlighted in every aspect from raw materials to people, from heritage and history to a fine attention to detail, and from consummate craftsmanship, workers and all employees to in-depth know-how. CRN's many assets include the advanced Ferretti Group Superyacht Yard in Ancona, Italy, and its fleet currently boasts more than 400 vessels in the water.

CRN celebrates in 2023 an important anniversary: for sixty years this historic shipbuilder has been creating unique and distinctive projects, perfect synthesis of the superlative bespoke, craftsmanship and excellence in design and building, conceived by their owner's vision through the expertise of its own hands.

Year founded
1963

Shipyard site
Ancona

Models
Motor Yacht[3]

Number of models
CRN's know-how and experience, together with the Ferretti Group brands' heritage, give life to unique Super Yachts

Speed range
14-18 knots[4]

[3] It is equivalent to the Super Yacht category.

[4] Speed depends on each custom made on off creation.

Custom Line

Beyond the line

Remaining true to its origins, Custom Line has created a fleet of yachts with a particular focus on personalisation, A perfect combination of cutting-edge technology, ingenious functional solutions, and exquisite unmistakable design.
Every Custom Line creation is a unique work of art. Each Custom Line craft is custom built and reflects the personality of its owner, the way they look to the horizon, the way they experience the sea. In short, every Custom Line yacht is a masterpiece that tells a unique story.

Founded in 1996, Custom Line designs and builds made-to-measure contemporary high-end superyachts in composite material and aluminium alloy with custom interiors for highly demanding clients.

The Custom Line range comprises two lines, ranging from 30 to 50 metres in lengths in composite material and aluminium alloy that represent two kindred souls with the same passion for cruising and profoundly different ways of living the sea.

The planing line consists of the Custom Line 106', Custom Line 120' and the Custom Line 140'. The displacement line includes the Navetta 30, Navetta 33, Navetta 37 and Navetta 42. The new projects Custom Line Navetta 50, the brand's new flagship entirely conceived in aluminum, along with the Custom Line Navetta 38, the latest addition to the family, are under construction.

Custom Line combines advanced technology, Italian creativity, flexibility and craftsmanship throughout the design and construction process. The design process is a constant dialogue with the discerning owner family.
Every step is coordinated with the client, who experiences first-hand the unique satisfaction of creating his own magnificent yacht of distinct character and individual aesthetic taste. At the heart of this journey, the Custom Line Atelier and the Custom Line project management team, includes talented project architects, skilled engineers and technicians that support the owners right from the initial brief, developing the yacht and tailoring it to their lifestyle.

Custom Line's many assets include the advanced Ferretti Group Superyacht Yard in Ancona, Italy, where more than 300 Custom Line yachts have been built over nearly three decades and cruise all over the world and all new Custom Line Yachts are built.

Year founded
1996

Shipyard site
Ancona

Models
Flybridge, Navetta

Number of models
7 Made-To-Measure Yachts

Speed range
14-25 knots

Customer relations

The Ferretti Group has always been fully committed to transferring its product excellence to the services it offers, ensuring that it does so in ever more structured, systematic ways, and providing continuity in its customer relations. In fact, a wide range of after-sales services are available to owners, designed exclusively for customers and customised for the various yachts.

The Group has consistently invested significant resources in building the loyalty of existing customers and in attracting new customers, leveraging the original features and appeal of its brands, business growth, diversification in terms of product models, the organisation of events and participation at international trade fairs. Over the years, this has not only increased the number of new customers, but also the percentage of loyal customers. These results have also been possible thanks to the robust relationships the Group has built and reinforced over time, and to the exclusive events and unique luxury environment that Ferretti Group creates for its customers, all while respecting the basic requirements of confidentiality and privacy.

The Ferretti Group traditionally operates in a market featuring an extremely select customer base of high net worth individuals who are particularly sensitive to issues surrounding confidentiality. The Group therefore pays close attention to the issue of privacy, not simply to remain compliant with the European Personal Data Protection Regulation (GDPR[5]), but also to protect its clients and guarantee maximum confidentiality and security in the processing of their data. In doing so, it confirms the solid reputation that the Group has created over the years. In 2022, there were no reports of customer privacy violations. The Group's privacy policy is available at https://www.ferrettigroup.com/en-us/Legal-notice

Customer care & satisfaction

The commercial strategy optimises the use of dealers, brokers and the direct customer relationship so as to receive the direct input of the market, tap into trends and developments and boost existing customer loyalty.

For large yachts (over 30 metres), over the years the Group has expanded its global broker network to ensure a stronger foothold on particularly key markets. The Ferretti Group has also improved its internal sales structure by supporting the network with direct sales outlets (Milan, London, Monaco, Majorca, Fort Lauderdale, Palm Beach, Shanghai and Hong Kong).

[5] Regulation (EU) 2016/679 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.

Commercial strategies according to yacht size

<30
meters

SALES THROUGH DEALERS
55 dealers active in 71 countries around the world

>30
meters

SALES THROUGH BROKERS
(over 279 worldwide) and other Group direct sellers

In addition, every customer enjoys an exclusive relationship with the shipyard and the international service network, navigating safely with a team of experts ready to support them at all times and wherever they are. The range of services includes a hotline to address technical issues in real time, a network of spare parts warehouses (After Sales Ferretti Group) and training initiatives for service network professionals (Service University) and commanders (Convergence).

Leveraging the synergy of the entire Group and its international network can therefore guarantee customers the best possible navigation experience.

Excellent customer service has always been a Ferretti Group priority and has a single focus: to guarantee the owner, at all times, the pleasure of experiencing the sea in absolute peace of mind and safety. The owner's initial technical training is carried out dockside and includes an accompanying service for the yacht's maiden voyage. After delivery of the yacht, the Dealer and Service Point play key roles. The Service University - the refresher and professional training school for after-sales staff - emerged from this vision. It provides a wide range of training, updated annually and improved with new content to support a broad spectrum of skills: from managerial to customer satisfaction and to technical, commercial and operational expertise.

Thanks to the ever-growing ability to respond to the development demands of the various entities involved, as evident in the increasing number of participants, the Service University is today a central hub and an unmissable opportunity for all Ferretti Group Dealers and Service Points.

The Group also benefits from state-of-the-art CRM (customer relationship management) teams and processes, able to collect, aggregate and process data and information on current and potential customers. Throughout every phase of the customer journey, specific CRM activities are planned and developed - particularly to identify potential new customers and expand the customer base.

In this sense, customer surveys conducted over recent years have revealed an ever-increasing focus on performance and consumption, combined with comfort and ergonomics.

Finally, the Group promotes mutual growth and training through Convergence, an event that brings together captains from all over the world with the goal of strengthening the link between the Group and the sailing community. The event was launched for the first time in 2003, with attendance in recent years reaching in excess of 100 people. Captains discuss at the event technical and non-technical aspects related to the complex daily management of motor yachts. Convergence is a training opportunity, but also an opportunity for both the Group and attendees to build solid relationships - based on trust and mutual cooperation - to ensure the profitable professional growth of the entire sector.

A high-level commitment to the resale of superior quality yachts

The Ferretti Group also offers its customers the opportunity to buy and sell pre-owned yachts, carefully selecting these yachts and guaranteeing potential new owners of pre-owned yachts an easy, safe purchasing experience.

The pre-owned segment also operates through a dedicated online platform.

Our exclusive customer community

The Group considers it a top priority to cultivate the feeling of belonging to the exclusive Ferretti family brand community; we want our customers to feel at home on our yachts, at our events, and in our lounges. That is why we invest in unique events and marketing initiatives that improve brand awareness and build loyalty among yacht owners.

We promote our brands through numerous international customer-focused activities each year. These include private concerts with the world's most famous rock stars, dinners with award-winning chefs, collaborations with luxury partners, as well as brand extension and merchandising activities for our Riva brand, in particular. In addition, we are the industry's most active contributor to digital and social media campaigns, and we publish a quarterly lifestyle magazine called Protagonist, which we send out to our global network.

The Ferretti Group also actively participates in major international boat shows each year, taking part in more than 10 leading global shows. These include shows in Europe (Cannes Yachting Festival, Monaco Yacht Show, Salone Nautico Genova, Boot Düsseldorf and Venice Boat Show), North America (Ft. Lauderdale International Boat Show, Miami Yacht Show, and Palm Beach Yacht) and the Middle East (Dubai).

Finally in 2022 Riva celebrated its' 180th Anniversary at La Fenice Theatre with a night fully dedicated to the brand and its closest friends and lovers. On display was the iconic Riva Anniversario, the boat manufactured in 18 units to celebrate the Anniversary of the brand.

On top of all activities 2022 saw a strengthening in the relation between the brand Riva and the cinema with the release of the short movie "Riva, The Persuaders!", featuring Pierfrancesco Favino, Charles Leclerc and David Beckham.

The Ferretti Group frequently organises exclusive VIP events at product launches and major celebrations, such as the Ferretti Group Private Preview held annually in Monaco, in addition to other spectacular world premieres to exclusively present new yachts to an audience of VIP guests carefully selected from the EMEA, AMAS and APAC regions.

Sponsorship activities and partnerships with other exclusive brands represent another key way to increase brand awareness. For example, Riva is currently the official sponsor of the Ferrari Formula 1 Team, and the brand's logo appears on the haloes and helmets of drivers Charles Leclerc and Carlos Sainz. The Ferretti Group believes that opening lounges and private spaces in exclusive tourist locations will encourage people to associate its brands with the lifestyle they represent. As such, the Group is actively working with brands to open a series of spectacular locations, including the Riva Lounges at the Gritti Palace Hotel in Venice, Monaco, Paris, Sardinia, Ischia, Croatia, Mykonos and the Pershing Lounge at the Seven Pines Resort in Ibiza, and Wally at Phi Beach, the elegant Mediterranean venue in Costa Smeralda, Sardinia.

In addition, the Group has launched a merchandising line for its Riva brand, which features high-quality clothing, accessories, furnishings and collectibles that embody Riva's values.

The Group is constantly developing digital marketing channels to increase visibility and brand awareness, share key information about new products and special events, and track customer preferences and market trends. Digital interactions with customers are conducted through the main Group website (ferrettigroup.com), individual brand websites (Wally, Ferretti Yachts, Pershing, Itama, Riva, CRN, and Custom Line) and their respective social media platforms, which are visited by millions of users each year.

Moreover, 2022 was the 60th Anniversary of the Aquarama and Riva partnered with Assouline to create a masterpiece book to celebrate the iconic model.

Display of Ferretti Group boats at the Venice Boat Show in June

As of 2022, the Ferretti Group has more than 40 active social media accounts across 10 platforms (including Facebook, Instagram, LinkedIn, YouTube, Vimeo, Pinterest, WeChat, Weibo, Twitter, and Youku), with over 2 million registered followers and 3.3 million engagements.

The Group's visibility is also boosted by online advertising, which generated over 424 million impressions in the whole 2022. The Group improves its rankings on search engines by fine-tuning technical aspects and by engaging in online PR, with over 700 publications in maritime and lifestyle magazines and on relevant social media channels. Our Advertising Value Equivalency, i.e., the value of our online presence, is more than Euro 14.4 million.

Our internal and external sales network is supported by B2B tools (apps for websites, iPads, and iPhones), with an average of 360 users.

View of the Monaco Yacht Club during the Première, an exclusive event for the Group's customers held every year in September

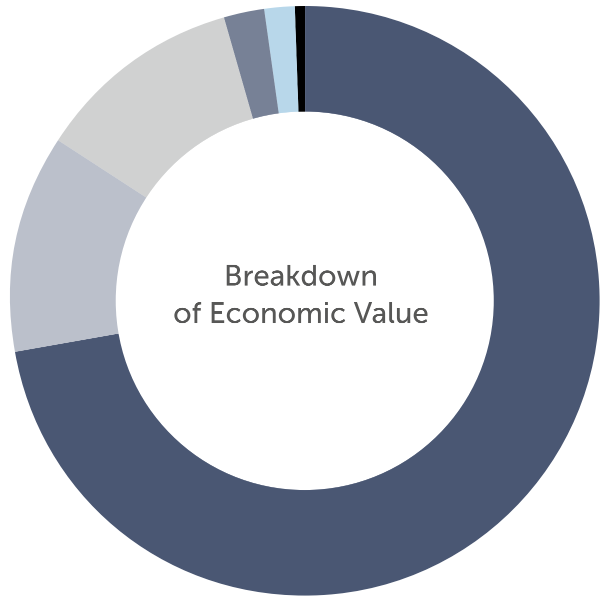
Value creation

Figures and achievements

In 2022, the Ferretti Group generated more than Euro 1 billion in total economic value, up 27% compared to 2021 and 81% compared to 2020; of the economic value generated, the economic value distributed to the various stakeholders, including suppliers (operating costs), employees, capital providers, the Public Sector, shareholders and the local community, represents approximately 88% of the total, as shown below:

(€ THOUSANDS)[6]	%	2022	%	2021	%	2020
Economic value generated	**100.0%**	**1,153,384**	**100.0%**	**908,092**	**100.0%**	**638,864**
Economic value distributed	**87.8%**	**1,013,198**	**89.4%**	**811,875**	**90.5%**	**578,445**
Operating costs	82.3%	834,017	75.1%	681,972	74.2%	473,726
Value distributed to employees	12.7%	128,810	12.4%	112,417	14.5%	92,454
Value distributed to providers of capital	0.4%	4,452	0.7%	5,940	1.1%	6,897
Value distributed to shareholders	2.0%	19,903	0.7%	6,707	0.5%	3,510
Other	2.6%	26,016	0.5%	4,839	0.3%	1,858
Economic value retained	**12.2%**	**140,186**	**10.6%**	**96,217**	**9.5%**	**60,419**

Breakdown of Economic Value created by the Group in 2022 (thousands Euro)[7]



834,017	140,186	128,810	26,016	19,903	4,452
Value distributed to suppliers of goods and services	Economic value retained	Value distributed to employees	Other	Value distributed to shareholders	Value distributed to providers of capital

For years, more than 82% of the total economic value generated has been distributed along the Group's supply chain; this has led to the creation of a real and ever-expanding ecosystem, predominantly made up of small and medium-sized Italian companies, with whom the Ferretti Group has a long history of productive collaboration.

The SMEs working with the Group are emblematic of the flexibility, excellence and sustainability of local production systems, and often boast decades of collaboration with Ferretti Group brands and a relationship that is more than simply professional.

[6] *The correlation between the items in the table (per GRI 201-1) and the items reported in the Group's income statement (in brackets) is shown below.*

"Economic value generated" *comprises "Value of production" ("Revenues from contracts with customers"), "Other financial income" ("Other revenues and income", "Financial income", and "Change in inventories") and "Increase in internal work capitalised" ("Increase in internal work capitalised").*

"Economic value distributed" *comprises:*

- *Operating costs: "Raw material costs' ("Raw materials and consumables"), "Service costs" ("Outsourcing costs", "Trade fair, events and communication costs", and "Other service costs"), "Rent, lease and similar costs" ("Rent, lease and similar costs"), and "Miscellaneous operating expenses net of taxes" ("Other operating costs", from which "Non-income related taxes" and "Membership subscriptions" are subtracted);*
- *Value distributed to employees ("Personnel costs");*
- *Value distributed to providers of capital ("Financial charges");*
- *Value distributed to shareholders ("Dividends paid");*
- *"Other", which comprises:*

- Value distributed to the community: donations, sponsorships, and membership fees ("Membership subscriptions").

- Value distributed to the government: "Current and prepaid income taxes" (difference between "Income taxes" and "Deferred taxes") and "Other operating expenses" ("Non-income related taxes");

Finally, ***"economic value retained"*** *comprises "Profit for the year net of dividends" ("Foreign exchange gains (losses)" and "Profit for the period from continuing operations"), "Depreciation and amortisation" ("Provisions and impairments" and "Depreciation, amortisation, and impairment of fixed assets"), and "Deferred taxes".*

[7] *The breakdown in the graphic does not include value distributed to the Public Administration or membership fees (see the account "Other" in the table to the left).*

Some have been acquired by the Group over the years as they constitute fundamental partners in the sale of the world's leading yachts. Such is the case of Zago S.p.A., a subsidiary of the Group that creates wooden interiors, Il Massello S.r.l., providing end-to-end on-board assembly service, as well as F.lli Canalicchio S.p.A., which has a deep expertise in yacht static exteriors and automatic kinetics systems.

While it is true that the Group's complex supply chain allows the Ferretti Group to lead the world by exporting its yachts to every corner of the planet, it is also thanks to the Ferretti Group that those small and medium Italian companies that contribute to the production of the Group's products have the opportunity to deal indirectly with the global market.

In selecting its suppliers, the Ferretti Group maintains the highest quality standards and takes into account the individual characteristics of each brand. This approach begins as early as the design phase, which often involves co-design activity between the Group and specific suppliers. The Group does, however, tend towards the internal production of its most crucial components, those which are fundamental to the development and retention of its expertise.

Selection of suppliers is managed by the Group's Procurement Department which, in close collaboration with the project's managers and engineers, identifies the specific requirements that suppliers must satisfy. These include technical capacity, structural elements (company size, geographic presence, logistics), production capacity,

INTERIORS AND FURNISHINGS	All furniture components, including floors, kitchens, marble, interior and exterior upholstery, mattresses, lighting, sanitary and other accessories.
HULLS AND FRAMES	Hulls, frames and superstructures in fibreglass and steel, as well as all rigid and structural components such as rigid canopies and hatches.
ENGINES AND GEARBOXES	Engines, gearboxes, propellers, rudders, generators, fins, manoeuvring propellers and all other aspects of yacht mechanics.
ELECTRONIC COMPONENTS	Audio/video equipment, navigation and communication instruments, batteries, lights, radar and any other electronic components.
MOVING PARTS AND DECK EQUIPMENT	Hold doors, walkways, pulpit handrails, ladders, anchors and all components that allow movement around the boat.
SUBCONTRACTING	This category includes both the manpower and the materials involved in the creation of hydraulic, electrical and insulation systems, and also all the processes of painting, resin coating, fitting out and covering.
GENERAL, ADMINISTRATIVE AND SALES COSTS	General, administrative and sales expenses, investments and purchases, maintenance services, waste disposal, exceptional transport, consultancy, communication, trade fairs and events.

credentials, Key Performance Indicators, financial solidity, and before- and after-sales assistance. Today, the Group also assesses sustainability aspects during the supplier selection process, aware of the growing importance that these aspects will assume in the near future. In this regard, it should be noted that all new suppliers who qualified in 2022 were assessed according to environmental and social criteria; environmental criteria cover certification requirements for waste management and disposal and the climate (FGas declaration), and include ISO 9001 for quality. Social requirements, on the other hand, mainly include criteria for managing occupational health and safety.

The Group suppliers receive training on the Group's Code of Conduct, which imposes standards on ethical business, respect of workers' human rights, product quality and other ESG topics. In the event that the Group is aware of any violation of the Group's Code of Conduct by the suppliers, the Group will evaluate the situation and take appropriate measures.
All suppliers whose activities are directly performed on site are trained on the safety measures described in the Group's policies and practices. By doing so, not only does the Group ensure the highest safety standards, but it also generates awareness on the importance of having a safe and committed workplace for everybody.

It should also be highlighted that the vast majority (91%) of Ferretti S.p.A., Zago S.p.A. and R.A.M. S.p.A.'s suppliers are located within the national territory, and that the non-Italian exceptions are well-structured, reliable multinationals, such as suppliers of engine parts or electronic components.

Highlights

TOTAL VALUE OF ORDERS (2022)	PERCENTAGE OF ORDERS TO ITALIAN COMPANIES	TOTAL NUMBER OF SUPPLIERS OF FERRETTI S.P.A., ZAGO S.P.A. AND R.A.M. S.P.A.	INCREASE IN PURCHASE ORDERS
714 M€	80% (568 M€)	2,381	+24% on total order value compared to 2021 (+92% on 2020)

	NUMBER OF SUPPLIERS			PURCHASE VOLUME[8]		
YEAR	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**
ITALY	1,468	1,750	2,168	298,636,415 €	525,726,231 €	568,420,309 €
EUROPE	110	73	118	48,355,204 €	30,775,052 €	98,818,425 €
EXTRA EUROPE	34	45	95	25,879,857 €	18,690,052 €	47,214,156 €
TOTAL	1,612	1,868	2,381	372,871,477 €	575,191,336 €	714,452,889 €

[8] The number of suppliers and the total value of orders issued by the Group includes the companies Ferretti S.p.A and Zago S.p.A, while purchases made between Group companies (inter-company purchases) are excluded from the overall calculation. Furthermore, the volume of purchases cannot be reconciled with the item in the income statement linked to the "Value distributed to suppliers of goods and services", for the following reasons: i) orders to foreign companies (mainly those of Ferretti Group of America, Allied Marine and Ferretti Group Asia Pacific) are not included in the purchase orders; ii) purchases of used vessels are not included in the purchase orders; iii) difference in reporting of information related to Capex purchases and user costs; iv) delay between the date of the purchase order and the actual accrual of the cost of said order.

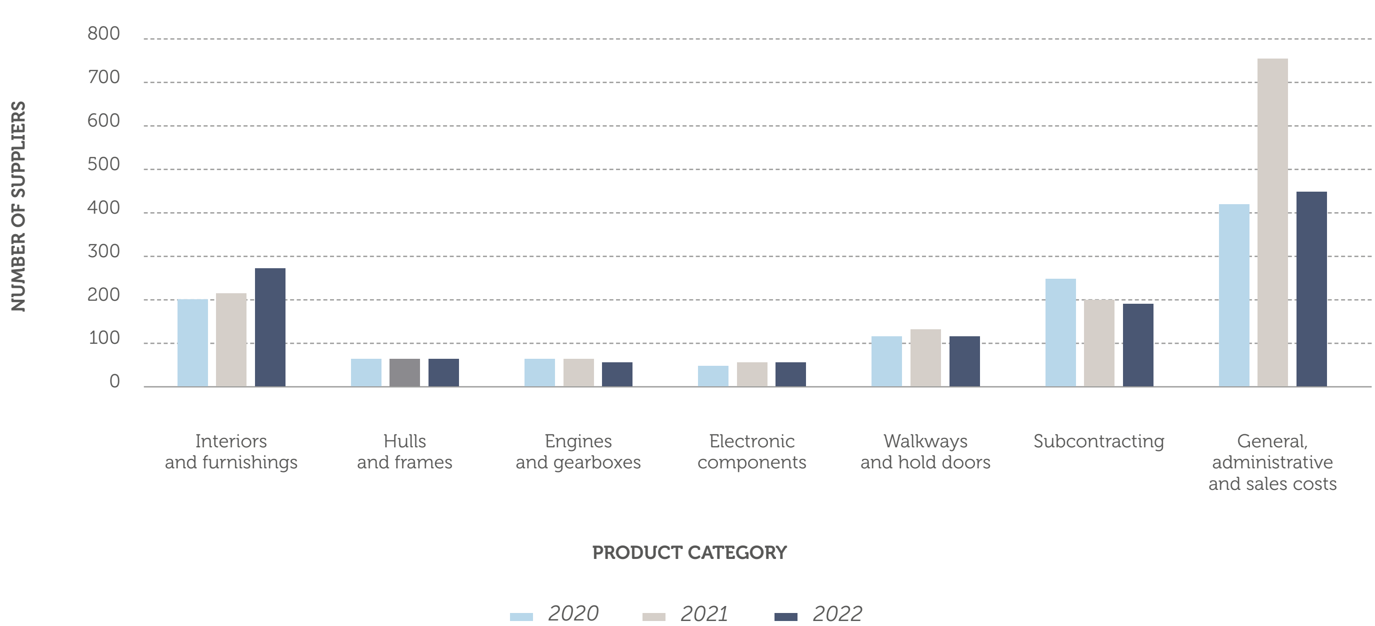
The total value of the Group's purchases, after a significant decrease in 2020 due to the COVID-19 pandemic, rose sharply, exceeding figures for 2019. In 2022, total spending amounts to more than Euro 714 million, +24% in 2021 and +92% in 2020. While acknowledging that 2020 was an extraordinary year, distribution among the product classes has not changed significantly in the three-year period from 2020 to 2022. In addition, the value of furniture and engine purchases increased between 2020 and 2022, and there was a sharp increase in spending on hulls.

Focus on Ferretti S.p.A. (excluding Superyacht Yard in Ancona)

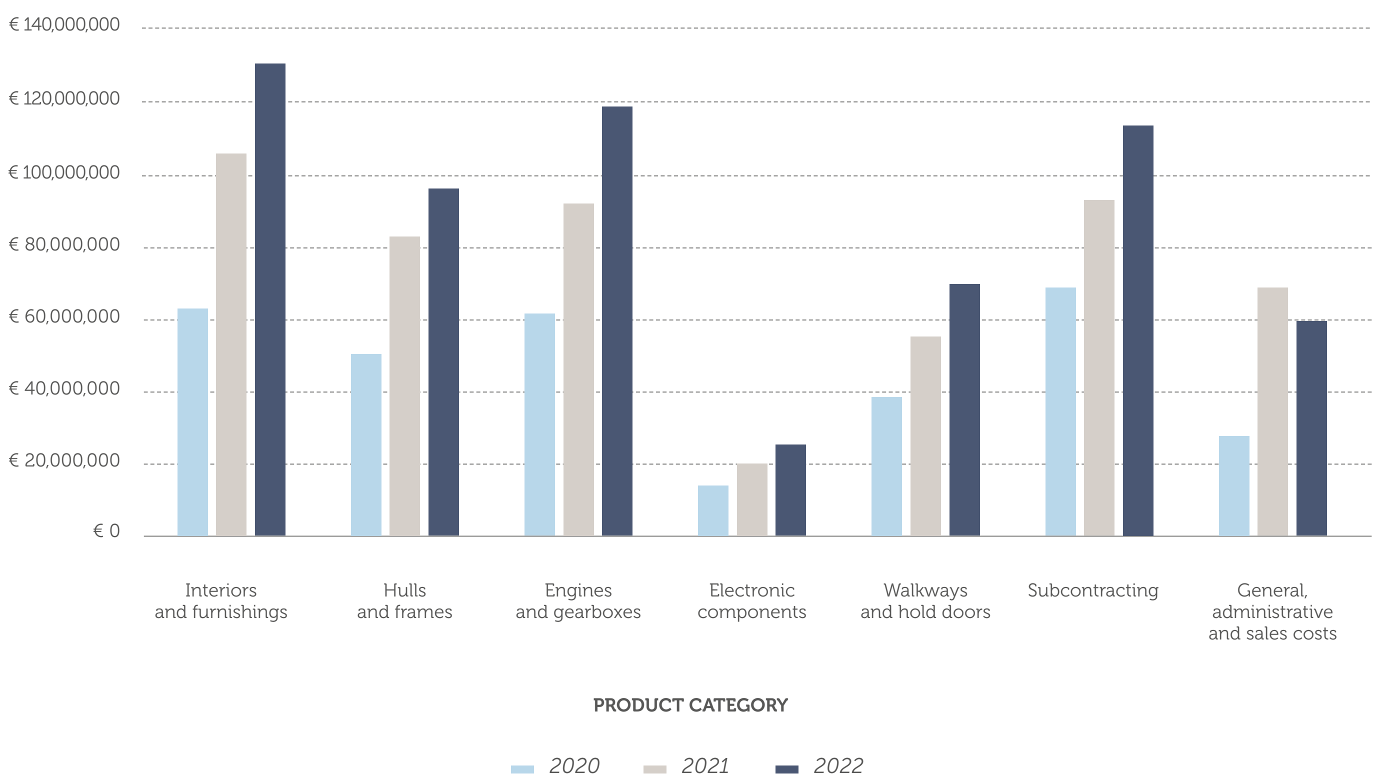
PRODUCT CATEGORY	NUMBER OF SUPPLIERS	VALUE OF PURCHASES
INTERIORS AND FURNISHINGS	268	129,811,356 €
HULLS AND FRAMES	58	95,920,150 €
ENGINES AND GEARBOXES	56	118,141,152 €
ELECTRONIC COMPONENTS	53	23,842,344 €
WALKWAYS AND HOLD DOORS	116	68,379,958 €
SUBCONTRACTING	187	112,752,372 €
GENERAL, ADMINISTRATIVE AND SALES COSTS	446	58,653,725 €
TOTAL	**1,184**	**607,501,057 €**

In line with this breakdown, the number of suppliers and total purchase volume by product category is as follows:

Number of supplier by product category



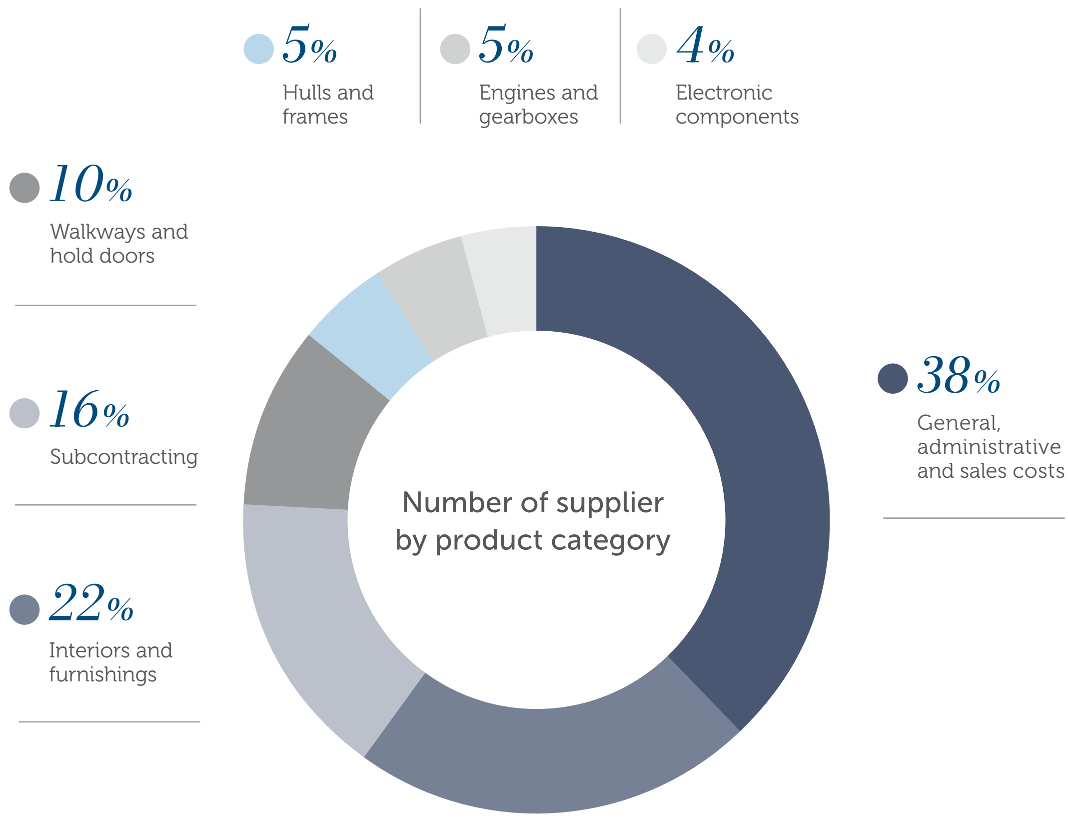
Economic value spent by Ferretti S.p.A. by product category (2020-2022)

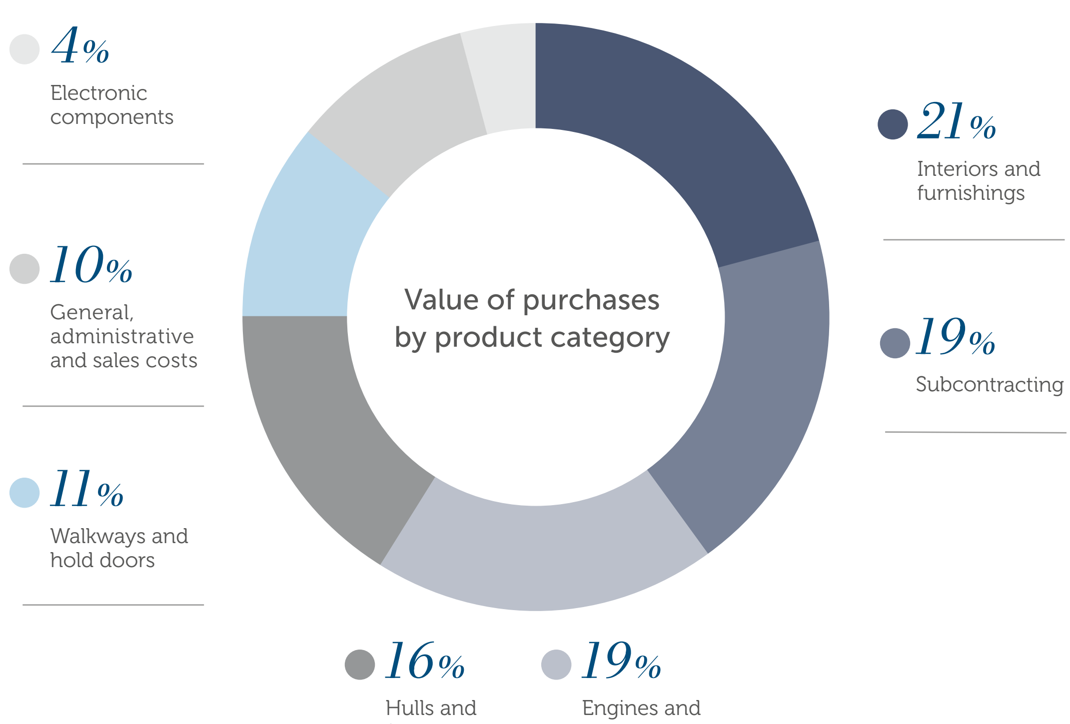


As the graphs also demonstrate, the product categories related to the mechanical, electronic and structural components of boats, i.e., the hulls, the Engines, Electronic Components and Moving Parts also present a low number of suppliers considering the economic volume from orders to those same suppliers.

As regards mechanical and electronic components, the reasons for this percentage differential are related to the trust and validity of large, long-term suppliers, who offer a complete, up-to-date and extremely high-quality catalogue. In contrast, for the other product categories mentioned (Hulls and Moving Parts), the limited number of suppliers is a consequence of the specificity of the products supplied, which are closely linked to the maritime sector. These product categories cover suppliers who are most dependent on the work of large Italian maritime companies, whose growth is therefore necessarily linked to the growth of individual suppliers.

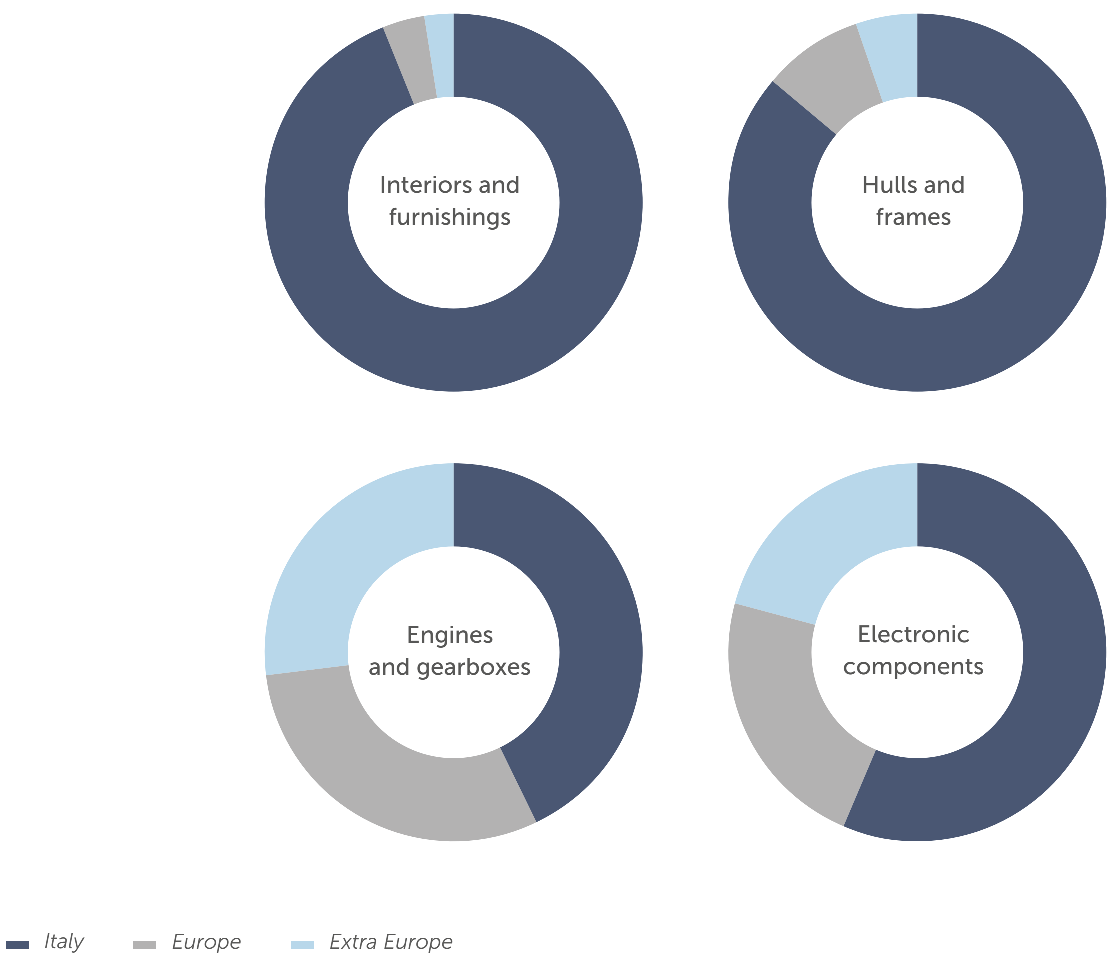
Breakdown of the percentage distribution of Ferretti S.p.A.'s total purchase value and number of suppliers used by product category (2022)





Geographical analysis of the number of suppliers by product category reveals a trend in line with the strong craftsmanship that typifies the Made in Italy movement described above. Categories related to manual labour, such as interiors and hulls, relate almost entirely to Italian workmanship; mechanical and electronic components, on the other hand, are produced more internationally, as evidenced by the higher percentage of purchases made from abroad.

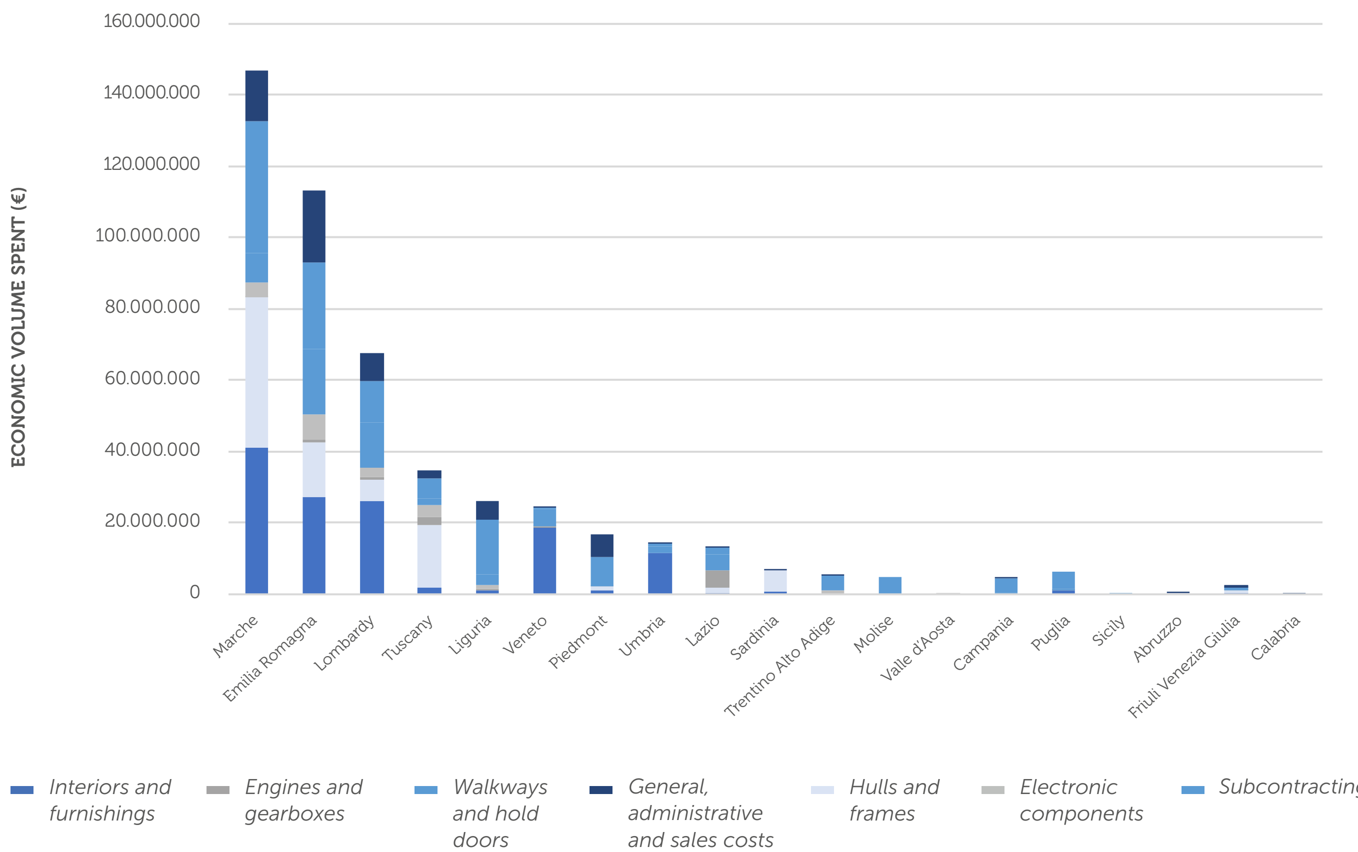
Geographical breakdown of the number of Ferretti S.p.A.'s suppliers used by purchase product category (2022)



Purchases are predominantly made in Italy for all of the large product classes.

Confirming the Group's strong local presence, there is a concentration of turnover in the regions where its shipyards are located. In 2022, 30% of Italian purchases were made in the Marche region (26% in 2021), home of the Ancona and Mondolfo shipyards, 23% in Emilia-Romagna (22% in 2021), where the Ferretti Group is present at the Forlì and Cattolica facilities, 14% in Lombardy, location of the Sarnico shipyard and offices in Milan (16% in 2021), and 5% in Liguria, home to the La Spezia shipyard (11% in 2021). The graphic below shows the breakdown of purchases by Italian region and product category for Ferretti S.p.A. only:

Division of economic value spent by Ferretti S.p.A. in Italy, by region and product category (2022)



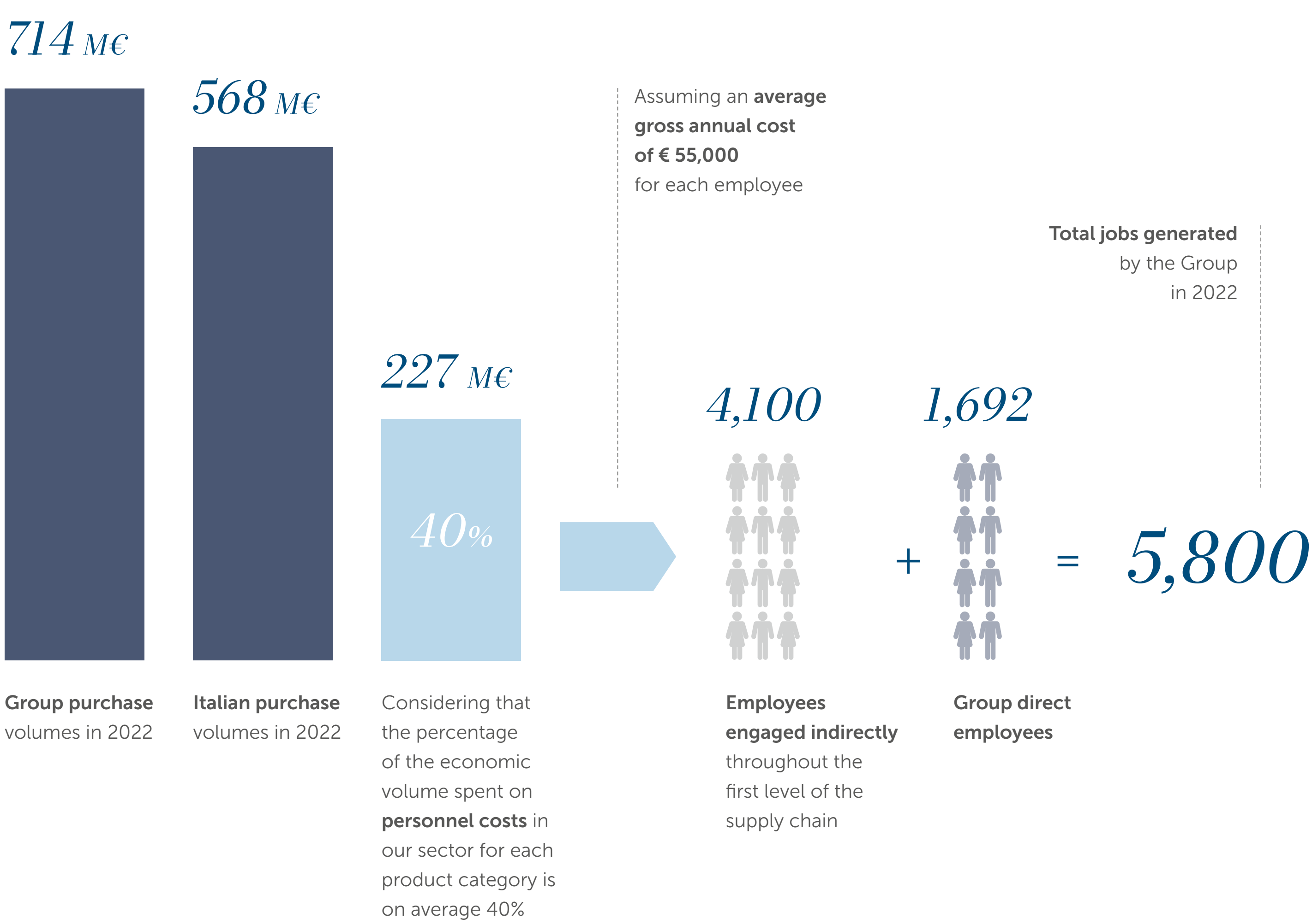
The correlation between the value of purchases and the use of indirect labour at the Group's suppliers is analysed below to estimate the employment value generated by the Group throughout the Italian peninsula.

This analysis considers only purchases from Italian suppliers whose production process is carried out entirely within the country, and therefore excludes Italian retailers whose production companies are based abroad. Also included are the product categories described above, including "General, administrative and sales costs". Considering that the percentage of the economic volume spent on personnel costs in our sector for each product category is on average 40% of the total value spent, and assuming an average annual gross cost of Euro 55,000 for each employee, this therefore gives a figure of approximately 4,100 people employed along the Group's supply chain, an increase on the estimated 3,800 staff employed in 2021.

This figure, which represents the number of employees indirectly engaged along the first level of the supply chain, does not include direct employees of the Group (1,692 in 2022); an estimate of the total number of jobs created by the Group's business in 2022, therefore, gives a figure of around 5,800 people, an increase on the estimated value for 2021 (5,400 people) and 2020 (3,750 people).

The Group believes in the importance of generating value for the local area, and we note that this figure has been growing steadily since 2017, with the exception of the severe slowdown caused by COVID-19.

Jobs generated along the value chain by the Ferretti Group in 2022



03

THE GROUP'S RESPONSIBILITIES

Our journey towards Sustainability

.1

In recent years, issues related to sustainability, the reduction of negative impacts, and the maximisation of positive ones on the environment and people have sat alongside and intertwined with the business activities of companies across the world; no industry, including the luxury and yachting sectors, is exempt from this structural change. Today, business models in numerous industries are being restructured to include and integrate sustainability issues, especially when pushed to do so by consumers, investors and other important stakeholders who demand a more conscientious approach to the world beyond business.

Other sectors, such as the one in which the Ferretti Group operates, have recently begun to enter the world of sustainability by attempting to anticipate the growing environmental focus of their stakeholders. In the yachting world this means vessels with hybrid engines, equipped with water treatment and recovery systems, furnished using eco-compatible materials, or even built relying on a network of tracked and responsible suppliers. This drive towards sustainability is dictated both by choices made by the future owners of the Group's products and by increasingly stringent regulations that require every company in the sector to make forward-looking choices and undertake strategic planning that includes sustainability as an integral corporate value.

The Ferretti Group began its journey towards sustainability in 2020 with the publication of the Group's first Sustainability Report for 2019. This began by mapping the main impacts deriving directly or indirectly from its activities with the objective of increasing internal sustainability awareness.

To date, the Board of Directors has the central role of defining and updating the corporate strategy and the moral principles that guide the Code of Ethics, and in the approval of policies, objectives and targets, including those related to sustainable development. In particular, the Board is involved annually in identifying the impacts on the environment, people and the economy, and is responsible for and officially approves the information shared in the Sustainability Report, including the Material Topics, by assessing the impact of the company on society, environment and stakeholders.

This Report constitutes the Group's forth step towards the adoption, in the coming years, of an increasingly more strategic vision of these topics, which is designed to use its pioneering ideas to protect the Group's rich heritage for future generations.
As in 2020, 2022 saw discussion of and updates to one of the most important instruments in the preparation of a Sustainability Report: the materiality analysis designed to identify the most relevant sustainability issues in terms of impacts generated and stakeholder focus.

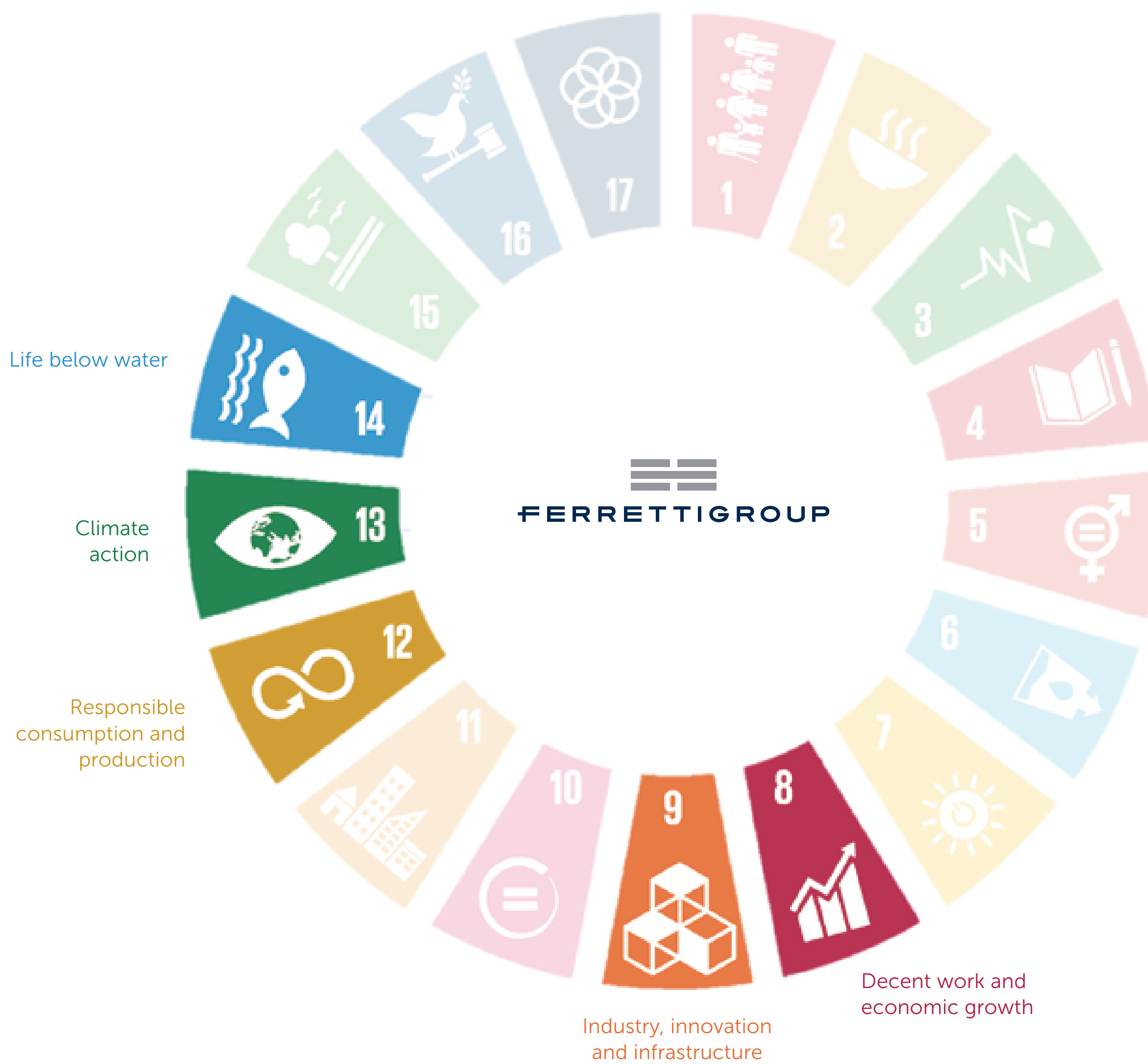
It is on the areas identified as material that the Group will focus its current attention and future efforts, with a view to reducing its environmental impact and creating value for the community and the local area.
In its efforts, Ferretti Group is supported by a number of stakeholders and, in particular, by foundations and associations to which it is member, namely Fondazione Altagamma, Italy China Counsil Foundation (ICCF), SYBAss, Confindustria Nautica, Confindustria La Spezia e Confindustria di Ancona. Together with these entities, not only does Ferretti Group communicate regularly, but it also exchanges projects and ideas to develop the nautical sector in terms of socio-environmental impact.

Sustainable Development Goals
SDGs

The Sustainable Development Goals (SDGs) are 17 goals approved in September 2015 by the governments of the 193 member countries of the United Nations General Assembly. They recognise the close relationship between human well-being and the health of natural systems, highlighting the common challenges that every country faces in creating a sustainable future. The objectives are part of the ambitious action programme for peace and prosperity for people and the planet, known as the 2030 Agenda for Sustainable Development.

The SDGs are universal, targeting both developing and advanced countries, and are based on integration between the three dimensions of sustainable development: environmental, social and economic aspects. The 17 objectives therefore cover a number of development areas, from the fight against hunger to the elimination of inequality, from the protection of natural resources to urban development, from agriculture to consumption patterns.

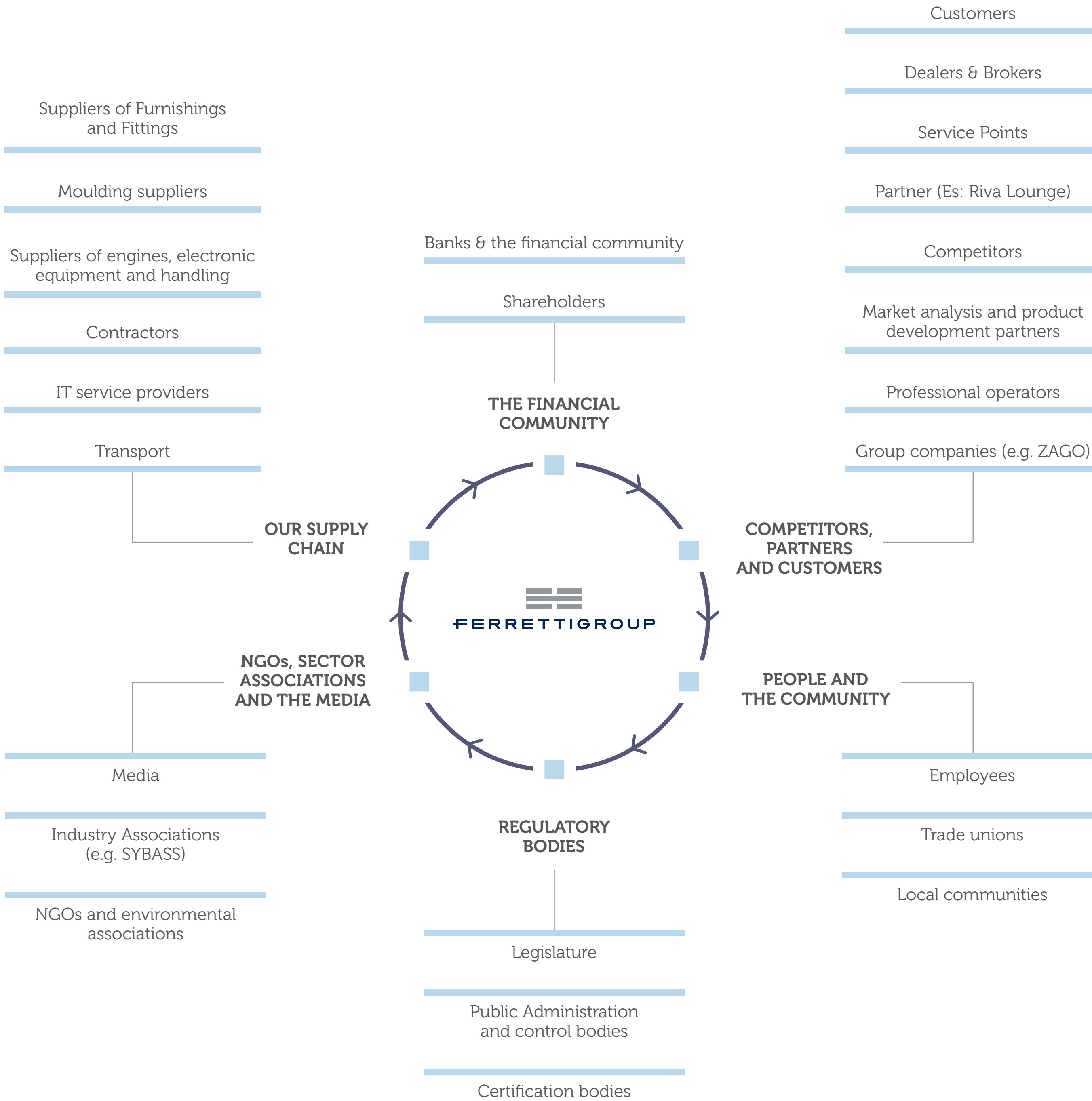
The Ferretti Group supports and promotes the 2030 Agenda for sustainable development and, specifically, has identified five objectives linked to its values and commitments and that it believes it can significantly influence through its activity:



The choice of these five SDGs reflects the topics identified as material, and relates both to the production process and to the products themselves. It also further evaluates the impacts along the supply chain and on the local communities affected by the Group's business.

The Ferretti Group's stakeholders

For the Ferretti Group, dialogue with and the direct involvement of its stakeholders are of prime importance in understanding their various expectations and requirements. Over the years this collaboration has allowed the Group to develop the robust personal and professional relationships that guarantee the Ferretti Group the leading role it currently plays in the luxury yachting sector.



Stakeholders were identified by involving the entire front line of the company and considering the players with whom the Group interacts and those groups who influence/are influenced by the Ferretti Group's activities along the entire value chain. The discussion carried out by the Company's senior management confirmed the stakeholders also for 2022, and no changes were made to the list presented below.

The materiality analysis

The Group drafted this Sustainability Report according to the GRI (Global Reporting Initiative) Sustainability Reporting Standards, that have been updated in 2021. Moreover, in continuity with the last reporting year, this Section is also aimed at fulfilling the requirements of the "ESG Reporting Guide" of the Hong Kong Stock Exchange, after the listing of the Group in March 2022.

Through a process of Materiality Analysis, Ferretti Group was able to identify those sustainability topics deemed material and, thus, worth reporting – i.e., topics that represent the organization's most significant impacts on the economy, environment, and people, including impacts on their human rights (GRI 3: Material Topics 2021).

Materiality definition process

The material topics were examined through an articulated process which included the understanding of the context in which Ferretti Group operates (review of the relevant sustainability guidelines, key documents, legislation and benchmarking activities); the identification of current and potential, negative and positive impacts on the economy, environment, and people including impacts on human rights, across the organization's activities and business relationships; the assessment of the significance of impacts (based on the severity of the impact itself for actual impacts and based on severity and likelihood for potential ones); the prioritization of the most significant impacts for reporting purposes; identification of sustainability material topics starting from the impacts identified.

The assessment of the relevance of impacts was carried out taking into consideration the guidelines of the GRI Standards and the results of the analysis were validated by Ferretti Group's management in a dedicated workshop. For this first year of reporting in accordance with the new methodology defined by the 2021 GRI Standards, Ferretti Group has identified and assessed its impacts without engaging directly with stakeholders.

The list of material topics and a brief explanation of related impacts is reported in the following table.

MATERIAL TOPIC	DESCRIPTION OF RELATED IMPACTS
	NEGATIVE IMPACTS
GHG emissions	The organization, through its operations, supply chain, and logistics, and during the use of its products, generates an actual negative impact on climate change, due to the emissions of greenhouse gases. Those emissions contribute to climate change and generate global impacts. (Actual Impact)
Energy consumption	The organization, through its operations, supply chain, and logistics, and during the use and disposal of its products, consumes energy resources. If managed in an unsustainable way, this consumption can influence the availability of energy resources, thus generating significant impacts. (Actual Impact)
Polluting atmospheric emissions	The organization, through its operations, supply chain, and logistics, and during the use and disposal of its products, may release polluting emissions in the atmosphere, which have an actual negative impact on the air quality and on the ecosystems, included on human and animal health. These emissions include sulphur oxides (SOx), nitrogen oxides (NOx), particulates (PM), volatile organic compounds (VOCs) and carbon monoxide (CO). (Actual Impact)
Water consumption	The organization, through its operations, withdraws, consumes and discharges water. Inefficient withdrawals and discharges, as well as potential discharges of pollutants into water, may negatively contribute to the quality and depletion of water resources. (Actual Impact)
Waste management and product's end-of-life	The organization, through its operations and during the use and disposal of its products, generates waste. This waste, if not recyclable nor reusable, may lead to actual environmental impacts in the concerned territories. (Actual Impact)
Raw materials consumption	The organization's supply chain, if managed in an unsustainable way, may influence the availability of raw materials and the local ecosystems, thus generating significant negative impacts. (Actual Impact)
Biodiversity	The organization, through its operations and supply chain, and during the use of its products, without an adequate monitoring system, may jeopardize natural, and especially marine, ecosystems. Its damages may impoverish the local flora and fauna, with consequent significant potential impacts on the local biodiversity. (Potential Impact)
Occupational health and safety	The organization, through its operations and supply chain, may cause injuries to its workers and not guarantee the protection of workers' health and safety. (Actual Impact)
Human and civil rights	The organization, through its operations and supply chain, may not guarantee the respect of decent working conditions, and may cause incidents of violation of human rights, forced labour and child labour. (Potential Impact)
Diversity, equal opportunity and inclusion	The organization, through its operations and supply chain, may build business relationships that do not guarantee equal opportunities, diversity and inclusion, with consequent incidents of discrimination and negation of equal opportunities in the treatment, remuneration and benefits of workers. (Potential Impact)
Product Safety	The organization, during the use of its products, and without an adequate system of quality control and monitoring, may offer an unsafe product, with consequent risks for the health and safety of customers. (Potential Impact)
Anti-corruption and money laundering	The organization, through its operations and supply chain, may incur in practices of corruption and money laundering, also due to its presence in countries known as tax heavens. Without adequate preventive policies and procedures, there could be an incorrect allocation of economic resources, as well as abuse of democracy, violation of human rights and political instability. (Potential Impact)

MATERIAL TOPIC	DESCRIPTION OF RELATED IMPACTS
	POSITIVE IMPACTS
Sustainable supply chain management	The organization, through its supply chain, promotes a sustainable supply chain management, by screening its suppliers with ESG criteria. (Actual Impact)
Human capital development, retention and satisfaction	The organization, through its operations, offers training programs to develop the workforce's technical skills, as well as to improve its management and relationship. Moreover, the organization implements retention practices for its personnel. These initiatives improve the competences and satisfaction of the communities in which the firm operates. (Actual Impact)
Development and value creation for local communities	The organization, through its operations, by implementing and favouring local hiring programs, donations, volunteering and philanthropic activities, contributes to the enrichment of local communities, in terms of economic resources, personal development and professional growth opportunities. (Actual Impact)
Research & Development	The organization, through its operations, monitors and contributes to the technological evolution of its field, which improves the quality of products and processes, reduce costs and lead to more competitive product prices. Those R&D practices positively contribute to the technological development, economic and financial status, and reputation of the whole sector. (Actual Impact)

.3

ESG Risk Management

In accordance with the Hong Kong Stock Exchange ESG Reporting Guide, the Ferretti Group assesses and determines the characteristics and extent of risks relating to environmental, social, and governance (ESG) topics and its material topics. ESG risks must be assessed to ensure business continuity and to prevent critical issues from arising that could cause operational or reputation-based problems; as such, the Group is committed to incorporating these risks into its business strategy.

The Group's initial ESG risk assessment was conducted by its Risk Management and Sustainability departments, which adopted a cross-cutting approach to the main challenges of the ESG world. The risk assessment carried out by the Ferretti Group in 2021 comprised an initial qualitative assessment that took into consideration four risk categories:

- **Operational risks**: risks that could interrupt or damage the company's business operations
- **Financial risks**: risks that could have a direct impact on the Company's financial performance.
- **Reputational risks**: risks that could have a negative impact on the Group's reputation and image.
- **Compliance risks**: the risk of non-compliance with applicable laws - which could expose the Group to legal sanctions - the Code of Ethics, or internal procedures.

CATEGORY	MATERIAL TOPIC	RISK IDENTIFICATION	DESCRIPTION
ENVIRONMENT	Polluting atmospheric emissions Waste management Water consumption and discharge	Potential risks related to poorly controlled pollutants and waste and water management on the Company premises	Non-compliance with regulatory requirements and the inefficient management of pollutants, waste and water could lead to higher operating costs and have a greater environmental impact
ENVIRONMENT	Tangible assets	Potential risk related to the poor control of investments in products and/or use of materials that are incompatible with environmental protection and/or potentially hazardous to customers and the environment (including the end-of-life of certain materials (e.g., fibreglass shell)	Investing in products and using materials that are incompatible with environmental protection could lead to higher operating costs and have a greater environmental impact
ENVIRONMENT	Reduction and efficiency of energy consumption Atmospheric GHG emissions	Potential risk related to the poor control of energy consumption and consequent GHG emissions on the Company's premises	The entry into force of stricter energy efficiency requirements could result in the Group not complying with these requirements. A failure to implement energy efficiency strategies could result in a financial risk due to the failure to reduce costs. The Group could incur transitional risks related to climate change, such as compliance or reputational risks caused by the transition to a low-carbon economy. Save for the above, the Company has not identified any additional risks related to significant climate-related issues which have impacted or may impact the Company during the Reporting Period. The Company will monitor the climate-related issues on an on-going basis in order to identify potential risks that may impact the Company in the future and to take mitigation actions as and when appropriate
SOCIAL	Creating value for local communities	Potential risk linked to an inability to implement an adequate investment plan to support the local community and interruption of the local supply chain, which comprises artisans and people with specific skills handed down from generation to generation. This could jeopardise business continuity in the future	The lack of a comprehensive community investment plan could have consequences on the effectiveness of the investments themselves, which would bring reduced benefit to the community and would represent a missed opportunity for the Ferretti Group to improve its reputation through social initiatives
SOCIAL	Customer safety and centrality	Potential risk related to a poor response to security standards, the inability to protect customer data, and potential non-compliance with privacy requirements	Non-compliance with specific safety norms and standards or non-compliance with data privacy regulatory requirements (e.g., data loss/theft) could lead to potential health and safety risks for customers, fines, or reputational damage

RISK TYPE	RESPONSE
Compliance risk Operating risk Reputational risk	- Specialised HSE divisions set up at each of the Group's plants, with a strong corporate vision regarding the improved management of pollutants, waste, and water management on Group premises - ISO 14001:2015 on environmental management systems active at the Forlì and La Spezia (2021), Sarnico, Cattolica and Mondolfo (2022) sites and in the process of being obtained for all the other Group sites - 14001 provides for the planning of simulations and the correct management of waste, etc. - Plant maintenance activities beyond regulatory requirements, regular maintenance to prevent faults and further reduce impact
Compliance risk Operating risk Reputational risk	- ISO 14001:2015 on environmental management systems active at the Forlì and La Spezia (2021), Sarnico, Cattolica and Mondolfo (2022) sites and in the process of being obtained for all the other Group sites - Defining specific initiatives and actions to a) lighten and reduce weight where possible, b) improve fuel efficiency during use, c) improve materials and component types, including the consumption of associated resources, d) improve the end-of-life process, so that yachts and their component parts can be fully dismantled - Qualification of suppliers, who are assessed from an environmental standpoint through 14001 certification
Compliance risk Operating risk Reputational risk Finance risk	- Specialised HSE divisions set up at each of the Group's plants, with a strong corporate vision on the improved management of pollutants, waste, and water management on Group premises - ISO 14001:2015 on environmental management systems active at the Forlì and La Spezia (2021), Sarnico, Cattolica and Mondolfo (2022) sites and in the process of being obtained for all the other Group sites - The Group will conduct further analysis on physical risks for a more complete picture
Reputational risk Finance risk	- Strong link between production activities and employees who come from the areas in which the sites are located - Local activities: during the pandemic, the Ferretti Group worked hard to support hospitals and families in the regions in which it is located
Compliance risk Operating risk Reputational risk	- Maintaining high quality standards, in terms of business processes, customer care and satisfaction; - ISO 9001:2015 Certification - Compliance with the European Data Protection Regulation (GDPR) - Performing internal audits on compliance with the data privacy regulation - Carrying out awareness-raising activities on customer protection and privacy

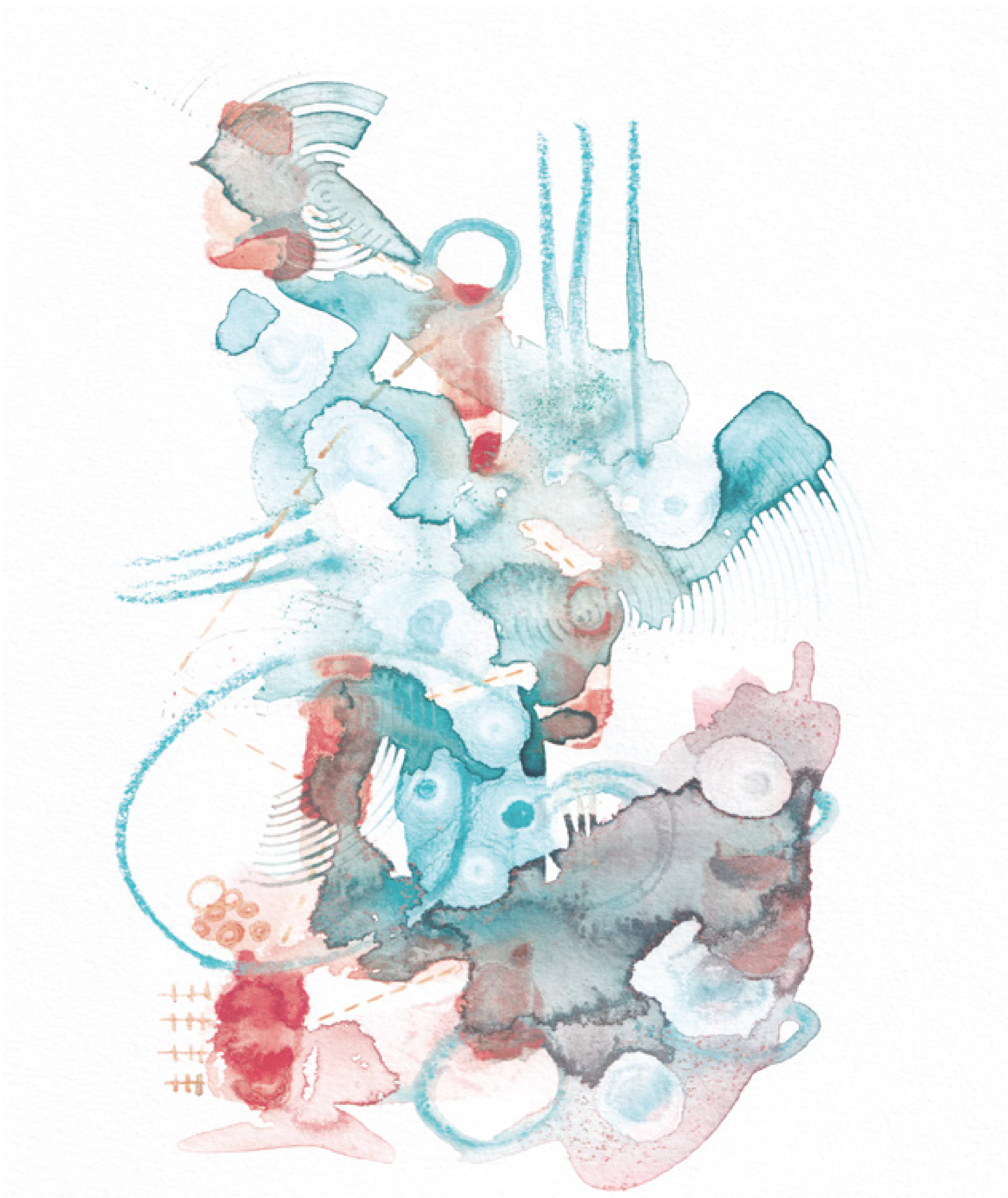
CATEGORY	MATERIAL TOPIC	RISK IDENTIFICATION	DESCRIPTION
SOCIAL	Occupational health and safety	Potential risk related to the failure to protect the health and safety of direct employees, contractors, and third parties	Non-compliance with occupational health and safety regulations could lead to fines, as well as a lack of action to prevent accidents and risks to workers' health and safety
SOCIAL	Research and development	Potential risk linked to the insufficient monitoring of technological developments within the Company	A failure to monitor technological developments that could improve the quality of products and processes, as well as a failure to streamline costs and to sell products at more competitive prices could harm the Group's economic and financial stability and its reputation. Protecting intellectual and/or industrial property rights is key to the success of the Group's business and products, as well as its competitive standing. The Group is exposed to the risk of third-party interference in the enjoyment and exploitation of its intellectual and/or industrial property rights, as well as to potential disputes and limitations on the exploitation of such rights, which could result in potential liabilities and have negative effects on the Group's economic and financial stability and its reputation
SOCIAL	Employee motivation and satisfaction Talent attraction, retention and development	Potential risk related to a lack of qualified employees, the absence of an adequate pipeline for strategic roles/skills, and/or a shortage of qualified personnel in the maritime labour market	Risk linked to the lack of or inadequate management and development of skills within the Company using a continuous improvement model, as well as a failure to encourage the full expression of personal skills and to adequately cover corporate roles. This risk may arise, for example, due to a lack of or gaps in investment in staff training, resulting in an inability to learn new skills or improve acquired ones. This category includes the risk of inadequate recruitment due to a failure to identify current and future needs or to use the correct recruitment channels
GOVERNANCE	Business ethics and fairness	Potential risk related to the occurrence of unethical business practices and unfair competition	Failure by Ferretti Group employees to comply with legislative regulations, the internal code of conduct and procedures (e.g., due to employees' lack of knowledge of the matter) could damage the Group's reputation
GOVERNANCE	Sustainable supply chain management Selection and sustainability of raw materials	Potential risk related to lack of proper due diligence on potential suppliers, a failure to monitor environmental and social regulations, a lack of supply chain resilience due to unstable factors (such as the COVID-19 pandemic), and relationships with third-party suppliers, contractors, and manufacturers	The risk that due diligence is not adequately performed on potential suppliers and that the environmental and social regulations in the contracts concluded are not properly monitored, resulting in activities that do not comply with the principles of sustainability (proper use of natural resources, protection of individual rights, etc.)

RISK TYPE	RESPONSE
Compliance risk Operating risk Reputational risk Finance risk	- Guarantee employee health and safety - Provide the best possible working conditions at sites - ISO 14001 certifications - Compliance with local 81/2001 H&S decrees - Monthly meeting at each shipyard to discuss incidents and corrective measures - Monthly meeting between the employer and facility managers to discuss the measures taken, practices to be followed, and potential critical issues - Injury reduction targets and severity in site director compensation plans - Specialised health and safety training courses - Other specific and up-to-date measures and good practices to reduce risks during operations
Reputational risk Finance risk	- Conduct industrial research and encourage experimental developments and process innovations to improve existing products, processes and services - Expand the Group's knowledge base to support its entry into promising new global sectors - Product strategy committee and product operations committee in place for a number of years
Operating risk Finance risk	- Strengthening employer branding activities - Supporting regions by monitoring staff turnover on a quarterly basis and defining action plans to reduce it - Annual survey to monitor employee engagement - Recognition and investment in top performers - Identification of strategic skills/competencies and top talent needed to support future growth - Continued investment in development and training to accelerate the growth of top talent and to build skills
Compliance risk Operating risk Reputational risk	- Code of Ethics in place since 2019 and promotion of the Company's values internally and externally - Anti-Corruption Policy at Group level
Operating risk Reputational risk	- Raise awareness of the importance of a resilient and flexible supply chain - Guarantee the continuity of production, including through periods of significant instability (e.g., the COVID-19 pandemic)

04

LUXURY AND INNOVATION

The Quality and Exclusivity of our Products



.1

Research, innovation and sustainability

The new product development process

The luxury maritime sector features a high level of innovation and attention to detail which ensure excellence in final products and bring the best out of their construction.

In order to be at the forefront of industry innovation, expand and renew its portfolio ahead of market trends, and position itself as an "e-Luxury" yachting manufacturer with environmentally friendly and sustainable solutions, the Group has been continuously investing in R&D. In this regard, once the new management team had been appointed in 2014, the Ferretti Group began to invest heavily in R&D activities to upgrade and modernise its product lines. As a consequence, the Group incurred total expenditure of around Euro 185 million between 2017 and 2022 alone. Specifically, significant investments were made into engine components, not just to comply with regulations, but rather to anticipate them, applying the highest standards to the Group's fleet worldwide.

Since 2016, the Group has developed and launched 40 new or restyled models (excluding two super yachts), reducing the average model age from 4.7 years in 2016 to 3.8 years (excluding Wally models and flagship super yachts models, as those business lines are still in their start-up phase). At the same time, the Group has strategically leveraged its core engineering capabilities, developing flexible naval platforms that may be shared across models. The Group has a portfolio of 47 composite and made-to-measure models developed on the basis of 36 naval platforms compared to 38 models developed on 35 naval platforms as of December 31, 2016. In other words, there are 22 models sharing common naval platforms.

At the Forefront of Innovation

~185

M€ invested in R&D from 2017 to 2022

Proactively Chasing Market Trends

24 *models launched between 2020 and 2022 (approx. 50% of the Group product portfolio is less than 3 years old)*

>20 *models will be unveiled between 2023 and 2025*

GROUP
R&D
FIGURES

Cutting-Edge Model Portfolio

3.5

average age (in years) of models in the portfolio in 2022 (due to recent upgrades to the product portfolio)

Sustainability at the Core

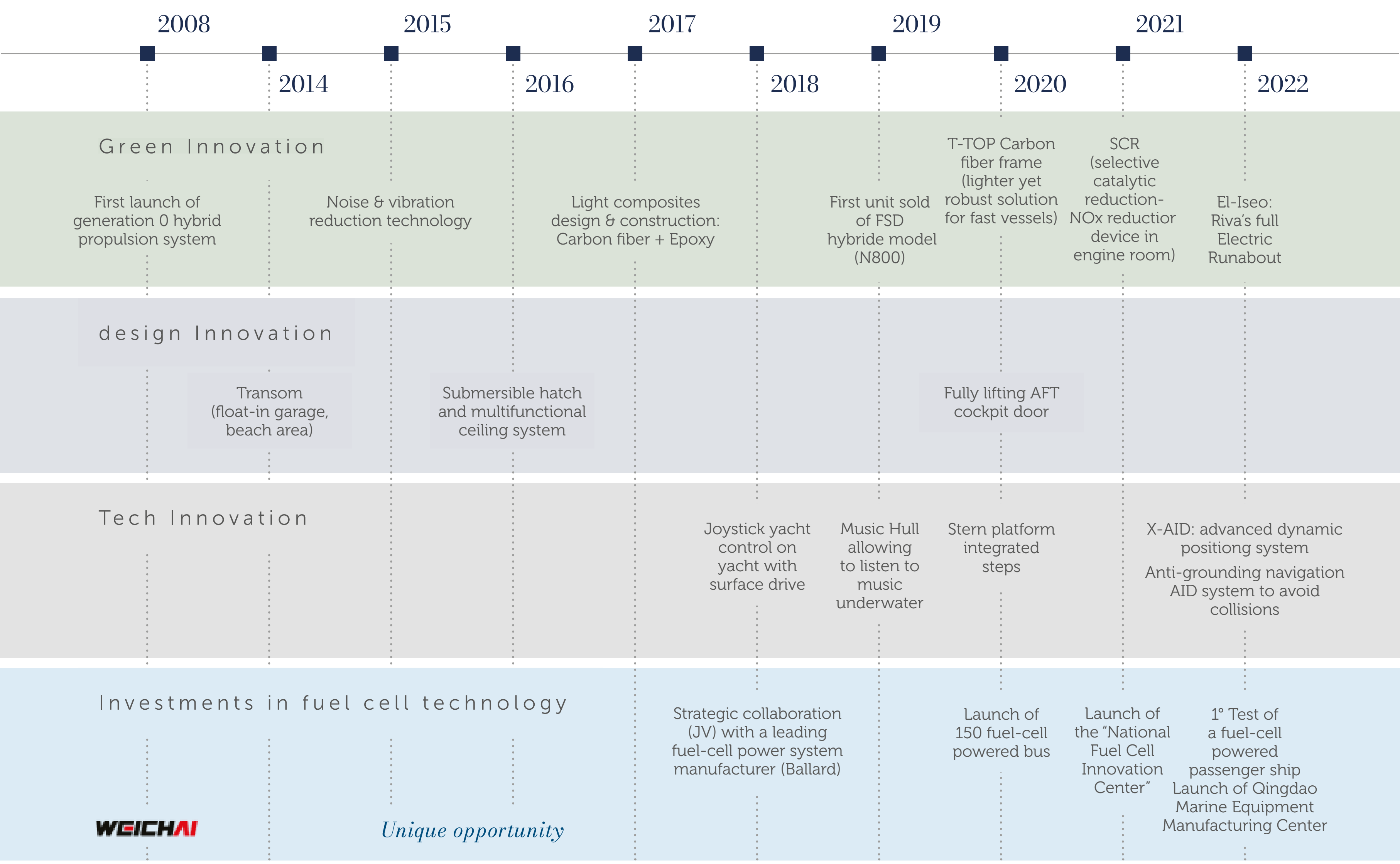
ROLLS ROYCE — *Joint development of Hybrid propulsion systems*

WEICHAI / BALLARD — *Joint venture for the development of Fuel-cell power system*

In addition to its presence in the sailing market with Wally sailing yachts (wallywind models), the Group is committed to further developing environmentally friendly technologies to be the industry pioneer and to mitigate its environmental impact. The Group intends to continue developing such initiatives by:

- Developing alternative hybrid and electric propulsion systems for its yachts;
- Investing in research and development to identify innovative, light, and environmentally friendly materials and increase recyclable inputs;
- Reducing the carbon footprint across its shipyards.

To this end, the Group will capitalize on the know-how and experience behind the launch of "green" models across all its portfolio brands, such as the FSD N800 (the first hybrid model ever launched by the Group), the full electric Riva El-Iseo, premiered in 2022, wallytender43x and wallytender48x (featuring solar panels on the fly top to recharge batteries), the upcoming INFYNITO range (featuring solar panels on the fly top to recharge batteries and F.S.E.A.- Ferretti Sustainable Enhanced Architecture - a package of environment-friendly cruising solutions), and the announced Navetta 50 (equipped with Selective Catalytic Reduction system and eco-conscious interior finishings). In addition, the Group will continue to work on forefront technologies through strategic partnerships with leading third-party manufacturers (such as the partnership with Rolls Royce to develop hybrid propulsion systems) and with Ballard Power Systems (through a JV established with Weichai Group, one of the Group Controlling Shareholders) for the development of fuel-cell power systems.



Below are the main innovations launched in recent years, broken by type, as represented in the infographic above.

"Green" Innovation

Researching alternative sources of energy and reducing pollutant emissions

The machinery within it also plays a vital role in improving performance and reducing consumption. This machinery comprises the yacht's engines and every other mechanical element involved in sailing, propulsion, on-board systems (from the size of tanks for fuel, fresh water, grey water and black water, to desalination and fuel purification systems), electrical systems and components, deck equipment, and moving parts.
In general, the choice of qualified, international suppliers ensures that the components used are of the highest standards in terms of both quality and environmental aspects.
In this area, making adjustments to comply with regulatory changes and experimentation and research into alternative propulsion systems are the main factors driving the design of new models.

Launch of the first generation of Hybrid Propulsion Systems and embracing a "full electric" perspective
Thanks to its innovative drive, Ferretti was the very first Group to introduce a pioneering Hybrid Propulsion solution to the market in 2008, and it continues to innovate in its field. In fact, during 2021, the Ferretti Group began a collaboration with Rolls-Royce Power Systems (one of the leading suppliers of propulsion systems in the maritime industry) to jointly develop hybrid solutions to be fitted on future yachts. In 2022, the Group extended the agreement until the end of 2027, which guarantees the supply chain's efficiency, with clear benefits for its customers. The use of auxiliary batteries at certain times while sailing also leads to an overall reduction in engine hours, and a resulting reduction in maintenance costs. This type of propulsion also might help to comply with the stricter emissions regulations now in force in many ports and regions around the world: when the engine is operating in full electric propulsion mode, it does not emit any sulphur, nitrogen oxide, or particulate matter, thus enabling yachts fitted with the system to sail in protected areas. On top of these environmental aspects, a full electric system proves to reduce noise and vibrations and facilitate manoeuvring, with an improved comfort and a state-of-the-art control.

Another good example is the Wallytender 43, which can be fitted with photovoltaic panels that can power the whole yacht for several hours when in hotel mode. This option allows our yacht owners to enjoy on-board comforts in peace and quiet, while also respecting the environment.

Moreover, photovoltaic technologies can directly feed certain utilities considered crucial in specific cases (i.e., an additional redundancy for GMDSS radio station, DD/GG, MM/PP battery etc.).

wallytender43X with solar panels on roof

The Group also began another project involving hybrid propulsion in 2019, when its FSD division won a tender to design and build 16 patrol boats for the Carabinieri. The new FSD N800 are equipped with a fibreglass-carbon hull and are powered by a newly developed hybrid Transfluid diesel/electric system that allows "zero emissions" sailing. Because of their hybrid propulsion, these boats will be used for patrols to observe and protect Italian marine areas, including areas characterised by the most stringent environmental protection regulations.
The boat was presented at Seafuture 2021, one of the most important Italian exhibitions dedicated to the maritime security and defence sector, thus demonstrating once again Ferretti's commitment to the principles of sustainability that much of the shipping industry is espousing with the support of the Client.

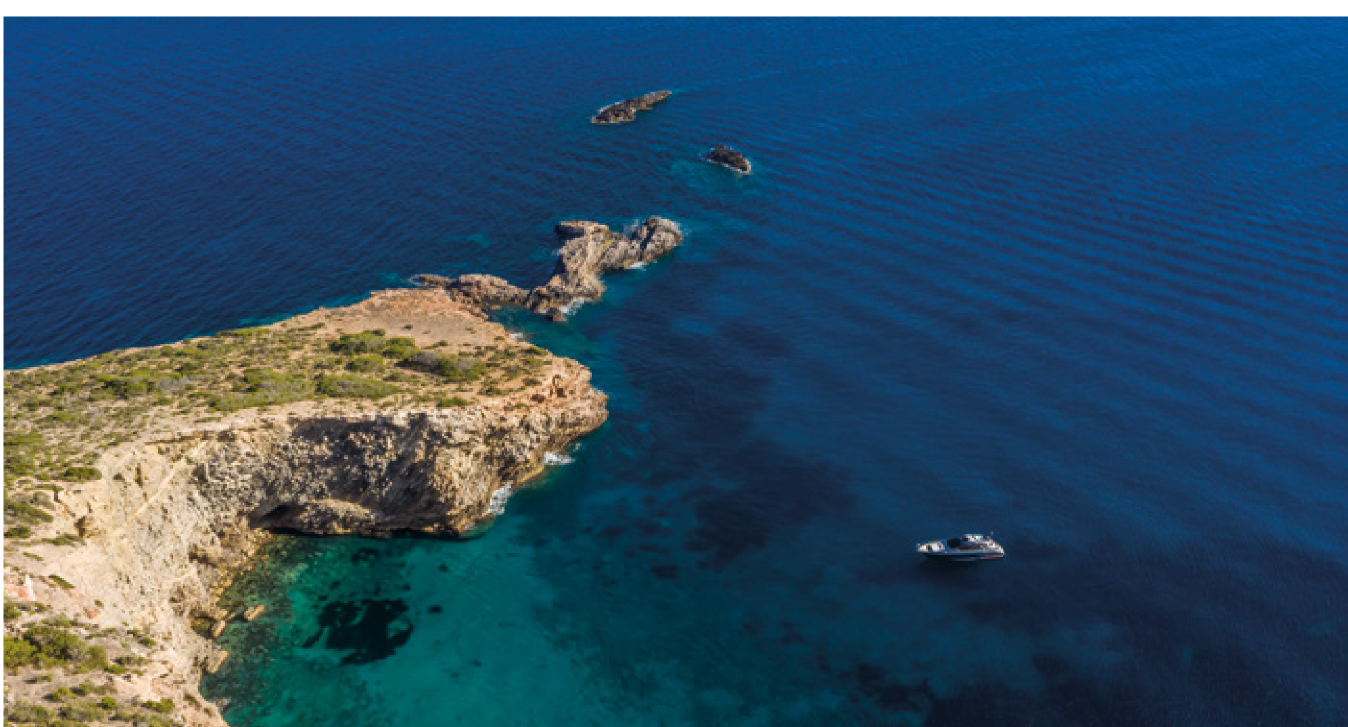
The hydrogen challenge

Hydrogen is attracting increasing attention as an energy source, and has the potential to become a fixture of the maritime sector. As part of the decarbonisation process underway in every sector, including that of maritime transport, hydrogen presents two significant advantages. The first advantage relates to the possibility of producing hydrogen in a sustainable way, via hydrolysis processes powered by renewable electricity; in this case, this means green hydrogen, which differs from grey hydrogen, which is generated using fossil fuels through reforming processes, or blue hydrogen, which uses Carbon Capture and Storage (CCS) technologies to capture carbon dioxide during the reforming process.

The second advantage is its compatibility with use in fuel cell systems, which can lead to hybrid-electric technology powered by green hydrogen, which does not generate climate-altering gases during the production phase or in use. Fuel cell architectures are optimised on an average electrical load and, therefore, the ship's battery pack is an integral part of the system for the power "peaks shaving" management: when the demand from the electrical users is higher than the fuel cells power output, the batteries supply the surplus energy needed, when lower the system recharges the battery pack. These aspects combine to make green hydrogen a "zero impact" energy source. Today, production of hydrogen energy is in its infancy, and its use limited by high associated costs.

The Weichai Group, which is the Ferretti Group's majority shareholder, is achieving significant results on this front, having already installed hydrogen engines on land vehicles. It will continue to invest in research and development so that these engines can be fitted on vessels in the maritime sector, too.

Despite this, a number of countries both in Europe and elsewhere have put hydrogen at the centre of their decarbonisation strategies, which will presumably see the gas used chiefly in sectors defined "hard to abate", i.e., those in which decarbonisation using other technologies is difficult. The use of hydrogen as the main fuel for heavy transport (including ships) should therefore be considered a very real possibility, and constitutes a challenge on the path towards efficiency and the reduction of CO2 emissions created by the use of yachts.



SCR catalytic reduction technology

The main objective regarding the efficiency of internal combustion engines remains that of reducing consumption and therefore emissions of pollutants and greenhouse gases into the atmosphere; the average consumption of two engines is in the range between 600-800 litres per hour in cruising conditions. A vessel such as those produced by the Group, however, is used on average for only 180-200 hours per year.

The introduction of nitrogen oxide (NOx) abatement technologies in the maritime sector is making a significant contribution to the reduction of pollutant emissions. In this area, selective catalytic reduction technology (SCR), which uses urea solutions as reduction agents, is regarded as a key technology.
The first project below 500 GT launched concerns the installation on a Ferretti yacht of an MTU hybrid propulsion system, compliant with IMO III regulations thanks to the selective catalytic reduction system.

An example of the SCR technology is represented by the new Custom Line Navetta 50, a new flagship Super Yacht, currently under construction and ready for presentation in 2024.

CRN and IMO TIER III Certification

In early 2020, CRN became the first shipyard in Italy to receive IMO Tier III certification for the CRN M/Y 137, a 62-metre mega-yacht built in steel and aluminium. IMO is the International Maritime Organisation that regulates and unifies the shipping industry's efforts to reduce environmental impacts according to MARPOL; IMO Tier III Annex VI, specifically, is the standard for reducing NOx emissions from marine engines.

As a result, and in accordance with the regulation, a certified reduction of 70% in emissions of harmful nitrogen oxides (NOx) in engine exhaust gases is now guaranteed for all CRN yachts with keel setting after January 1, 2021. This certification has been mandatory for sailing in ECA (Emission Control Areas) for all diesel engines with power >130kW of yachts with keel setting since January 1, 21. Compliance is achieved by fitting engine exhausts with the SCR (Selective Catalytic Reduction) auxiliary system, which uses a chemical process to reduce NOx emissions. In addition, as regards the Hong Kong Convention Resolution for the prevention of the marine environment, all vessels of tonnage over 500GT and commissioned after December 31, 2018, must have an IHM (Inventory of Hazardous Materials) inventory, a database that lists all materials on board and which must be constantly updated by the shipowner. CRN also holds this certification, which certifies the absence, or defined and limited use, of hazardous materials in the construction of the yacht. This certification constitutes the mandatory log used to monitor the materials on board throughout the vessel's life cycle.

The choice of materials: weight reduction and reduced environmental impact

Weight reduction
The weight of a yacht is a fundamental aspect in determining its environmental impact. Weight determines fuel usage and related emissions of polluting and greenhouse gases. As such, the challenge for the Ferretti Group is to use materials that continue to guarantee durability, quality and high-performance levels while moving towards lighter vessels with lower consumption and therefore reduced environmental impact. The first component to target is the hull and its composite materials, traditionally fibreglass, vinyl ester resins, and sometimes epoxy resins.

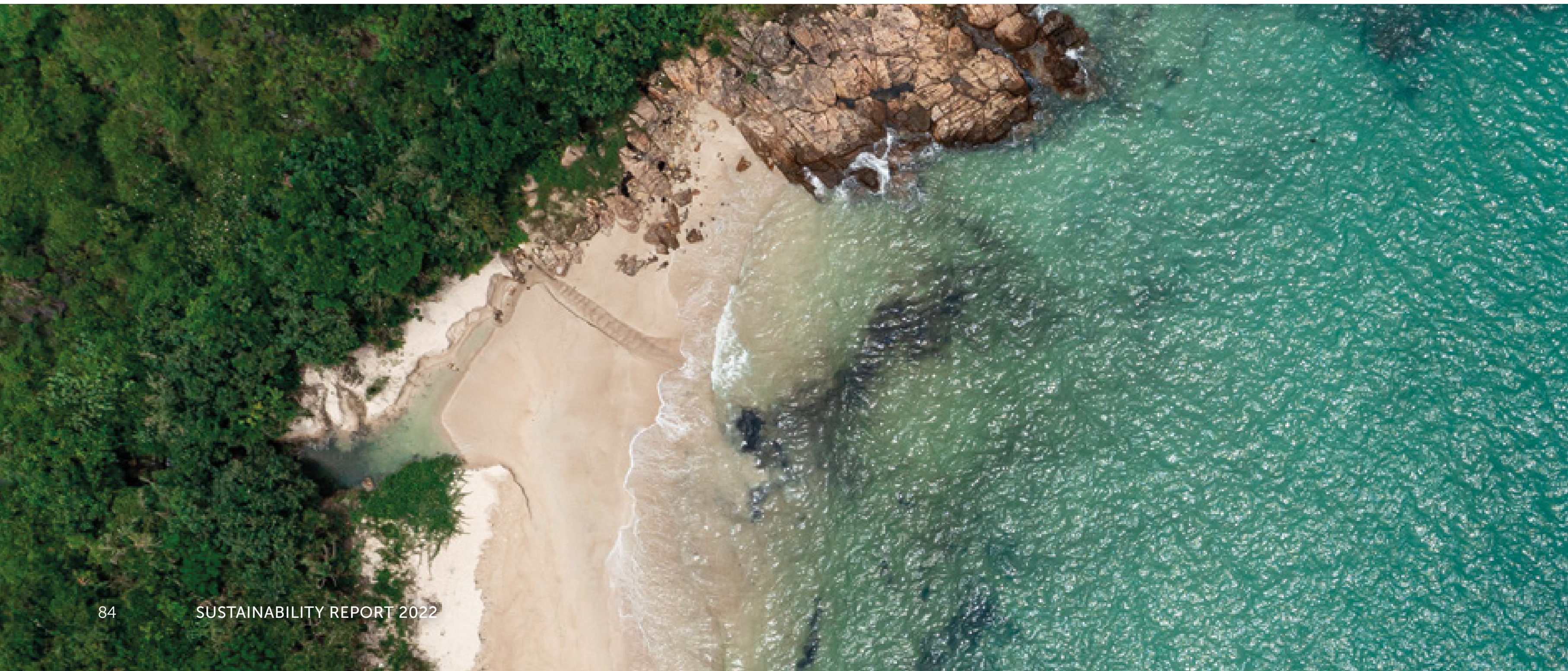
Over the years, the Ferretti Group has undertaken a number of initiatives to reduce the weight of its yachts. One example is the Pershing Generation X, a vessel that represents real evolution, both from a functional-stylistic and a performance point of view, thanks to the introduction of carbon fibre as the main construction material in a concept that aimed to reduce weight by adopting various construction solutions. 2017 saw the launch of the Pershing 9X and the first extensive use of carbon fibre. The use of carbon fibre and epoxy materials allowed us up to 30% weight reduction compared to an equivalent model built with traditional materials. The launch of the Pershing 7X in 2019 involved an even further-reaching weight reduction initiative, which saw redesigns of furnishings, interior materials, the use of lighter alloys and the installation of lithium batteries instead of traditional ones.

Another example is Wally which more than thirty years ago, was one of the first brands to introduce carbon fibre into its hulls and then in 2012 it extended this use to a 50-metre yacht, Better Place, earning the Rina Green Star certification.

The use of aluminium rather than steel which weighs three times as much, is another innovative solution which allows us to cut consumption by about 10-15% on a 50-metre boat of the same size and volume.

On top of these innovations, in 2022 a new app for weight monitoring has been developed, which records the main parameters of each boat component and identifies its precise area of destination. This helps calculating the final weight of the single unit and its distribution on board. If compared to a more traditional method, this app provides a picture of the real time weight situation and, thus, a more efficient monitoring system.

Each of these changes aimed to reduce and monitor the weight of the yacht and therefore to optimise its consumption. These solutions led to a reduction in displacement from 39 to 35 tonnes. Research aimed at lightening the interior is continuing on models from other brands as well.



Reducing environmental impacts: materials and coatings

With a view to reducing the environmental impact of its yachts, the Ferretti Group is constantly seeking innovative solutions, which involve both the choice and use of alternative materials and the application of coatings with a low biocide content. As far as the former are concerned, the Group is increasingly focusing its attention on recyclable and recycled materials, which eliminate residual non-recyclable and polluting parts and at the same time guarantee quality, durability and characteristics for use equal to those of the materials currently in use. Specifically, research is focusing on materials of natural origin that may be a good alternative to fibreglass, with the ultimate goal of increasing the use of renewable material and reducing the carbon footprint, without affecting product performance. One of these materials is flax, which if mixed with low-toxicity vinyl ester resins, can be used in the construction of hull or superstructure parts instead of fibreglass. Other naturally occurring materials are cork (light and recyclable, a viable alternative to teak) and bamboo fibre (possible alternative to fibreglass).

Coatings, too, need to be developed in the near future in order to make the Group's yachts increasingly sustainable; a distinction must be made here between coatings for hulls (e.g., anti-vegetation coatings) and coatings for interior furnishings (e.g., water-based coatings). As mentioned, antifouling paints play a central role in the first category: to combat and prevent fouling (from silt, algae or animals), yacht hulls are covered with a layer of so-called "anti-fouling" paints, which perform a fundamental anti-vegetation and anti-fouling function for yachts that spend long periods in the water. To this end, the Ferretti Group is working on the implementation - from 2022 onwards - of anti-vegetation coatings with a low or zero biocide component, in order to considerably reduce their environmental impact.

Regarding coatings for interior furnishings, we note that part of Zago S.p.A. coating cycles have been converted, where possible, to use water-based coatings rather than solvent-based ones. Since water-based coatings have a much lower solvent content, their impact on the environment and on human health is decidedly less harmful: emissions of VOCs (Volatile Organic Compounds) into the atmosphere are thus reduced, and the working environment is healthier.

The objective is to continue to increase the use of water-based coatings, seeking to significantly reduce the consumption of solvents within the Company. According to the most recent test outcomes on the application of solvent-free resins, these new alternative materials prove to have an excellent adhesion, high yield and low thickness, while maintaining high corrosion resistance. Moreover, their application does not require any metal surface preparation, thus avoiding the production of aluminium powder. They can be used in poorly ventilated environments and without concerns of access to the areas after painting.

Riva El-Iseo

Ferretti Group premiered in 2022 in Monaco its first boat with a full electric propulsion system, namely the Riva El-Iseo, starting the e-luxury segment.

The boat has currently finished the experimental research phase, and will be officially presented in 2024.

Retaining a traditional stern drive propulsion system, El-Iseo has an engine supplied by Parker Hannifin, a leading US motion and control technology multinational, that offers unprecedented performance in terms of speed and acceleration. With a power output of 250 kW and 300 kW peak, the Fully Electric Parker GVM310 gives the Riva prototype a cruising speed of 25 knots and a self-limited top speed of 40 knots, with an acceleration curve significantly steeper than that of a similarly sized boat powered by an internal combustion engine. El-Iseo is a high performer in terms of range too, delivering up to ten hours navigation in economy mode, which makes this prototype a unique combination of ultra-high performance and maximum sustainability.

This technology will allow vessels to make typical journeys (lake boats or ship's tenders) using only electricity. The full electric runabout satisfies modern pleasure boating expectations. In addition to improving the steering experience, it seeks to guarantee eco-compatibility and protect the environment (by reducing localised pollution and eliminating exhaust gases), all while improving on-board comfort by reducing noise and vibrations.

Ferretti Group is working closely with Italian certification entities and authorities to define the appropriate measures to guarantee the boat's compliance with international standard and rule and customers' safety, in such a new, developing segment.

Propulsion Systems: Riva full electric runabout

Riva El-Iseo

Premiered in Monaco[2] in Sep-2022	**Fully Electric** Parker GVM310[3]	**150 kWh** Battery
40 knots (max cruising speed)	**3** operating modes[4]	**10h** autonomy[5]

[2] Private event at Yacht Club de Monaco
[3] 300 kW at peak
[4] Allegro, Andante, Adagio
[5] In eco / Adagio mode

INFYNITO 90

With the new INFYNITO range, Ferretti Group is working towards a more responsible kind of yachting.

The INFYNITO90 is the first model announced in 2022 from this innovative range of boats featuring seamless contact with the sea and the sky, even more sustainable materials and navigation, plus custom detailing where minimalism and representation make way for harmony, essence, sophistication.

The new range pioneers our Ferretti Sustainable Enhanced Architecture technology or FSEA – a package of solutions for eco-friendly cruising. They include an integrated system that combines renewable energy from solar panels on the superstructure with a 120-kWh energy bank. This provides up to 7 hours of power at anchor during the day with zero emissions and zero noise, with no need to fire up the genset. Moreover, thanks to the special architecture of the system, the energy storage can be recharged with a power up to 10kW fed by the propulsion system while underway.

Ferretti Yachts was also able to reduce the boat weight which helps limiting energy consumptions.

As for the materials, they focus on durable, 100% natural and recycled solutions originating from sustainable processes, such as lamellar teak from production offcuts with international certification by the FSC, water-based and eco-friendly paints. The choice of greener materials include recyclable fabrics and leathers as well.

In addition, the range INFYNITO introduces a new generation of high-efficiency hulls for supreme comfort even at low speeds.

Finally, the key design innovation is visual continuity between interiors and exteriors, connecting the boat to the horizon as never before. This is how the experience becomes infinite: with no more limits and boundaries, the view sweeps far and wide and navigation is purer, more personal and more introspective. The understated design is clean and balanced, expressing new values that point the way to a more sustainable approach to cruising, increasingly embraced by owners.

Furnishings and fittings: responsible supply

Another key area in which the Ferretti Group can reduce its environmental impacts relates to furnishings and fittings, which represent a significant proportion of the materials used within the Group's yachts. Sustainable and environmentally conscious design also passes through the choice of materials.

While the materials and workmanship of the furnishings are key elements for the product, on the other hand they are an important aspect in terms of using increasingly sustainable materials with a lower environmental impact. For example, for secondary or semi-structural internal structures, the Group has, in recent years, begun to make increasing use of fibres such as linen and hemp, as well as recyclable resins, instead of the more classic glass and carbon. These materials, as well as being of natural origin, have obvious advantages in terms of lightness, recyclability and environmental impact. In particular, the Group carried out a number of studies in 2021 that showed that some types of linen fibre, for the same performance, have a carbon footprint up to 30% lower than traditional fibres.

Furnishings, fittings and materials are developed and applied according to a co-design approach: the concept and layout is achieved with the support of external designer, while the joinery unit is in charge of the executive part, bounded to specific technical requirements provided by Ferretti Group. As a guarantee of quality and durability, over the years the use of precious and durable solid woods has become established (such as walnut, teak and oak), which may be recovered and reused after dismantling.

Furnishings and fittings meet sustainability and innovation: the craftsmanship of Zago

The company pays particular attention to the responsible procurement of wood and its derivatives.

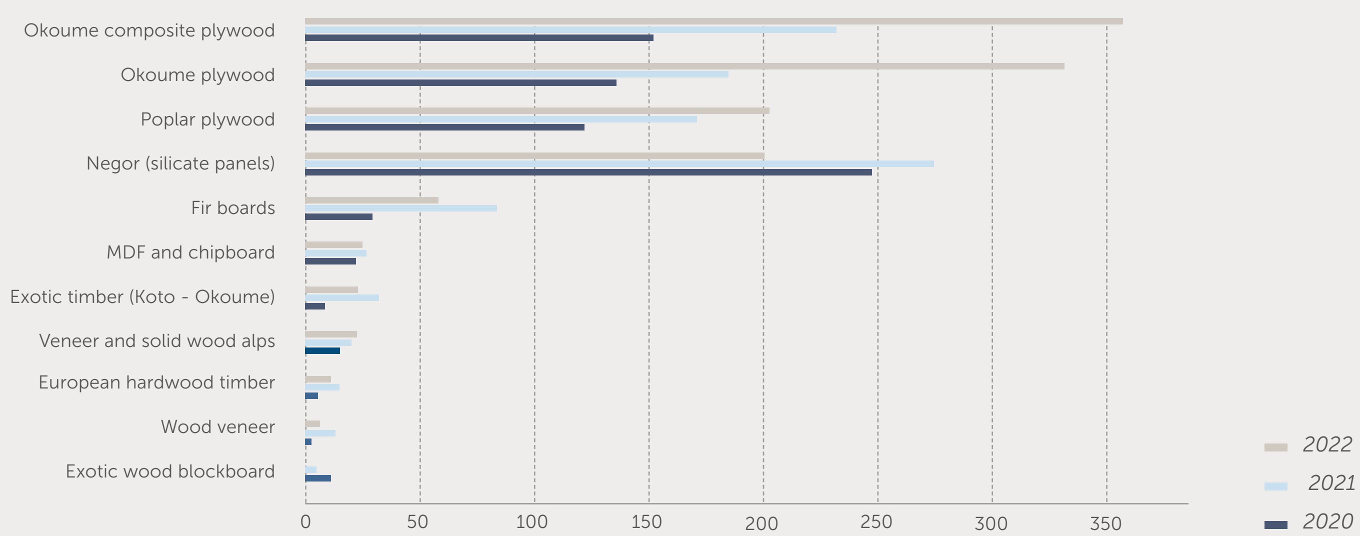
Wood is sourced from responsibly managed forests, while suppliers in the chain work in compliance with the European Timber Regulation 995/2010 and other requirements, such as the respect of formaldehyde emissions limits.

The suppliers involved, most of which are FSC (Forest Stewardship Council) certified, issue declarations that attest that wood is sourced from controlled forests, and pay close attention to the impact of this wood over its entire life cycle. Okoumè plywood, purchased from FSC certified suppliers, belongs to the Burseraceae family (mahogany), is pinkish in colour and is particularly appreciated for its water resistance, with characteristics that make it suitable for use in the construction of supporting structures that compartmentalise and subdivide the boat spaces.
In addition to the woods used in the upholstery and which are an aesthetic feature of the furnishings, the product portfolio also includes poplar plywood structures and lightweight composite panels which provide excellent mechanical performance, guaranteeing maximum durability, strength and smoothness.

Depending on project requirements, in addition to natural materials the materials used for upholstery are often derived from an industrial process that uses starting points including ayous, lime and poplar. These are worked and reconstituted in a huge number of colours and trims to satisfy the widest range of aesthetic demands, imitating the design of the highest quality types of wood which are preserved in the same way.

The company's main supplier of this composite wood is Alpi S.p.A., which guarantees that the raw material comes from forests that are managed in compliance with national regulations stipulating prudent forest management which guarantee that forest areas designated for felling are naturally or artificially renewed, while all operations and documentary processes are overseen by the relevant authorities. In addition to paying close attention to the responsible supply of wood, Zago S.p.A. constantly undertakes to use low formaldehyde products in its production cycle, and periodically carries out indoor tests to assess how healthy each workspace is. Also, in order to guarantee health and safety in working areas and the external environment, the company has introduced cycles of water-based paint rather than solvent-based lacquering.

Types of wood used by Zago S.p.A. (cubic meters)



Materials for a yacht made from composite materials

The main raw materials used in a production cycle are:
*- steel, iron, plastics and other ferrous and non-ferrous alloys, for engines and on-board systems: around **38%***
*- fibreglass, paints, steel and aluminium for the construction of the hull: around **37%***
*- wood and composite materials for furnishings: around **22%***
*- glass for windows: around **3%.***

The following image provides an example model in composite materials to illustrate how materials are used in its construction.

Custom Line 120'

STEEL, ALUMINIUM AND FERROUS MATERIAL (for engines and on-board systems)
38%

PUTTY, PAINTS AND INSULATION STEEL (for the hull)
37%

WOOD, COMPOSITE MATERIALS AND TEAK (for furnishings and decks)
22%

GLASS (for windows)
3%

Yachts made of metallic materials

The main raw materials used in a production cycle are:
*- steel, aluminium and ferrous material, for engines, on-board systems and machinery: around **31%***
*- steel, for the hull structure: around **30%***
*- wood, composite materials and teak, for furnishings and external decks: around **16%***
*- aluminium, for the superstructure: around **11%***
*- putty, paint, forex and insulation, for external finishes: around **11%***
*- glass, for external windows: around **1%**.*

The following image provides an example model with a steel hull to illustrate how materials are used in its construction:

60m CRN 141 M/Y Comfortably Numb

STEEL, ALUMINIUM AND FERROUS MATERIAL (for engines and on-board systems)
31%

STEEL (for the hull)
30%

WOOD, COMPOSITE MATERIALS AND TEAK (for furnishingsand decks)
16%

ALUMINIUM (for superstructures)
11%

PUTTY, PAINTS AND INSULATION STEEL
11%

GLASS (for windows)
1%

Towards life-cycle design thinking

In the interests of **product sustainability** and to respond to the changing context and growing awareness of the issue, design choices are gradually moving towards "life cycle design thinking", including in the maritime sector. This approach involves integrating information on the environmental footprint of products at every stage of yacht development, directing research and innovation towards improving and optimising the consumption of natural resources.
In the yacht world, it is therefore vital that the industry works to ensure that boats can be effectively disassembled at the end of their lives. To date, if they could be easily disassembled and separated, the interiors, engines, equipment, and superstructure could be easily recycled, while the boats' hulls are still difficult to manage.

Research is on-going into techniques to crush hulls and use the resulting product to make cement or other building materials. Other projects focus instead on the recovery of valuable fibres (carbon, for example) using techniques that allow the matrix itself to be dissolved.

Design Innovation

The Ferretti Group is recognised globally for the strength of its brand, the excellence of its technical performance and its unique, distinctive design.

As evidence of that, the Group has received many awards from prestigious and well-known luxury lifestyle publishing companies across all of its brands.
For example, in 2022, the Riva brand received three awards by Oceanway Magazine: the "Yacht of the Year 60ft-80ft" for its Riva 68' Diable, the "Best Exterior Design 24m-30m" for Riva 88' Folgore and the "Most Popular Yacht 40m-70m" for its Riva 68' Diable, Riva 88' Folgore and for its Riva 50 meters Race. As for Wally brand, the wallywhy200 was awarded the "Best of the Best" by Robb Report Motor Yacht Category and wallywhy200's master cabin received the award "Boat International Design & Innovation Awards" in the category "Outstanding Lifestyle Feature".

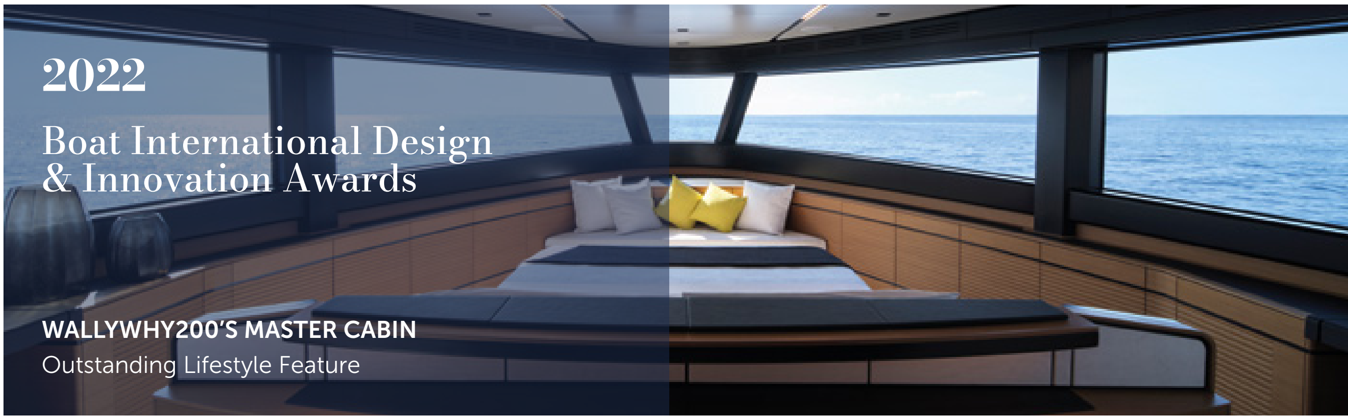
In the same year, Ferretti Yachts 780 and CRN 62m Voice were awarded the "Best interior design award" by Oceanway Magazine in the 60-80 feet, 40-70 meter and 24-30 meter categories, respectively. In addition, the Ferretti Group won three awards, in different categories, at the 2022 edition of the World Yacht Trophies respectively for Custom Line 140 and Ferretti Yachts 860 as Best Layout Trophy (above and below 30 meters) and Riva 102' Corsaro as Most Achieved Yacht.

In 2021, the Pershing 140 was awarded "Best Naval Architecture" and the Riva 88' Folgore, "Best New Series", by Boat International as part of its Design & Innovation Awards.

In 2020, CL 106 was awarded the "World Superyachts Award" by Boat International Media in the "Best Semi-Displacement Motor Yacht 30m — 34.9m category".
In 2019, the Ferretti Yacht 720 was awarded the "World Yacht Trophies" by Yachts France in the "Best Exterior Design Trophy 64-80 ft" category.

In 2004 and 2008 for Tiketitoo and Ryokan 2 respectively, Wally became the only maritime brand to twice received the world's most prestigious award for quality and design, the Compasso d'Oro by ADI, the Industrial Design Association.

As market leader, and with its rich history and portfolio of iconic brands, the Group is positioned as a trend-setter in the global luxury yachting industry and an ambassador for Italian maritime excellence around the world.



2022
Boat International Design & Innovation Awards

WALLYWHY200'S MASTER CABIN
Outstanding Lifestyle Feature

2022
World Yacht Trophies

CUSTOM LINE 140'
Best Layout Trophy

FERRETTI YACHTS 860
Best Layout Trophy

RIVA 102' CORSARO
Most Achieved Yacht

2021
Design & Innovation Awards

PERSHING 140
Best naval architecture

RIVA 88' FOLGORE
Best new series

2021
World Yacht Trophies

FERRETTI YACHTS 1000
Best layout

PERSHING 6X
Best exterior design

WALLYWHY200
Best avant-garde

CUSTOM LINE NAVETTA 30
Best layout

2020
World Superyachts Award

CUSTOM LINE 106'
Best semi-displacement/planning motor yachts below 500 GT

2019
Design & Innovation Award

CUSTOM LINE 120'
Best new production yacht design

RIVA 110' DOLCEVITA
Best exterior styling motor yacht

Tech Innovation

Innovation in driving comfort

Sustainability also means knowing how to create innovative solutions to guarantee customers an easy, safe and pleasant sailing experience. The Group is committed to technological innovation in terms of performance, reliability, and comfort, as a key differentiating factor.

In recent years, leveraging on its collaboration with key strategic suppliers and contractors, the Group developed multiple proprietary technologies, solutions and applications, such as:

- The **Joystick Yacht Control**, which makes it easier to manoeuvre the boat during navigation and mooring. In cruise mode, it allows you to manage the speed of the yacht and in DPS (Dynamic Positioning System) mode the system allows you to keep the yacht fixed on the ship's heading through autonomous use of the propellers and thrusters to maintain position.

- The **Carbon-Fiber + Epoxy furs**, which allow a 30% weight reduction compared to an equivalent model built with traditional materials.

- The **Adaptive Integrated Docking**, the Group's first system for automatically compensate environment agents.

- The **"Watchit" Anti-Grounding Navigation Aid System**, announced in February 2022, which helps avoid collisions due to shallow water or obstacles.

- The **Integrated Helm Station**, which is an interface that allows the control and setting of the propulsion and direction of the yacht and the monitoring of navigation and automation parameters. This panel consisting of screens is an HMI (Human Machine Interface) and is highly customisable. It is very intuitive and requires no special navigation training.

The Joystick Yacht Control of the Pershing 7X'

The integrated Helm Station of the Riva 76' Bahamas Super

Quality system

One of the milestones on the path to excellence is the achievement of ISO 9001:2015[6] certification, which attests to compliance with the best standards of all business processes that impact the Quality of Products and Services and, ultimately, Customer satisfaction. Unique in the world of yacht-builders, Ferretti S.p.A. underwent the certification process in 2006 in order to ensure excellence within the organisation and in the management of the processes involved in creating products and offering services, from development to final delivery, with the establishment of a consolidated heritage of best practices and know-how.

In addition to ISO 9001:2015, the Group has recently obtained the following additional certifications:

- **ISO 14001:2015** on environmental management systems, currently active at Group's headquarters and all of the Group's other shipyards except for Ancona shipyard, where the Group is in the process of obtaining the certification, expected for spring 2023. ISO 14001:2015 Certification, an internationally recognised reference, contributes to the environmental pillar of sustainability, with a view to preserving the environment. As a naval shipyard, one of Ferretti S.p.A.'s main objectives are the production of boats designed to meet the needs of the market both from the point of view of performance and aesthetics, and environmental sustainability from a product life-cycle perspective. In 2023 the Group has organised a training session related to the UNI EN ISO 14001:2015 Certification for its employees.

- **Biosafety Trust certification RINA**: active at all Group sites (except Zago and Fort Lauderdale), this is the first voluntary certification for infection prevention and control. It is owned by RINA and is currently being accredited by Accredia. This Management System will support the company in its adoption of measures designed to minimise health risks to its employees, suppliers and customers, both in relation to the COVID-19 emergency that first emerged in 2020 and, more generally, to infections linked to the spread of biological agents that are harmful to humans. By implementing an Infection Prevention and Control System, the Ferretti Group confirms its commitment to protecting the health and safety of workers and the environment and to their constant monitoring and maintenance, in line with the requirements of the standard.

The quality system sets out specific responsibilities at two different levels. At the first level, the Quality Assurance function guarantees **the direct control of some key aspects of the value chain** from the customer

[6] Since 2018 the Group's quality certification has incorporated ISO 9001:2015 requirements. The certification authority is Rina. To date, as for the Ancona shipyard, following the merger between C.R.N S.p.A. and Ferretti S.p.A. at the beginning of 2022, the ISO 9001:2015 certification covers the Custom Line Yard but does not currently cover the Super Yachts yard in the Ancona shipyard.

satisfaction and customer experience perspective, via the direct management of After Sales and continuous product improvement thanks to an evolved and systematic dedicated problem-solving process, by Brand and Production Site. At the second, plant managers are entrusted with product quality control, with local supervision of production processes through quality control of assembled products, the assembly process, testing and approval.

In summary, in order to ensure that products delivered to customers are of the highest possible quality, six main steps are followed, as illustrated in the graph below.

SUPPLIER APPROVAL

Assessment prior to award of new supply contract

PRODUCT APPROVAL

Approval of products in composite materials, furnishings, semi-finished products, glass, and catalogue parts to check that the input material matches specifications

PRODUCTION CHECK

Pre-installation check of materials. Plans applied to main construction processes and specific analysisand verification carried out for special components

OPERATION AND CORRECT ASSEMBLY CHECKS

Post-production and at shipyards, quality control of installed furnishings, operation of mechanical systems etc.

WATER TESTING OF ELECTRICAL EQUIPMENT

Water testing using checklistsbased on information from every company department

SEA TESTING

Sea test to subject the boat to different sailing conditions before final delivery

The site Quality department is also responsible for final delivery of the vessel to the customer and for the captain's quayside training. In the interests of customer care and the best use of products throughout their entire life cycle, the Group provides full training on use of the vessel. In some cases, the Group also offers an accompanying service for the owner's first voyage. In the future this service will be extended to a greater number of customers to accompany and support the future owners of our products from their earliest sailing experiences.

Finally, product quality is certified by appropriate marking and certifications. The **CE mark**[7] is valid in the European Economic Area for the sale of newly built boats up to 24 metres long. It is a requirement in guaranteeing the health and safety of passengers, product quality, environmental impact and consumer protection. Through the CE marking process, the Group guarantees owners that their yachts meet the highest safety standards, protecting their commercial value and quality throughout the life of the yacht.

For boats over 24 metres, the same guarantees are provided by specific **approval procedures** overseen by certification bodies, mainly RINA, for "pleasure yachts". Certificates are issued which certify that the product meets the requirements of the relevant approval standards, including tests for the various components.

In 2022 there were no non-conformities related to consumer health and safety aspects of the vessels produced and sold. Also, no recall or complaints were received on Ferretti Group's products. The Group considers complaints an opportunity for improvement, to overcome conflicts and to recover customer trust and satisfaction. Due to the unique and bespoke nature of its products and direct relationship with its clients, eventual complaints or quality issues of the products are managed according to the specific situation.

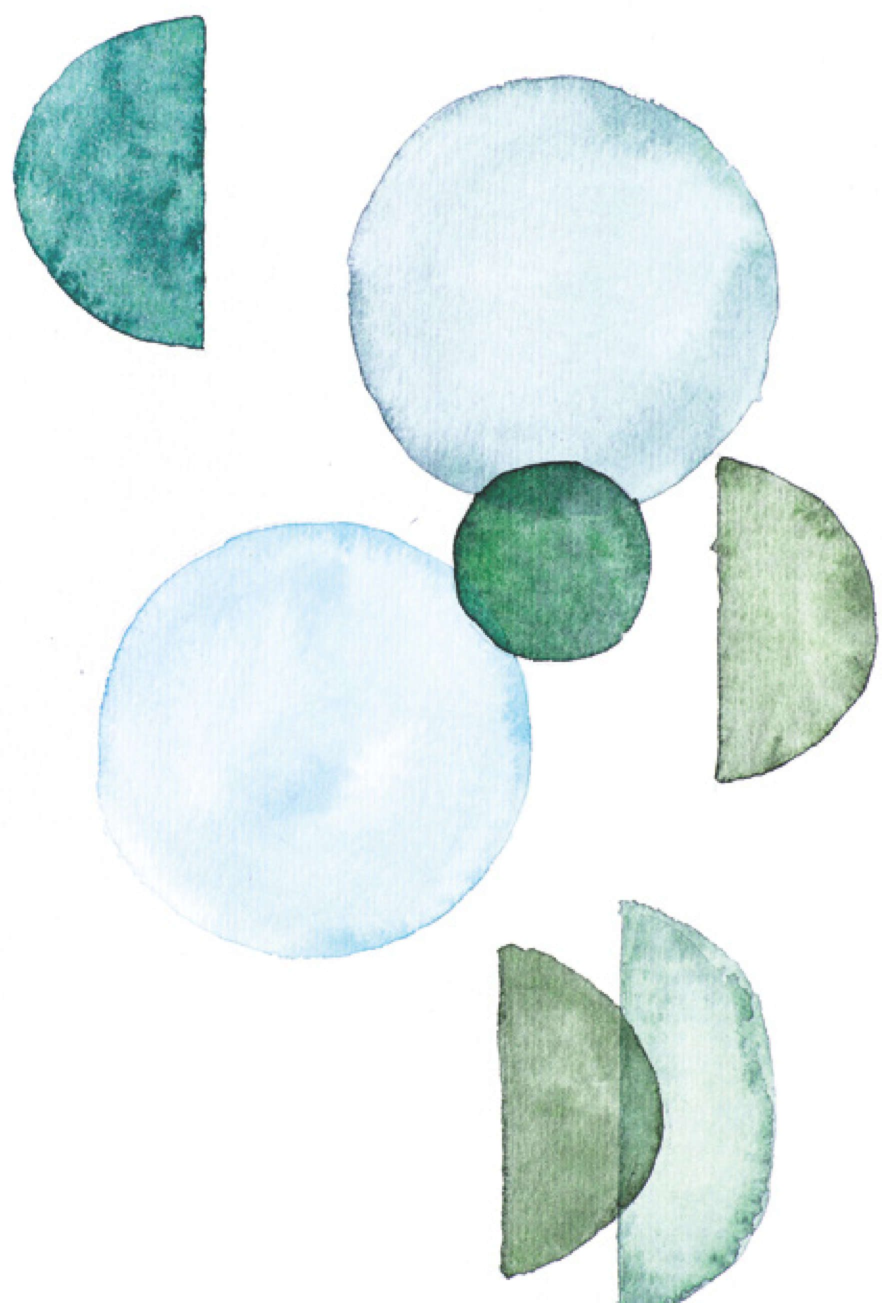
The Group protects its intellectual property through means such as the registration of trademarks and the filing of patents. From time to time, the Group enters into coexistence agreements with third parties who own trademarks that are "formally similar" but not identical in substance. In addition, the Group seeks to protect the inventories generated through product development and innovation activities by means of patents, and protect proprietary know-how and trade secrets by implementing procedures designed to safeguard the confidentiality of its internal processes and to restrict access to information relating there.

[7] *Directive 2013/53/EU.*

05

EXCELLENCE AND DEVELOPMENT

Production Sites and Environmental Impact



.1

Our shipyards

When industrial innovation meets true craftsmanship

The quality, innovation and reliability of our yachts is guaranteed by the Group's cutting-edge production centres, which combine state-of-the-art production efficiency and the inimitable attention to detail ensured by the craftsmanship that accompanies every stage of the process.

Equipped with high-tech equipment and the most modern production processes, the Italian shipyards are located in Italy's celebrated maritime district, and specifically in Forlì, Cattolica, Ancona, Mondolfo, Sarnico, La Spezia and the US site is in Fort Lauderdale (Florida). With the exception of the latter (which was fully operative from early 2020 and dedicated to refitting), these are mainly assembly sites, where the finishing, testing and delivery processes take place, as does a significant portion of the tooling process, i.e., the production of all the composite material components that make up the boat. In addition to the seven naval aforementioned shipyards (six of which carry out assembly and the other refitting), there are two production plants for interior fittings and customized furnishings (Zago S.p.A and Il Massello S.r.l) and one production plant for kinetic equipment (Fratelli Canalicchio S.p.A.), all located at the heart of the world-famous Italian nautical district.

The production of fibreglass components

Fibreglass is a composite material, i.e., a system consisting of two or more phases, whose properties and performance are designed to be superior to the constituent materials acting independently. In this specific case, i.e., the yachting world generally, fibreglass is a system consisting of fibre fabrics (glass and/or carbon), of various weights, warp and weave that constitute the core, immersed in a base of hardening resin - a plastic material consisting mostly of polyester, phenolic or epoxy resins. The construction process for the composite material, called lamination, is carried out by superimposing the various layers of fibre fabric, impregnated with the aforementioned resin on a mould until the desired design thickness is achieved, letting it harden through the catalysis process induced within it by an appropriate catalyst. In the yachting world, there are two main working methods: the manual lamination process, i.e. Hand Lay Up (HLU) lamination, a technique by which the operator impregnates the various fabrics manually and then arranges them in the mould, and the infusion lamination process, i.e. placing dry fabric in the mould and then proceeding with the resin adduction by means of a vacuum process that causes the resin to expand, thus filling the air within the fabrics. This second working methodology allows a greater control of materials, layers and better standardisation of the production process.

Ferretti Group LAB

Within the Group, Ferretti Lab is responsible for the qualification of raw materials. Since 2020, the laboratory has been internalised and placed under the control of the Models and Moulds [M&M] department, although it has always been an integral part of the Group (previously it was managed by Central Quality, and before that, the Engineering department).

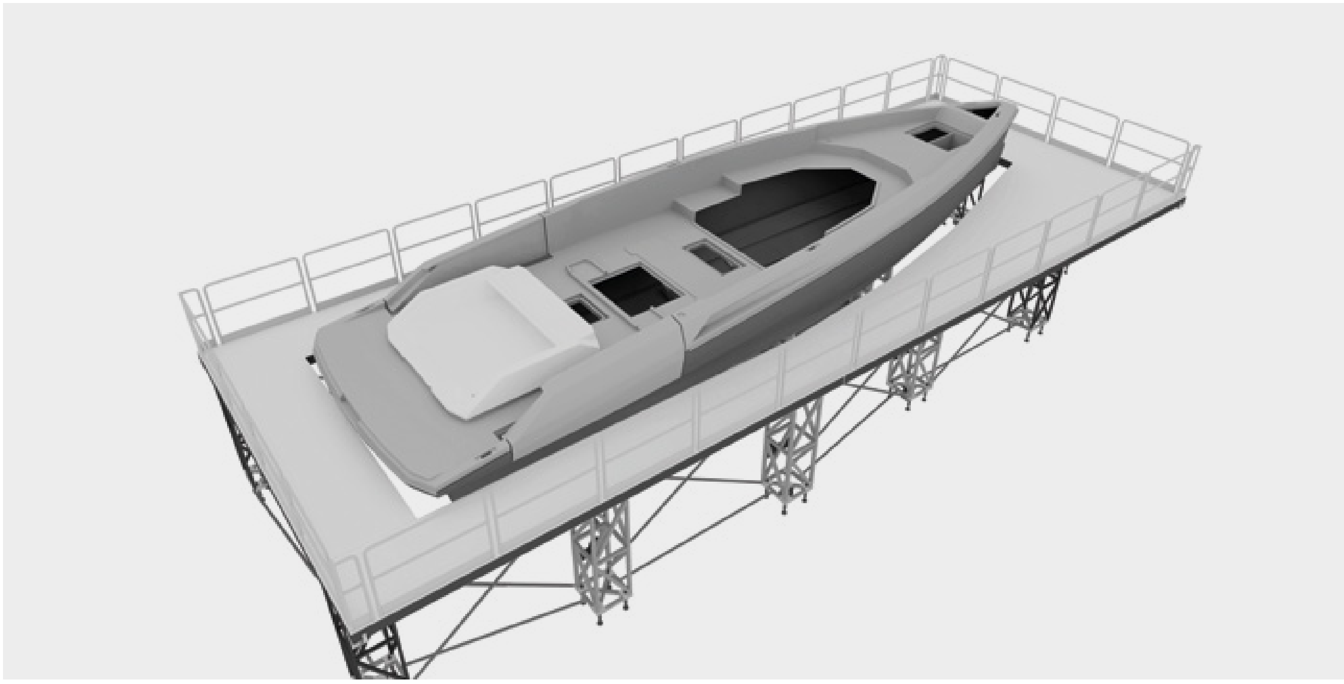
The Lab originated in 2006, as the Group immediately understood the strategic importance of qualifying materials destined for "fibreglass". Over time its expertise has expanded to handling decisions regarding other materials used in the boat (salt spray, glues, wood classification, etc.). Today the Laboratory, led by the M&M centre, continues its monitoring, homologation and standardisation of raw materials, and also coordinates all the tests necessary for the validation of components in composite materials, coordinating relations with all external laboratories for vessel authorisations. In addition, for the production of buy items, it coordinates the extensive non-destructive testing required to validate the main components (hulls, decks and SVR) received from various shipyards and verifies/certifies the degree of resin polymerisation of the coated components, thereby authorising the initiation of coating works at the various shipyards.

The six yacht construction sites are designed to allow a sequential production strategy that involves the preparation of the product according to predetermined positions and flows, guaranteeing uniformity in the management of production progress and logistics flows and allowing greater control of the process. This strategy is adapted according to the size and features of each individual vessel, and on the basis of the space available within the shipyard.

Activities carried out at a typical shipyard

Traditionally, smaller yachts were built on an assembly line in which the vessel moved from one workstation to the next. To optimise efficiency and ergonomics, the most recent innovation is for yachts over 20 metres to remain stationary while the workstations and assembly line move around them. In addition, thanks to the modernisations introduced in the Industry Plan 4.0 and the supporting investments, computerised visualisation of the processes has been introduced.

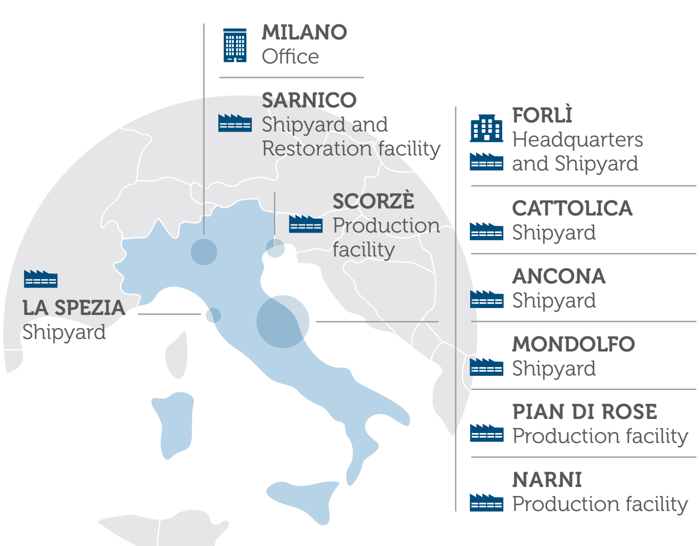
In-line production using mobile scaffolds



The yachts, which leave the shipyards at the end of production, are launched for the execution of the testing phase and then delivered to the end customer. At the La Spezia and Ancona shipyards the launch is carried out at sea, while at Sarnico it takes place on Lake Iseo. For the other shipyards, special transport is provided for land transfer to the nearest ports; this mode of transport is also used to reach non-sea-facing locations on the occasion of trade fairs (e.g., Düsseldorf International Boat Show).

By contrast, most transfers of yachts destined for embarkation or trade fairs in maritime locations take place mainly by sea: in fact, loading is carried out water-to-water, i.e., without the need for land transport.

The entire land- and sea-based logistics process, including the transport of components and vessels or maritime deliveries to Italy or abroad, is managed by external suppliers. For this reason, although the reporting of environmental impacts in this Report does not include logistics activities, the Group has always been committed to carefully selecting suppliers of this service with a view to their efficiency and sustainability.



FORLÌ

The site and the shipyard

The Forlì shipyard is the site of production facilities for Ferretti Yachts, Itama and Wally yachts, houses the Group's head offices, and is also where models, moulds and fibreglass hulls for a number of Group lines are made.

The current site occupies a total surface area of 51,524m^2 (of which 23,251 m^2 is covered). This includes the extension carried out following the 2019 acquisition of a facility next to the original industrial complex. This is a significant investment designed to create new Wally production areas - including a new testing tank - and administrative and representative offices.

Work was scheduled to be completed in two phases. The first of these, which centred around the development of the production site for the Wallytender line, concluded in 2020. The second one including the completion of all the building and structural works, was concluded in 2022. Since the end of 2021, in addition to the shipyard, some offices and the equipment storage area are operational.

In 2020 the shipyards also took on management of the docks, which are therefore the responsibility of the site administration. This is a change that affects not only the shipyard at Forlì but the Ferretti Group as a whole.

View of the Forlì shipyard

The Cattolica production centre opened its doors in 2001, and is the production site for Ferretti Yachts, motor yachts between 24 and 30 metres in length.

The shipyard stretches over a total surface are of 12,212 m^2, of which around 6,757 m^2 is covered, and is equipped with 16 assembly stations.

The facility meets the most modern efficiency criteria. The layout of the Cattolica production line uses an "island" construction system, in which every workstation is entirely autonomous. Its proximity to the sea also makes it easy to conduct water testing and checks. In 2022, the makeover of the office building was completed, by re-inventing and refitting the exteriors, ground-floor reception area, new commercial showroom and full restyling of the customer route to the production area.

View of the Cattolica shipyard

THE SHIPYARD OF THE FUTURE

The Mondolfo shipyard

The Mondolfo plant is much more than just a production center. It is a futuristic space extending around 83,377 m², with over 21,219 m² covered surface, continuously projecting onto expansion plans. It is the meeting point of form and function, dreams and technology, tradition and forward thinking that enables Ferretti Group to constantly develop its production and yachts offering.

This shipyard is home to the Pershing and Itama yacht brands, the Ferretti Security Division (FSD) line of patrol vessels and in recent years has hosted the production of the latest Wally models.
Mondolfo shipyard sees an ongoing design evolution that has led to the development of the Pershing Generation X yachts and the introduction of the brand-new GTX Series, with its flagship GTX116.

The production site features two large and innovative painting booths, one of 500 sqm and the other of 300 sqm, where boats are dry painted. Five hydraulic stacking trucks (40 t., 120 t. e 160 t.) enable yacht handling activities in the test basin (33 m long, 7.5 m wide and 2.3 m deep), used for all technical tests (engines, exhaust systems, bilge systems and gen sets) and for waterproofing and preliminary tests in general. Two travel lifts, having a carrying capacity of 130 tons and of 210 tons, and the two hydraulic trolley jacks allow completion of haulage and launching activities in the test basin.

A further expansion of more than 5,000 square meters for additional yachts spots and a new warehouse is foreseen to be created by 2024.

The Mondolfo shipyard offices

MULTI-BRAND HUB AND CENTRE OF EXCELLENCE

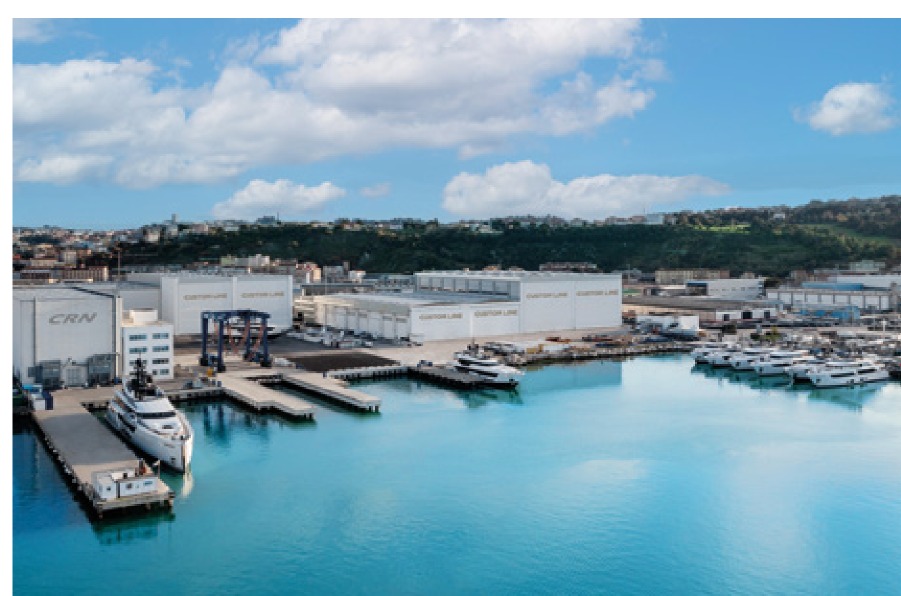
Ancona Superyacht Yard

The Ancona shipyard is a multi-brand centre of excellence that was founded in 1963 as a CRN shipyard, specialising in the design and construction of full-custom yachts in steel and aluminium from 45 to 95 metres. In 2019 the Ancona shipyard became the Group's Superyacht Yard, one of the most significant and advanced production centres in the European maritime sector. The construction hub designs and builds CRN, Riva Superyachts Division and Pershing 140 pleasure boats in addition to the entire Custom Line fleet in composite materials.

Spanning almost 80,000 sqm (around 33,000 of which indoors), the Ancona construction hub builds pleasure vessels of up to 90 metres in length. This multi-brand facility produces the entire CRN and Custom Line fleets plus the new aluminium Pershing as well as hosting the new Riva Superyacht Division. The stretch of water that opens out in front is a unique space and a precious resource – a gateway to the Adriatic, a private tourist marina to full effect. Extending 250 metres along the coast, it provides large berths for fitting out and finishing up to 15 superyachts at once.

The yard vaunts a 670-ton travel lift for launching metal and composite ships of up to 50 metres, which is also used to haul out vessels for testing. The facilities include 9 modern high-tech sheds, all fully heated, air-conditioned and comprehensively equipped. They feature state-of-the-art air-extraction, compressed-air and centralised technical-gas systems, heating and power-generation systems, and 2 overhead cranes for handling and installing materials on board. The sheds can accommodate up to 24 superyachts under construction at the same time. The shipyard employs over 1000 day workers, 360 of whom are highly skilled workers, technicians, engineers, architects and office staff. Attention to the customer and his/her project team is ensured by the numerous customer care services provided throughout the entire design and construction processes. It continues with after-sales care which guarantees constant availability, assistance and support even after the yacht has been delivered.

Refitting work is carried out by a dedicated team. Thanks to their technical expertise, experience and design skills, the professionals that work at the Superyacht Yard are able to offer a complete range of personalised services that will satisfy the most demanding of customers. These include technical inspections, damage assessments, conversion and on-board system modification projects and optimisation of interior design.



View of the Ancona shipyard

THE RIVA SHIPYARD AT SARNICO

The timeless workshop

The Sarnico shipyard, created in 1842 on Lake Iseo, in the heart of Franciacorta, has given life to the whole history of Riva, from the construction of the legendary wooden hulls to the current yachts, from 8 to 21 metres.

The heart of the shipyard is the office of Engineer Carlo Riva, called "la Plancia", who planned it considering not only its design, but above all its functionality. The studio is located in the centre of the depot's large vault, with an arch 40 metres wide supported by two other lateral pillars, which also support two overhead cranes, each of which is capable of lifting yachts weighing over 20 tonnes. The daring and futuristic architecture of this office, protected along with the entire shipyard by the Environmental Heritage Department, does not go unnoticed and still represents an example of great architectural modernity.

The shipyard extends over a total surface area of around 43,378 m^2, of which around 16,986 m^2 is covered, and offers 10 available berths, 2 jib cranes, 4 painting booths and a 50-tonne trailer used for the transportation of finished vessels to the quayside and for the internal handling of hulls or bulky elements.

Riva shipyard at Sarnico, Lake Iseo

THE RIVA SHIPYARD AT LA SPEZIA

A leap into the future

The La Spezia production hub, certified ISO 14001:2015[1] and ISO 9001:2015, is of strategic importance from an industrial, social and environmental point of view. Operational since 2004, today it forms the centre of the Ferretti Group's technical, logistic and commercial operations in the Ligurian and Tyrrhenian Sea basin.

Designed according to the most advanced production techniques, the shipyard covers a total area of 39,025 m^2, of which almost 15,905m^2 is covered. This modern facility houses production of the largest models in the range and is also the main centre for the testing, launching and delivery of the Group's yachts. Support and port services for the customers of all brands are also provided at the shipyard.

In 2018, the authorisation process for an expansion and restructuring project, dictated by increased production capacity requirements, was launched. The project is still ongoing, and foresees demolition and reconstruction that will conclude in late 2023. The new covered docks will improve working conditions at the workstations in question, protecting them from sun and rain and therefore allowing work to continue regardless of weather conditions. In 2021, on the other hand, construction of the first new buildings for administrative staff was completed. In addition, the plants using solvents are all protected by double, paint-stop filters and batteries with active carbon filters, to minimise the impact of emissions into the atmosphere and are synchronised with a usage schedule that also maximises use by reducing the amount of special waste to be disposed of.

The facility is located within a Site of Regional Interest, where reclamation projects were planned both on land and in the marine area. While the first of these has already been carried out, following changes to the project plans no work is planned at sea, and as such the entire reclamation plan will be remodelled by the technical work group that is currently underway.

La Spezia shipyard

[1] ISO 14001:2015 is a voluntary international standard specifying requirements for an effective environmental management system. An ISO 14001-compliant management system requires detailed understanding of the environmental aspects (energy consumption, emissions of polluting gases, use of water, waste management) involved at a production site. It also means analysing the legislative framework and requirements applicable to the company, assessing the significance of its impacts, and defining a company policy and specific environmental responsibilities. ISO 14001 enables supervision and maintenance of legislative compliance and environmental performance monitoring, a significant reduction in waste, incentives in financing procedures and bureaucratic/administrative simplifications, support for decisions regarding investment or technological change, a better relationship and stronger communication with the authorities, and finally an improved company image and reputation.

OUR PRESENCE IN THE UNITED STATES

Investing in ancillary services in the temple of recreational yachting

Over the years the Ferretti Group has expanded globally and currently operates through a network of offices, dealers and brokers located across Europe, Asia and America. This guarantees a presence in the key maritime markets and means that its products reach customers in more than 71 countries.

The Group operates in the United States of America through the subsidiary Ferretti Group of America LLC, with headquarters and offices in Fort Lauderdale (Florida) itself and also Palm Beach, through which it manages a network of stores and services, in order to offer its customers an all-round experience, from the marketing of the Group's brands throughout the North American market to the provision of ancillary services.
In addition to the offices of the American headquarters, Ferretti Group has a large, important showroom.

As regards services, Ferretti Group owns Allied Marine, a dealership company with a widespread presence on the east coast of the USA, which also offers brokerage and chartering services.

In addition, in 2019 the Group leased a shipyard in Fort Lauderdale, which became fully operational in 2020. This is dedicated to refitting, for both yachts belonging to the Group's brands and other brands. Activities include hull painting and antifouling operations and, more generally, repairs to damage of various sizes.

Results from the refitting activities in the first year of operation were very satisfactory and have grown thanks to intense promotional and public relations activities resulting in a continuous crescendo of commissioned works and incoming yachts. The fact that the Ford Lauderdale shipyard hosts yachts made by companies outside the Ferretti Group is, in fact, a source of great pride for the Group, as it confirms the high quality of the activities carried out at the US shipyard and the dependability of its staff.


FERRETTIGROUP

ZAGO S.P.A.

One hundred years of service to the maritime industry

Among the hundreds of enterprises involved along the Ferretti Group's supply chain, one stands out, partly because it is an integral part of the Group, and partly because it symbolises more than any other company the crucial role that artisan work plays in the maritime sector.

ZAGO S.p.A.

7,000 square metres

of furnishing per year

The history of the Zago joinery begins early last century, when in 1908 Carlo Zago, a skilled craftsman and woodworker, opened a small workshop in Venice. Decades later, in 1945, the shop was left to his grandson, also called Carlo. By now, the workshop had become a true business, and was growing constantly. After the Second World War, production capacity expanded to include furnishings for hotels and large banks and from 1961 Zago moved into the maritime sector, marking the beginning of a long-standing and significant collaboration with Fincantieri. Its first naval outfitting was the Appia ferry of the Adriatica di Navigazione. A production line dedicated to naval furnishings was created and in 1964 the facility was moved to its present location in Scorzè. In the following years Zago began to specialise in maritime furnishings, injecting innovation into the sector and establishing itself as a national leader. In 1987, it created the first Italian patent for the construction of prefabricated cabins, and in 1989 it participated in the construction of the passenger ship Crown Princess, commissioned by the historic shipping company P&O Princess Cruise Line, continuing today the historic collaboration with Fincantieri with the production of about 7,000 m^2 of cabins per year.

After 47 years of outstanding work, Carlo Zago passed away from natural causes in 1992. The business passed to his son Antonio, who represents the fourth generation of the family and who now leads the company as it continues to grow and expand. It was under his leadership that in 1994 Zago began to establish itself in the yacht furnishings sector; in 1998 collaboration began with Cantiere Navale Benetti, while in 2000 the company launched a close partnership with Italy's leading maritime organisation: the Ferretti Group. After constructing the lower deck of the first model of the Custom Line 112, the Group decides to entrust Zago with fitting-out the interiors of CRN and Riva yachts.
In the space of ten years the company had developed a collaboration with the sector's leading shipyards and in 2004, to further support this growth, Zago joined the Ferretti Group. This allowed it to make an even more fundamental contribution to the growth of the yachting sector.

Today the Company employs 110 people in a production facility covering 16,200 square metres divided into two plants. The semi-industrial approach it has adopted allows it to deal flexibly with technically complex projects of any size.

Zago S.p.A. has been ISO 9001-certified since 2004 (the longest lasting Group certification). In 2004 it was certified according to the ISO 9001:2000 standard, and then adapted to ISO 9001:2008; currently it is adapted to the requirements of ISO 9001:2015.

Environmental impacts

The protection of the environment, together with the health and safety of workers and technological and production development, are fundamental and enabling elements of the Group's growth process. Improving environmental performance is therefore an integral part of the shipbuilding development policies implemented within the individual production sites.

Responsibilities for the management of environmental impacts are assigned to reference figures at shipyard level, supported by external consultants for specific issues and coordinated by a central group department.

To achieve this goal, the management has set specific targets for every construction site regarding energy use efficiency, waste management and reduction, air emission monitoring and reduction and water use efficiency, and assigned responsibilities to the employees that are in charge of the environmental impacts in order to reduce them and mitigate the connected risks along its entire value chain. With a view to reducing the environmental impact of its yachts, the Group has undertaken a number of initiatives to reduce their weight over the years since the weight determines fuel usage and related emissions of polluting and greenhouse gases and it has focused its attention to the choice and use of recycled materials and application of coating with a low biocide content.
For 2022, the Group confirmed its compliance with the relevant laws and regulations and the absence of sanctioning activities regarding environmental applicable legislation, in particular regarding greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

In line with the requirements of ISO 14001, all the certified sites[2] have in place specific monitoring and improvement plans that are validated by the Board of Directors, in accordance with the principle of continuous improvement. The Board is updated at least once a year on the progresses on the ESG results by the ESG Committee and validate the strategical direction and alignment with Company's values and goals. During the Reporting Period, the Board is of the view that the ESG review result is in line with the strategical direction and values and goals of the Company.

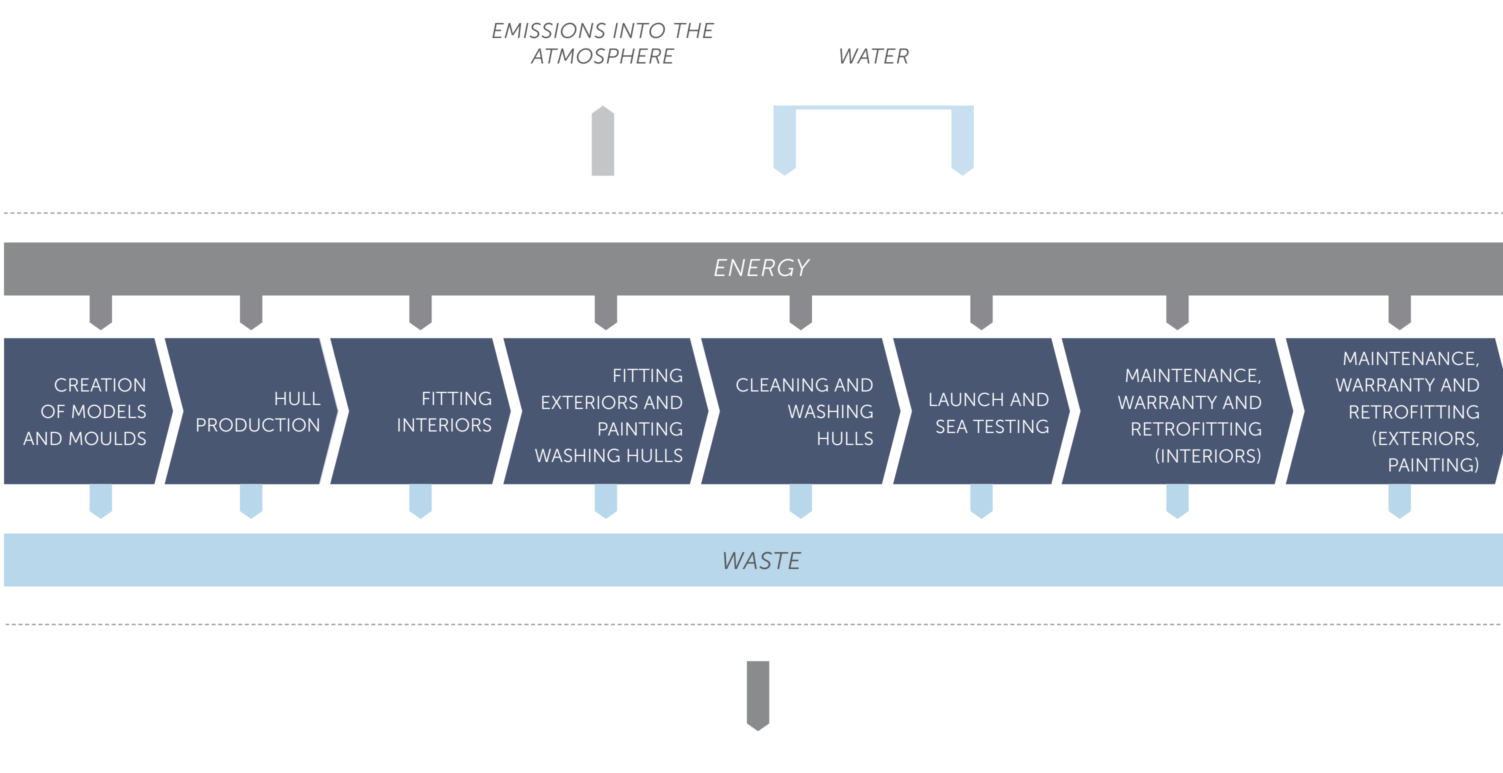
In 2020, the Group drafted its Policy for Quality and Environment, which defines the objectives and commitments of the firm to monitor and improve its management system, as well as to comply with legal and voluntary requirements underwritten by the company with its stakeholders. The final goal of such effort is to meet stakeholders' expectations and need, and to promote a sustainable development of the Group's management system itself.

[2] All Italian sites of Ferretti S.p.A. are certified ISO 14001, excluding the Ancona sites.

This Policy is strictly connected to a procedure, drafted in 2020 and updated in 2021, describing the modalities and responsibilities related to the monitoring and control of its direct and indirect environmental impacts, valid for all sites covered by ISO 14001. This procedure also defines the criteria to identify, evaluate, update and mitigate such impacts, as well as the functions responsible for the related Environmental Analysis. Once assessed the most significant environmental impacts produced by the organization, the procedure displays a plan of continuous improvement with intermediate steps and targets. Moreover, the procedure contains instructions on the management of environmental emergency situations, so as to prevent and limit the environmental impact linked to potential emergencies.

Ferretti Group is committed to provide the needed investments and to broadly communicate its culture of quality and environmental conscience, given the importance of the personal and professional engagement of all those participating in the company's business. Depending on the specifics and characteristics of the sites, the type of activities carried out there and in line with the nature and size of the related environmental impacts, the sites pursue their own improvement objectives, in particular with regard to the reduction and management of process waste, energy efficiency, environmental protection and the health and safety of workers in the use of chemical substances and products and the control of indirect environmental aspects related to the work of contractors.

Process steps and related environmental impacts



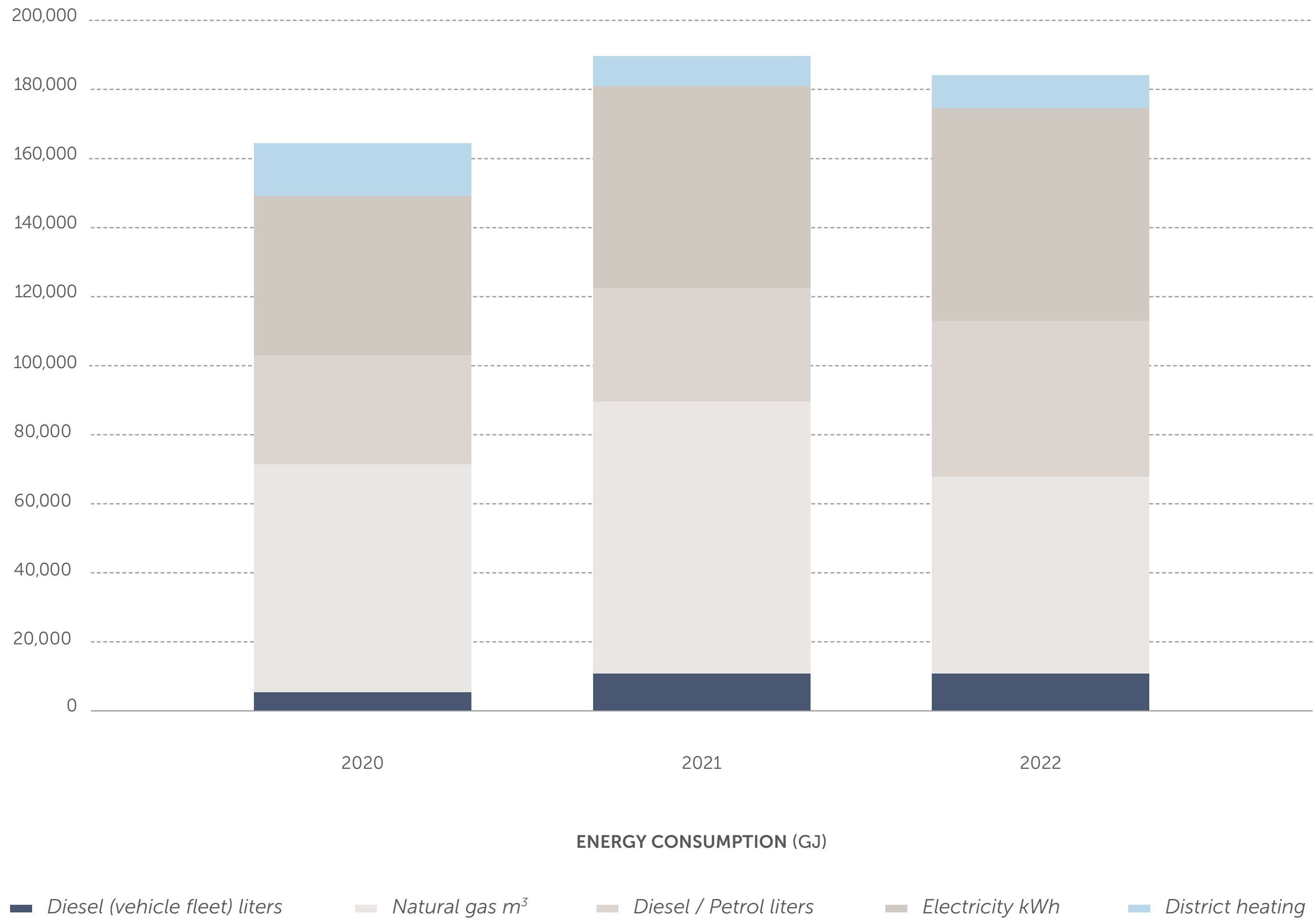
Energy and climate footprint

The Company is subject to periodic energy diagnosis obligations: several energy audits have been carried out along the past years on all the sites and further campaigns are planned for all Group sites in the future, even outside normative obligations, with the aim of continuously optimising energy consumption. Energy diagnostics allow improved understanding of how consumption is distributed and facilitate the evaluation of energy-saving solutions.
As in previous years, the Group's top source of energy consumption is natural gas, which is primarily used to heat indoor premises, to produce domestic hot water and, where present, to heat painting booths. The second-largest source of energy consumption is electricity, which is used at all Group shipyards and offices to power production departments (such as compressed air systems, dust extraction systems, air inlet and extraction systems in painting booths, refrigeration units and woodworking machines). The remainder of electricity consumption regards lighting (particularly in the sheds) and air conditioning in the summer months. At Group level, consumption remained rather constant between 2021 and 2022 (approx. +5%), despite the introduction of the company R.A.M. S.p.A. in the reporting perimeter.
The Group also consumes diesel and petrol, mainly to test and launch boats, as well as to power internal handling activities at shipyards, to fuel the company vehicle fleet and, to a lesser extent, to heat the Zago site. Diesel consumption increased during 2022, primarily due to the increase in production activities.

In Forlì – where both the shipyard and headquarters are located – the Ferretti Group no longer directly uses fossil fuels to heat its indoor premises and has instead connected the entire site to the municipal district heating network.

In 2015, among the various initiatives to improve efficiency and therefore reduce energy consumption, Ferretti Group began to revamp the lighting systems in the production halls, switching to LED technology. The upgrade was trialled in Mondolfo, before being rolled out to Group production plants over the course of three years. LED technology has since been installed in all the Group's sites.

Total annual energy consumption (GJ) by energy source[3]



The focus on energy efficiency and the results of the diagnostics carried out have led to improvements in measures to improve efficiency and the introduction of cutting-edge technology. To reduce its climate footprint, already in 2015, among the various initiatives to improve efficiency and therefore reduce energy consumption, Ferretti Group began to revamp the lighting systems in the production halls, switching to LED technology.
LED technology has since been installed in all new buildings. Moreover, at the end of 2019 the Group installed photovoltaic solar panels on Ancona plant's warehouses for the self-production of electricity, thus using the roofs to their full potential. Moreover, in 2020 other two photovoltaic panels were installed in Forlì and La Spezia, entering into operation since 2021.
Finally, in line with new infrastructure investments, new energy-saving solutions are systematically assessed.

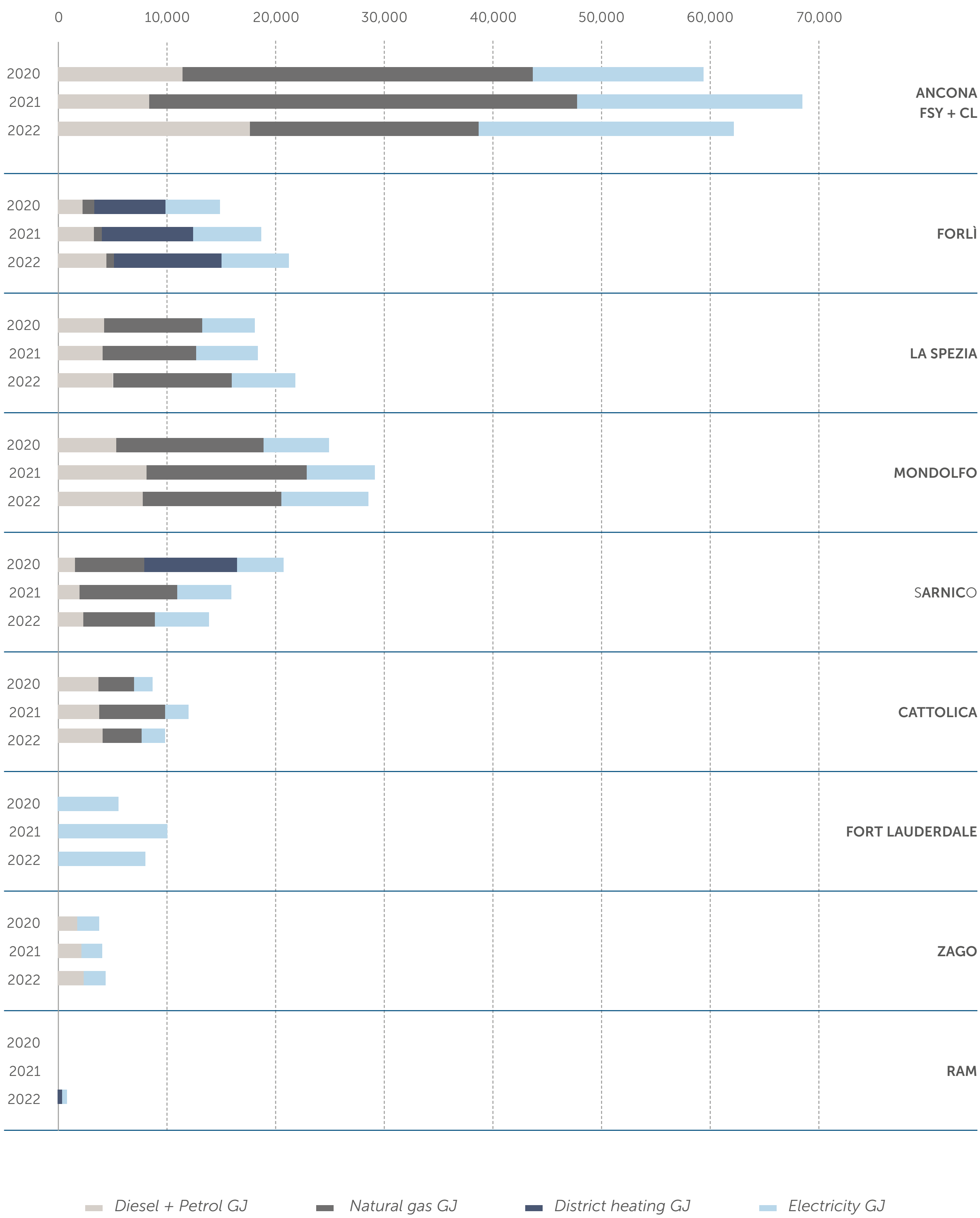
[3] *For the Fort Lauderdale shipyard (FL, USA), only electricity consumption is measured.*

These include, for example, the use of heat pumps instead of methane systems in new projects and the use of renewable resources, especially photovoltaic systems, according to the new volumes available. A project to install photovoltaic systems on the roofs of the Group's plants, whose tendering procedure started in 2022, will be developed in the following two years. Energy consumption by shipyard and source is broken down below.

Photovoltaic [kWh/year]

SITE	2020	2021	2022
Forlì	-	250,626	324,852
La Spezia	-	33,430	147,974
Ancona	111,272	195,551	182,296
Total	**111,272**	**479,607**	**655,122**

Total annual energy consumption (GJ) by shipyard

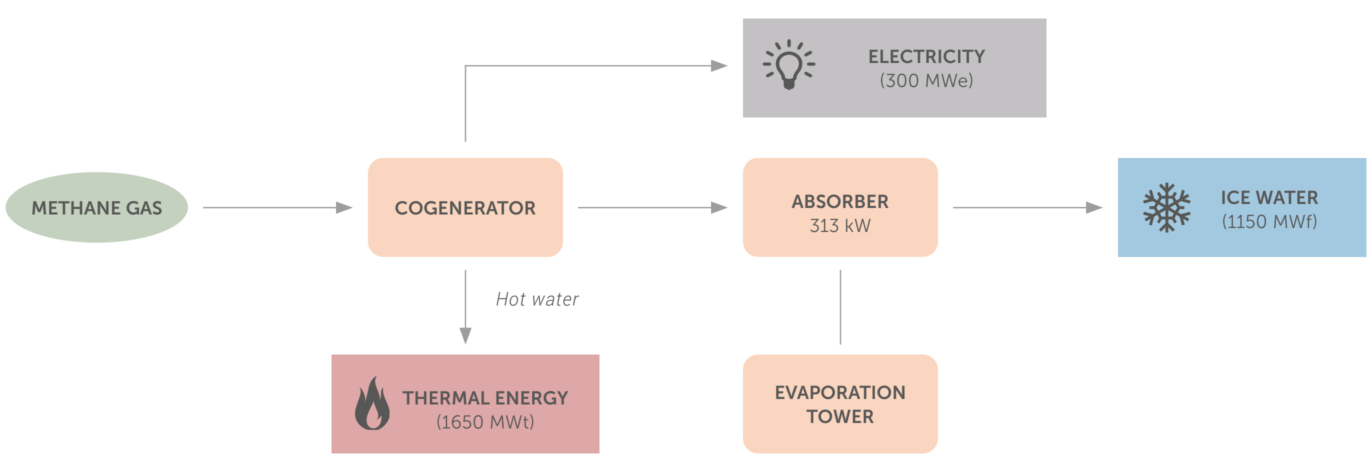


The Ancona shipyard: using cutting-edge technology to save energy and reduce our climate footprint

As of 2019, we began construction of a trigeneration plant to produce electrical, thermal and cooling energy at our Ancona site. The plant became fully operational in the second half of 2020 and, considering the partial use during the year, its contribution to the energy efficiency of the shipyard was appreciable from 2021. The plant reduces the amount of electricity and heat needed to air-condition production environments, while meeting the needs of the Super Yacht Yard in Ancona, which spans an area of over 32,000m^2 and requires ongoing temperature management.

Samso S.p.A. – an Energy Service Company (ESCO) – is behind the project's conception and roll out. The plant contains a high-efficiency gas-fired cogenerator with an electrical power of 500 kWe, a thermal power of 600 kWh, and a 460-kWh absorber that will produce cold water using thermal energy recovered from the plant itself.

Trigeneration plant



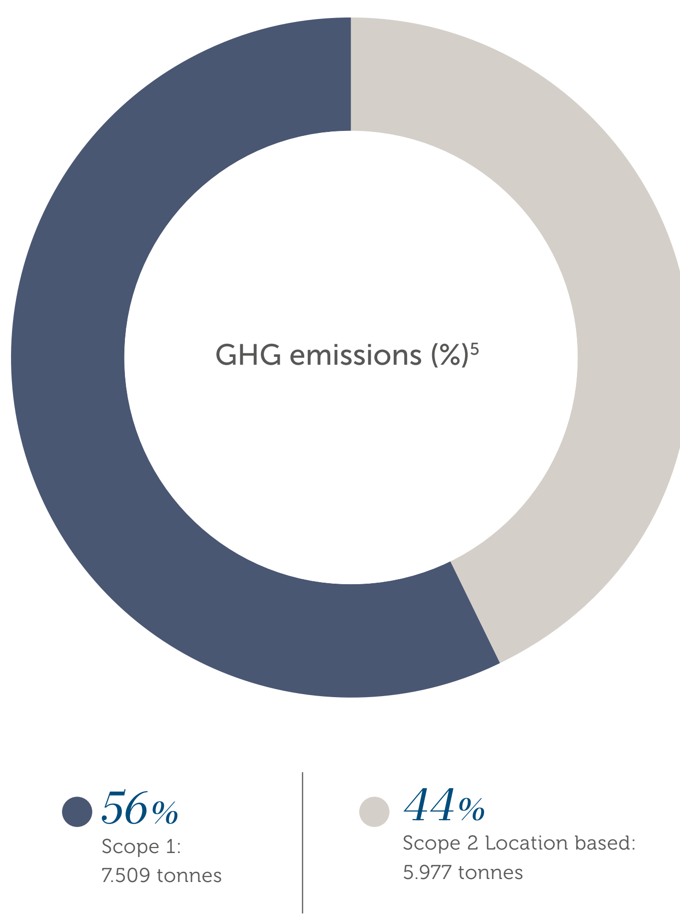
Also at the end of 2019, the Group installed a photovoltaic solar power plant for the production of electricity on the roofs of the warehouses, thus using the roofs to their full potential. Total installed power is 189kW, of which 70kW in operation as of 2019. In order to ensure maximum efficiency of the lighting systems, the existing lamps have been replaced with modern LED lamps.

The commitment to increasing its awareness of the climate impacts of its activity and production processes and a commitment to reducing these impacts are part of the Ferretti Group's responsibility and demonstrate its focus on future generations. Greenhouse Gas (GHG) emissions are calculated using a standardised methodology[4] to quantify corporate greenhouse gas emissions. This methodology categorises the company's direct and indirect emissions into three scopes:

- **Scope 1:** direct emissions generated by the company, the source of which is owned or controlled by the company itself;

- **Scope 2:** indirect emissions generated by the production of energy purchased and consumed by the company;

- **Scope 3:** includes all other indirect emissions that are generated by the company's value chain, for example related to business travel, raw material production, inbound and outbound logistics. These categories are not currently reported by the Ferretti Group as they are emissions over which the Group does not exercise direct control; in future it will be possible to carry out an in-depth analysis of its supply chain, both upstream and downstream of the production phase, to verify which categories are the most significant in terms of emissions and therefore carry out an in-depth analysis to estimate the main greenhouse gases produced.



[4] *"GHG Protocol Corporate Accounting and Reporting Standard (2004)" (available at* https://ghgprotocol.org/corporate-standard*).*

[5] *For the Fort Lauderdale shipyard (FL, USA), only emissions linked to electricity consumption are measured.*

GHG emissions (tonne CO_2)

Ferretti Group constantly monitors its emissions to assess the impact and select potential improvement actions to reduce their effect on climate change.
Reductions in energy consumption and self-production of electricity from photovoltaic renewable sources are therefore essential factors in reducing climate-altering gas emissions. Ongoing work in this area will therefore lead to a gradual reduction in emissions.

Polluting atmospheric emissions monitoring and reduction

In the furnishings and joinery departments, work is carried out that requires dust extraction points and related filtering systems for dust reduction. These include the sanding of wooden models and retouching plaster and polyurethane moulds. Extraction of the relevant plaster and fibreglass dust is carried out using flexible hoses and intake terminals. These are the main atmospheric emissions which are subject to authorisation and self-control for compliance with emission limits for dust and volatile organic compounds.

These abatement systems are subject to strict inspection procedures, as required by law. For facilities in which hull painting work is carried out, i.e., Sarnico, La Spezia, Mondolfo and Fort Lauderdale, modern suction systems and systems designed to reduce emissions of volatile organic compounds are installed in accordance with the specific authorisations.

An advanced fibreglass infusion printing system is used at Forlì. The infusion of composite materials is a production process which is increasingly used to improve the aesthetic quality of the final product and to reduce total labour costs. The general principle of infusion is to "vacuum" resin into the fibres which will be reinforced using vacuum technology. The system is equipped with an active carbon filter that allows highly professional finishes to be achieved in complete safety.

A second spray booth is being added at the Mondolfo shipyard, whilst two powder and one solvent emission booth are being added at the La Spezia shipyard, which is undergoing renovation. A third spray booth was added in the Forlì shipyard in 2022.

Focus: Painting Booth

According to European environmental regulations, air contaminated by any pollutant produced during processing must be treated before being released into the atmosphere. Pollutants can be divided into two categories: particulate matter (PM) and volatile organic solvents (VOCs).

Particulate matter is dust of various sizes that is released into the atmosphere during many types of work such as carpentry, sandblasting and others, while VOCs are small droplets of solvents or fumes that are released during processes such as painting, sanding, trimming and resin coating. In some cases, such as in painting, VOCs are released at the same time because the portion of paint that is released via the over-spray phenomena consists of both powders and solvents. Particulate materials and VOCs can be removed using various types of filters.

Painting booths are used in industrial sectors where products - in order to be considered finished - must undergo a coating process. This process leads to the aerial dispersal of particles that, if inhaled by workers, can cause serious damage to health, starting from the respiratory system and, in the most severe cases, travelling to the nervous system. These dusts pose an additional hazard in that they make the surrounding atmosphere potentially explosive.

Regulations for painting booths

The regulations that govern the manufacture of painting booths are part of a wide range of technical standards concerning safety in the design, construction and installation of machinery for the application of coating products. These are European standards implemented in Italy by UNI, the Italian Standards Agency.

Of particular note is the new standard UNI EN 16985:2019, which replaces the previous standards:

- **UNI EN 12215:2010** (Painting plants - Painting booths for the application of liquid coating products - Safety requirements);

- **UNI EN 12981:2009** (Painting plants - Painting booths for the application of powder coating products - Safety requirements);

- **UNI EN 13355:2009** (Painting plants - Painting booths - Safety requirements). The UNI EN 16985:2019 standard defines all of the most significant hazards (electrical, thermal or mechanical or caused by faults or malfunctions or even noise, harmful substances, explosion or fire) that may occur in relation to painting booths.

Many other certifications exist, of course, but among all of them we highlight what is conventionally known as the ATEX Standard. This is described in the European Directive 2014/34/EU on potentially explosive atmospheres and regulates equipment used in explosive areas, imposing the obligation to certify these products.

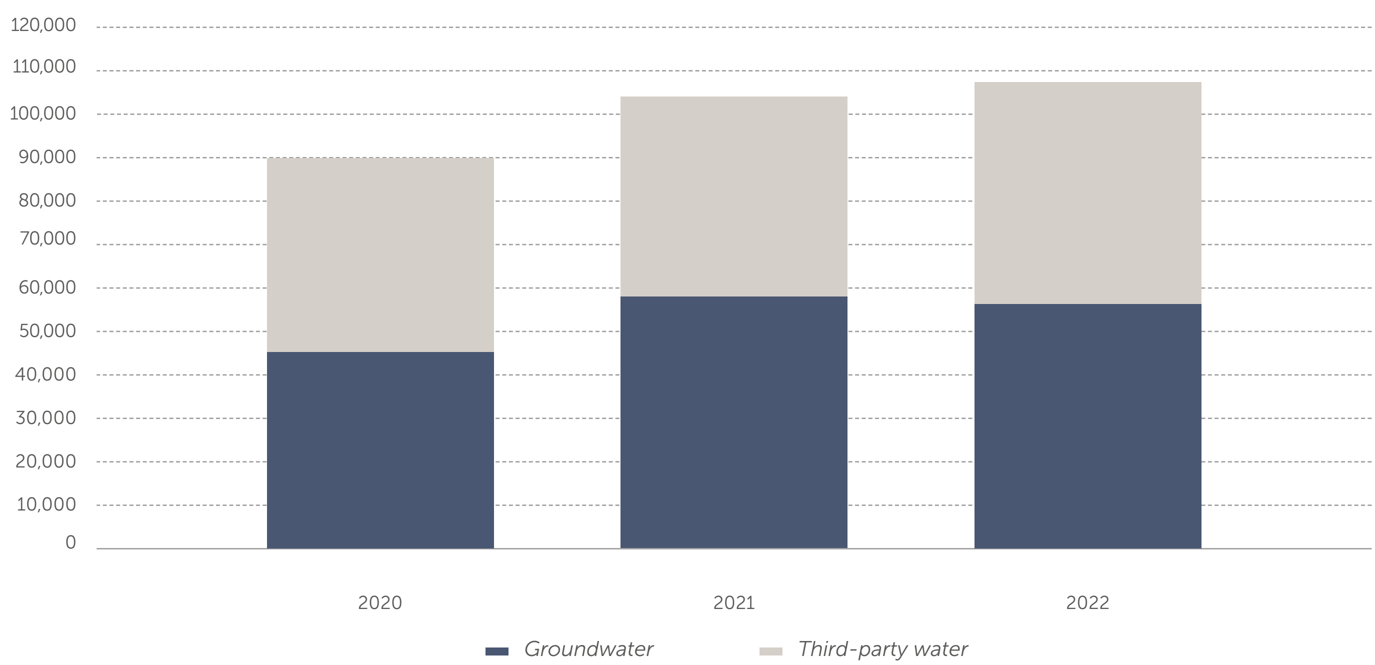
Water: a precious resource

In recent decades, safeguarding water resources has become a significant objective in both the civil and industrial sectors. Because of the type of work that it carries out, the Ferretti Group's shipyards do not require significant water consumption, and, depending on the site, water is sourced chiefly from mains water, with a lower percentage coming from well water. None of the sites are located in water-stressed or particularly sensitive areas.

Drinking water is used for hygienic and sanitation purposes. Process water, on the other hand, is used to fill tanks in which buoyancy tests for finished yachts are carried out (at Mondolfo and Forlì) if no quays are available to allow the tests to be conducted sea, as they are at La Spezia. Pressurised water is used to clean hulls and facilities.

As shown in the chart below, in 2022 the Group withdrew a total of 107,284 m^3 of water, 48% of which came from third parties (e.g., aqueducts) while the remainder was sourced from wells.

Water withdrawal by source (m^3)[6]

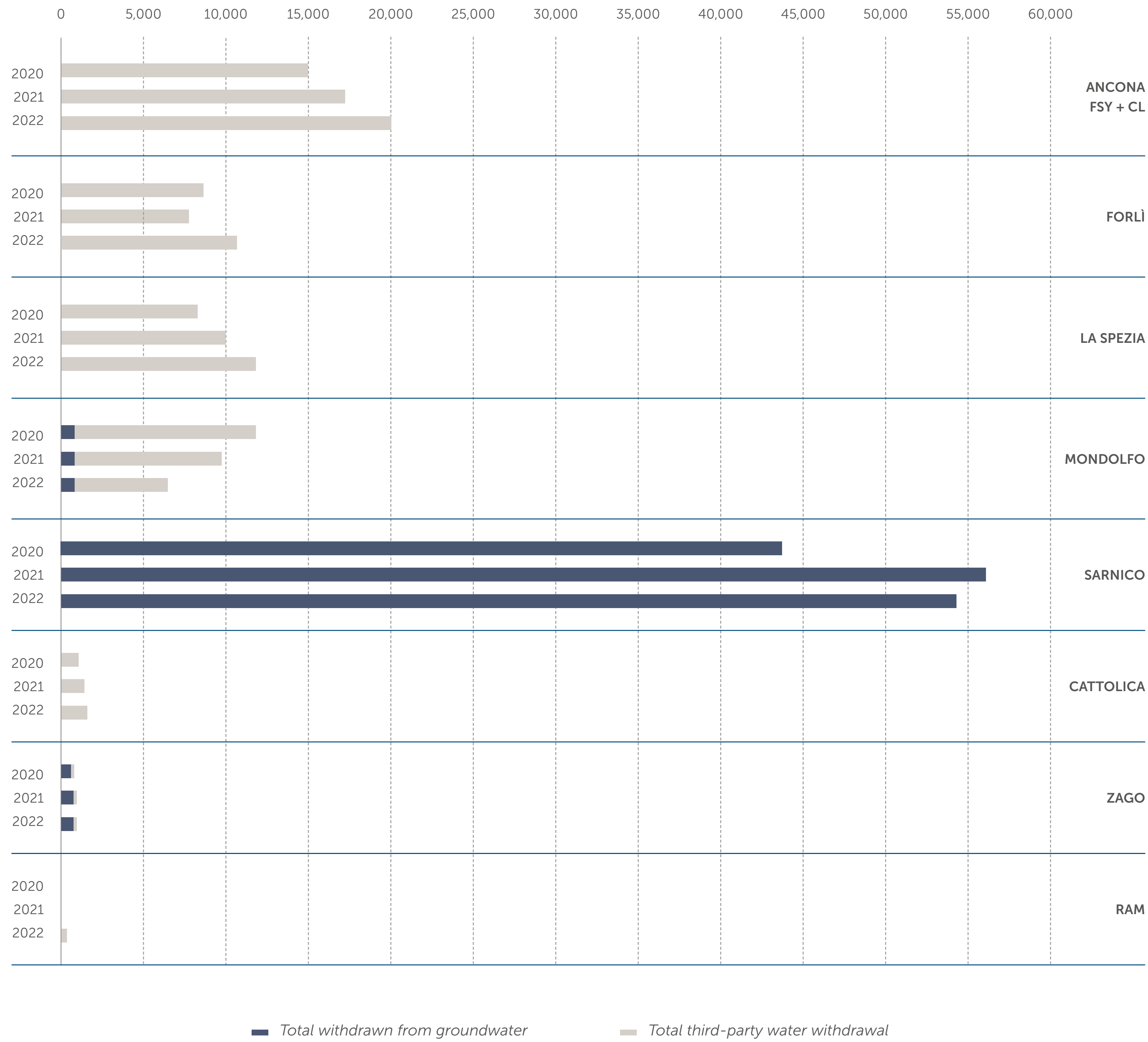


Despite these substantial withdrawals, water consumption remains low. This is because most of the water withdrawn is discharged into the sewerage system, partly as industrial water (subject to measurement and monitoring obligations) and partly as water similar to domestic water, as specified in the individual authorisations. No precise measurements are made regarding the latter, as they are not legally required. The significant increase in groundwater withdrawal in both 2020 and 2021 at the Sarnico shipyard is partly attributable to some leaks at the main plant.

Where no discharge authorisation is available, as at Forlì, the cleaning or recovery water from compressors is collected in tanks and processed as waste. At La Spezia, water is discharged into the sea. To ensure full compliance with legal limits, the water is treated at a chemical-physical plant before discharge. Future plans include a reduction of discharge into the sea by collecting water in public sewers. Water withdrawal for each of the Group's shipyards is reported below, specifying groundwater and third-party withdrawal:

[6] Group water data reported in this table do not include figures for the Fort Lauderdale shipyard (FL, USA). 2020 and 2021 data have been updated, compared to the previous Sustainability Report, for a refinement of the calculation methodology.

Water withdrawal by shipyard (m^3)[7]



[7] As part of the calculation for water withdrawal at the Sarnico site in 2021, more detailed groundwater withdrawal data was available than that considered for the calculation performed in FY 2019 and reported in the 2020 Report. Specifically, this methodological change enabled the inclusion of withdrawals from a meter that was not properly considered last year. The details outlined above (which became available in 2021) allowed the calculation of water withdrawal from the Sarnico shipyard to be refined for both the current reporting year (2021) and, therefore, for 2019, in order to give the most reliable and consistent representation possible; this Report therefore shows the most accurate figure for 2021, 2020 and 2019. The total quantity of Ferretti Group water withdrawal does not include figures relating to the Fort Lauderdale shipyard.

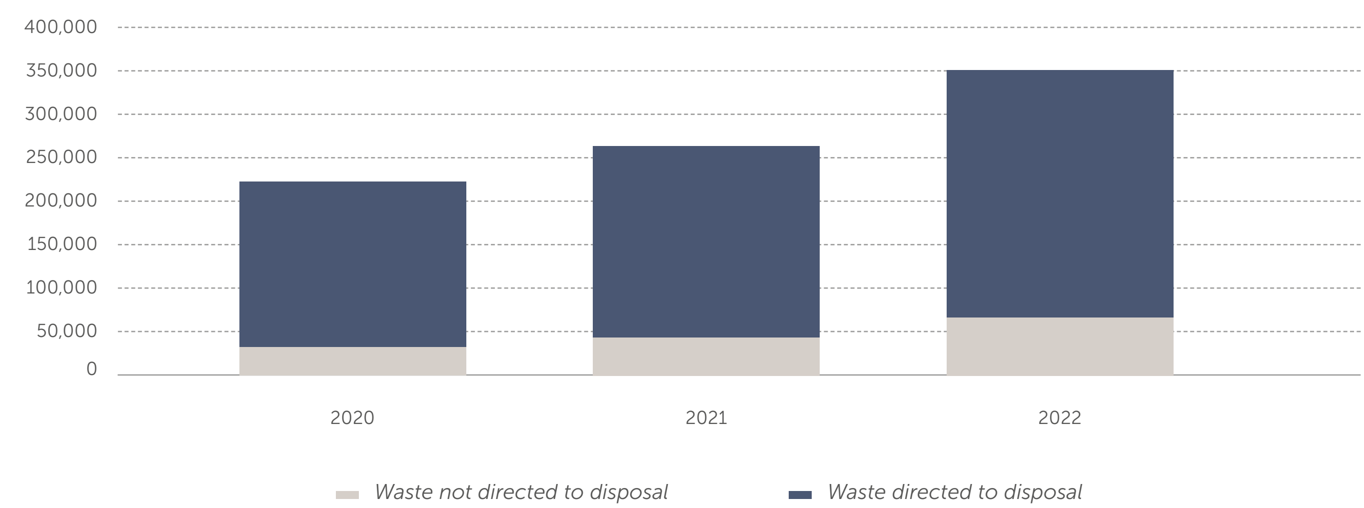
Waste

The Ferretti Group has chosen to invest in cutting-edge technological equipment at its shipyards and to make use of the most modern production processes to optimise use of material and minimise production waste. Non-hazardous waste from the production process is generally waste from internal and external preparation and industrial cleaning processes, and is duly sorted. Waste defined as hazardous (around 8% of the total) chiefly comprises solvent mixtures, products used in painting booths, fibreglass scraps, or oils, waste emulsions and dirty packaging in general.

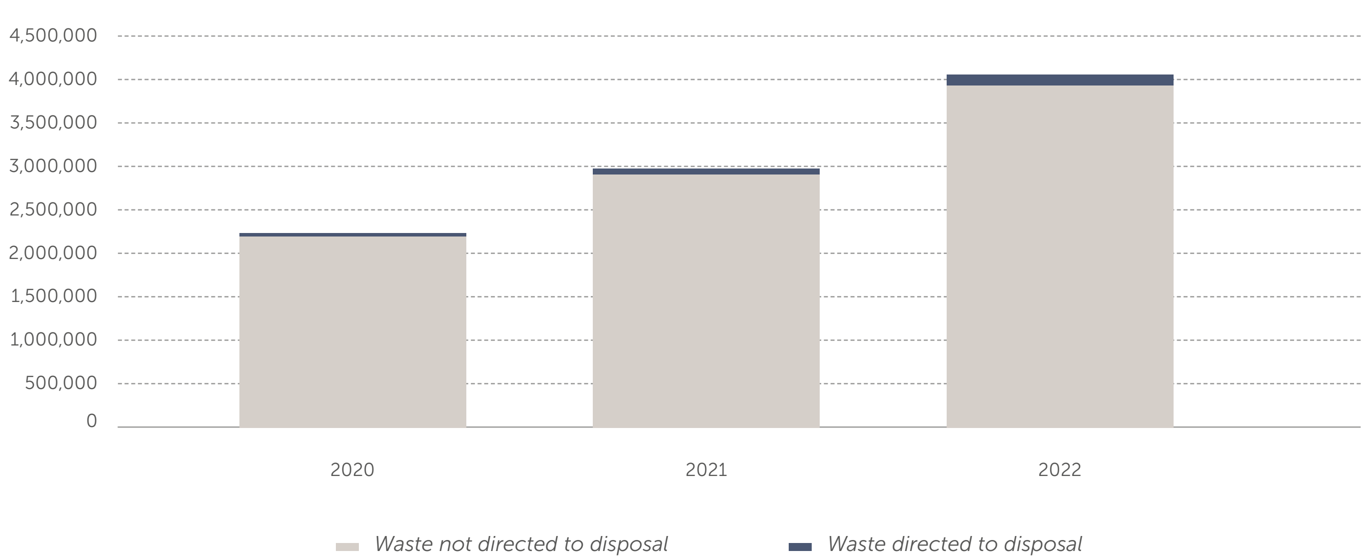
In 2022, waste production has increased versus previous years and this is mostly due to a production increase in Forlì site and a relevant methodological change in the waste management law requirements in Cattolica.

A breakdown of waste produced[8] by the Group is shown below:

Hazardous waste by disposal method (kg)

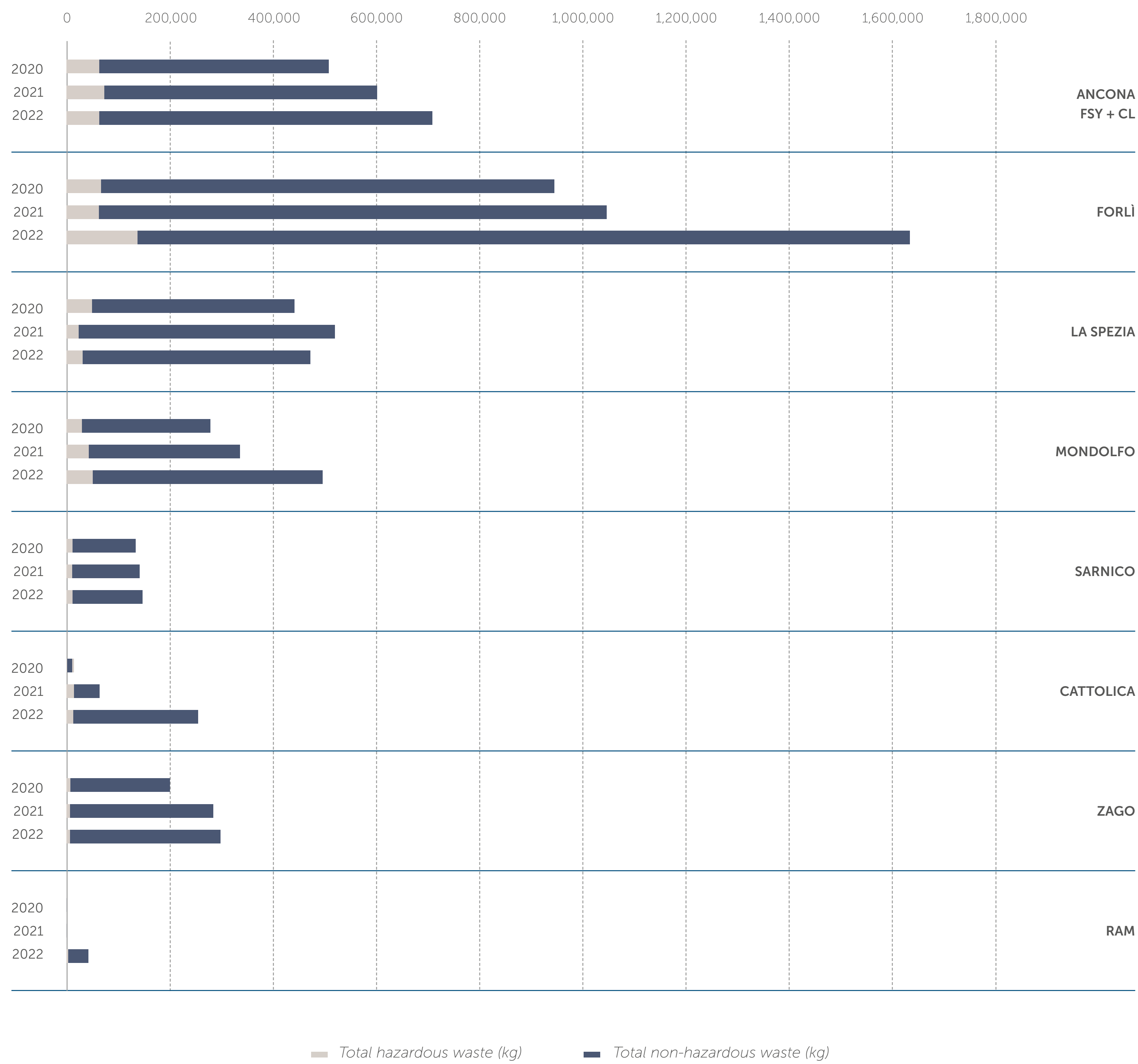


Non-hazardous waste by disposal method (kg)



[8] *Group waste data reported in this table do not include figures for the Fort Lauderdale shipyard (FL, USA).*

Waste production by shipyard (kg)

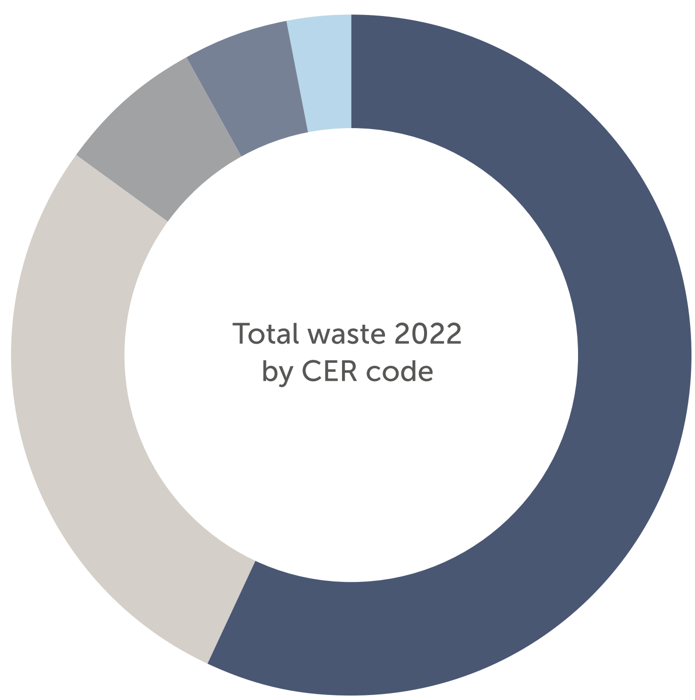


The graph below[9] shows the main categories[9] of waste produced by the Group in 2022. The most significant item (more than 1,245 tonnes) is waste from construction and demolition operations, which accounts for 28% of the total waste produced. This is followed by waste from wood processing (around 313 tonnes in 2022), waste from organic chemical processes (around 194 tonnes) and waste from coatings such as paints, varnishes and enamels (around 148 tonnes). The category "Other" includes various types of waste produced in smaller quantities, such as municipal waste (household and assimilated waste produced by commercial and industrial activities as well as institutions) - including waste from separate collection, waste oils and liquid fuel residues (except edible oils), organic solvents, refrigerants and waste propellants.

57%
Other

28%
Waste from construction and demolition operations (including soil from contaminated sites)

7%
Waste from wood processing and the production of panels, furniture, pulp, paper and cardboard



5%
Waste from organic chemical processes

3%
Waste from the production, formulation, supply and use of coatings (paints, varnishes and glazed enamels), adhesives, sealants and inks for printing

[9] The legislation in force at European level provides for the classification of waste using EWC codes, numerical sequences comprising 6 digits joined in pairs. These are designed to identify waste according to the production process which created it.

Besides climate change, biodiversity loss – that is the increasing loss of the biological diversity that characterizes our planet's living things, including plants, bacteria, animals, and humans – is becoming an increasingly more impactful issue. Plant and animal species are disappearing at an accelerating rate due to human activities, and the yachting industry can be not only a contributor to biodiversity loss but part of the solution, primarily through innovation and more responsible production, processing, and raw materials sourcing.

Tackling biodiversity loss will be fundamental in the future and, therefore, Ferretti Group is committed to protect the natural environment and the biodiversity of the territories in which it operates. Indeed, the Group is fully compliant with all relevant national legislations on the matter. In addition, some analyses to assess whether some of the Ferretti Group sites[10] are located in, or adjacent to (in the proximity of 10 km from the Ferretti Group site) protected areas have been performed through the National Network of Biodiversity of the Italian Institute for Environmental Protection and Research (in Italian, ISPRA), which identifies the Italian protected areas and habitats at risk[11].

The results of such analyses are summarized in the following table:

SITE (REGION)	SIZE OF OPERATIONAL SITE (KM²)	TYPE OF OPERATION	POSITION IN RELATION TO THE PROTECTED AREA	PROTECTED AREA	EXTENSION OF THE PROTECTED AREA	TYPE OF BIODIVERSITY VALUE	BIODIVERSITY VALUE CHARACTERIZED BY LISTING OF PROTECTED STATUS
Forlì (Emilia Romagna)	0.052	Shipyard	8.6 km	Bosco di Scardavilla, Ravaldino	4.55 km²	Terrestrial and Inland Waters	ZSC IT4080004
			3.4 km	Meandri del fiume Ronco	2.32 km²	Terrestrial and Inland Waters	ZSC IT4080006
			8.3 km	Selva di Ladino, Fiume Montone, Terra del Sole	2.22 km²	Terrestrial and Inland Waters	ZSC IT4080009
Cattolica (Emilia Romagna)	0.012	Shipyard	0.5 km	Colle San Bartolo	11.93 km²	Marine	ZSC IT5310006
			0.5 km	Colle San Bartolo, litorale pesarese	40.31 km²	Terrestrial and Inland Waters	ZPS IT5310024
Mondolfo (Marche)	0.083	Shipyard	9.2 km	Fiume Metauro da Piano di Zucca alla foce	7.71 km²	Terrestrial and Inland Waters	ZSC IT5310022
Ancona (Marche)	0.077	Shipyard	3.3 km	Costa tra Ancona e Portonovo	4.66 km²	Marine	ZSC IT5320005
Sarnico (Lombardia)	0.043	Shipyard	3 km	Torbiere d'Iseo	3.25 km²	Terrestrial and Inland Waters	ZSC IT2070020

[10] Group biodiversity data reported in the table do not include figures for the Fort Lauderdale shipyard (FL, USA).

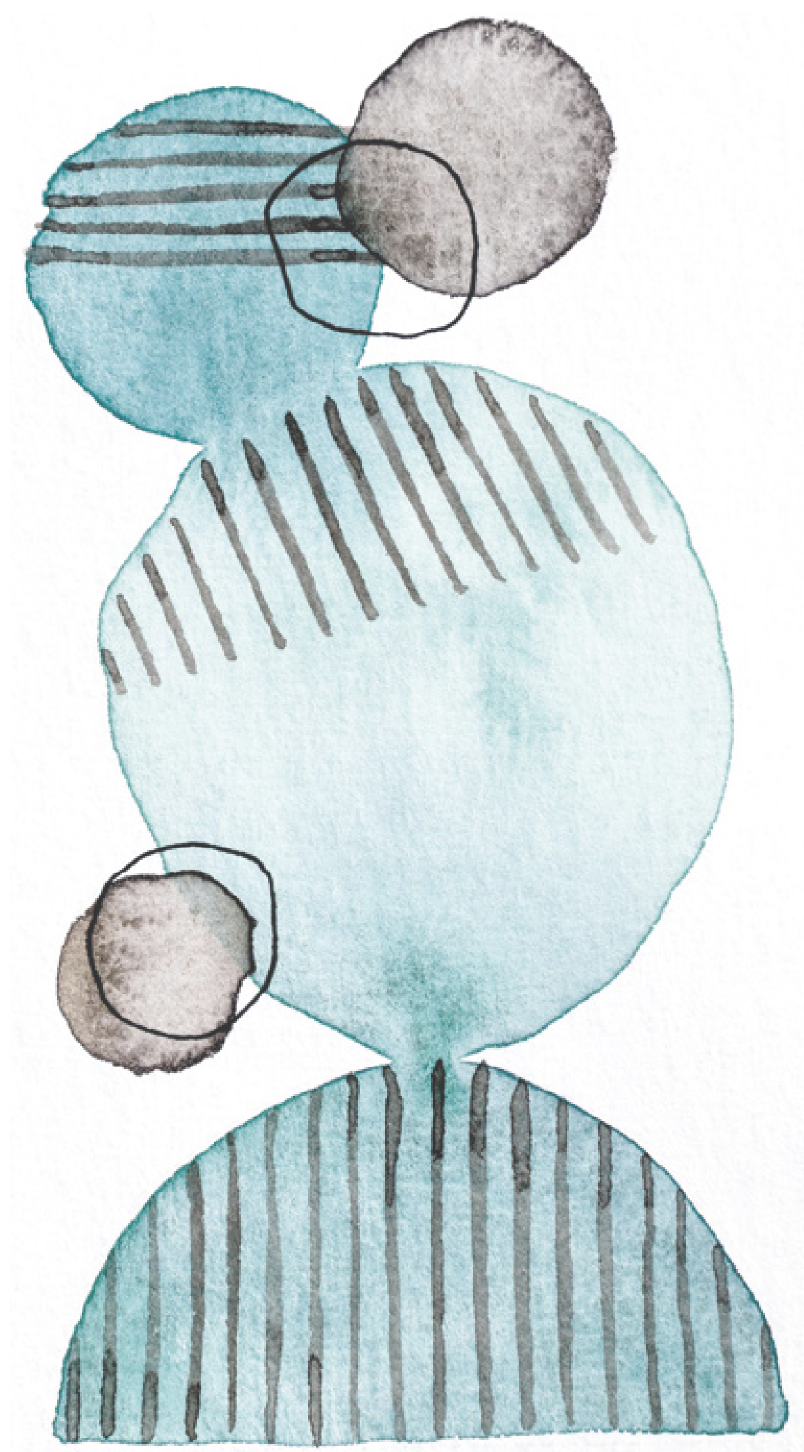
[11] Complementary information on the involved protected areas has been found in the World Database on Protected Areas (WDPA), World Database on OECMs, Global Database on Protected Area Management Effectiveness (GD-PAME), accessible on the Protected Planet website.

SITE (REGION)	SIZE OF OPERATIONAL SITE (KM²)	TYPE OF OPERATION	POSITION IN RELATION TO THE PROTECTED AREA	PROTECTED AREA	EXTENSION OF THE PROTECTED AREA	TYPE OF BIODIVERSITY VALUE	BIODIVERSITY VALUE CHARACTERIZED BY LISTING OF PROTECTED STATUS
La Spezia (Liguria)	0.039	Shipyard	2.6 km	Montemarcello	14.01 km²	Terrestrial and Inland Waters	ZSC IT1345109
			8.3 km	Isole Tino Tinetto	0.15 km²	Marine	ZSC IT1345103
			6 km	Isola di Palmaria	1.64 km²	Terrestrial and Inland Waters	ZSC IT1345104
			5.5 km	Portovenere Riomaggiore S. Benedetto	26.65 km²	Terrestrial and Inland Waters	ZSC IT1345005
			9 km	Parco nazionale delle Cinque Terre	38.6 km²	Terrestrial and Inland Waters	ZSC IT1344323
Sarnico, R.a.m. Spa (Lombardia)	-	Restoration facility	3 km	Torbiere d'Iseo	3.25 km²	Terrestrial and Inland Waters	ZSC IT2070020
Scorzè, Zago Spa (Veneto)	0.016	Production facility	7.2 km	Fiume Sile dalle sorgenti a Treviso Ovest	14.9 km²	Terrestrial and Inland Waters	ZSC IT3240028
			2.2 km	Cave di Noale	0.43 km²	Terrestrial and Inland Waters	ZSC IT3250017
			4 km	Ex Cave di Villetta di Salzano	0.64 km²	Terrestrial and Inland Waters	ZSC IT3250008
			6 km	Ex Cave di Martellago	0.5 km²	Terrestrial and Inland Waters	ZSC IT3250021
Pian Di Rose, Il Massello Srl (Marche)	-	Production facility	0,5 km	Tavernelle sul Metauro	8.27 km²	Terrestrial and Inland Waters	ZSC IT5310028
			8.2 km	Mombaroccio	24.46 km²	Terrestrial and Inland Waters	ZSC IT5310013
Narni, F.lli Canalicchio Spa (Umbria)	0.012	Production facility	1.5 km	Lago l'Aia (Narni)	1.21 km²	Terrestrial and Inland Waters	ZSC IT5220019
			3.7 km	Gole di Narni Stifone	2.27 km²	Terrestrial and Inland Waters	ZSC IT5220020

06

OUR PEOPLE

Pride, Passion and Belonging

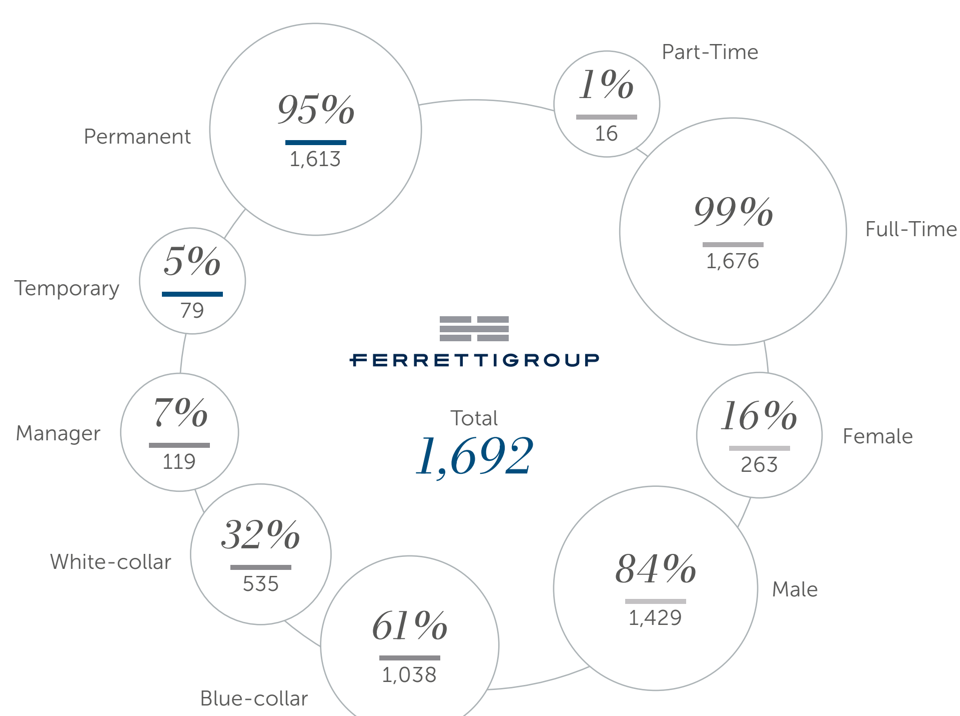


.1

Key figures

Building some of the world's most beautiful yachts requires a special crew, one that is able to bestow on our products the distinctiveness, innovation and quality that set the Ferretti Group apart. Our employees are the ultimate embodiment of these values and as such are the source of our success; our crew adds expertise, experience and a strong sense of belonging to the pride of building unique masterpieces.

At the Ferretti Group, every individual is at the centre of the Group's vision, and our main objective has always been to ensure that each employee is able to express himself or herself as a person even before expressing him/herself as a professional. This leads, on the one hand, to constant improvement in the quality of work, and on the other to a particular focus on human relationships, which are founded on trust, friendship, respect and cohesion. This is the only way to preserve the Group's cultural heritage, an authentic treasure trove of knowledge and experience which is unrivalled anywhere in the world.



As stated in its Code of Conduct, the Group is strongly committed to build an environment with equal rights and opportunities and fair compensation and does not tolerate any physical or psychological abuse. During the Reporting Period, the Group has complied with the relevant laws and regulations that have a significant impact of the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.
At the end of 2022, the Group employed a total of 1,692 employees, with a slight increase on previous years (+5.8% compared to 2021); of these, the vast majority were hired on a full-time permanent contract. Geographically, they are mainly distributed in EMEA (1,626 people), specifically in Italy, while a minority is located in other regions (7 in APAC and 59 in AMAS).

The gender breakdown shows a preponderance of male workers, though there is a clear correlation between contract type and gender: women make up 36% of office workers, compared to a lower percentage of managers (22%) and especially of blue-collar workers (4%), in part due to the characteristics of the nautical construction sector. There are, however, encouraging signs of a growth in the total number of female employees over the last three years. While 228 women were employed by the Group in 2018, this number now stands at 263, an increase of nearly 15% in five years.

TYPE OF EMPLOYMENT CONTRACT[1]	GENDER	2020	2021	2022
MANAGERS	Female	25	27	26
	Male	94	101	93
	Other	N/A	N/A	0
	Not disclosed	N/A	N/A	0
	TOTAL	**119**	**128**	**119**
WHITE COLLARS	Female	180	183	194
	Male	278	303	341
	Other	N/A	N/A	0
	Not disclosed	N/A	N/A	0
	TOTAL	**485**	**486**	**535**
BLUE COLLARS	Female	37	39	43
	Male	923	947	995
	Other	N/A	N/A	0
	Not disclosed	N/A	N/A	0
	TOTAL	**960**	**986**	**1038**
TOTAL	Female	242	249	263
	Male	1,295	1,351	1,429
	Other	N/A	N/A	0
	Not disclosed	N/A	N/A	0
	TOTAL	**1,537**	**1,600**	**1,692**

[1] *The scope of reporting of all personnel data in this section includes: Ferretti S.p.A., Ferretti APAC, Ferretti AMAS, Zago S.p.A. and R.A.M. S.p.A.*

A breakdown of employees by category (white-collar and blue-collar) is presented above. In particular, the Ancona and Forlì shipyards employ the largest number of workers, where they are responsible for yacht production and assembly but also perform other functions including warehouse, sales and office roles. At Forlì, home of the Group headquarters, the number of white-collar workers is particularly high. This contributes to making Forlì the Group's largest centre in terms of direct work. At Ancona Custom Line, on the other hand, while the absolute value is among the Group's highest, we note that direct employees constitute a smaller percentage of the total number of workers on site each day. Indeed, as noted in the table below, the total number of workers who are not employees is over 2,000 people in 2022.

WORKERS WHO ARE NOT EMPLOYEES (HC)	2020	2021	2022
INTERNS (curricular and extra-curricular)	15	12	16
SELF-EMPLOYED PERSONS	70	109	138
AGENCY WORKERS	6	7	16
CONTRACTORS	1257	1482	1798
OTHER CATEGORIES[2]	54	69	76
TOTAL	**1380**	**1641**	**2002**

As reported throughout this document, the Ferretti Group has always been committed to developing a company that is well rooted in the local area at every level, including the managerial sector. Indeed, 61% of senior managers of the Group's Italian shipyards and plants reside in the region where the site itself is located[3]. This indicator demonstrates the key role that local communities play in the Group's management. It is also synonymous with the Group's ability to give back to the community in which it operates, both in economic terms and by providing opportunities for growth and professional development.
Moreover, the company population is evenly distributed across the main age groups, and shows a rejuvenation, especially in the under-30 age group, which has undergone an increase in absolute value compared to 2020 (from 119 to 175) and in percentage terms (from 7% to 10%).

	2022	% 2022
< 30	175	10%
31 - 40	336	20%
41 - 50	657	39%
> 50	524	31%

This is certainly the result of a stimulating, ever-changing working environment, which has helped create a stable, long-lasting team; at the same time, however, it may represent a risk if new recruitment policies aimed at encouraging the entry of young people and the renewal of skills are not implemented. The Group is aware of this risk and has in recent years strengthened its relations with schools and universities in the areas where it operates, encouraging the addition of young people under the age of 30. The 2022 figure (86 new staff under 30) is the highest in recent years and bears witness to the commitment that the Group has made in this area.

[2] Other categories include third-party workers in charge of cleaning, Teak fixers and carpenters.
[3] The scope of reporting of all personnel data in this section does not include data from Ferretti APAC and AMAS.

	AGE	2020	2021	2022
NEW HIRES DURING THE REPORTING PERIOD	< 30	32	64	86
	31 - 40	30	52	68
	41 - 50	22	28	51
	> 50	8	12	22
	Total	**92**	**156**	**227**

A large number of these additions relate to the hiring of recent graduates through internships which in most cases lead to a fixed-term contract; at the end of this period, they are then given permanent contracts.

Considering these hires, and despite the complex recent and ongoing complex social-health backdrop, there are no particular trends in staff terminations, which remain related chiefly to retirements and voluntary resignations.

In addition to its internal workforce, the Ferretti Group also makes use of an external workforce through subcontracting agreements with third parties. External workers are mainly engaged in the creation of on-board systems for yachts, and therefore deal with electrical systems, painting and air conditioning systems, as subcontractors in the shipyards. As shown in the table and noted above, the Ancona and La Spezia shipyards make the most extensive use of external workers in producing the Group's yachts.

Workers who are not employees by shipyards

SHIPYARD	2020	2021	2022
FORLÌ	88	101	125
CATTOLICA	109	128	147
MONDOLFO	189	262	347
SARNICO	14	19	20
LA SPEZIA	274	340	414
ANCONA CUSTOM LINE	347	347	410
ANCONA FSY	159	214	285
ZAGO	103	103	103
TOTAL	**1180**	**1411**	**1748**

Training and Development

Training and development play a key role in enhancing the Group's human capital. At the Ferretti Group, employees are guided and involved at every stage of their development, using specific tools in line with their experience and role within the company. This is training as a competitive advantage: developing staff to help them grow towards the key skills needed to maintain market leadership over time.

In 2022, Ferretti Group implemented a new automatic management system for tracking training activities and hours, as to facilitate the recording processes of such information. The 2022 training plan included courses on Health, Safety and Environment (HSE) topics, useful to understand how to evaluate and prevent injuries and other risks on the workplace, linked to the ISO 14001 certification. Indeed, safety consists of a considerable part of each employee's development in the Company. Moreover, with reference to Operations and Supply Chains topics, training sessions on quality control processes was organised, while on the Engineering side, software programming classes were held. As for boat licenses, international courses, such as the Global Maritime Distress Safety System (GMDSS) and Standards of Training, Certification and Watchkeeping for Seafarers (STCW), were provided. Finally, Ferretti Group considers as particularly relevant also additional training activities, like linguistic classes (e.g., English, Portuguese, etc.), sessions on Sustainable Mobility and Digital Transformation, which enrich the staff with new soft skills and personal growth, as well as other technical courses according to the expertise area. In 2023, the Group expects to introduce also a new training program on Leadership for all Production staff.

In 2022, a total of 19,635 training hours were provided to all employees of the Group, with a 19% increase with respect to the previous year, confirming the positive trend already started in 2021, after a period of serious restrictions caused by the spread of the COVID-19 pandemic.

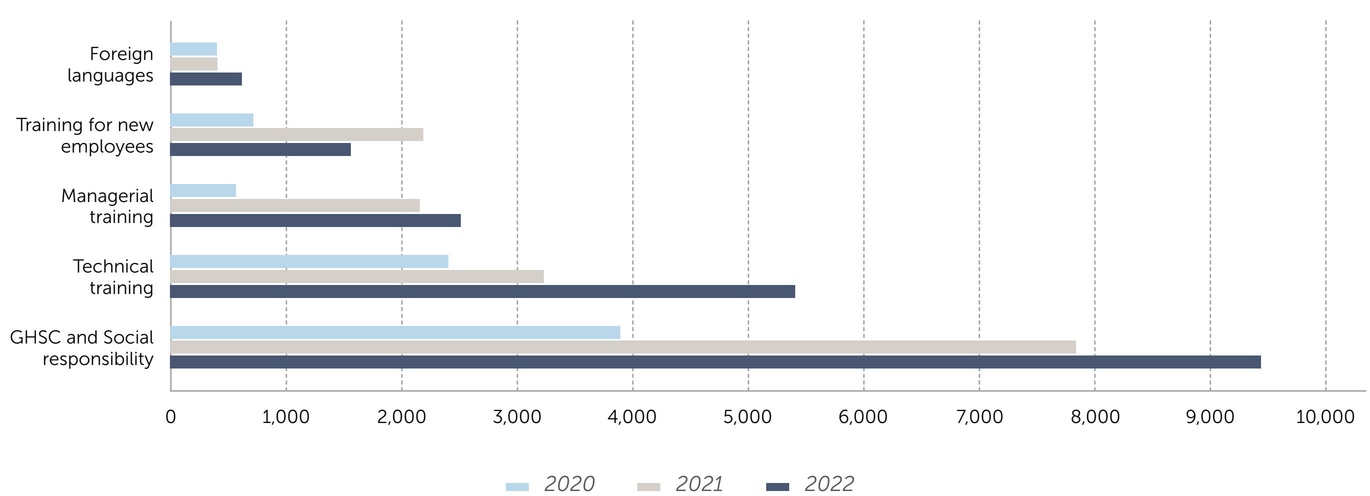
Total annual training hours

2020		2021		2022
8,756	>	16,522	>	19,635

Total training hours provided per employee and per job category show a clear increase in 2022 compared to 2020, a year in which, as mentioned above, training activities were reduced due to restrictions related to the spread of the COVID-19 pandemic. In 2022, compared to 2021, there was a 19% increase in total training hours per employee and job category.

AVERAGE TRAINING HOURS BY EMPLOYEE CATEGORY AND GENDER	MEASUREMENT UNIT	2020			2021			2022		
		MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
MANAGERS	H	6.6	14.6	**8.3**	14.3	14.6	**14.4**	18.2	21.9	**19.0**
WHITE COLLARS	H	9.2	7.2	**8.4**	16.7	14.2	**15.8**	19.6	14.7	**17.8**
BLUE COLLARS	H	4.1	2.8	**4.1**	7.1	8.0	**7.1**	7.2	15.6	**7.6**
TOTAL TRAINING HOURS PROVIDED TO EMPLOYEES	**H**	**5.4**	**7.3**	**5.7**	**9.8**	**13.2**	**10.3**	**10.9**	**15.5**	**11.6**

Training hours provided by category



Further main purposes of the Group consist in ensuring a healthy workplace and objective performance evaluations for its employees, to avoid any discrimination and unconscious bias. For this reason, Ferretti Group adopted the following internal procedures:

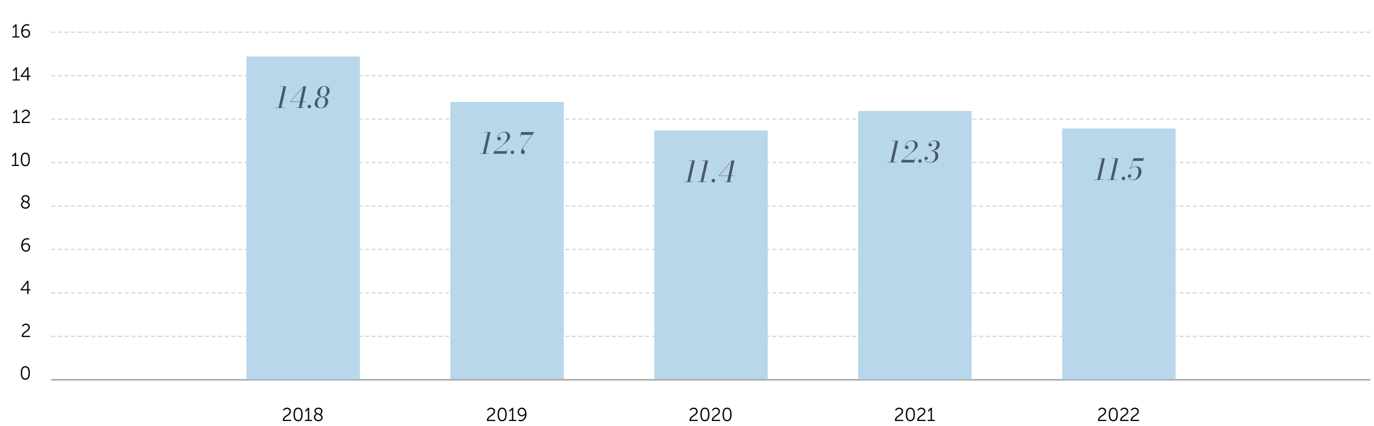
- Policy on MBO linked compensation that regulates rules and instruction for the assignment of MBO objectives and evaluations;
- Hiring and Job rotation policies in order to define the activities of onboarding of new hires in communicative, organizational and contractual terms from the signing of the letter of commitment to employment and any subsequent changes in the employment relationship;
- Policy regarding working hours, additional to the formal contractual agreements;
- Policy regarding trainings and qualification of employees, including induction to new hires.

No reports on discrimination issues have been received in 2022.

Health and safety

The health and safety of workers has always been of fundamental importance to the Ferretti Group. Ensuring a safe and comfortable working environment is not only a priority for the Group, but is also a strategic and development factor for the entire company.

Injury frequency rate (no. of injuries/million hours worked)

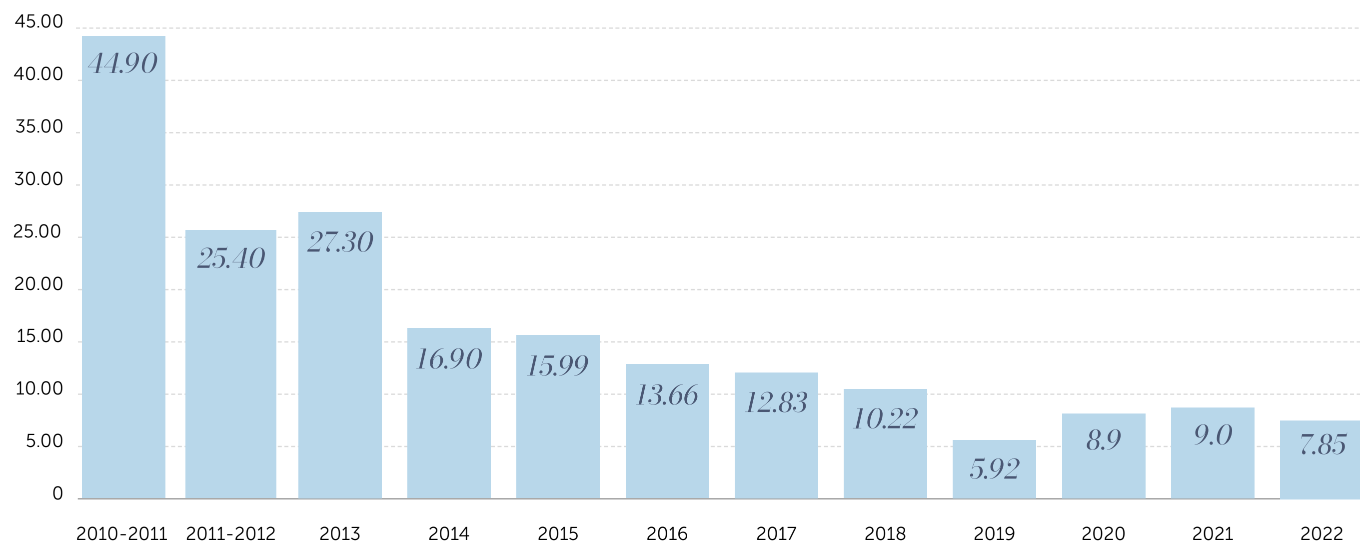


In 2022, two events of serious injuries (i.e., those entailing an absence of over six months) were reported by the companies of the Group, which will continue to work towards a zero injuries workplace and to possibly keep reducing accident and injury rates. One of the tools used by the Group to achieve such goals is represented by constant HS training activities, conducted both on the basis of the law requirements and on the specific needs of its workforce, in accordance with the main relevant figures (workers, RLS, Supervisors, etc.).

Moreover, in the last 12 years, thanks to a series of measures and policies designed to lower the number of accidents involving its workers, Ferretti S.p.A. has reduced its injury rate (that is, the number of injuries per million hours worked) by 82.5% compared to 2010[4].

[4] The increase in the injury rate in 2020 can be interpreted as an effect of the sudden imposition of pandemic containment measures. These shifted the attention of company workers to the newly adopted COVID-19 prevention measures and temporarily away from all other working risks, especially during the early months of the year.S.p.A.

Injury frequency rate (no. of injuries/million hours worked) over the last 12 years - Ferretti S.p.A.



This extraordinary result was only made possible by detailed, continuous assessment of the potential risks at each of the Group's shipyards and the consequent implementation of all the measures (whether organisational or systems-based) required to eliminate or, where this is not possible, reduce these risks to a minimum. Among the risks identified at the main stages of the production process are a not insignificant chemical risk, a carcinogenic risk, a risk deriving from working at height, a moderate biomechanical risk, a moderate noise risk, a very slight vibration risk and a mechanical risk.

In order to prevent potential injuries, each employee receives detailed training on the risks to which he or she is exposed, including practical training. At the end of this process, the work of each employee is then checked, supervised, and coordinated by his or her Contact Person. Each Contact Person is selected from among experienced employees and formally appointed to the role, having

Main investments for safety at shipyards 2019-2020-2021-2022

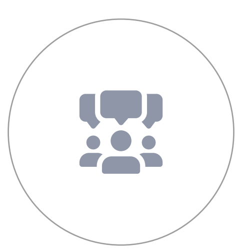
- Lifelines on all overhead cranes
- Machine qualification - wood with badge (still in the implementation phase)
- Regularisation of scaffolding at Cattolica

received adequate training for the position. Every month the Contact Person attends an **occupational health and safety meeting** along with their colleagues, the Prevention & Protection Service Manager (PPSM) and the EHS Manager. This meeting is an opportunity to share the procedures adopted and practices to be used, and critical issues, injuries and near-misses that have emerged in previous weeks are discussed, as are the related corrective actions, as detailed below.

In the event of an accident or near-miss (any event that could have caused an injury or damage to health but which, by pure chance, did not) involving an employee or contractor or subcontractor, a **report** is drawn up which includes a detailed description of the event. A specific section is also filled in relating to the corrective measures identified, indicating the person appointed to implement said measures and the date by which they will be carried out. Each of these events is then illustrated, commented on and shared with the Employer and all Plant Directors at a specific meeting that is held monthly and is called the **"OMT Meeting"**. The involvement of Executives and attention to every single accident or near-miss event is fundamental in sharing situations of potential risk and implementing prevention measures across all the Group's shipyards.

Each production site is also associated with a **Company-Appointed Doctor** who is in charge of all the activities related to Occupational Medicine. The Company-Appointed Doctor works alongside the Employer, the EHS Manager and the PPSM to manage professional risks, and particularly focuses on assessing the compatibility between a worker's health and the role he/she performs.
In addition to a regular health check, in the event that any worker believes there are specific situations that may cause injury or health problems, he or she may request an extraordinary medical examination to share his/her concerns with the Company-Appointed Doctor and to discuss potential regulations or limitations necessary to safeguard his/her health. In order to ensure maximum confidentiality, every worker's health and risk records are held and managed by each Company-Appointed Doctor in full compliance with privacy regulations.

Safety Meeting



Monthly meeting at every shipyard
to discuss accidents
and corrective measures

OMT Meeting

Monthly meeting between the employer
and facility managers to discuss the measures adopted,
practices to be followed and any critical issues

These measures for the prevention and management of injuries have led to positive results in recent years. The Group will continue to work to ensure this figure stays at zero and to reduce every accident and injury rate.

DIRECT EMPLOYEES	MEASUREMENT UNIT	2020	2021	2022
Employee work hours	n.	2,270,814	2,529,259	2,701,828
Total number of recordable work-related injuries, including deaths	n.	26	31	31
of which injuries during commute (only if transport was arranged by the organisation)	n.	2	0	1
of which work-related injuries with serious consequences (> 6 months absence)**, excluding deaths**	n.	0	0	2
of which deaths	n.	0	0	0
Recordable work-related injury rate (calculated per 1,000,000 hours worked)	-	**11.4**	**12.3**	**11.5**
Serious work-related injury rate (calculated per 1,000,000 hours worked)	-	**0.0**	**0.0**	**0.7**
Death rate (calculated per 1,000,000 hours worked)	-	**0**	**0**	**0.0**
Lost workdays due to injuries	n.	**N/A**	**N/A**	**745**

In 2022, the Group reported twelve cases of work-related ill health to INAIL for Ferretti S.p.A.

Company welfare and industrial relations

Among the company benefits provided for full-time employees, a distinction should be made between those provided by national collective bargaining agreements and the further benefits offered by the Group.

Among the benefits provided by the national collective bargaining agreements, the following should be noted:
- **Life Insurance** (for Executives);
- **Healthcare** (as a fringe benefit and therefore in the form of reimbursement of medical expenses for Executives, or from the Fondo Altea fund for the timber sector);
- **Social Security** (through the Fondo ARCO Fund for the timber sector, through the Fondo COMETA Fund in accordance with national bargaining CCNL Metalmeccanica Industria and through Previndai for Executives);
- **Assistance for workers seconded abroad** (for all company personnel);

Among the further benefits offered by the Group, the following should be noted:
- **Unisalute Healthcare** for managers and expatriates;
- **Assistance for work-related and non-work-related injuries** (for Executives and Directors);
- **Copertura Kasco coverage**, allowing use of a car for workers on company business;
- the **Corporate Welfare System**, according to second level bargaining agreements.

These benefits are not, however, provided for part-time employees or those on fixed-term contracts.

As regards the company welfare plan, Group employees may allocate up to 50% of their results bonus to welfare goods and services, choosing from dozens of options available and enjoying significant tax benefits.

In terms of industrial relations, over the years the Group has built solid relationships which have contributed to the current relationship of trust and mutual respect. Temporary redundancy and shutdown periods were managed with the sector's main trade unions through meetings held in a calm and constructive atmosphere.

Specifically, we note that on November 20, 2020 - around a month before the deadline of December 31, 2020 - Ferretti S.p.A. and the national and European trade unions and shipyard Workers' Representative Bodies signed an agreement to renew the supplementary second level contract.

In addition to extending the company supplementary contract until December 31, 2021, the agreement recognised an increase in the results bonus for all workers. This initiative demonstrates the Company's commitment and closeness to its staff during a year such as 2020, in which the pandemic forced Ferretti S.p.A. and other Italian companies to suspend operations for a period. In 2022 the rush of inflation, also driven by the continuous increases in the energy costs, inevitably affected the workers' purchasing power. To meet their needs and help them in this challenging time, Ferretti Group in 2022 granted to most of its employees an average amount of 5,600 euros gross more than the agreed annual salary. This amount was partially added to the monthly salary (900 euros), while the rest was distributed as bonuses or coupons between December 2022 and the beginning of 2023.

Local initiatives

Ferretti Group is very careful in evaluating its potential impact on the community in which it operates, addressing all the efforts in improving the community environment.

For this reason, every year the Group chooses carefully which projects to support in order to be consistent with its values and the needs of the community.

SUPPORTING CHILDREN IN EL SALVADOR

A special charity auction has been carried out in 2022 to support children in El Salvador by improving their access to child protection systems. In particular, Ferretti Group, together with the 7 Fund (a fund jointly created by UNICEF and David Beckham), identified six municipalities in the poorest and most degraded areas of El Salvador in which to intervene to prevent and actively respond to acts of violence against minors and developing infrastructures that allow an increasingly active school participation and represent safe places where children are protected and accompanied.

With the aim to contribute to the initiative, Ferretti Group has decided to take the field and concretely help 7 Fund by offering one of the only 18 examples of Riva Anniversario model that will be auctioned to allocate the entire cost to the child protection project in El Salvador.

IL MIGLIO BLU (THE BLUE MILE)

La Spezia has always been one of the most important global centres for yacht production, hosting shipyards run by the Ferretti Group, Sanlorenzo, Baglietto and Fincantieri, among others. This concentration of yacht producers in an area around one mile long, combined with the ambition of local administrators to enhance this unique industrial hub, has led to the creation of the Miglio Blu (Blue Mile) project. The project foresees a requalification of the whole area that is designed to enhance this section of the port both aesthetically, making this stretch of road immediately identifiable, and logistically, organising space so as to create a true maritime district which responds to all the specific needs of the sector.

The project also includes the construction of a pedestrian and cycle path, marked with the "Blue Mile" logo, which will allow residents and tourists to rediscover a special, historic place where hundreds of unique yachts are produced every year. The project will also lead to training for around 300 professionals to meet the employment needs of the requalified area, which will have a positive effect on local employment. At the same time, the presence of the La Spezia university hub will also prompt innovation and research, leading to training for highly qualified workers; the objective is therefore to strengthen synergies between the maritime companies and the university hub, including through the direct participation of the Group's companies.

The project was in the developmental phase in 2019. In June 2020 a Memorandum of Understanding was signed by all the major shipyards in the area, as well as by local institutions; the Ferretti Group is proud to contribute to the creation of an exclusive nautical district capable of establishing La Spezia as the international capital of the maritime industry.

Despite the restrictions and limitations in place following the COVID-19 pandemic, in December 2020 Ferretti was able to take part in a round table to define the objectives and strategy of the initiative. Furthermore, in early 2021 a number of specific clusters and working groups were established, including one which will focus on sustainable energy, and work began to restructure Viale San Bartolomeo to create pavements.

THE DONATION TO LA FENICE

The Ferretti Group believes that the companies representing Made in Italy around the world have a duty to support and promote other Italian excellence in the field of culture and historical and artistic heritage. In 2022 it made a donation to support the Fondazione Teatro La Fenice, in Venice.

SCUOLA DEI MESTIERI

Scuola dei Mestieri is a professional training course for young people looking at a career in boatbuilding.
This new Ferretti Group project is expected to start in March 2023 in Forlì, for 18- to 30-year-olds with the aim of forming a new generation of skilled workers.

Much more than an extra-curricular internship for career guidance, this course combines theory and experience in the yard – in a programme ranging from sessions in the classroom and workshop to on-the-job training in production departments – with the aim of creating real career opportunities.

In Ferretti Group's vision, the Scuola dei Mestieri may become an incubator of young resources attracted by the excellence of Italian boatbuilding. After a first stage in Forlì, the Scuola dei Mestieri is expected to move to Mondolfo and Sarnico in September 2023 to involve more young people in the new project.

The goal of transferring knowledge is also achieved by exploiting the Group's own know-how: the classroom courses will be held by managers and key technical experts who worked in Ferretti Group, including a former yard manager and a former line foreman.

07

METHODOLOGICAL NOTE

.1

Reporting criteria

The 2022 Sustainability Report represents the fourth step in the Ferretti Group's Sustainability journey, which began in 2020 with the publication of the first Sustainability Report. In this document, the Group has updated and extended its reporting of the main initiatives, activities and performance in environmental, social and governance terms.

In order to accurately and clearly update the topics covered in this report, in 2022 the Group once again organised an internal workshop designed to assess whether the most relevant issues considering both its impacts generated and its main stakeholders have changed since the previous editions of the Sustainability Report. Moreover, the Board of Directors reviewed and approved the information reported in the present document.

This report, for the year 2022, has been prepared using the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards") reporting framework published by the Global Sustainability Standards Board, following the option "In accordance". In addition, following the listing process concluded in 2022, reference was made to the disclosures in the ESG Reporting Guide (Main Board Listing Rules - Appendix 27) of the Hong Kong Stock Exchange, which are set out in the Content Index. This Sustainability Report refers to specific standards of the framework that have been chosen for reporting. They are summarised in the table below:

MACRO-CATEGORY	MATERIAL TOPIC	GRI ASPECT
Product and customers	Customer protection and safety	GRI 416: 2016 - Customer health and safety GRI 417: 2016 - Marketing and labelling GRI 418: 2016 - Customer privacy
	Research and development	-
People	Human and civil rights	GRI 2: General Disclosures GRI 408: 2016 – Child Labour GRI 409: 2016 – Forces or Compulsory Labour
	Human capital development, retention and satisfaction	GRI 2: General Disclosures GRI 401: 2016 - Employment GRI 404: 2016 - Training and education GRI 202: 2016 - Market presence
	Occupational health and safety	GRI 403: 2018 - Occupational health and safety
	Diversity, equal opportunities and inclusion	GRI 405: 2016 - Diversity and equal opportunity GRI 406: 2016 - Non-Discrimination
Value for the local area	Development and value creation for local communities	GRI 201: 2016 - Economic performance GRI 204: 2016 - Procurement practices
	Anti-corruption and money laundering	GRI 205: 2016 - Anti-corruption
	Sustainable supply chain management	GRI 414: 2016 - Supplier social assessment GRI 308: 2016 - Supplier environmental assessment
Reduction of environmental impacts of the production process	Waste management and product's end-of-life	GRI 306: 2020 - Waste
	Polluting atmospheric emissions	GRI 305: 2016 - Emissions
	Water resources	GRI 303: 2018 - Water and effluents
	Energy consumption	GRI 302: 2016 - Energy
	Raw materials consumption	GRI 301: 2016 - Materials
	GHG emissions	GRI 305: 2016 - Emissions
	Biodiversity	GRI 304: 2016 - Biodiversity

The purpose of the document is to describe the activities, objectives and performance achieved by the Group in the three-year reference period regarding issues identified through the materiality analysis, described in chapter 3 of this document. The Group's Sustainability Report is published annually and is distributed to stakeholders through the Company's usual communication channels. The previous Sustainability Report, published in May 2022, is available at *https://www.ferrettigroup.com/en-us/Sustainability/Sust-archive* A short version of the 2022 Sustainability Report has been published together with the 2022 Annual Report, while this extended version has been published on November 27, 2023 so as to provide a more insightful description of the firm's commitment and effort towards sustainability.

All figures reported refer to the reporting year between January 1, 2022, and December 31, 2022, and refer to all Group companies on a consolidated basis with the exception of some data expressly indicated in the text. The reporting boundary and reporting period are the same as the information reported in the 2022 Annual Report and are consistent with those of the previous year, with the addition of the firm R.A.M. S.p.A., acquired at the end of 2021. Moreover, Ferretti Group acquired in September 2022 two other companies, F.lli Canalicchio Spa and Il Massello Srl, whose data has not been included in this Sustainability Report.

All data are presented in comparison with the two years prior to this Report, namely 2020 and 2021, in order to provide greater detail and highlight the main trends occurring during the three-year period. Save for the changes that are expressly indicated in this ESG Report, the main methodology and the KPIs adopted in this ESG Report have not been modified compared to the 2021 ESG Report. The sources of the parameters used to calculate the data presented in this report are as follows:

- The **Conversion to Lower Calorific Power (PCI) of energy sources** used by the Group was carried out using the conversion factors provided by the Ministry for the Environment and Protection of the Land and the Sea (MATTM) in the National Standard Parameters Table for 2021.

- **Direct GHG emissions (Scope 1)** produced by the Group and due to the consumption of natural gas were calculated using the factors provided by the Ministry for the Environment and Protection of the Land and the Sea (MATTM) in the National Standard Parameters Table for 2021. As regards consumption of diesel and petrol, on the other hand, the factors used were those provided by the UK Government's Department for Environment, Food and Rural Affairs (DEFRA), available in the document "Greenhouse gas reporting: conversion factors 2022". Specifically, in calculating CO2 emissions associated with the vehicle fleet, the reference factor for "Upper medium" vehicles was used.

- When calculating energy indirect **(Scope 2) Location-Based** GHG emissions, the factors used were those published by Terna in the document "International Comparisons 2020 - 2019 data". For **Scope 2 Market-Based** emissions the emission factor used was the one published in 2021 by the Association of Issuing Bodies in the document "European Residual Mixes – Results of the calculation of Residual Mixes for the calendar year 2021"[1].

No reference has been made to Comply or Explain Provisions KPI A 2.5 (Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced) that is not deemed applicable to the Group's business. As regards KPI B6.3 (Description of practices relating to observing and protecting intellectual property rights), please see the discussion of this topic in the "Business - Intellectual Property" section of the Prospectus published in March 2022 on the Group's website.

For any information regarding this document please contact Margherita.Sacerdoti@ferrettigroup.com and Alessandro.Pellegrini@ferrettigroup.com.

[1] The Location-Based approach uses an average emission factor which refers specifically to the Italian electricity production mix, while the Market-Based approach uses emission factors based on rates defined contractually with electricity suppliers. Given the absence of specific electricity agreements between the companies of the Group and the suppliers (e.g. a Guarantee of Origin purchase), for this calculation an emission factor related to the national "residual mix" was used.

GRI Content Index & HKEX Index

*Ferretti Group has reported the information cited in this GRI content index for the period 01/01/2022 - 31/12/2022 with reference to the GRI Standards.
GRI 1 used: GRI 1: Foundation 2021
Applicable GRI Sector Standard(s): N/A*

Material topics - Specific standard disclosure

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REFERENCE TO HKEXESG REPORTING GUIDE	LOCATION	PARAGRAPH	OMISSIONS	EXPLAIN
GENERAL DISCLOSURES						
GRI 2: General Disclosures 2021	2-1 Organizational details		1.2 Group profile 1.4 Group Governance	Reasons for omission are not permitted for these disclosures.		
	2-2 Entities included in the organization's sustainability reporting		Methodological note			
	2-3 Reporting period, frequency and contact point		Methodological note			
	2-4 Restatements of information		Methodological note			
	2-5 External assurance		This Report is not subject to external assurance			
	2-6 Activities, value chain and other business relationships		1.2 Group profile 2.4 Value creation: figures and achievements			
	2-7 Employees		6.1 Key figures Annex			
	2-8 Workers who are not employees		6.1 Key figures Annex			
	2-9 Governance structure and composition		1.4 Group Governance			
	2-10 Nomination and selection of the highest governance body		1.4 Group Governance			
	2-11 Chair of the highest governance body		1.4 Group Governance			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REFERENCE TO HKEXESG REPORTING GUIDE	LOCATION	PARAGRAPH	OMISSIONS	EXPLAIN
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts		3. The Group's responsibilities: our journey towards sustainability			
	2-13 Delegation of responsibility for managing impacts		1.4 Group Governance			
	2-14 Role of the highest governance body in sustainability reporting		Methodological note			
	2-15 Conflicts of interest		1.4 Group Governance			
	2-16 Communication of critical concerns		1.4 Group Governance			
	2-17 Collective knowledge of the highest governance body		As of 2022, the Group does not implement any specific training activities for the Board of Directors on sustainable development			
	2-18 Evaluation of the performance of the highest governance body		As of 2022, the Group does not evaluate the Board of Directors' performance in managing the firm's ESG impacts			
	2-19 Remuneration policies		1.4 Group Governance			
	2-20 Process to determine remuneration		1.4 Group Governance			
	2-21 Annual total compensation ratio		1.4 Group Governance			
	2-22 Statement on sustainable development strategy		Welcome message from our CEO			
	2-23 Policy commitments		1.4 Group Governance 5.2 Environmental impacts 6.2 Training and Development			
	2-24 Embedding policy commitments		Compliance with policy commitments is guaranteed by various company bodies: the ESG Committee which, in carrying out its tasks, also monitors compliance with the commitments defined in company policies; the Supervisory Board in the field of Model 231 and related documents; the shipyards representatives, for compliance with regulations in the field of environmental compliance (ISO 14001)			
	2-25 Processes to remediate negative impacts		Apart from the Whistleblowing procedure, there are no other measures implemented to remediate to negative impacts			
	2-26 Mechanisms for seeking advice and raising concerns	B7.2	1.4 Group Governance			
	2-27 Compliance with laws and regulations[2]	GD A1	No incidents of non-compliance with law and regulations occurred during the three-year reporting period			
	2-28 Membership associations		3. The Group's responsibilities: our journey towards sustainability			
	2-29 Approach to stakeholder engagement		3. The Group's responsibilities: our journey towards sustainability 3.1 The Ferretti Group's stakeholders 3.2 The materiality analysis			
	2-30 Collective bargaining agreements		Annex			

[2] The GRI 2-27 defines as Laws and Regulations: international declarations, conventions, and treaties; national, subnational, regional, and local regulations; binding voluntary agreements made with regulatory authorities and developed as a substitute for implementing a new regulation; and voluntary agreements (or covenants), if the organization directly joins the agreement, or if public agencies make the agreement applicable to organizations in their territory through legislation or regulation.

Material topics

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REFERENCE TO HKEXESG REPORTING GUIDE	LOCATION	PARAGRAPH	OMISSIONS	EXPLAIN
ECONOMIC PERFORMANCE INDICATORS						
GRI 3: Material Topics 2021	3-1 Process to determine material topics		3.2 The materiality analysis		Reasons for omission are not permitted for these disclosures	
	3-2 List of material topics		3.2 The materiality analysis			
ECONOMIC PERFORMANCE						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B7	3.3 ESG Risk Management 1.4 Group governance			
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	KPI B8.2	2.4 Value creation: figures and achievements			
	201-2 Financial implications and other risks and opportunities due to climate change	KPI A4.1	2.4 Value creation: figures and achievements			
MARKET PERFORMANCE						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B7	3.3 ESG Risk Management			
GRI 202: Market presence 2016	GRI 202-2 Proportion of senior management hired from the local community		6.1 Key figures			
PROCUREMENT PRACTICES						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B7	3.3 ESG Risk Management 1.4 Group governance			
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	KPI B5.1	2.4 Value creation: figures and achievements			
ANTI-CORRUPTION						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B7	3.3 ESG Risk Management 1.4 Group governance			
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	KPI B7.3	1.4 Group governance			
	205-3 Confirmed incidents of corruption and actions taken	KPI B7.1 KPI B7.2 KPI B7.3	1.4 Group governance			

Environmental performance indicators

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REFERENCE TO HKEXESG REPORTING GUIDE	LOCATION	PARAGRAPH	OMISSIONS	EXPLAIN
MATERIALS						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. A2	5.2 Environmental Impacts			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	KPI A2.5	4.2 Green Innovation			
ENERGY						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. A2	5.2 Environmental Impacts			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	KPI A2.1	Energy and Carbon Footprint Annex			
	302-3 Energy Intensity	KPI A2.1	Annex			
	302-4 Reduction of energy consumption	KPI A2.3	Energy and Carbon Footprint			
WATER AND EFFLUENTS						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. A2	Water: a precious resource			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	KPI A2.2 KPI A2.4	Water: a precious resource			
	303-2 Management of water discharge-related impacts	KPI A2.2 KPI A2.4	Water: a precious resource			
	303-3 Water withdrawal	KPI A2.2 KPI A2.4	Water: a precious resource Annex			
	303-4 Water discharge	KPI A2.2	Annex			
	303-5 Water Consumption	KPI A2.2	Annex None of the Ferretti Group sites is located in an area of water stress			
BIODIVERSITY						
GRI 3: Material Topics 2021	3-3 Management of material topics		5.2 Environmental Impacts			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Biodiversity			

EMISSIONS			
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. A1 G.D. A4	Energy and Carbon Footprint
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	KPI A1.1 KPI A1.2	Annex
	305-2 Energy indirect (Scope 2) GHG emissions	KPI A1.1 KPI A1.2	Annex
	305-4 GHG emissions intensity	KPI A1.2	Annex
	305-5 Reduction of GHG emissions	KPI A1.5 KPI A4.1	3.3 ESG Risk Management
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	KPI A1.1	Polluting atmospheric emissions monitoring and reduction Annex
WASTE			
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. A1 G.D. A3	Waste
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	KPI A3.1	Waste
	306-2 Management of significant waste-related impacts	KPI A1.6 KPI A3.1	Waste
	306-3 Waste generated	KPI A1.3 KPI A1.4	Annex
	306-4 Waste diverted from disposal	KPI A1.3 KPI A1.4	Annex
	306-5 Waste directed to disposal	KPI A1.3 KPI A1.4	Annex
SUPPLIER ENVIRONMENTAL ASSESSMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B5	2.4 Value creation: figures and achievements 3.3 ESG Risk Management
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	KPI B5.2 KPI B5.3 KPI B5.4	2.4 Value creation: figures and achievements

Social performance indicators

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REFERENCE TO HKEXESG REPORTING GUIDE	LOCATION	PARAGRAPH	OMISSIONS	EXPLAIN
EMPLOYMENT						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B1	6.4 Company welfare and industrial relations			
GRI 401: Employment 2016	401 -1 New employee hires and employee turnover	KPI B1.2	Annex			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		6.4 Company welfare and industrial relations			
OCCUPATIONAL HEALTH AND SAFETY						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B2	6.3 Health & Safety			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	G.D. B2 KPI B2.3	6.3 Health & Safety			
	403-2 Hazard identification, risk assessment, and incident investigation	G.D. B2	6.3 Health & Safety			
	403-3 Occupational health services	KPI B2.3	6.3 Health & Safety			
	403-4 Worker participation, consultation, and communication on occupational health and safety		6.3 Health & Safety			
	403-5 Worker training on occupational health and safety	KPI B2.3	6.3 Health & Safety			
	403-6 Promotion of worker health		6.4 Company welfare and industrial relations			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	KPI B2.3	6.3 Health & Safety			
	403-8 Workers covered by an occupational health and safety management system		6.3 Health & Safety			
	403-9 Work-related injuries	KPI B2.1 KPI 2.2	6.3 Health & Safety Annex			
	403-10 Work-related ill health	KPI B2.1	6.3 Health & Safety Annex			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	REFERENCE TO HKEXESG REPORTING GUIDE	LOCATION	PARAGRAPH	OMISSIONS	EXPLAIN
TRAINING AND EDUCATION						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B3	6. Our People: Pride, passion and belonging			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	KPI B3.1 KPI B3.2	Annex			
DIVERSITY AND EQUAL OPPORTUNITY						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B1	6. Our People: Pride, passion and belonging			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	KPI B1.1	Annex			
NON-DISCRIMINATION						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B1	6. Our People: Pride, passion and belonging			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	G.D. B1	6. Our People: Pride, passion and belonging No incidents of discrimination occurred during the three-year reporting period			
CHILD LABOUR						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B4	1.4 Group governance			
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	KPI B4.1 KPI B4.2	1.4 Group governance			
FORCED OR COMPULSORY LABOUR						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B4	1.4 Group governance			
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	KPI B4.1 KPI B4.2	1.4 Group governance			
SUPPLIER SOCIAL ASSESSMENT						
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B5	2.4 Value creation: figures and achievements			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	KPI B5.2 KPI B5.3	2.4 Value creation: figures and achievements			

CUSTOMER HEALTH AND SAFETY			
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B6 KPI B6.4	2.3 Customer relations
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	G.D. B6 KPI B6.1 KPI B6.2	No incidents occurred during the three-year reporting period
MARKETING AND LABELLING			
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B6	4.5 Quality system
GRI 417: Marketing and Labelling 2016	417-2 Incidents of non-compliance concerning product and service information and labelling	G.D. B6 KPI B6.3	No incidents occurred during the three-year reporting period
	417-3 Incidents of non-compliance concerning marketing communications	G.D. B6 KPI B6.3	No incidents occurred during the three-year reporting period
CUSTOMER PRIVACY			
GRI 3: Material Topics 2021	3-3 Management of material topics	G.D. B6	2.3 Customer relations
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	KPI B6.5	2.3 Customer relations No incidents occurred during the three-year reporting period
COMMUNITY INVESTMENTS			
Non GRI Topics		G.D. B8 KPI B8.1 KPI B8.2	6.5 Local initiatives
		KPI B5.1	2.4 Value creation: figures and achievements
RESEARCH AND DEVELOPMENT			
Non GRI Topics			4. Luxury and innovation: The Quality and Exclusivity of our Products

Annex

Environmental data – Energy[1]

ENERGY SOURCE	MEASUREMENT UNIT	2020	2021	2022
NATURAL GAS	m^3	1,866,209	2,229,590	1,616,711
DIESEL	litres	888,863	909,385	1,233,540
of which for heating	litres	59,932	65,000	75,100
of which for yacht testing	litres	816,498	828,771	1,144,918
of which for movement of vehicles and yachts	litres	12,433	15,614	13,522
DIESEL (vehicle fleet)	litres	152,861	290,783	301,258
PETROL	litres	124	12,885[2]	29,421
ELECTRICITY CONSUMPTION	kWh	12,552,620	16,291,389	17,692,157
DISTRICT HEATING	kWh	4,429,000	2,374,000	2,726,000

Environmental data - GHG emissions[3]

CATEGORY	MEASUREMENT UNIT	2020	2021	2022
SCOPE 1	ton CO_2	**6,503**	**7,699**	**7,509**
From gas	ton CO_2	3,703	4,421	3,206
From diesel	ton CO_2	2,389	2,460	3,403
From diesel (vehicle fleet)	ton CO_2	411	787	831
From petrol	ton CO_2	0.29	30,15	68,84
SCOPE 2 LOCATION BASED	ton CO_2	**4,618**	**5,726**	**5,977**
From electricity	ton CO_2	4,307	4,223	5,511
From district heating	ton CO_2	311	405	465
SCOPE 2 MARKET-BASED	ton CO_2	**5,500**	**6,771**	**6,842**
From electricity	ton CO_2	5,190	5,076	6,376
From district heating	ton CO_2	311	405	465

[1] For the Fort Lauderdale shipyard (FL, USA), only electricity consumption is measured.
[2] The 2021 increase is due to an improvement of the data gathering process and data availability.
[3] For the Fort Lauderdale shipyard (FL, USA), only emissions linked to electricity consumption are measured.

Environmental data - Energy and emissions intensity

ENERGY INTENSITY	MEASUREMENT UNIT	2020	2021	2022
REVENUE	GJ / mln €	256.4	208.9	178.7

LENGTH (FT)	MEASUREMENT UNIT	2020	2021	2022
ANCONA CL[4]	GJ / ft	16.5	14.9	12.8
MONDOLFO	GJ / ft	19.2	12.8	11.0
CATTOLICA	GJ / ft	6.4	6.1	5.6
FORLÌ	GJ / ft	7.2	5.5	6.1
SARNICO	GJ / ft	9.2	7.5	6.9
LA SPEZIA	GJ / ft	11.1	8.6	10.7

EMISSIONS INTENSITY	MEASUREMENT UNIT	2020	2021	2022
REVENUE	tCO_{2e} (Sc.1 + Sc.2 Location-Based) / Euro million	17.4	14.8	13.1

LENGTH (FT)	MEASUREMENT UNIT	2020	2021	2022
ANCONA CL	tCO_{2e} (Sc.1 + Sc.2 Location-Based) / ft	1.2	1.1	0.9
MONDOLFO	tCO_{2e} (Sc.1 + Sc.2 Location-Based) / ft	1.3	0.9	0.8
CATTOLICA	tCO_{2e} (Sc.1 + Sc.2 Location-Based) / ft	0.5	0.4	0.4
FORLÌ	tCO_{2e} (Sc.1 + Sc.2 Location-Based) / ft	0.5	0.4	0.4
SARNICO	tCO_{2e} (Sc.1 + Sc.2 Location-Based) / ft	0.7	0.5	0.5
LA SPEZIA	tCO_{2e} (Sc.1 + Sc.2 Location-Based) / ft	0.8	0.6	0.7

[4] *2020 and 2021 data have been updated, compared to the previous Sustainability Report, for a refinement of the calculation methodology.*

Environmental Data – Pollutant emissions

POLLUTING ATMOSPHERIC EMISSIONS[5]	MEASUREMENT UNIT	2020	2021	2022
NO_x	kg	1,129	1,309	1,110
Volatile Organic Compounds (VOC)	kg	5,174	6,099	8,188
Particles (PM)	kg	42	49	50
CO	kg	121	140	77

Environmental Data - Water

WATER WITHDRAWAL BY SOURCE[6]	MEASUREMENT UNIT	2020	2021	2022
Total withdrawn from groundwater (e.g. wells)[7]	m^3	45,372	58,036	56,224
Total withdrawn from third parties (e.g. mains water)	m^3	44,480	46,032	51,060
Total water withdrawal	m^3	89,852	104,068	107,284

WATER INTENSITY	MEASUREMENT UNIT	2020	2021	2022
CATTOLICA	m^3/unit	0.81	0.72	0.87
FORLÌ	m^3/unit	3.20	2.24	2.89
MONDOLFO	m^3/unit	6.71	4.19	2.74
SARNICO	m^3/unit	32.14	26.37	26.26
LA SPEZIA	m^3/unit	4.91	4.48	5.46
ANCONA CL	m^3/unit	1.83	3.62	4.32

WATER DISCHARGE BY DESTINATION[8]	MEASUREMENT UNIT	2020	2021	2022
Total water discharge, by destination	m^3	**30,716**	**32,042**[9]	**31,643**
Water discharge to third parties (e.g. to public sewers)	m^3	30,716	32,042	31,643

[5] The data reported in the table refer only to the Sarnico and Zago sites.
The pollutant emission data for Zago site are estimates, since the data for 2022 are not yet available. Specifically, the value of NOx, Volatile Organic Compounds, Particulate Matter and CO has been re-proportioned on the basis of site energy consumption.
The 2020 amount of VOCs produced by Zago S.p.A. refers only to H2 2020.

WATER CONSUMPTION	MEASUREMENT UNIT	2020	2021	2022
Total water consumption from all areas	m^3	**59.136**	**72.026**	**75.641**

Environmental Data - Waste[10]

NON-HAZARDOUS WASTE	MEASUREMENT UNIT	2020	2021	2022
CATTOLICA	t	10.8	61.2	251.2[11]
FORLÌ	t	944.3	1,048.9	1,636.7
MONDOLFO	t	279.1	328.9	499.7
SARNICO	t	137.4	146.6	152.1
LA SPEZIA	t	436.8	514.7	468.1
ANCONA FSY + CL	t	516.0	593.4	714.6
ZAGO	t	197.6	284.2	298.8
R.A.M.	t	N/D	N/D	39.0

HAZARDOUS WASTE	MEASUREMENT UNIT	2020	2021	2022
CATTOLICA	t	16.3	15.9	14.5
FORLÌ	t	71.6	70.9	148.3
MONDOLFO	t	33.4	48.1	57.2
SARNICO	t	12.8	12.2	13.1
LA SPEZIA	t	55.3	26.5	35.4
ANCONA FSY + CL	t	71.2	82.3	71.1
ZAGO	t	8.0	7.3	7.6
R.A.M.	t	N/D	N/D	3.6

[6] Group water withdrawal data reported in the tables do not include figures for the Fort Lauderdale shipyard (FL, USA).
[7] 2020 and 2021 data have been updated, compared to the previous Sustainability Report, for a refinement of the calculation methodology.
[8] Group water discharge data reported in the tables do not include figures for the Fort Lauderdale shipyard (FL, USA).
[9] 2021 data have been updated, compared to the previous Sustainability Report, for a refinement of the calculation methodology.
[10] Group waste data reported in the tables do not include figures for the Fort Lauderdale shipyard (FL, USA).
[11] The increment in data in 2022 was due to a change in regulatory requirement.

Social Data – Staff breakdown (headcount at 31.12.2022)

CONTRACT TYPE	GENDER	2020	2021	2022
PERMANENT CONTRACT	Female	232	231	252
	Male	1,259	1,305	1,361
	Other	N/A	N/A	0
	Not disclosed	N/A	N/A	0
	Total	**1,491**	**1,536**	**1,613**
TEMPORARY CONTRACT	Female	10	18	11
	Male	36	46	68
	Other	N/A	N/A	0
	Not disclosed	N/A	N/A	0
	Total	**46**	**64**	**79**
NON-GUARANTEED HOURS EMPLOYEES	Female	N/A	N/A	0
	Male	N/A	N/A	0
	Other	N/A	N/A	0
	Not disclosed	N/A	N/A	0
	Total	**0**	**0**	**0**
TOTAL		**1,537**	**1,600**	**1,692**

CONTRACT TYPE	GENDER	2020	2021	2022
FULL-TIME	Female	236	243	254
	Male	1,289	1,345	1,422
	Other	N/A	N/A	0
	Not disclosed	N/A	N/A	0
	Total	**1,525**	**1,588**	**1,676**
PART-TIME	Female	6	6	9
	Male	6	6	7
	Other	N/A	N/A	0
	Not disclosed	N/A	N/A	0
	Total	**12**	**12**	**16**
TOTAL		**1,537**	**1,600**	**1,692**

Social Data – Employees by age group and gender (headcount at 31.12.2022)

GENDER	AGE GROUP	2020	2021	2022
FEMALE	< 30	24	31	34
	31 - 40	60	48	50
	41 - 50	118	122	123
	> 50	40	48	56
	Total	**242**	**249**	**263**
MALE	< 30	71	88	141
	31 - 40	290	282	287
	41 - 50	524	535	533
	> 50	410	446	468
	Total	**1,295**	**1,351**	**1,429**
OTHER	< 30	N/A	N/A	0
	31 - 40	N/A	N/A	0
	41 - 50	N/A	N/A	0
	> 50	N/A	N/A	0
	Total	**N/A**	**N/A**	**0**
NOT DISCLOSED	< 30	N/A	N/A	0
	31 - 40	N/A	N/A	0
	41 - 50	N/A	N/A	0
	> 50	N/A	N/A	0
	Total	**N/A**	**N/A**	**0**
TOTAL		**1,537**	**1,600**	**1,692**

Social Data – Employees by geographical region (EMEA & APAC; AMAS) (headcount at 31.12.2022)

	2020		2021		2022	
GEOGRAPHICAL REGION	EMEA & APAC	AMAS	EMEA & APAC	AMAS	EMEA & APAC	AMAS
Number of employees as of 31st December	1,490	47	1,545	55	1,633	59
Total	**1,537**		**1,600**		**1,692**	
Hiring rate	5.6%	19.1%	9.2%	25.5%	12.4%	40.7%
Group hiring rate	**6.0%**		**9.8%**		**13.4%**	
Termination rate	5.1%	25.5%	5.6%	10.6%	7.0%	33.9%
Group termination rate	**5.7%**		**5.8%**		**8.0%**	

Social data – Employees covered by collective bargaining agreements[12]

EMPLOYEES	MEASUREMENT UNIT	2020	2021	2022
Total number of employees on December 31	No.	1,490	1,545	1,633
Number of employees covered by collective bargaining agreements	No.	1,490	1,545	1,633
Percentage of employees covered by collective bargaining agreements	%	**100%**	**100%**	**100%**

Social data – New hires during the reporting period

GENDER	AGE GROUP	2020	2021	2022
FEMALE	< 30	10	18	13
	31 - 40	4	10	14
	41 - 50	3	6	13
	> 50	2	0	3
	Total	**19**	**34**	**43**
MALE	< 30	22	46	73
	31 - 40	26	42	54
	41 - 50	19	22	38
	> 50	6	12	19
	Total	**73**	**122**	**184**
OTHER	< 30	N/A	N/A	0
	31 - 40	N/A	N/A	0
	41 - 50	N/A	N/A	0
	> 50	N/A	N/A	0
	Total	**N/A**	**N/A**	**0**
NOT DISCLOSED	< 30	N/A	N/A	0
	31 - 40	N/A	N/A	0
	41 - 50	N/A	N/A	0
	> 50	N/A	N/A	0
	Total	**N/A**	**N/A**	**0**
TOTAL		**92**	**156**	**227**

[12] Group data related to the number of employees covered by collective bargaining agreement, reported in this table do not include figures for the Fort Lauderdale shipyard (FL, USA). Indeed, Ferretti Group of America and Allied Marine employees are not covered by any collective agreement.

Social data - Employee departures during the reporting period

GENDER	AGE GROUP	2020	2021	2022
FEMALE	< 30	6	6	5
	31 - 40	7	12	10
	41 - 50	2	4	10
	> 50	2	5	4
	Total	**17**	**27**	**29**
MALE	< 30	7	15	9
	31 - 40	10	22	31
	41 - 50	17	6	22
	> 50	37	23	44
	Total	**71**	**66**	**106**
OTHER	< 30	N/A	N/A	0
	31 - 40	N/A	N/A	0
	41 - 50	N/A	N/A	0
	> 50	N/A	N/A	0
	Total	**N/A**	**N/A**	**0**
NOT DISCLOSED	< 30	N/A	N/A	0
	31 - 40	N/A	N/A	0
	41 - 50	N/A	N/A	0
	> 50	N/A	N/A	0
	Total	**N/A**	**N/A**	**0**
TOTAL		88	93	135

Social data – Training and education

TOTAL TRAINING HOURS BY EMPLOYEE CATEGORY		U.M.	MALE	FEMALE	OTHER	NOT DISCLOSED	TOTAL
2020	MANAGER	H	619	366	N/A	N/A	**985**
	WHITE COLLARS	H	2,552	1,297	N/A	N/A	**3,849**
	BLUE COLLARS	H	3,817	105	N/A	N/A	**3,922**
	TOTAL	H	**6,988**	**1,768**	**N/A**	**N/A**	**8,756**
2021	MANAGER	H	1,447	395	N/A	N/A	**1,842**
	WHITE COLLARS	H	5,072	2,593	N/A	N/A	**7,665**
	BLUE COLLARS	H	6,704	311	N/A	N/A	**7,015**
	TOTAL	H	**13,223**	**3,299**	**N/A**	**N/A**	**16,522**
2022	MANAGER	H	1,695	569	0	0	**2,264**
	WHITE COLLARS	H	6,676	2,843	0	0	**9,519**
	BLUE COLLARS	H	7,180	672	0	0	**7,852**
	TOTAL	H	**15,551**	**4,084**	**0**	**0**	**19,635**

AVERAGE TRAINING HOURS BY EMPLOYEE CATEGORY		U.M.	MALE	FEMALE	OTHER	NOT DISCLOSED	TOTAL
2020	MANAGER	H	6.6	14.6	N/A	N/A	**8.3**
	WHITE COLLARS	H	9.2	7.2	N/A	N/A	**8.4**
	BLUE COLLARS	H	4.1	2.8	N/A	N/A	**4.1**
	TOTAL	H	**5.4**	**7.3**	**N/A**	**N/A**	**5.7**
2021	MANAGER	H	14.3	14.6	N/A	N/A	**14.4**
	WHITE COLLARS	H	16.7	14.2	N/A	N/A	**15.8**
	BLUE COLLARS	H	7.1	8.0	N/A	N/A	**7.1**
	TOTAL	H	**9.8**	**13.2**	**N/A**	**N/A**	**10.3**
2022	MANAGER	H	18.2	21.9	0	0	**19.0**
	WHITE COLLARS	H	19.6	14.7	0	0	**17.8**
	BLUE COLLARS	H	7.2	15.6	0	0	**7.6**
	TOTAL	H	**10.9**	**15.5**	**0**	**0**	**11.6**

Social data – Health & Safety

WORK-RELATED INJURIES	M.U.	2020	2021	2022
EMPLOYEE WORKED HOURS	n.	2,270,814	2,529,259	2,701,828
TOTAL NUMBER OF RECORDABLE WORK-RELATED INJURIES	n.	26	31	31
of which commuting incidents	n.	2	0	1
of which high-consequence work-related injuries	n.	0	0	2
of which fatalities	n.	**0**	**0**	**0**
RATE OF RECORDABLE WORK-RELATED INJURIES	-	**11.4**	**12.3**	**11.5**
RATE OF HIGH-CONSEQUENCE WORK-RELATED INJURIES	-	**0.0**	**0.0**	**0.7**
RATE OF FATALITIES	-	**0.0**	**0.0**	**0.0**
LOST WORKDAYS DUE TO INJURIES	**n.**	**N/A**	**N/A**	**745**

WORK-RELATED ILL HEALTH	M.U.	2020	2021	2022
CASES OF RECORDABLE WORK-RELATES ILL HEALTH	n.	7	8	12
FATALITIES RESULTING FROM WORK-RELATED ILL HEALTH	n.	0	0	0

Printed on ECF (Elemental Chlorine Free) ecological pure cellulose paper, FSC® certified
with powder toner respecting the environment

FERRETTIGROUP

WALLY

FERRETTI YACHTS

PERSHING

itama

Riva

CRN

CUSTOM LINE

ferrettigroup.com