



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	997 012 461
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	SEAONICS AS
Forretningsadresse:	Hundsværgata 8 6008 ÅLESUND

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Håkon Fauske
Dato for fastsettelse av årsregnskapet:	27.06.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 05.08.2025



Resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Revenue	11, 13	692 736 862	540 628 839
Other income			8 270 000
Sum inntekter		692 736 862	548 898 839
Kostnader			
Raw materials and consumables used	13	500 756 991	403 178 748
Employee benefits expense	12	118 177 818	93 992 518
Depreciation and amortisation expenses	1, 2	13 039 651	9 576 791
Other expenses	12, 13	43 856 621	33 104 425
Sum kostnader		675 831 081	539 852 482
Driftsresultat		16 905 781	9 046 357
Finansinntekter og finanskostnader			
Financial income	13, 14	2 548 216	2 352 667
Sum finansinntekter		2 548 216	2 352 667
Financial expenses	13, 14	3 197 091	1 084 740
Sum finanskostnader		3 197 091	1 084 740
Netto finans		-648 874	1 267 928
Resultat før skattekostnad		16 256 907	10 314 285
Income tax expense	10	3 610 798	2 111 000
Årsresultat		12 646 109	8 203 285
Årsresultat etter minoritetsinteresser		12 646 109	8 203 284
Totalresultat		12 646 109	8 203 284
Overføringer og disponeringer			
Udekket tap	8		
Other equity	8	12 646 109	8 203 285



Resultatregnskap

Beløp i: NOK	Note	2024	2023
Sum overføringer og disponeringer		12 646 109	8 203 285



Balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Development	1	50 435 494	40 666 609
Concessions, patents, licences, trademarks, and similar rights	1		
Utsatt skattefordel	10	8 881 123	12 491 921
Goodwill	1		
Sum immaterielle eiendeler		59 316 617	53 158 530
Varige driftsmidler			
Equipment and other movables	2	10 477 187	6 025 490
Sum varige driftsmidler		10 477 187	6 025 490
Finansielle anleggsmidler			
Investering i datterselskap	3	27 969 849	27 969 849
Investeringer i tilknyttet selskap	3		1 803 504
Lån til tilknyttet selskap og felles kontrollert virksomhet	3, 6	4 082 500	4 594 500
Sum finansielle anleggsmidler		32 052 349	34 367 853
Sum anleggsmidler		101 846 154	93 551 873
Omløpsmidler			
Varer			
Stock	4	62 171 936	122 631 203
Sum varer		62 171 936	122 631 203
Fordringer			
Accounts receivables	5, 6	106 393 035	95 043 668
Production contracts	4	147 654 550	152 161 802
Other short-term receivables	6	73 588 466	68 923 125
Sum fordringer		327 636 051	316 128 594
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	7	22 374 265	40 792 598
Sum bankinnskudd, kontanter og lignende		22 374 265	40 792 598



Balanse

Beløp i: NOK	Note	2024	2023
Sum omløpsmidler		412 182 253	479 552 395
SUM EIENDELER		514 028 406	573 104 269

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Share capital	8, 9	69 959 581	69 959 581
Overkurs	8		
Sum innskutt egenkapital		69 959 581	69 959 581

Opptjent egenkapital

Other equity	8	44 666 771	32 020 661
Result brought forward (aut)			
Udekket tap	8		
Sum opptjent egenkapital		44 666 770	32 020 661

Sum egenkapital		114 626 352	101 980 243

Gjeld

Langsiktig gjeld

Annen langsiktig gjeld

Konvertible lån	6		
Other non-current liabilities	6		

Sum langsiktig gjeld		0	0

Kortsiktig gjeld

Liabilities to financial institutions	5		
Leverandørgjeld	6	116 808 673	73 193 668
Payment of taxes and public charges		9 829 215	8 843 672
Production contracts	4	168 907 557	347 936 221
Other current liabilities	5, 6	103 856 609	41 150 464
Sum kortsiktig gjeld		399 402 054	471 124 025

Sum gjeld		399 402 054	471 124 025



Balanse

Beløp i: NOK	Note	2024	2023
SUM EGENKAPITAL OG GJELD		514 028 406	573 104 269

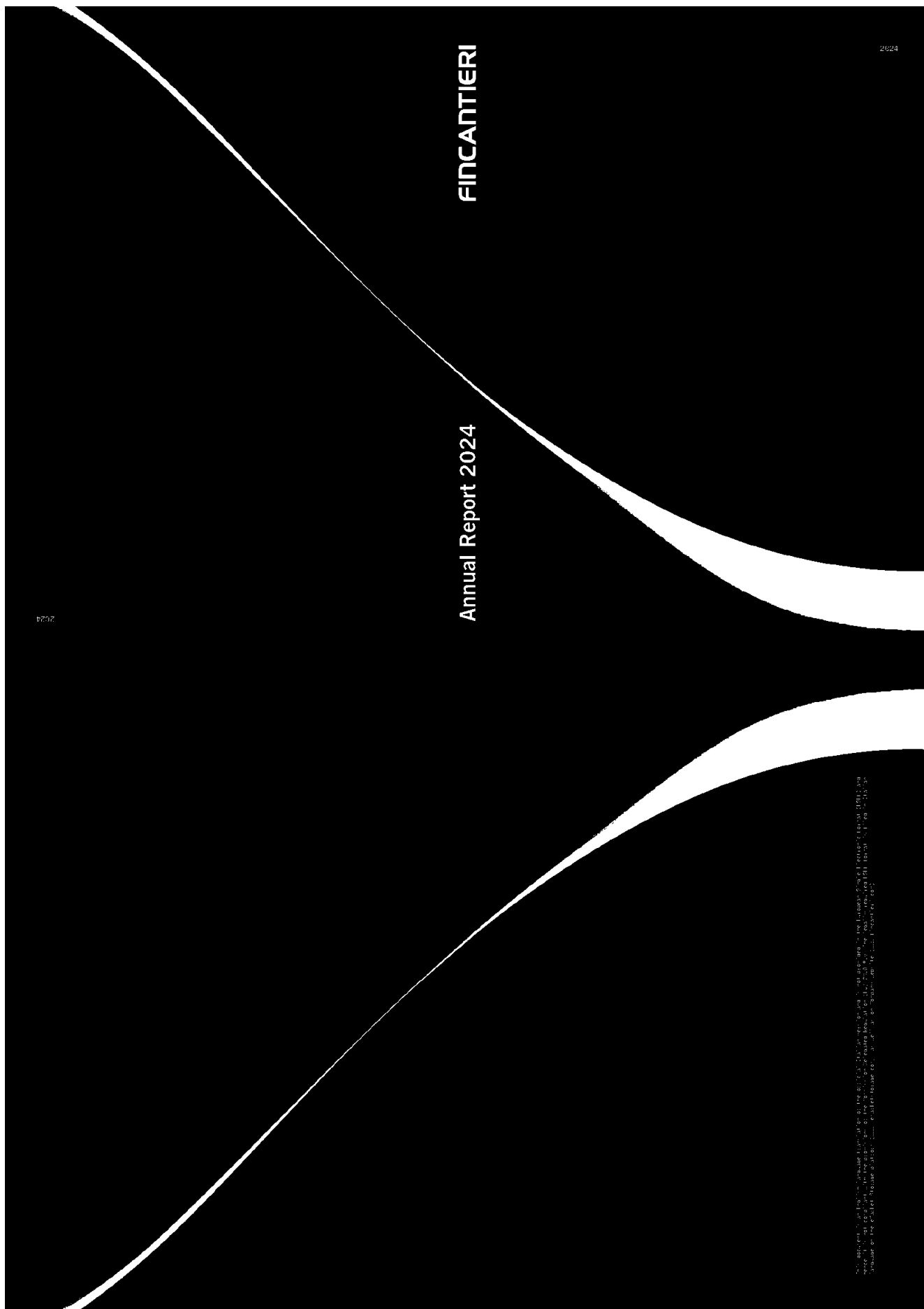


2024

Annual Report 2024

FINCANTIERI

2024





Letter to stakeholders	4
Parent Company directors and officers	8
The Fincantieri Group	12
Vision	14
Purpose on Board	14
Mission on Board	15
Who we are	15
Group overview	19
Group Report on operations	22
Overview	30
Group Performance	50
Operational Review by Segment	62
Risk Management	70
Core Markets	96
Investment plan	100
Other information	102
Consolidated Sustainability Statement	115

Index

Fincantieri Group Consolidated Financial Statements	381
Contents	382
Consolidated statement of financial position	386
Consolidated statement of comprehensive income	387
Consolidated statement of changes in equity	388
Consolidated statement of cash flows	389
Notes to the Consolidated Financial Statements	390
Certification of the Consolidated Financial Statements	501
Report by the independent auditors	505
Glossary	515



Biagio Mazzotta
Presidente



Pierroberto Folgerio
Amministratore Delegato
e Direttore Generale

Dear Stakeholder,

2024 was an extraordinary year, in which we overcame important challenges and generated real, sustainable, measurable value.

We ended 2024 with numbers that exceeded the challenging forecasts of the 2023-2027 Business Plan, demonstrating our ability to navigate an uncertain and volatile international landscape, turning complexity into opportunity. The return to profit, with a positive operating result for the year of euro 27 million, demonstrates our ability to compete at the highest global level, leveraging our approach combining financial rigour, operational excellence and innovation. EBITDA grew by 28% to euro 509 million, with an EBITDA margin of 6.3% (compared to 5.2% in 2023), made possible by initiatives to improve efficiency and digitalize our shipyards. The debt-to-EBITDA ratio, excluding extraordinary items, fell to 3.3x, highlighting a deleveraging process that is much faster than expected.

Our commitment to sustainability continued with the implementation of our 2023-2027 Sustainability Plan. Our vision is not just to adapt to ESG principles, but to bring them forward and turn them into competitive levers.

Fincantieri achieved the highest market capitalization in its history, an achievement that reflects the confidence of shareholders and the strength of our industrial strategy. The capital increase, successfully completed on 16 July, was a key step in the acquisition of WASS Submarine Systems ("WASS"), consolidating our leadership in the underwater sector and further strengthening the Group's industrial base. This operation is not just a flip to growth but a sign of a clear, long-term vision to create an integrated, competitive and sustainable technology ecosystem.

These numbers are the result of our ability to interpret the growth in key sectors. The value of new orders has more than doubled since 2023, thanks to the outstanding performance of the Shipbuilding segment. Between 2024 and early 2025, we signed historic agreements with Norwegian Cruise Line Holdings and Carnival Corporation to build the largest ships ever built by the Group. This leap in scale was made possible by an infrastructure investment plan amounting to approximately euro one billion (2023-2026), which will enable us to build vessels of the same size as the main European players. These orders project the visibility of the backlog to 2036, further stabilizing the cruise ship business.

The defence segment also experienced a significant acceleration in 2024, thanks to new contracts won in South-East Asia and the Middle East. Our export growth strategy complements our established strategy for Italian and US navies, in a global context increasingly focused on security, deterrence and the protection of strategic infrastructure. National defence budgets are rapidly expanding and Fincantieri is ready to respond with the latest technological solutions.

The Group's expansion in the fast-developing underwater segment continues apace, also thanks to the acquisition of WASS and Renazel Engineering, and the new agreements concluded in both the defence and civil fields, which led to the establishment of an underwater technological Cluster within the Company. In particular, Fincantieri signed a Memorandum of Understanding (MoU) with EDGE at the end of 2024, subsequently extended and strengthened in February 2025, to assist with the supply of advanced solutions for underwater systems in the United Arab Emirates, and with Sparkle for the development of innovative technologies for the surveillance and protection of submarine telecommunications cables. These agreements, in addition to those already concluded over the past two years, contribute to Fincantieri's strategy of a single, integrated offer for technological solutions for seabed mapping and the inspection of underwater infrastructures and activities. These initiatives make Fincantieri central to the development programs in the underwater domain, promoted in Italy by the National Underwater Hub, with a role as supply chain orchestrator and integrator.

In the offshore segment, the positive trend in wind power has been accompanied by a recovery in demand for multi-use vessels for the energy market, including Oil & Gas. In this scenario, VARD has strengthened its leadership, with a backlog accounting for about one third of the global order book for SOV/CSOV specialized vessels at the end of 2024.

We have made Diversity, Equity and Inclusion (DEI) a strategic pillar, summed up in the "everDEI" claim, which promotes a corporate culture based on respect and valuing people. We were the first Italian shipbuilding company to obtain the UNIFIDR 125:2022 gender equality certification, recognition of our solid commitment in this area.

In 2024, Fincantieri also expanded 'Respect for Future', the project presented in November 2023 on the International Day for the Elimination of Violence Against Women, with a tour of the company's shipyards throughout Italy. For the first time, an industrial group has developed an innovative internal communication project that shifts the perspective, focusing on preventing violence through education on respect and relationships. This process has also led to the establishment of ten "Punti Viola" (Viola points), where potential victims of violence can find support, and the voluntary involvement of company employees as company Antennae, contact persons for those who have suffered or may suffer violence.

But the 'S' in ESG for us also means Safety. Not only safety in the workplace, strengthened with the 'Safety On Board' project, but also the protection of people, infrastructure and networks, with advanced solutions to build the resilience of the industrial and logistics ecosystem. Our commitment was recognized with the 'Top Employer Italy' certification for the fourth consecutive year.

As proof of our focus on people, in November 2024 we launched the first Employee Share Ownership Plan, which saw significant take-up. Because Fincantieri is not just a company, it is a community, and we want those who work with us not only to take an active part in but also to benefit from our growth.

Fincantieri's ability to combine this enhancement of human capital with technological innovation finds tangible reflection in our shipyards. With the 'Open shipyards, a view of the future' roadmap, we aimed to open our shipyards to the institutions, showcasing the future of the shipbuilding industry, where Italian ingenuity is transformed into production excellence and world leadership.

We also continue to innovate on the environmental front. In February 2024, we delivered 'Sun Princess' to Princess Cruises, our first LNG-powered cruise ship, a technology that drastically reduces emissions and marks a turning point in the industry's green transition.

Financial, social and environmental sustainability is not a constraint for us, but a strategic driver that guides all our decisions. The results achieved in 2024 demonstrate Fincantieri's ability to keep faith with its commitments to its Shareholders and Stakeholders, achieving, and indeed constantly exceeding, the targets in the Business Plan and Sustainability Plan.

Ours is a Group with strong roots, based on a solid past of tradition and experience and a unique business model, but also able to face the future with great courage and ambition, adapting to changes in the global market and the energy and digital transition, thanks to its technological excellence and a continuous process of innovation.

We are already investing to build the first zero-emission cruise ship by 2035 and to develop advanced solutions for the protection of underwater networks, increasingly strategic infrastructure in the age of artificial intelligence. We are convinced that this strategic approach will allow the Group to consolidate its leadership in its core markets and be a lead player in the future of the European maritime industry, while contributing to the preservation of fundamental strategic skills for the national production system.

All this is possible thanks to our people. It is their talent, passion and commitment that make Fincantieri great, in Italy and throughout the world. Innovation is not just about technology, it is about the ability of a community to build the future. And we are ready to do so.

Biagio Mazzotta

Biagio Mazzotta
Presidente

Pierroberto Folgerio

Pierroberto Folgerio
Amministratore Delegato
e Direttore Generale



Group Report on operations	1
Corporate Statement	2
Parent Company directors and officers	8
The Financial Group	1



Parent Company directors and officers

Board of Directors Chairman	Three-year period 2022-2024	
	Biagio Mazzotta ¹	
	Chief Executive Officer and General Manager	
Directors	Pierroberto Folgerio	
	Paolo Amato	
	Barbara Diarra Contini	
Secretary	Alberio Dell'Acqua	
	Massimo Di Carlo	
	Paola Muratorio	
Board of Statutory Auditors Chairman	Cristina Scocchia	
	Valter Trevisani	
	Alice Vatta	
Standing Auditor	Alessandra Battaglia	
	Gabriella Chersicia	
	Elena Cusigh	
Alternate Auditor	Antonello Lillo	
	Ottavio De Marco	
	Arianna Pennacchio	
Manager responsible for preparing financial reports Felice Bonavolontà	Marco Seracini	
	Supervisory body	
	Pursuant to Legislative Decree 231/01 Three-year period 2024-2026	
Chairman	Attilio Belera	
	Davide Carlino	
	Iole Anna Savini	
Independent auditors Deloitte & Touche S.p.A.	Nine-year period 2020-2028	

For detailed information on the composition and functions of the Board of Directors (the Control and Risk Committee, which is also responsible for the functions of the committee responsible for related party transactions except for resolutions on appointment, remuneration and termination of the members of the Board of Directors), the Nomination Committee and the Sustainability Committee, please refer to the "Corporate Governance" section of the 2024 Sustainability Report, which is available on the company website at <https://www.finantieri.com/en/investor-relations>.

DISCLAIMER

Forward-looking statements and information must be regarded as financial-linking statements and therefore, not being based on simple historical facts, contain, by their nature, an element of risk and uncertainty because they also depend on the occurrence of future events which cannot be predicted with certainty. Forward-looking statements and information are not intended to constitute a guarantee of future performance or results. Forward-looking statements and information are not intended to constitute a representation or warranty of any kind, and should not be relied upon as such. Forward-looking statements and information are not intended to constitute a recommendation or an offer of any kind, and should not be relied upon as such. Forward-looking statements and information are not intended to constitute a recommendation or an offer of any kind, and should not be relied upon as such. Forward-looking statements and information are not intended to constitute a recommendation or an offer of any kind, and should not be relied upon as such.

¹ On 4 August 2024, Biagio Mazzotta was re-elected as Chairman of the Board of Directors of Finantieri S.p.A. following the ordinary general meeting of the shareholders on 17 June 2024.







Vision

Creating a sustainable, high-tech maritime fleet of ships, where new technologies and innovation are integrated seamlessly in order to reduce environmental impact and improve naval system efficiency.

Purpose on Board

We move society forward by crafting, shaping and leading the Green and Digital future of the international shipbuilding industry.

Future on Board: is the signature of the Fincantieri brand. We bring on board a future based on our proven expertise and credibility as a digital design authority and integrator of complex solutions. A future in which the power of our workforce is integrated with technology, big data and artificial intelligence and in which ships, powered by non-polluting fuels and next-generation engines, will have zero impact on the planet.

Values



People

Everything we do focuses on enabling the growth, enhancement and training of people, based on the daily attention that we pay to the quality of our work and our relations with others.



Safety

We ensure high levels of occupational health and safety.



Integrity

We take responsibility for our actions and we put great care into our work, adhering to strict principles of ethics, loyalty and professional fairness.



Customer focus

We meet customer requirements and we rigorously honour our commitments.



Innovation

We aim to continuously improve our products and working methods through technological innovation.

Mission on Board

Global leadership in the development and lifecycle management of digital and green ships. Our every action, project, initiative or decision is based on strict observance of the law, labour protection and protection of the environment, safeguarding the interests of our shareholders, employees, clients, trade and financial partners, local communities and groups, creating value for every stakeholder.

Who We Are

Fincantieri is one of the world's leading shipbuilding groups, the only one active in all areas of high technology shipbuilding. It is a **leader in the construction and conversion of cruise ships**, with a market share of over 40%, **defence and offshore vessels**. It operates in the wind, oil & gas, fishing vessel and specialized vessel segments, as well as in the production of mechatronic and electronic marine systems, naval accommodation solutions and the provision of after-sales services such as logistical support and assistance to fleets in service.

In recent years, the **transition to the construction of green products** has continued, characterized by the ever-increasing application of new propulsion technology and new fuels on board, enabling the Group to become a market leader in the design and construction of vessels operating in offshore wind farms. This achievement testifies its commitment and ability to be a **player in the ecological transition**, with a clear sustainability strategy setting out a detailed roadmap to respond to increasingly stringent regulations. The Group also operates in digital and cyber security, engineering services, critical infrastructure monitoring systems, advanced energy management systems for land-based applications and facility management.

The Group stands out in terms of its industrial expertise and capacity, developed over the years, to manage highly complex projects, enabling it to offer one of the most **advanced integrated platforms** in the world.

With over 230 years of history and more than 7,000 ships built, Fincantieri maintains its know-how and management centres in Italy, where it has almost 12,000 employees. The production network stretches across **18 shipyards on three continents** and employs more than 22,000 direct workers.

71.30% of Fincantieri S.p.A.'s Share Capital of euro 878,288,065.70 is held, through the subsidiary CDP Equity S.p.A., by Cassa Depositi e Prestiti S.p.A., a company controlled by the Ministry of Economy and Finance. The remaining Share Capital is distributed between a number of private investors (none of whom hold significant interests of 3% or above) and treasury shares (of around 0.13% of shares representing the Share Capital).

Shareholders

28.57%
General market

0.13%
Fincantieri S.p.A.
(treasury shares)

71.30%
CDP Equity S.p.A.



Shipyards and Docks

- Europe
- Italy
- Trieste
- Monfalcone
- Marghera
- Sestri Ponente
- Genoa
- Riva Trigoso - Muggiano
- Ancona
- Castellammare di Stabia
- Palermo
- Norway
- Brattveag
- Langston
- Sviknes
- Romania
- Braila
- Tulcea

- Asia
- Vietnam
- Vung Tau
- Americas
- USA
- Marinette
- Sturgeon Bay
- Green Bay
- Brazil
- Suzipe

€ 8.1 bln

Revenues 2024

+7,000

Ships designed and built

Principal Western shipbuilder

+230

Years of history

> 22,000

Employees at 31.12.2024

47% Other countries: 53% Italy

18

Shipyards

nr.1

for diversification and innovation

98

Vessels in order book

Main subsidiaries

- Europe
- Italy
- Cetena
- Isotta Fraschini Motori
- Fincantieri Oil&Gas Marine Interiors
- Marine Interiors Cabins
- Fincantieri NextTech
- Seasergy A Marine Interiors Company
- Fincantieri SI
- Fincantieri Infrastructure Opere Maritime
- Fincantieri Infrastructure Sociali
- IDS Ingegneria Dei Sistemi
- SOF
- Isel Nord
- MI
- E-Phors
- BQP6
- HMS IT
- S.L.S. - Support Logistic Services
- Operae A Marine Interiors Company
- MTM
- Norway
- Vard Group
- Vard Design
- Vard Electro
- Vard Interiors
- Seadocs
- Romania
- Vard Shipyards Romania
- France
- Team Turbo Machines
- Croatia
- Vard Design Lubna
- Poland
- Seanomics Polska
- Asia
- China
- Fincantieri (Shanghai) Trading
- India
- Fincantieri India
- Vard Electrical Installation and Engineering (India)
- Qatar
- Fincantieri Services Doha
- Singapore
- Vard Holdings
- Vard Shipholdings Singapore
- Japan
- FMSNA YK
- Vietnam
- Vard Vung Tau
- United Arab Emirates
- Fincantieri Naval Services
- Saudi Arabia
- Fincantieri Arabia for Naval Services
- Americas
- USA
- Fincantieri Marine Group
- Fincantieri Marine System North America
- Fincantieri Services USA
- Fincantieri USA
- Canada
- Vard Marine
- Brazil
- Vard Pomar

Total backlog

€ 51.2 bln

Suppliers

+7,000

Continents

3



Group Overview

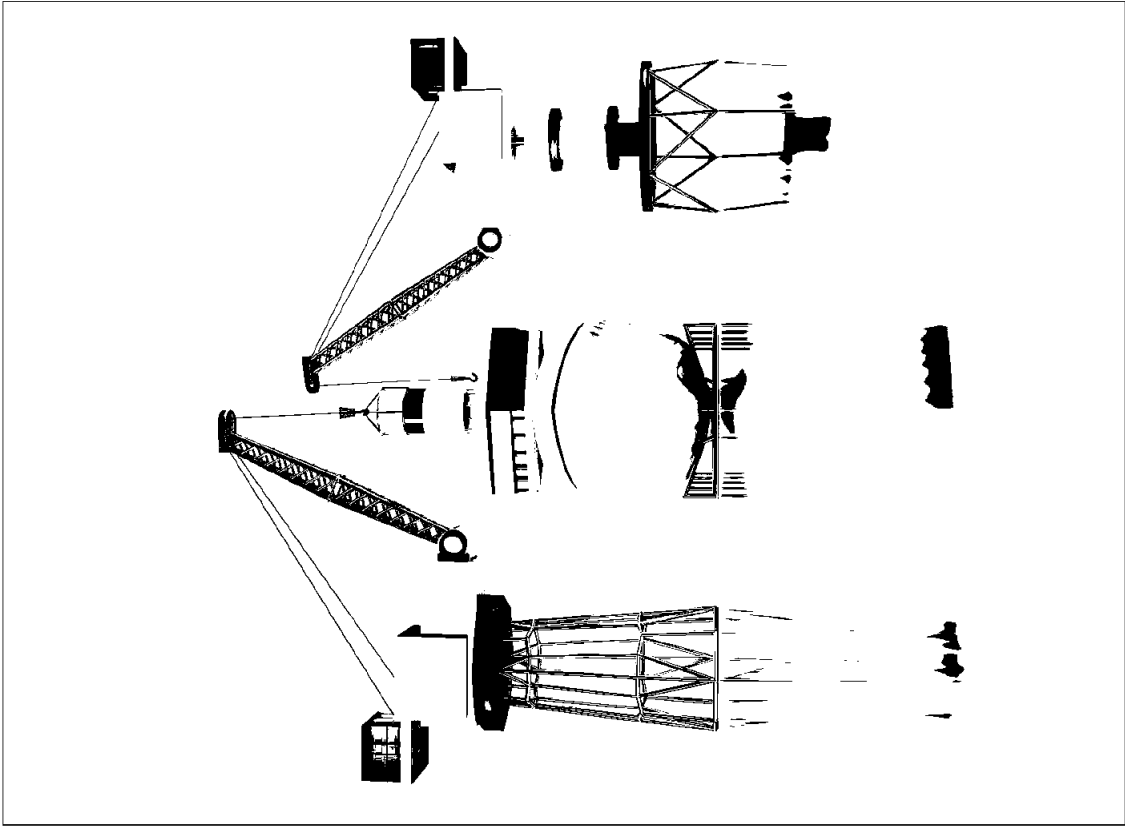
The Group operates through the following three segments:

- **Shipbuilding**, includes the Cruise Ships, Defence Vessels and Ship Interiors business areas;
- **Offshore and Specialized Vessels**, encompassing the design and construction of high-end offshore support vessels for offshore wind farms and the Oil & Gas industry, specialized ships such as cable-laying vessels and ferries, unmanned vessels, offering innovative products with reduced environmental impact;
- **Equipment, Systems and Infrastructure**, includes the following business areas: i) Electronics and Digital Products Clusters², which focuses on advanced technological solutions, from the design and integration of complex systems (system integration) to telecommunications and critical infrastructure; ii) Mechanical Systems and Components Cluster³, i.e., integration of mechanical components and power electronics in naval and onshore applications and iii) Infrastructure Cluster, which includes the design, construction and installation of steel structures for large-scale projects as well as the production and construction of maritime works and the supply of technology and facility management for the health segment, industry and the service sector.

It should be noted that, following a reorganization at the beginning of the year within the Equipment, Systems and Infrastructure segment, the activities of the Vard Electro group, included in the Mechanical Systems and Components Cluster until 31 December 2023, were reallocated to the Electronics and Digital Products Cluster. Comparative figures as at 31 December 2023, appropriately reclassified, are shown below as restated values.

It should also be noted that as from February 2024, the newly acquired company Remazel Engineering S.p.A. is consolidated within the Mechanical Systems and Components Cluster.

The structure of the Fincantieri Group and overview of the companies included in its consolidation will now be presented.



2 At 31 December 2023, named Electronics Clusters.
3 At 31 December 2023, named Mechanical Clusters.



The Fincantieri Group			Group Report on operations			Consolidated Sustainability Statement			Fincantieri Group Consolidated Financial Statements		
Segments	Business areas	Shipbuilding			Offshore and Specialized Vessels	Equipment, Systems and Infrastructure			Other		
		Cruise ships	Naval vessels	Ship Interiors		Electronics and Digital Products Cluster	Mechanical Systems and Components Cluster	Infrastructure cluster			
		Contemporary Premium Upper Premium Luxury Exploration/Niche Expedition cruise vessels	Aircraft carriers Destroyers Frigates Corvettes Patrol vessels Amphibious ships Logistic support ships Maritime and research vessels Special vessels Submarines Product lifecycle management integrated logistic support • In-service support Training and assistance	Cabins Wet units Public areas Catering Glazing Interior Design	Drilling units Offshore support vessels (AHTS-PSV-QSOV) Special vessels Fishery/Aquaculture Wind offshore	Design and integration of complex systems (system integration) with a focus on automation Cyber security Telecommunications Critical infrastructures	Energy generation/ storage systems: • Electrical, electronic and electromechanical integrated systems • Stabilization, propulsion and power generation systems • Steam turbines	Design, construction and assembly of steel structures on large projects such as: • Bridges • Viaducts • Airports • Pipelines • Maritime hydraulic works • Large commercial and industrial buildings	Strategic direction and coordination: • Governance, Legal and Corporate Affairs • Accounting and Finance • Human Resources • Information Systems • Research & Innovation • Purchasing		
	Business areas										
Main Subsidiaries/Associates/Joint Ventures											
		Fincantieri S.p.A. • Marfalcone • Marghera • Sestri Ponente • Cantiere Integrato Navale Riva Trigoso e Mugliano • Ancona • Castellammare di Stabia • Palermo • Triestino San Marco • Bacini di Genova CSSC - Fincantieri Cruise Industry Development Ltd FMSNA Inc. Fincantieri Services Doha LLC Fincantieri Services USA LLC Fincantieri Marine Group Holdings Inc. FMG LLC • Sturgeon Bay Marinette Marine Corporation LLC • Marinette ACE Marine LLC • Green Bay	Fincantieri India Pte Ltd. Fincantieri USA Inc. Fincantieri Arabia for Naval Services LLC Fincantieri (Shanghai) Trading Co. Ltd. Etihad Ship Building LLC Orizzonte Sistemi Naval S.p.A. Naviris S.p.A. Marine Interiors Cabine S.p.A. Marine Interiors S.p.A. Seaneegy a Marine Interiors company S.r.l. MI S.p.A. OPERAE a Marine Interiors Company S.r.l. Fincantieri Naval Services – Sole Proprietorship LLC MTM S.c.a.r.l.	Fincantieri S.p.A. Fincantieri Oil&Gas S.p.A. Vard Group AS • Bratveig • Langsten • Svalknes Vard Promar SA • Stape Vard Viking Tau Ltd. Vung Tau Vard Shipyards Romania SA • Iulcea • Braila Vard Interiors AS Vard Design AS Vard Marine Inc.	Fincantieri NextTech S.p.A. Isseil Nord S.r.l. Cottana S.p.A. E-PHORS S.p.A. IDS Ingegneria Dei Sistemi S.p.A. HMS IT S.p.A. S.L.S. – Support Logistic Services S.r.l. Vard Electro AS	Fincantieri S.p.A. • Riva Trigoso Isotta Fraschini Motori S.p.A. Fincantieri SI S.p.A. Power4Future S.p.A. FINMESA S.c.a.r.l. Remazel Engineering S.p.A. Seonics AS Team Turbo Machines S.A.S. BOP6 S.c.a.r.l.	Fincantieri Infrastructure S.p.A. Fincantieri Infrastructure Opere Maritime S.p.A. Fincantieri Infrastructure Florida Inc. Fincantieri Infrastructure Sociali S.p.A. SOF S.p.A.	Fincantieri S.p.A.			



Group Report on operations	22
Overview	30
Group Performance	50
Operational Review by Segment	62
Risk Management	70
Core Markets	96
Investment plan	100
Other information	102
Consolidated Sustainability Statement	115



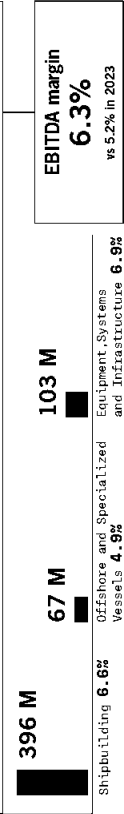
Highlights

Economic and financial results

Revenue and income



EBITDA



Net financial position



Leverage ratio (NFP/EBITDA)



Adjusted profit/(loss) for the year

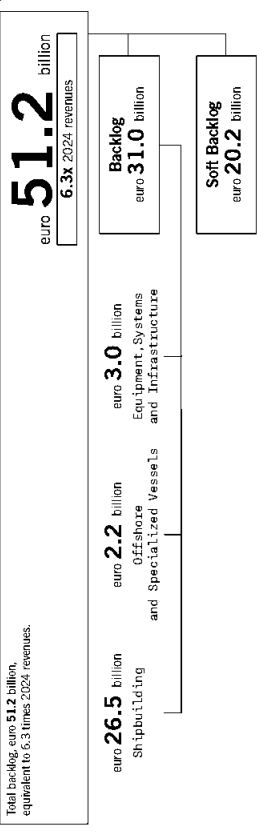


Profit/(loss) for the year

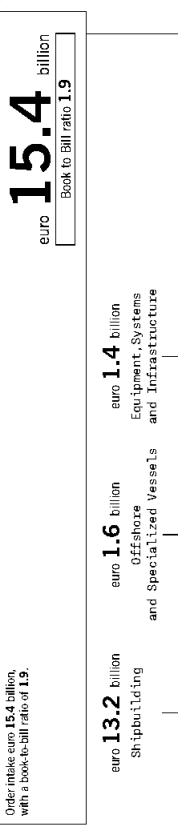


Operational performance

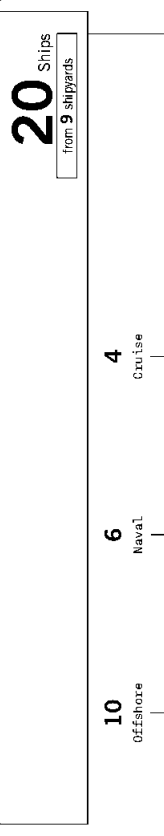
Total backlog*



Order intake



Deliveries



Vessels in order book



The values per segment are shown before adjustments between operating segments.
* Sum of backlog and soft backlog.



2025 Guidance

Revenue

Revenues expected to grow to about euro 9 billion.

euro ~9 billion

EBITDA margin

Estimated marginality higher than 7%.

> 7%

Leverage ratio (NFP/EBITDA)

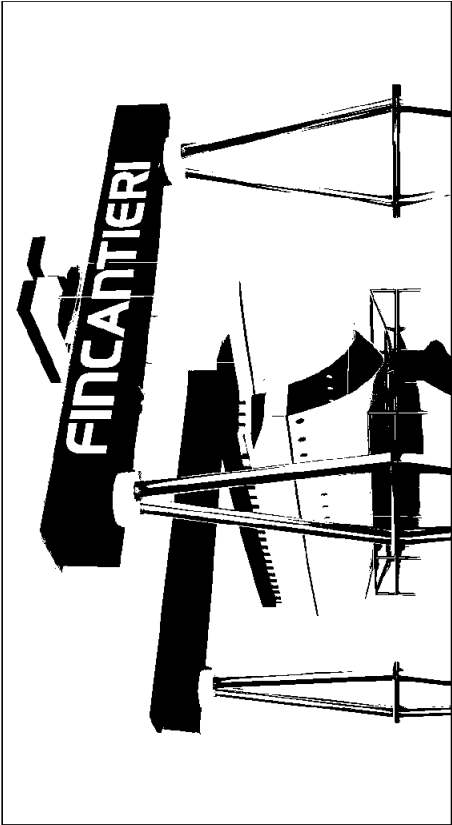
Expected leverage ratio in line with 2024, a clear improvement on the 2025 Business Plan target (between 4.5x and 5.5x).

2024
in line with

Profit/(loss) for the year

Positive net profit for the year in line with Plan guidance.

Net Profit



Sustainability

Environmental information

Fincantieri's commitment to the environment translates into reducing the environmental impact of its processes and developing low impact solutions, with a particular focus on reducing air emissions and energy efficiency, including through partnerships and collaborations. To monitor and reduce its impact, the Group adopts ISO 14001-certified environmental management systems. Some sites also boast ISO 50001 certification for their energy management system, which monitors consumption and promotes continuous improvement in energy performance. In terms of technological advancement, in 2024 Fincantieri delivered the first cruise ship, **Sun Princess**, powered mainly by LNG.

Greenhouse gas (GHG) Scope 1 and 2 emissions¹

145,466 tCO₂e
+0.3% compared to 2023

Total energy consumption

872,716 MWh
+3.6% compared to 2023

Electricity from renewable sources

90%
85% in 2023

Percentage of waste sent for recovery

87%
85% in 2023

¹ Market-based emissions from electricity purchased by considering emission factors expressed in tCO₂e relative to the residual mix.



Social Information

The Group's social commitment focuses on spreading the values of diversity, equity and inclusion, ensuring occupational health and safety, and supporting local communities. Among the initiatives undertaken in 2024, of particular importance is the **EveryDEI** program, which defines actions to develop a working environment based on mutual respect, support for people with disabilities, and cooperation between different generations and cultures. In addition, gender equality is monitored through a **UNIPDR 125-2022** certified management system. The **Safety Enhancement Plan**, on the other hand, outlined initiatives aimed at raising employees' awareness of safety at work, training them on the subject and structuring new forms of dialogue. To support local communities, Fincantieri promoted the **WOW - Wheels on Waves - Around the World** project, a three-year initiative including a round-the-world voyage on board the catamaran "Lo Spirito di Stella", which is fully accessible to people with motor disabilities. The project aims to raise awareness of the importance of removing architectural barriers.

Diversity in the Board of Directors

40% women

Frequency rate for work-related injuries⁶

5.2
6.6 in 2023

Percentage of employee trained

93%
90% in 2023

Employee Engagement Survey
engagement rate⁶

78%
75% in 2023

⁶ Number of injured/Number of hours worked x 1.000.000 (LTIPP).
The frequency rate for work-related injuries is calculated based on the data collected by the company and reported to the 14 jurisdictions out of 28 in the survey delivered, covering engagement, empowerment, experience and DEI. The survey was sent to approximately 25.000 employees.

Information on Governance

In 2024, the Group's best-in-class position on sustainability issues was recognized by external bodies and organizations, including the leading rating companies. The Group maintained its **A-** Climate Change rating from **CDP** (formerly Carbon Disclosure Project) and the **Advanced** rating given by Moody's, and was included for the second consecutive year in the Sustainability, **ESG Top Rated Companies List 2025**. These results reflect sound corporate sustainability management, underpinned by a variable remuneration system with a built-in sustainability objective, structured around environmental, social and governance targets. Fincantieri's commitment to sustainability extends to its supply chain, where it actively promotes an ESG culture. A role played effectively, as evidenced by the 85 ESG audits carried out in 2024, all of which met expectations. In particular, the **PartnerShip** program, based on supplier identity, was run in 2024. Supplier management is an integral part of governance, which is intended as a whole to ensure the ethical conduct of the group.

CDP Climate Change rating, which assesses a company's commitment to climate change management.

A-
scale from 'A', maximum, to 'D', minimum

Rating issued by **Sustainalytics**, which assesses the effectiveness of company ESG risk management.

13.4 - "Low Risk"
scale 0 best, >40 worst

Supplier ESG performance evaluation program, integrated within the e-PRICE platform, identifying strengths and areas for improvement.

76%
compared to the 50% expected for 2024

Award promoted by **FEBRI** in collaboration with Bocconi University and Bocconi University, in recognition of the clear and thorough presentation of economic and ESG issues.

2024 Oscar di Bilancio
Large Listed Companies category



Overview

The year 2024 closed with a strong recovery in the Group's profitability, which recorded a **profit for the year of euro 27 million (loss of euro 53 million in 2023)** and a net profit attributable to the Parent Company of euro 33 million (loss of euro 63 million in 2023), demonstrating the turnaround achieved by the Group after years of losses.

The growth path is further boosted by the positive trend in all business segments in which the Group operates. As at 31 December 2024, revenue increased to euro 8,128 million (+6.2% compared to 2023), thanks in particular to the excellent performance in the Offshore and Specialized Vessels and Equipment, Systems and Infrastructure segments, which closed 2024 with revenues up 28% and 36% respectively.

The Group's profitability is increasing strongly, with **EBITDA reaching euro 509 million**, a 28% increase over 2023, and an **EBITDA margin at 6.3%** (5.2% in 2023).

On the sales front, the Group acquired a **record level of new orders in 2024**, worth a total of euro 15.4 billion (more than doubled compared to 2023), driven in particular by the excellent performance in the Cruise business.

The backlog stands at euro 31.0 billion, up 34% compared to December 2023, with a total backlog (corresponding to the sum of backlog and soft backlog) of euro 51.2 billion (6.3 times 2024 revenue), supported by a **strong sales drive in all Group business segments**.

During the year, the Group delivered 20 ships, fully complying with its delivery schedule, also thanks to the initiatives undertaken as part of the process to strengthen operational efficiency and the production innovations provided for in Fincantieri's Business Plan.

As at 31 December 2024, the Net Financial Position (NFP) amounted to euro 1,281 million, an improvement compared to 2023 (euro 2,271 million). The change compared to 31 December 2023 is mainly attributable to (i) the effectiveness of the strategy for the Cruise business, which, by stabilizing annual revenue at around euro 4 billion, neutralizes cash absorption in this sector; (ii) the effect of the actions taken to achieve efficiency, operational excellence and financial discipline in line with the Business Plan; (iii) the capital increase completed in July 2024; and (iv) the reclassification to current portion of the financial credit, backed by collateral, granted to a shipowner in connection with the delivery of a ship in December 2023. Excluding the temporary benefit from the capital increase, intended to finance the WASS acquisition finalized in early 2025, the NFP TO EBITDA ratio is 3.3x, better than the guidance of 4.5 - 5.0x provided in November 2024, and **well ahead of the target set for 2024 as part of the deleveraging path** envisaged in the 2023-27 Business Plan (6.0 - 7.0x).

The Group's strategic positioning in the underwater business continues, based on strengthening its role as a technology integrator, both in the defence and civil sectors, in response to the growing importance of submarine technologies in the national and international strategic landscape.

On 14 January 2025 Fincantieri finalized the **acquisition of Leonardo S.p.A.'s Underwater Armaments & Systems (UAS) business line**, financed through the **capital increase successfully concluded** on 16 July 2024. The transaction was finalized with the purchase of the entire share capital in the newly incorporated company WASS Submarine Systems S.r.l. ("WASS"), to which the UAS business line was previously contributed. The consolidation of WASS into the Group boundary, as of January 2025, is in addition to that of Remazel Engineering S.p.A., included in the scope of consolidation as of February 2024.

Also with reference to the underwater domain, on 5 November 2024, Fincantieri signed a Memorandum of Understanding (MOU) with EDGE for the supply of advanced solutions for manned and unmanned underwater systems in the United Arab Emirates, through MAESTRAL, the Joint Venture between the two groups in Abu Dhabi. A further MOU was also signed with Spakle, on 17 December 2024, for the development of innovative technologies for the surveillance and protection of submarine telecommunication cables.

Lastly, in June 2024, the Group acquired the order for the fourth submarine for the Italian Navy under the U212NVS (Near Future Submarine) program.

On the defence front, the market is showing significant signs of strengthening, with an increase in global public spending and a renewed focus on investment at both European and international level. The attention shown by the new American administration, the European Commission and NATO to the strengthening of defence and the consolidation of the Group's strategic relations with important international partners, particularly in the Middle East and South-East Asia, also open up the prospect of broader collaboration and favour a positive development for the sector.

In this context, Fincantieri is consolidating its growth with new contracts and strategic agreements. During 2024, the Group won two orders from the Italian Navy for the supply of the fourth Offshore Patrol Vessel (OPV) and for two FREMM (Frigate Rapidly Evolving Medium) frigates, while, on the international front, it was awarded the 11th and 50th Constellation class frigates for the US Navy. In early 2025, a series of agreements were also signed in Saudi Arabia, in the context of the Saudi Vision 2030 program, highlighting the Company's interest in this region following the establishment of the subsidiary Fincantieri Arabia for Naval Services in 2024. The euro 1.18 billion contract signed in 2024

for two MPCS (Multi-purpose Combat Ship/PCPA) for the Indonesian Navy also became formally effective in early January 2025. These agreements open up new prospects for the development of advanced naval solutions for global maritime security.

The Cruise business continues to expand strongly, supported by the continuous increase in passenger numbers. The positive trend is also boosted by the drive to adopt new green technologies and the expansion of the product range, with increasing segmentation of the customer experience, stimulating fleet renewal.

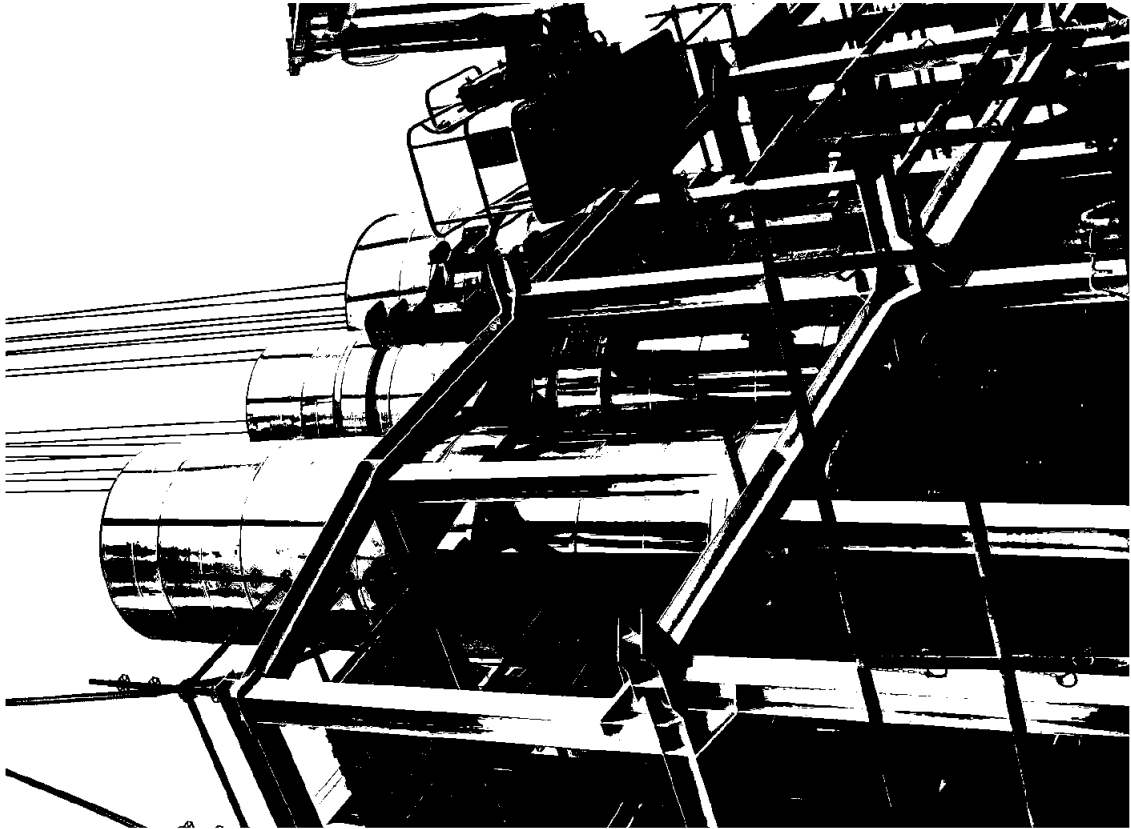
During 2024 and early 2025, Fincantieri strengthened its leadership in the sector by finalizing significant contracts. In particular, on 23 July 2024, Fincantieri signed an agreement with Carnival Corporation & plc for the design, engineering and construction of three new cruise ships for the Carnival Cruise Line brand, the largest vessels ever built by Fincantieri in an Italian shipyard, with scheduled delivery in 2029, 2031 and 2033. On 5 February 2025, the Group also signed an agreement with Norwegian Cruise Line Holdings Ltd (NCLH) for the construction of 4 new maxi cruise ships, with deliveries that extend the visibility of the backlog to 2036. The contract, subject to financing, had previously been the subject of a Letter of Intent, signed on 8 April 2024 alongside the signing of an order, also with NCLH, for the construction of 6 new ships for the Regent Seven Seas Cruises and Oceania Cruises brands.

Lastly, the Group signed contracts subject to financing with Crystal Cruises for three high-end cruise ships, with deliveries scheduled from 2028, and with Viking Cruises for the construction of four new cruise ships, to be delivered between 2028 and 2030, with options for a further four vessels with scheduled delivery between 2031 and 2032.

With reference to the Offshore and Specialized Vessels segment, the solid growth trend in the wind power market continued, and there was an increase in demand for multi-use vessels that can be deployed in both wind power and oil & gas projects. During 2024, the subsidiary WARD acquired major contracts in all market segments, including the order received in the fourth quarter for the construction of five Walk-to-Work vessels, designed to support offshore platforms. With an order book amounting to one third of the global demand for SOV/CSOV, the Group thus confirms its leadership in this business as well.

Fincantieri's growth trend, confirmed by the excellent 2024 results, is supported not only by favourable market dynamics in all business areas, but also by the implementation and development of programs to strengthen operational efficiency, such as production process innovation with the introduction of automation and digitalization solutions in shipyards, and by a strong drive for financial discipline and the improvement of procurement processes.

■ Service Operation vessel.
■ Commissioning Service Operation vessel.



Key Financials

(euro/million)			
Economic data		31.12.2024	31.12.2023
Revenue and income ¹		8,128	7,651
EBITDA ²		509	397
EBITDA margin ³		6.3%	5.2%
Adjusted profit/(loss) for the year ²		57	(7)
Profit/(loss) for the year		27	(53)
Group share of profit/(loss) for the year		33	(53)
Financial data		31.12.2024	31.12.2023
Net invested capital		2,126	2,705
Equity		845	434
Net financial position ²		1,281	2,271
Debt-leveraging ratio ⁴		2.5	5.7
		number	
Other indicators		31.12.2024	31.12.2023
Orders ^{5*}		15,355	6,600
Order book ^{6*}		43,522	34,629
Total backlog ^{7**}		51,178	34,772
- of which backlog ^{8**}		30,978	23,072
Investments		263	258
Research and Development costs		175	152
Headcount at year end		22,588	21,215
Vessels in order book		98	85
		number	

* Ratio between EBITDA and Revenue and Income.
** Net of eliminations and consolidation adjustments.
1 This figure does not include extraordinary and non-recurring income and expenses. See the definition contained in the section Alternative Performance Measures.
2 This figure does not include extraordinary and non-recurring income and expenses.
3 See the definition contained in the section Alternative Performance Measures.
4 2.3 excluding the effects of the capital increase.
5 The percentage figures in this report are calculated using amounts expressed in euro/thousand.



Operational Performance

SOFT BACKLOG
EURO 20.2 BLN

BACKLOG
EURO 31.0 BLN

98 ships for delivery until 2033

EURO 51.2 BLN
equivalent to 6.3 times revenues

139 SHIPS

TOTAL BACKLOG

DELIVERIES 2024

ORDER INTAKE 2024

In 2024, the Group delivered 20 ships, including 4 cruise ships, 6 naval vessels and 10 offshore vessels. Order intake during the financial year reached a record value of euro 15,355 million, more than double the euro 6,600 million in 2023, thanks to the strong acceleration in the Shipbuilding segment, and in particular in the Cruise business.

The backlog at 31 December 2024 amounted to approximately euro 31.0 billion with 98 vessels and scheduled deliveries until 2033, up compared to the backlog at 31 December 2023 (euro 23.1 billion) thanks to new order intake during the year (book-to-bill ratio 1.9).

In the Cruise business, Fincantieri concluded a max-agreement with Norwegian Cruise Line Holdings for the construction of 6 new generation cruise ships, with advanced technology, comfort and entertainment on board and at the forefront in terms of environmental sustainability. 4 for the Oceania Cruises brand and 2 for the Regent Seven Seas Cruises brand. In addition, it concluded an agreement with Carnival Corporation to build 3 cruise ships powered by liquefied natural gas, the largest vessels ever ordered to the Company and in an Italian shipyard. In addition, in early 2025 the Group signed another major agreement with Norwegian Cruise Line Holdings for the construction of a further 4 max-vessels extending the delivery schedule to 2036.

During 2024, 3 high-end, state-of-the-art units have been agreed with Crystal, whose contracts are subject to the usual contract obligation. Finally, with reference to the customer Viking, a contract was signed for the con-

struction of 4 vessels, which became effective in January 2025, and in October 2024 an option was signed for a further 4 cruise ships, which will be based on the characteristics of the previous vessels already built by Fincantieri for this shipowner and which have already been very successful.

In the Defence business, OCCAR (Organisation Conjointe de Coopération en matière d'Armement, the Organisation for Joint Armament Cooperation) exercised its option to build the fourth new generation submarine for the Italian Navy's U212NFS (Near Future Submarine) program awarded to Fincantieri. The vessel has a value of about euro 500 million, including the related integrated Logistic Support and In Service Support. With this order, the options which complete the life-cycle management of the submarines already contracted are also exercised. At the same time, an important Engineering Change Proposal was activated, with the Group as prime contractor, for the industrialization in Italy, production and integration on board all U212NFS of an innovative lithium-based energy storage system (Lithium Battery System) that will replace the traditional lead-based system currently in use. This cutting-edge technology will increase the submarine diving range.

As part of the multi-year FREMM program, aimed at renewing the Italian Navy's fleet through the construction of new generation frigates, Orizzonte Sistemi Navali signed a contract worth approximately euro 1.5 billion with OCCAR for the construction of two new 'EVOLUTION' versions of the FREMM frigate, named FREMM EVO. Furthermore, in relation to the Italian Navy's OPV (Offshore Patrol Vessel) project, Orizzonte Sistemi Navali received notification from the Navy regarding its exercise of the option for the construction of the fourth new generation patrol vessel and the related logistical support with a total value of approximately euro 236 million.

In May, the Group, through its US subsidiary FMM, was awarded the contract by the US Navy for the fifth and sixth frigates of the Constellation (FFGX) program with a countervalue of over USD 1 billion.

As part of the collaborative relationship established between the Italian and Indonesian Ministries of Defence, a contract was signed, and became effective at the beginning of 2025, for the supply of 2 PPA (Multipurpose Offshore Patrol Vessels) worth approximately euro 1.2 billion. Fincantieri will act as prime contractor for the Indonesian Ministry of Defence and will in particular coordinate other industrial partners, including Leonardo, for the adaptation of the ship combat systems and the provision of related logistics services.

In the Offshore and Specialized vessels segment, 8 orders were signed in 2024 for the design and construction of CSOV units: 2 for the Windward Offshore company, 2 for the Taiwanese company Dong Fang Offshore, 2 for Navigare Capital Partners, 1 for Qian Renewables and 1 for REM Offshore, confirming the Vard group's leadership in the construction of vessels to support the offshore wind segment.

The Norwegian subsidiary also signed a contract for the design and construction of 5 walk-to-work vessels, SOV-type vessels that will provide supply, maintenance and operational services for offshore platforms in the Oil & Gas industry.

Finally, Vard signed a contract for the design and construction of a modern Energy Construction Vessel (ECV) for Wind Energy Construction AS, a Norwegian company partly owned by the founders of Norwind Offshore AS, also agreeing an option for a second vessel. Agreements for the design and construction of two hybrid Ocean Energy Construction Vessels (OECVs) were signed with Island Offshore, a Norwegian shipowner operating in the Oil & Gas and renewables market.

Headcount

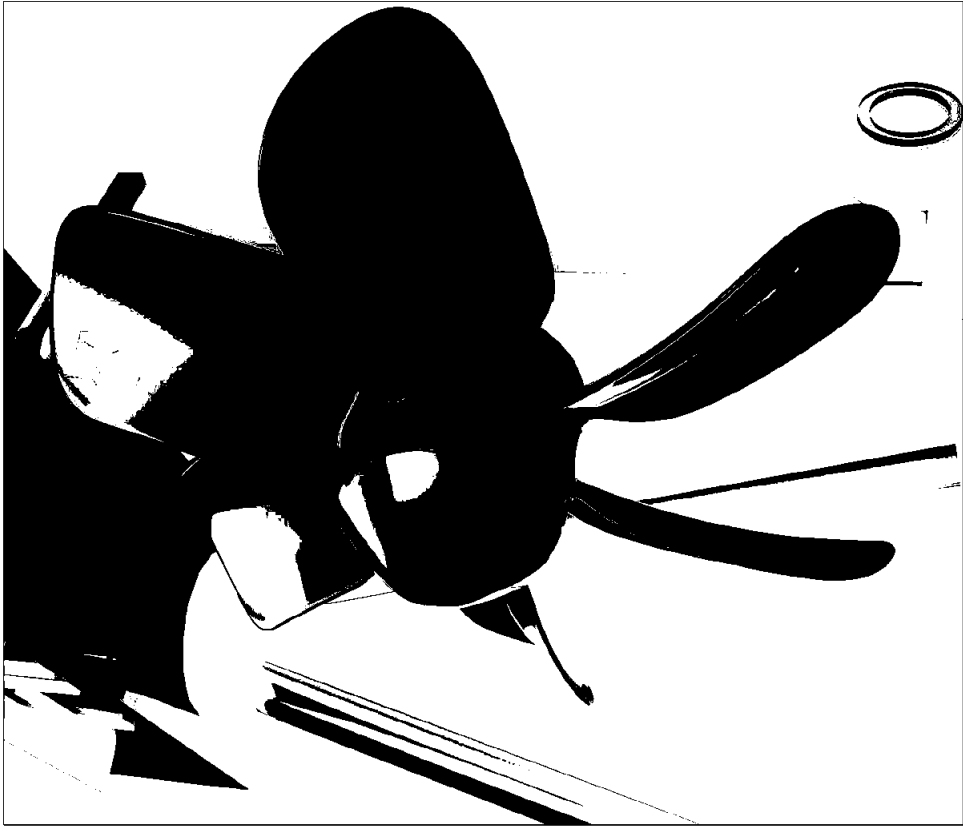
The headcount as at 31 December 2024 was 22,588 (including 11,896 in Italy), compared to 21,215 as at 31 December 2023 (including 11,112 in Italy). The increase was attributable to both Italy (+7.1%) and other countries (+5.8%) due to the recruitment by the subsidiary Vard.

Reference Scenarios

- the substantial recovery of the cruise market, total passengers in 2024 estimated at almost 35 million, up +17% from pre-pandemic highs. The growth of the market is confirmed, with an upward revision of cruise passengers to 40 million by 2027. The key factors shaping the competitive scenario remain the availability of emission reduction technologies, the necessary financial support for shipowners from Export Credit Agencies, the availability of production slots and management of the supply chain;
- the continuous evolution of investments, supporting development plans, in the defence sector, considered a potential market for the Fincantieri Group amounting to approximately euro 20 billion over the Business Plan period;
- growth expectations are confirmed for the offshore wind sector, which benefits from government support for the green transition and the achievement of climate neutrality by 2050, driving demand for new specialized vessels; the strategic role of the underwater sector, the subject of increasing attention due to the geopolitical situation and the need to coordinate a complex set of activities, operators and technologies;
- the volatility of raw materials and energy markets, with prices declining compared to 2023, although still high compared to pre-pandemic levels. Their evolution will be influenced by green policies (ETS, CBAM),



- protectionist policies and imbalances between supply and demand, the challenging decarbonization targets accepted by all stakeholders in the supply chain: regulatory authorities (IMO, Net Zero Emissions by or around 2050), governments (EU, extension of ETS to the maritime sector), shipowners (Net Zero Fleet) and competitors.



Business Plan Pillars And Projects

To support the response to the challenges, management has identified 5 pillars that define Group strategy:



Focus on core business:

portfolio review, maximization of efficiency, modernization of the production process

The challenging reference scenario requires choices to be made in terms of prioritizing the allocation of production resources. The Company therefore considers it necessary to focus efforts on its core naval, cruise and offshore business through five strategic initiatives:

- **operations excellence**, with the aim of increasing the efficiency of manufacturing and engineering processes, digitalizing and automating support processes and low added value activities;
- **improving competitiveness in the specialized vessels business**, supported by the growth in the offshore wind industry;
- **deskilling & partnering of the Infrastructure** business area, to secure and enhance the segment;
- **strengthening the accommodation** business, reinforcing performance in support of the captive business, enhancing refitting as an adjacent business area and exploring potential development in the civil accommodation sector;
- **management of contracts**, with the start of a joint growth path with satellite businesses to support their growth, increase the availability of resources, reduce turnover and improve capabilities.



Life cycle management:

development of digital applications and data platforms to enable the transition from Capex provision to leadership also in service provision

The market for **digital services** for shipowners represents an opportunity for the Group to:

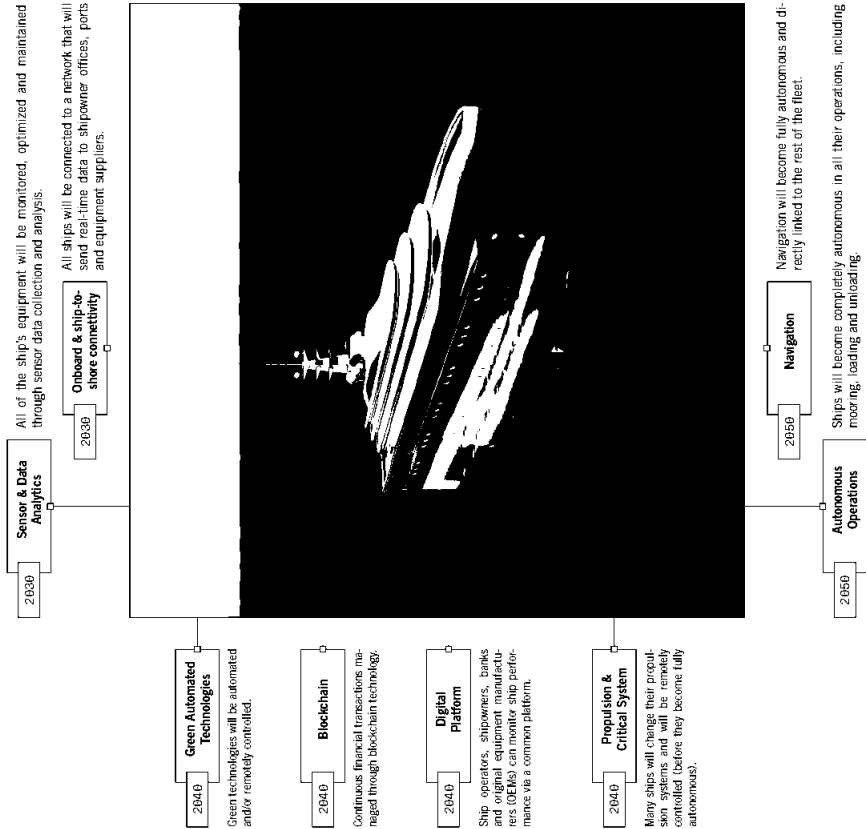
- anticipate potential future trends in shipowners' business models;
- strengthen the control of innovation and ship requirements;
- penetrate a highly profitable segment;
- accommodate different requests and needs of potential new shipowners.

Fincantieri is strengthening its ability to collect and exploit data produced by the systems and incorporate applications that generate value for the customer, further enhancing the role of physical and digital Design Authority of the ship system.

In the first phase of the extension of the Group's sphere of expertise, conceivable by 2030, the technologies integrated in the products will be those related to on-board system sensors and ship-to-shore connectivity. At a later stage, by 2040, development will also cover applications for green propulsion systems and the implementation of a single digital platform for all stakeholders in the process (e.g. shipowners, shipyard, suppliers). The transition to autonomous navigation systems, as well as remote management of critical naval activities, is expected in the following decade.



What ships will look like in 2030-2040-2050



System integration:

rationalization of the Group's capabilities to act as Prime Contractor, integrator of complex systems in the defence business

Increased commercial effectiveness with foreign navies is crucial to compete successfully in the future defence scenario. This is why Fincantieri believes it is necessary to further develop Design Authority and Combat System integration capabilities to transform operational requirements into technical requirements for the Ship Project (**Whole Warship**), a model already adopted by leading European shipbuilders. Instrumental to this aim is the strengthening of the operations and capabilities of the Group company Orizzonte Sistemi Navali.



Financial discipline:

optimization of purchasing processes and cash flow management

The changed competitive scenario with increasing customer demands and pressure on supply chains requires an evolution of the core business support model, particularly along two lines:

- **Procurement:** introduction of new digital and organizational tools and instruments, in order to:
 - adopt a cross-functional and inter-divisional approach;
 - extend and systematize Group best practices;
 - provide greater flexibility by reducing technical and commercial requirements and constraints.
- **Cost optimization:**
 - identification of Category cost owners with specific cross-Group responsibilities and tools to control expenditure;
 - standardization of processes for planning, approving and monitoring expenditure.



Industrial sustainability:

delivery of the first Net Zero cruise ship by 2050 and achieving a leading role in decarbonization and ESG

The key areas for improvement identified by Fincantieri to maintain ESG leadership include:

- **Environment (E):**
 - achieving zero net emissions by 2050, in line with the EU target, with the delivery of the first Net Zero ship, anticipated by the first high-efficiency LNG unit by 2025 and a ship with minimum emissions in port with dual fuel (green fuel) engines, fuel cells and batteries by 2030;
 - transition to operations with lower CO₂ emissions;
 - investment in research and innovation.

In a market context where the Net Zero cruise target is expected to be met by 2050, the Group is committed and working, subject to technological, regulatory and infrastructure availability, to meet it earlier, with an internal target of 2035. This challenge requires the involvement of all interested parties: suppliers, customers, flag authorities, port authorities and other stakeholders.

- **Social (S):** development and protection of human resources, promotion of equity and inclusion and respect for human rights, improvement of health and safety conditions for workers, promotion of growth, training and enhancement of human capital and dialogue and support for local communities;
- **Governance (G):** responsible and ethical business conduct, promotion of transparency and standards of excellence throughout the supply chain.

The strategic guidelines related to the pillar of industrial sustainability will be expressly implemented according to the 2023-2027 Sustainability Plan, approved by the Board of Directors of Fincantieri S.p.A. on 16 February 2023 and described in detail in the section relating to the Sustainability Plan.



Fincentri has also identified a further strategic pillar, namely expansion into the underwater domain, where it intends to play a leading role as aggregator of the industrial chain. The Group pursues this objective both by leveraging its know-how and distinctive capabilities and a network of agreements and alliances with the main players in the sector, such as C.A.B.I., Cattaneo, WSense, Sapem and Sparkle, and with an M&A strategy that has led, between February 2024 and January 2025, to the acquisition of two beacons of excellence in the segment: Ramazel Engineering and WASS. Underwater is increasingly central from a geopolitical point of view due to naval issues and the protection of critical underwater infrastructure for energy and communications as well as the protection of seabed mineral resources. In the Mediterranean area, in particular, the underwater segment has now taken on fundamental importance, determined by recent developments in the geopolitical scenario, the enormous amount of data traffic exchanged through submarine cables and the presence of underwater connections for the transport of vital energy products for Europe. There is therefore a growing need to develop a state-of-the-art underwater surveillance network to defend interconnections and strategic resources and prevent acts of sabotage to critical infrastructures.



Main strategic initiatives implemented during the year

During 2024, the Group continued its implementation of the strategic initiatives identified in the Business Plan to optimize operating performance, guaranteeing the necessary resources for production programs and optimal management of risks.

In particular, with reference to the strategic pillars, the Group achieved the following results:

Focus on core business:

- increase in shore-based pre-outfitting activities at the Alcega and Riva Tigriso shipyards, introduction of the first 5 welding robots at Italian shipyards, plus a further 7 robotics initiatives, first use cases for the adoption of generative AI solutions;
- positive response from the civil interiors market in the first year of business of Qrease, which is engaged in the realization and management of turnkey interior design projects in various high-end segments (residential, hospitality, fashion, yachts);
- new ancillary businesses identified for about 400 resources, also through foreign pools (i.e. Mattei Plan);
- productivity monitoring of all the companies is ongoing;
- tool selected for integrated multiannual planning of engineering, production and supplier workloads;
- Vung Tau shipyard expansion plan completed. This will increase the site's production capacity by 75% and reinforce VARD's leading position in the offshore market;
- in the area of infrastructure, the new operating model (strengthened risk management, procurement and order management) is now fully operational;

Life cycle management:

agreement with Accature announced for the development of the technology platform to enable functions to be integrated on board ship through advanced digital products and services, operating model and business blueprint defined;

System integration:

strengthened Orizzonte Sistemi Naval S.p.A.'s integration skills through the secondment of Group and Leonardo personnel, as well as the acquisition of resources from the market;

Financial discipline:

- consolidated the category management structure, collected over 100 ideas and launched 20 projects under the PartnerSHIP Challenge;
- definition of a new regulation on Group management and coordination, a new regulatory system and breakdown of the governance model by functional area;

Industrial sustainability:

launched open innovation initiatives to support the energy transition (e.g. Call4StartUp)

Expansion in the underwater segment:

As part of its newly identified strategic pillar, **expansion in the underwater segment**, the Group signed agreements with national and international companies active in the underwater domain, continuing the path undertaken in 2023, characterized by agreements with Leonardo, C.A.B.I., Cattaneo and WSense.

These include, in particular:

- the signing of an MoU with Sparkle to work together on the development of innovative technological solutions for the surveillance and protection of submarine telecommunication cables;
- the exercise of the option by the Italian Navy for the fourth submarine of the U212 NFS class, together with the agreement for the industrialization, production and integration on board all U212 NFS of an innovative lithium-based energy storage system;
- the signing of the Agreement with Sapem to evaluate opportunities for collaboration in submarine robotics;
- the signing of a Memorandum of Understanding (MoU) with EDGE, for the design, development and capacity building for the supply of advanced solutions for manned and unmanned underwater system solutions in the United Arab Emirates through M&ESTRAL.

Sustainability Plan

The 2023-2027 sustainability plan (Sustainability Plan), approved by the Board of Directors of Financieri S.p.A. on 16 February 2023, is an integral part of the strategic vision and is aimed at creating value for all stakeholders. At this time of transformation, sustainability is a cornerstone in the development of production processes and an essential objective in the development of the product portfolio in line with customer needs, helping to ensure a high level of resilience and sustainable development for the Group. The 2023-2027 Sustainability Plan has identified 3 strategic areas for development: (i) the presence of the Group's strategic vision in the Sustainability Plan; (ii) the achievement of the Group's strategic vision in the Sustainability Plan; and (iii) the achievement of the Group's strategic vision in the Sustainability Plan. The Sustainability Plan is defined by the United Nations strategic guidelines. In particular, 9 SUGs were recognized by Financieri as relevant to its business and in line with its strategic guide 2030.

The Sustainability Plan consists of:

Take into account global socio-economic trends and include the Group's material topics. They are also reflected in and represent the development of the ESG pillar of the Business Plan.

Undertaken by the Group through its Charter of Sustainability Commitments.

identified by means of stakeholder engagement and market benchmarking that enable the views of the Group to be taken into consideration as well as those of customers, suppliers and partners, the financial community and other stakeholders, who were involved through an online survey. Material topics are reported annually in the Non-Financial Statement - Sustainability Report.

To be achieved in the short, medium and long term, which will contribute in particular to the achievement of **9 SDGs** that Fincantieri has recognized as significant for its business and in line with its strategic guide lines.

These objectives make the Group's path towards sustainable development transparent and verifiable. Periodically, these objectives will be updated, and new targets will be defined, according to a process of continuous alignment with the strategic guidelines and results achieved, in order to increasingly integrate sustainability along the entire value chain, taking into account the potential impacts on the economy, the environment and people.

Responsibility for achieving the goals included in the Sustainability Plan lies with the various company functions involved, which devote resources, tools and know-how to implementing the actions underlying the goals. The objectives of the Sustainability Plan are reviewed annually, based on the results achieved and the new needs that emerge over time.

The successful implementation of the Sustainability Plan continued, with all 4 objectives and targets with a deadline in 2024 achieved during the year. It should be noted that the target concerning the study on the circular economy for Fincantieri S.p.A.'s cruise ships with a 2025 deadline and the target for the development and operation of prototypes for monitoring activities, inspection, and analysis of the accessibility of high risk areas was achieved ahead of time.

3 Directions

24 Commitments

15 material topics,
7 of which are strategic

41 ESG objectives

OBJECTIVE	TARGET	STATUS	ESRS SECTION
Innovative and technological development for energy and digital transition			
Promotion of research projects to develop new solutions in collaboration with research institutes/universities on issues associated with climate risks	Complete four projects by 2030, of which: • 1 project	✓	S4 – Consumers and end-users
Study on circular economy for Fincantieri S.p.A. cruise ships in cooperation with a university/research centre ⁴	Analyzing the maturity level of players in the shipping industry Identifying an analysis methodology Evaluating and identifying tools to implement the logic of circular economy	✓	E9 – Circular Economy
Digital transformation via the introduction of technologies and processes and making them proceed in line with organizational and management best practices ¹	Completion of absolute printer refresh with TEC2® fleet reduction of ~70% when fully operational Gradual adoption of Public Cloud Infrastructure and Printing services by all Italian companies present in Management Units within The Parent Company's perimeter Digitization and centralisation of paper-based processes related to suppliers' management of accesses of satellite businesses for Fincantieri S.p.A., enabling a reduction in paper printouts of about 1.1 million/year at the same workload Introduction of a solution for the management of multiple transport from, to and between the Group's sites ² , capable of managing multiple logistic providers and split booking logics, and experimentation with algorithms based on High Performance Computing or Quantum computing to optimize intra-group transport and inventory generating a direct benefit on emissions Roll-out of SAP EHR, an enabling platform to process digitalization, in the subsidiaries: Fincantieri Marine Marine (FMM), MI S.p.A.	✓ ✓ ✓ ✓ ✓	ES – Circular Economy S4 – Consumers and end-users
Integration of innovative analytics solutions and training to provide insights for process optimization	Creation of a corporate database (Data Platform) powered by data from corporate master systems for digitalization and automation of machine learning applications for predictive maintenance and safety risk mitigation, increasing efficiency and to identify opportunities for optimizing and/or streamlining processes, and implementation of analytics and predictive analysis tools; More 2-25 use cases Extension of analytics tools to other Group companies adopting the same processes: WARD (Norway, Romania)	✓ ✓	S4 – Consumers and end-users ✓
Waste reduction	Maintaining the portion of waste sent for recycling between 80-90% each year	✓	E9 – Circular Economy
Protection of biodiversity	Launch of project for the protection of biodiversity Delivering phishing awareness campaigns to employees, employees, middle managers and senior managers; • 2 campaigns ¹ Extension of the phishing awareness campaign to employees of the subsidiary WARD group AS Implementation of induction sessions for the Top Management (including the Board of Directors); • 1 induction session ¹	✓ ✓ ✓ ✓	E4 – Biodiversity and ecosystems S4 – Consumers and end-users
Raising awareness among employees and top management about other risks and training them to recognize them		✓	
Objective completed	Target completed	✓	

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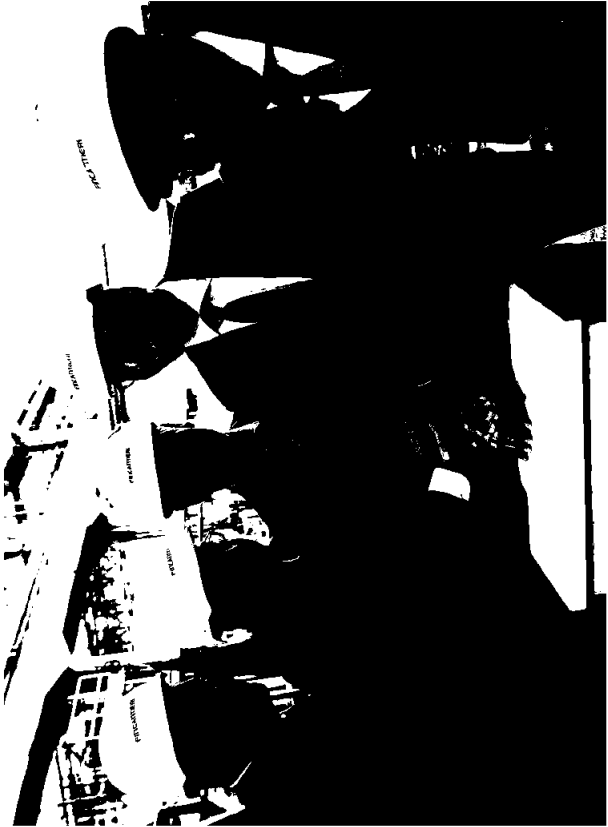
Sustainability ratings and awards

In the national and international context, Fincantieri is a benchmark in industrial culture and intends to be a model in the area of sustainability as well. Ensuring a balance between competitiveness, environmental sustainability and social responsibility is a strategic objective for the Company, pursued through an integrated strategy that combines business growth, financial stability and social and environmental sustainability.

Within this framework, Fincantieri is committed to generating value in the short, medium and long term, with a solid commitment to present and future generations. To translate this vision into tangible actions, the Group nurtures a culture of sustainability among its people, so that everyone conveys the basic principles of social responsibility in his or her work on a daily basis, thus helping to meet the expectations of all stakeholders. This approach triggers a virtuous circle, generating synergies and engaging a shared and proactive commitment.

To formalise this commitment and make binding vis-à-vis the outside world, Fincantieri has since 2019 joined the UN Global Compact, the world's largest business sustainability initiative. It is an initiative involving voluntary adherence to ten universal principles concerning human rights, labour, the environment and anti-corruption, which promote the values of long-term sustainability through political action, business practices, social and civic conduct. Subsequently, Fincantieri signed up to the Women's Empowerment Principles, seven principles promoted by Global Compact and UN Women dedicated to companies and aimed at activating concrete actions and promoting equal conditions for women in the world of work. With this commitment, the Group intends to bring on board a future where equity is a common and shared reality and where the uniqueness of each individual is a source of wealth. Only by allowing each person to express his or her talents is it possible to fully cultivate human capital.

During 2024, the Fincantieri Group consolidated its position as best in class on sustainability issues in the industry, as evidenced by the following ratings and awards obtained.



Sustainability ratings and scores					
ESG analysis/rating agency	Description	2021	2022	2023	2024
CDP	CDP is an independent non-profit body that assesses the commitment of companies to environmental, social and governance issues. Fincantieri's performance is analysed in line with the requirements of the Task Force on Climate-Related Financial Disclosures (TCFD) and the main environmental standards. Fincantieri is ranked "A" (lowest) and "A" (highest) and Fincantieri is in the highest bank, known as Leadership .	A-	A-	A-	A-
Sustainalytics	Sustainalytics is an agency established by Morningstar. It rates companies according to the ESG Risk Rating, which provides an overall score based on an assessment of how exposed the company is to Environmental, Social and Governance (ESG) risks. Fincantieri was also included, for the second year running, in the prestigious list of "Top-Rated ESG Companies" . This recognition underlines the company's outstanding performance.	19.7 Low ESG	17.4 ^{ab} Low ESG	14.2 Low ESG	13.4 Low ESG
Moody's	Moody's ESG Solutions aim to understand the organizations' ESG performance and assess the risk exposure, policies and actions. The rating scale goes from D to Aaa. Fincantieri achieved a rating of Aaa, the highest possible, and was confirmed for the fifth year.	70/100 Advanced	70/100 Advanced	69/100 Advanced	70/100 Advanced
S&P Global	S&P Global, through the Corporate Sustainability Assessment (CSA) questionnaire, assesses companies on ESG aspects with a rating scale from 0 to 100. Fincantieri achieved a score of 99/100, the highest possible, and was confirmed for the fifth year.	58/100 on 28/12/2021	61/100 on 18/12/2022	59/100 on 23/01/2024	59/100 on 31/01/2025
Sustainability awards					
Integrated Governance Index 2024	Fincantieri was confirmed as among the "Top Performers" companies assessed through the Integrated Governance Index (IGI) 2024, promoted by Ethisphere. IGI is a quantitative index developed on the basis of a questionnaire given to leading Italian companies with the aim of measuring the degree of integration of ESG factors in corporate governance and identity. In 2024, 93 companies joined the project, which is now in its ninth year. Fincantieri moved from Leader to top performer level, taking first place in the Industry category.				
Universum	In Italy, for the sixth consecutive year, Fincantieri was recognized by Universum as one of the "Most Attractive Employers" in Italy. In the 2024 survey, Fincantieri was ranked among the top 100 most attractive employers by students and young professionals' rankings. Fincantieri S.p.A. ranked among the top 50 companies in the Science, Technology, Engineering and Mathematics (STEM) disciplines and among the top 100 in the Business/Economics category, reinforcing its leadership ahead of numerous Italian companies.				
Top Employer Italy	For the fourth year running, Fincantieri has received the "Top Employer Italy 2024" certification from the Top Employers Institute, an official recognition of corporate excellence in HR policies and strategies, and their implementation, to contribute to well-being of people, improve the working environment and the world of work. Top Employers certification is awarded to companies that achieve and meet the high standards required by the five best practices: Strategy, the Survey covers 6 macro HR areas: Diversity, Equity & Inclusion, Leadership, People, Strategy, Employee Branding, Purpose & Values. Fincantieri was ranked among the top 100 most attractive employers in Italy, reinforcing its leadership in the industry and its commitment to training people, its constant commitment to fostering an ever more inclusive work environment and its ability to attract talent and invest in employee training and development.				
2024 Oscar di Bilancio	Fincantieri won the 2024 Oscar di Bilancio in the Large Listed Companies category, in the 60th edition of the event promoted by FERPI, in collaboration with Borsa Italiana and Bocconi University. The award recognizes the company's commitment to transparency, integrity and effective communication. The report was distinguished by its transparency, thorough risk analysis and integration of strategies for structured and effective communication. This prestigious award, received for the third time following the 2020 and 2022 editions, further underlines Fincantieri's commitment to sustainability, which has already been rewarded in the past with the "Special Award for Sustainability Reporting" .				
2025 Human Enterprise Award	Fincantieri won the 2025 Impact Human Enterprise Award, decided by the Economy Group in partnership with Bank Quindiano. The award recognizes the company's commitment to sustainable development through strategic investments for the growth of the people, communities and the regions where the Company operates. This award confirms Fincantieri's ongoing commitment to sustainable development and the 2023 Sustainability Plan and the 2023 Sustainability Report.				
SDG: Leaders Summit 2024	As part of the SDG Leaders Summit 2024, Fincantieri received a prestigious award in the procurement community for its Partnership project, a project aimed at supporting the development of the regions where the Company operates. This award was awarded to Fincantieri as a recognition received by our CEO, Pierluigi Fregi, in the "Social Impact" category of the CEO/ULF Awards.				
Safety Award	In 2024, at the previous year, the Shipbuilders Council of America (SCA) presented Fincantieri Maritime with awards for companies that have distinguished themselves in improving operations, promoting safety and preventing accidents. The awards received include: "Excellence in Safety Award" , given to companies that have recorded no fatal accidents during the year, that submit regular quarterly reports on safety and health, and that have implemented safety measures to prevent accidents; "Improvement in Safety Award" , reserved for companies that have reduced their annual TRIR by 10% or more compared to the previous year, as demonstrated by the comprehensive quarterly reports submitted to the SCA. "Significance in Safety Award" , awarded to shipyards that recorded no fatalities during the year and which maintained a TRIR of less than 1.0.				

SB Updated in June 2024.



Business Outlook

The sectors in which Fincantieri operates reflect important growth prospects characterized by positive macro-trends in the cruise tourism market, geopolitical developments driving an increase in defence spending, and the growing need for the development of offshore energy resources, both in the wind and oil & gas segments.

The **Cruise business**, where Fincantieri is a market leader, is seeing growth accelerate. All major shipowners report a positive trend above expectations for key industry indicators such as bookings, cruise prices, on-board revenues and profitability. The CLIA forecast is for 39.7 million cruise passengers by 2027 (CAGR +4.6%); in later years further growth is expected with the achievement of about 48.5 million by 2032 (CAGR 2024-2032 +4.3%). The upturn in orders in 2024, for all ship classes, from luxury to contemporary, is also fuelled by the introduction of new environmental regulations that accelerate the fleet renewal process. This favourable scenario, marked by the restart of investments with a long-term vision by the major cruise lines, is confirmed by the recent transformation of the LOI signed in 2024 into an order for the construction of four new ships for Norwegian Cruise Line, the largest ever ordered for this brand.

As far as the **Defence business** is concerned, the global defence budget stood at approximately USD 2.48 trillion in 2024³¹ (+1.1% compared to 2023, taking inflation into account), confirming an upward trend since 2014 (+2.8% a year).

In the naval sphere, the current rapidly changing international geopolitical context is expected to open up new scenarios, marked by an increase in resources allocated to programs to strengthen fleets for defence and deterrence purposes. This trend offers attractive growth opportunities for the Group, in a potential market of around euro 20 billion over the Plan period, particularly in Italy and the United States and in strategically important quadrants such as the Middle East and South East Asia, where the Group has strengthened its presence.

On the domestic market, the Italian Navy's fleet renewal plan continued in 2024 with the finalization of contracts for the construction of new generation units, specifically two FREMM EVO frigates and a fourth patrol vessel, while for the underwater segment, the order for a fourth submarine was finalized. In the US market, options for the fifth and sixth next generation Constellation Class multi-role frigate were exercised. In other countries, in addition to the contract for two MPCs (multipurpose combat ship)/PPA for the Indonesian government, a series of agreements were concluded in the Middle East (Egypt, Qatar, Saudi Arabia and the United Arab Emirates) and in Asia.

The numerous activities and agreements put in place to strengthen the technological leadership in the underwater domain, a crucial segment for the future of maritime security and technology, culminating with the acquisition of Remazei and Leonardo S.p.A.'s Underwater Armament Systems (UAS) business line, involve a significant broadening of the Group's core market.

In the **Offshore segment**, the demand for renewable energy has been confirmed as a solid driver of demand for offshore wind growth, albeit at a slower pace than expected.

In 2024, demand for specialized SOV/CSOV vessels remained high, totalling 20 orders, 8 of which were acquired by the Norwegian subsidiary VARD, which confirmed its market leadership, holding one third of the world order book.

Green transition policies and the setting of ambitious targets by governments, especially in Europe, will continue to support demand in the long term.

New market opportunities have emerged in 2024 with growing energy demand, which has helped to reignite investment in the Oil & Gas sector. This trend, started in the previous years, has generated a demand for particularly flexible vessels (MSV, OECV, EOCV) dedicated to complex offshore maintenance activities, also the subsea area and able to provide support for both offshore wind and Oil & Gas projects. The Norwegian subsidiary VARD was able to seize these opportunities by winning orders for 8 innovative ships during the year (out of 21 vessels worldwide), all with hybrid propulsion.

The Group plans to continue implementing the 2023-2027 Business Plan during 2025, focusing on:

- (i) the creation of a distinctive portfolio of technologies, products and services in the underwater segment, capable of meeting the needs of customers in both the defence and civil sectors;
- (ii) increased operational efficiency, with a focus on the performance of the supply chain and the industrialization of robotics and automation solutions (robots, digital twin, logistics); entry into a new

31 Source: Global Defence Budget, June '24, 29 January 2025. - Figures in real terms (taking inflation into account).
32 MSV: Multi-purpose supply vessel, EOCV: Ocean Energy Construction Vessel, EOCV: Energy Construction Vessel.

cruise ship segment (over 200,000 gross tonnage) enabled by the investments planned in the Monfalcone shipyard;

(iii) introduction of advanced digital technologies, such as artificial intelligence, to optimise engineering and purchasing;

(iv) development of the technology platform to enable functionality to be integrated on board using advanced digital products and services;

(v) further strengthening of Orizzonte Sistemi Naval's skills as a naval system integrator;

(vi) implementation of systems for decarbonization of the maritime sector (integration of hydrogen storage and utilization systems on board).

The expectation of continued growth in the Group's activities is reflected in the forecast of an increase in revenues for 2025, expected to be around euro 9 billion, including the contribution from integration of Leonardo's Underwater Armament Systems' business unit. The strong increase in profitability is also confirmed with an EBITDA margin above 7% at the end of 2025. On the financial front, a further acceleration of the deleveraging process is expected, with the NP/EBITDA leverage ratio expected to be in line with 2024, a clear improvement on the 2025 Business Plan target (between 4.5x and 5.5x). Finally, a positive net profit in 2025 is confirmed.





Group Performance

Order intake, order backlog and deliveries

In 2024, the Group recorded a record level of new orders, valued at euro 15,355 million compared to euro 6,600 million in 2023, with a book-to-bill ratio (order intake/revenue) of 1.9 (0.9 in 2023).

Order intake analysis	31.12.2024		31.12.2023	
(euro/million)	amounts	%	amounts	%
Fincantieri S.p.A.	12,041	78	3,336	51
Rest of Group	3,314	22	3,264	49
Total	15,355	100	6,600	100
Shipbuilding	13,194	86	4,148	63
Offshore and Specialized Vessels	1,555	10	1,801	27
Equipment, Systems and Infrastructure	1,389	9	1,050	16
Consolidation adjustments	(783)	(5)	(399)	(6)
Total	15,355	100	6,600	100

The Group's total backlog reached euro 51.2 billion at 31 December 2024, comprising euro 31.0 billion of backlog (euro 23.1 billion at 31 December 2023) and euro 20.2 billion of soft backlog (euro 11.7 billion at 31 December 2023) with development of the projects in the order book expected to continue up to 2033.

The backlog and total backlog guarantee about 3.8 years and 6.3 years of work respectively in relation to the 2024 revenues. The composition of the backlog by segment is shown in the following table.

Total backlog analysis	31.12.2024		31.12.2023	
(euro/million)	amounts	%	amounts	%
Fincantieri S.p.A.	23,047	74	15,883	69
Rest of Group	7,931	26	7,189	31
Total backlog	30,978	100	23,072	100
Shipbuilding	26,497	86	18,908	82
Offshore and Specialized Vessels	2,192	7	1,866	8
Equipment, Systems and Infrastructure	3,001	10	2,688	12
Consolidation adjustments	(712)	(3)	(390)	(2)
Total backlog	30,978	100	23,072	100
Soft backlog*	20,200	100	11,700	100
Total backlog	51,178	100	34,772	100

* Soft backlog represents the value of contract options, existing letters of intent and projects at an advanced stage of negotiation not yet reflected in the order backlog.

The analysis of the numbers of ships delivered and those in the order book is shown in the following table.

Deliveries, Order Intake and Order Book (number of ships)	31.12.2024		31.12.2023	
Ships delivered		20		26
Vessels ordered		33		23
Vessels in order book		98		85

The following table shows the deliveries in 2024 and those scheduled in future years for vessels currently in the order book, analysed by the main business areas and by year.

(number)	2024	2025	2026	2027	2028	2029	Beyond 2029	Total*
Cruise ships	4	6	7	5	4	2	4	28
Defence	6	7	5	4	3	4	10	33
Offshore and Specialized Vessels	10	14	13	9	1			37
TOTAL	20	27	25	18	8	6	14	98

* Number of vessels in the order book, analyzed by the main business areas at 31 December 2024.





Capital expenditure

Capital expenditure amounted to euro 263 million in 2024, broadly in line with the previous year.

Enhancing assets and increasing their operational efficiency both in Italy and abroad are key elements supporting the Group's sustainable growth strategy, which is based on a continuous process of improving product quality and optimizing management and transformation costs, with the aim of growing the order book, raising the level of excellence of the production process and further strengthening Fincantieri's position as a reference point at the international level.

In this context, with the aim of further strengthening the Group's positioning in the shipbuilding segment, both civil and naval, approximately euro 816 million was invested in the three-year period 2022-2024 in the production sites, both Italian and foreign, to: i) make the production process more efficient, also in terms of automation; ii) adapt the operating infrastructure to the significant backlog acquired in recent years; and iii) achieve the Group's sustainability objectives, with particular reference to reducing energy consumption and atmospheric emissions.

Capital expenditure analysis	31.12.2024	31.12.2023*
(euro/million)	amounts	amounts
Fincantieri S.p.A.	158	60
Rest of Group	105	40
Total	263	100
Shipbuilding	160	61
Offshore and Specialized Vessels	40	15
Equipment, Systems and Infrastructure	28	11
Other activities	35	13
Total	263	100
Intangible assets	104	39
Property, plant and equipment	159	61
Total	263	100

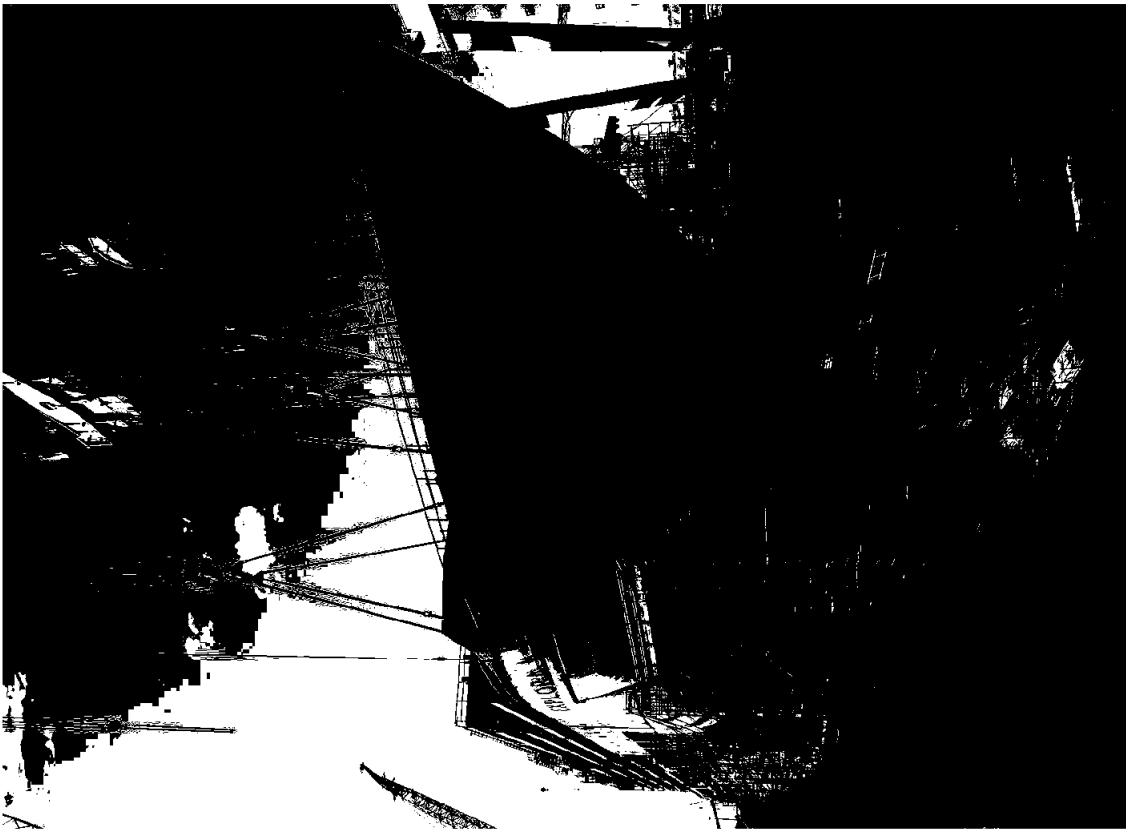
* Comparative figures have been reversed following the redefinition of the operating segments.

For further detail, please refer to the "Investment Plan" chapter.

R&D and Innovation

Fincantieri considers Research and Innovation as cornerstones for the Company's success and enablers to enhance its future competitiveness in a rapidly changing market environment. In 2024, Research and Development costs for the non-capitalized part amounted to euro 175 million and related to numerous projects connected to process and product innovation, which also find concrete application in the design phase of new vessels ordered. The Group systematically carries out such activities, seen as a strategic prerequisite for retaining its leadership of all high-tech market segments, now and in the future.

In addition, the Group capitalized euro 26 million in development costs in 2024 for projects with long-term utility. These capitalized projects mainly relate to the development of innovative solutions and systems to improve the efficiency of cruise ships, both in terms of energy balance and reducing environmental impact as well as the realization of innovative systems to upgrade the technological capacity of certain types of naval vessels. More details on the investment plan can be found in the chapter "Consolidated Sustainability Statement" section "S4 - Consumers and end-users".





Group economic and financial results

Presented below are the reclassified consolidated versions of the income statement, statement of financial position and statement of cash flows, the breakdown of Consolidated net financial position and the principal economic and financial indicators used by management to monitor business performance. For a reconciliation between the reclassified financial statements and the statutory financial statements, please refer to the special section "Reconciliation of the reclassified financial statements used in the Report on Operations with the mandatory IFRS statements".

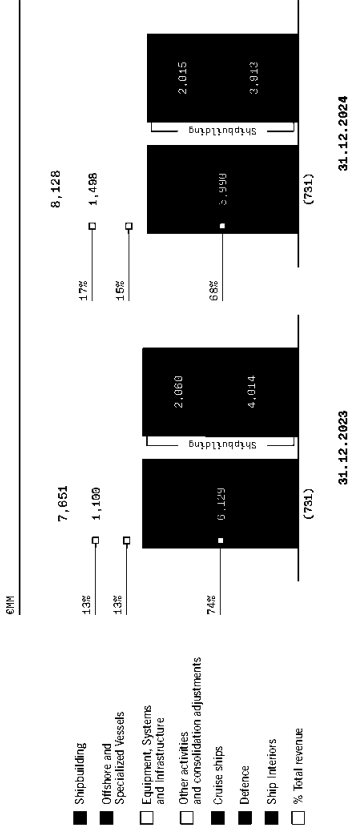
RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(euro/million)	31.12.2024	31.12.2023
Revenue and income	8,128	7,651
Materials, services and other costs	(6,245)	(5,960)
Personnel costs	(1,371)	(1,219)
Utilizations	(3)	(75)
EBITDA ¹	509	397
EBITDA margin	6.3%	5.2%
Depreciation, amortization and impairment	(263)	(235)
EBIT	246	162
EBIT margin	3.0%	2.1%
Financial income/(expenses)	(178)	(169)
Income/(expense) from investments	7	4
Income taxes	(18)	(4)
Adjusted profit/(loss) for the year of which attributable to Group	57	(7)
Extraordinary or non-recurring income and (expenses)	63	(7)
- of which costs related to asbestos litigation	(39)	(61)
- of which other extraordinary or non-recurring income and expenses	(39)	(61)
- of which reversals of impairment intangible assets	(6)	(6)
- of which impairment of property, plant and equipment and intangible assets	12	(7)
Tax effect on extraordinary or non-recurring income and expenses	9	15
Profit/(loss) for the year of which attributable to Group	27	(63)
	33	(63)

¹ This figure does not include Extraordinary and non-recurring income and expenses. See the definition contained in the section Alternative Performance Measures.

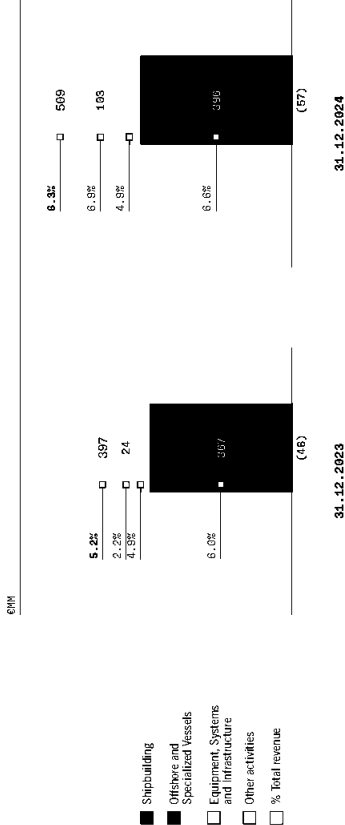
Revenue Analysis

Revenues and income for 2024 amount to euro 8,128 million, an increase of 6.2% compared to 2023, in line with the forecasts for 2024 and in line with the growth expectations of the Business Plan. The expected reduction in revenues in the Shipbuilding segment (-2.3%) is more than offset by the growth achieved in the Offshore and Specialized Vessels and Equipment, Systems and Infrastructure segments, which close 2024 with revenues up by 28% and 36% respectively. Before consolidation adjustments, Shipbuilding contributes 68% (74% in 2023), Offshore and Specialized vessels 15% (13% in 2023) and Equipment, Systems and Infrastructure 17% (13% in 2023) of the Group's total revenue and income.



EBITDA Analysis

EBITDA in 2024 reached euro 509 million (up 28% from euro 397 million in 2023), with the EBITDA margin progressing to 6.3% (5.2% as at 31 December 2023), boosted by the initiatives set out in the Business Plan, such as the drive for operational efficiency in the Shipbuilding segment, the derisking of the Infrastructure Cluster, the strengthening of the Mechanical Systems and Components Cluster and the strategic repositioning of the Electronics and Digital Products Cluster.





Details of income and expenses not included in EBITDA are shown in the following table:

(euro million)	31.12.2024	31.12.2023
Provisions for costs and legal expenses associated with asbestos-related lawsuits	(38)	(61)
Other extraordinary or non-recurring income and expenses	(6)	
TOTAL	(44)	(61)

EBIT achieved was positive at euro **246** million in 2024 (euro 162 million in 2023). The **EBIT margin** (as a percentage of revenue and income) improved to **3.0%** (2.1% as at 31 December 2023), mainly due to the increase in Group EBITDA, partially offset by the increase in depreciation, amortization and impairment for the period (euro 263 million) compared to 2023 (euro 235 million).

Details of income and expenses not included under the item Depreciation, amortization and impairment are shown in the following table:

(euro million)	31.12.2024	31.12.2023
Reversals of impairment intangible assets	12	
Impairment of property, plant and equipment and intangible assets	(7)	
TOTAL	5	-

Financial income/(expenses) reports net expenses of euro **178** million (net expenses of euro 169 million at 31 December 2023). The increase compared to the value as of 31 December 2023 is mainly due to higher interest expenses and other bank charges, mainly as a result of the rise in interest rates, net of the positive contribution from interest income accrued on receivables from shipowners and income generated by financial hedges.

Income and expenses from investments show a positive value of euro **7** million (euro 4 million in 2023) mainly due to the effect of the recognition of profits made by joint ventures.

Income taxes for the year were negative for euro **18** million (negative for euro 4 million in 2023), related in particular to higher taxable income realized by the Parent Company.

The Adjusted profit/(loss) for the year was a profit of euro **57** million as at 31 December 2024, a clear improvement on the loss of euro 7 million in 2023.

Extraordinary or non-recurring income and expenses were negative at euro **39** million (negative at euro 61 million in 2023) and related to litigation costs for damages caused by asbestos for euro 38 million, down from 2023 (euro 61 million) due to the reduction in the number of disputes, other costs related to extraordinary transactions (for acquisitions and capital increase) for euro 6 million, and the net effect of impairment losses and revaluation of property, plant and equipment and intangible assets which made a positive contribution of euro 5 million. As at 31 December 2023, they related exclusively to costs related to asbestos litigation.

The Tax effect of extraordinary or non-recurring income and expenses was positive for euro **9** million (euro 15 million in 2023).

Profit for the year, as a result of the above, was **27** million (loss of euro 53 million in 2023). The Group share of profit/(loss) for the year was a profit of euro **33** million (loss of euro 53 million in 2023).





RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(euro/million)	31.12.2024	31.12.2023
Intangible assets	571	474
Rights of use	124	125
Property, plant and equipment	1,715	1,684
Investments	69	60
Non-current financial assets	94	669
Other non-current assets and liabilities	32	12
Employee benefits	(54)	(54)
Net fixed capital	2,551	2,969
Inventories and advances	904	801
Construction contracts and client advances	1,163	632
Trade receivables	671	767
Trade payables	(3,071)	(2,471)
Other provisions for risks and charges	(212)	(237)
Other current assets and liabilities	120	192
Net working capital	(425)	(316)
Assets held for sale	-	52
Net invested capital	2,126	2,705
Share Capital	878	863
Reserves and retained earnings attributable to the Group	(29)	(430)
Non-controlling interests in equity	(4)	1
Equity	845	434
Net financial position	1,281	2,271
Sources of funding	2,126	2,705

The **Reclassified consolidated statement of financial position** shows Net invested capital as at 31 December 2024 of euro 2,126 million (euro 2,705 million as at 31 December 2023). The decrease is mainly due to the following factors:

- Net fixed capital**, amounted to euro 2,551 million as at 31 December 2024, a decrease of euro 418 million compared to 31 December 2023 (euro 2,969 million). The most significant elements include i) the euro 574 million decrease in Non-current financial assets following the reclassification to current portion of the financial credit, backed by collateral, granted to a shipowner in connection with the delivery of a ship, in December 2023, ii) the euro 128 million increase in intangible assets and Property, plant and equipment as the net effect of the entry of Remazei into the scope of consolidation (the acquisition of which led to the recognition of euro 45 million of goodwill, euro 32 million of client relationships and order backlog and euro 11 million of other assets), capital expenditure during the period (euro 263 million), revaluations net of impairment losses (euro 9 million) and depreciation and amortization (euro 241 million).
- Net working capital**, is negative for euro 425 million (negative for euro 316 million as at 31 December 2023), a decrease of euro 109 million. The most significant changes include the increase in Work in progress and client advances (euro 531 million) and in inventories and advances (euro 103 million), offset by the increase in Trade payables (euro 600 million), mainly as a result of the volumes generated in the fourth quarter in particular.
- Assets held for sale**, during the year, the sale of equity investments classified as held for sale at 31 December 2023 was finalized.

Equity amounted to euro 845 million, up euro 411 million mainly due to the effect of the capital increase concluded in 2024 (euro 393 million split across Share Capital and Reserves), the profit for the year (euro 27 million) and the negative change in the cash flow reserve related to cash flow hedging instruments (euro 11 million).

CONSOLIDATED NET FINANCIAL POSITION

(euro/million)	31.12.2024	31.12.2023
Current financial payables	(322)	(301)
Debt instruments - current portion	(260)	(146)
Current portion of bank loans and credit facilities	(238)	(697)
Construction loans		262
Current debt	(820)	(1,306)
Non-current financial payables	(1,645)	(1,779)
Debt instruments - non-current portion	(50)	
Non-current debt	(1,695)	(1,779)
Total financial debt	(2,515)	(3,085)
Cash and cash equivalents	686	758
Other current financial assets	548	56
Net financial position	(1,281)	(2,271)

The **Consolidated net financial position**⁵⁵ shows a net debt balance of euro 1,281 million, a significant improvement compared to 31 December 2023 (net debt of euro 2,271 million). The change compared to 31 December 2023 is mainly attributable to (i) the effectiveness of the strategy for the Cruise business, which, by stabilizing annual revenue at around euro 4 billion, neutralizes cash absorption in this sector, (ii) the effect of the actions taken to achieve efficiency, operational excellence and financial discipline in line with the Business Plan, (iii) the capital increase received in July 2024, and (iv) the reclassification to current portion of the financial credit, backed by collateral, granted to a shipowner in connection with the delivery of a ship in December 2023.

The Net financial position does not include payables to suppliers for reverse factoring classified as trade payables, which amounted to euro 650 million at 31 December 2024 (euro 493 million at 31 December 2023) and represent the value of invoices, formally liquid and collectable, assigned by suppliers to an agreed lending institution and which benefit from extensions agreed between suppliers and the Group. For further detail on the accounting criteria adopted please refer to Section 8.1 "Reverse Factoring" in Note 3 to the Consolidated Financial Statements.

55 See the definition contained in the section Alternative Performance Measures.



RECLASSIFIED CONSOLIDATED STATEMENT OF CASH FLOWS

(euro/million)	31.12.2024	31.12.2023
Net cash flows from operating activities	445	637
Net cash flows from investing activities	(241)	(106)
Net cash flows from financing activities	(272)	(330)
Net cash flows for the period	(68)	201
Cash and cash equivalents at beginning of period	758	565
Effects of currency translation difference on opening cash and cash equivalents	(4)	(8)
Cash and cash equivalents at year end	686	758

The Reclassified consolidated statement of cash flows shows a positive Net cash flow for the period of euro 68 million (euro 201 million in 2023) due to a cash flow generated by operating activities of euro 445 million (euro 637 million in 2023), which reflects the dynamics of working capital, investments for the period (including the acquisition of the Remazel group) net of disposals, which instead resulted in a net absorption of resources amounting to euro 241 million (euro 106 million in 2023), and financing activities for the year, which absorbed resources of euro 272 million, in particular due to reduced use of loans and increased repayments for existing credit facilities compared to 2023, partially offset by the effect of the capital increase (euro 387 million).

ECONOMIC AND FINANCIAL INDICATORS

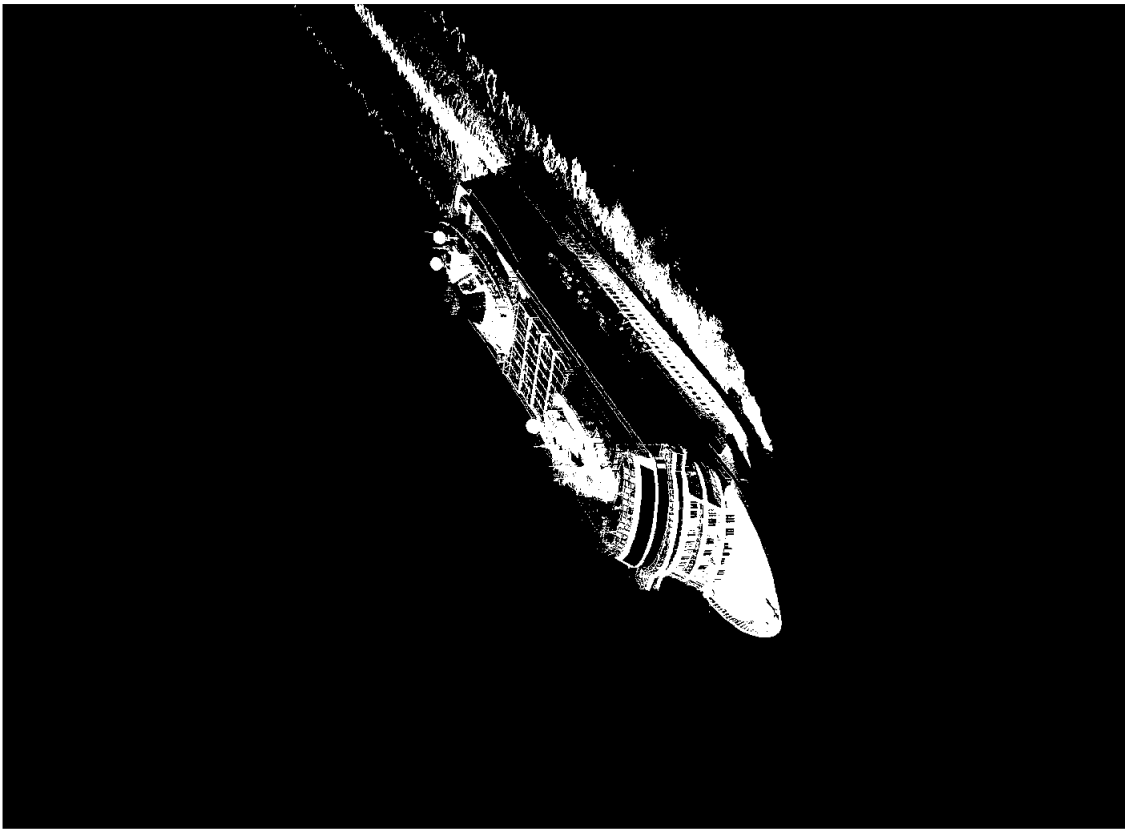
The following table presents additional economic and financial indicators used by the Group's management to monitor the performance of its main business indicators in the periods considered. The following table shows the trend in the main profitability ratios and the strength and efficiency of the capital structure in terms of the relative importance of sources of funding between net debt and equity for the years ended 31 December 2024 and 2023.

	31.12.2024	31.12.2023
ROI*	10.2%	5.5%
ROE*	4.3%	-10.4%
Total financial debt**/Total Equity	3.0	7.1
Net financial position**/EBITDA†	2.5	5.7
Net financial position** net of extraordinary items***/EBITDA†	3.3	5.7
Net financial position**/Total Equity	1.5	5.2

* See the definition contained in the section Alternative Performance Measures.
** See the definition contained in the section Alternative Performance Measures.
† See the definition contained in the section Alternative Performance Measures.
‡ The data is presented in the section Alternative Performance Measures.
§ The data is presented in the section Alternative Performance Measures.
|| The data is presented in the section Alternative Performance Measures.

The trend in ROI and ROE, compared to 2024, reflects the improvement in Operating Income and the Net Profit/(Loss) at 31 December 2024, while Net Invested Capital is down from 2023 values, as discussed in the section on the Reclassified consolidated statement of financial position.

The indicators of the strength and efficiency of the capital structure reflect the decrease, compared to the previous year, in both Total financial debt and Net financial position, due to the effect on the NFP at 31 December 2024 of including the reclassification to current portion of a financial receivable from a shipowner and the temporary benefit of the capital increase (euro 387 million). Net of this last component, the leverage ratio (Net financial position/EBITDA) is 3.3x, an improvement on the guidance of 4.5-5.0x provided in November 2024 and significantly lower than the Business Plan forecasts for the end of 2024 (6.0x - 7.0x) and 2023 (5.7x). From an economic point of view, the significant improvement in EBITDA (+28%) compared to the final balance as at 31 December 2023 should be noted, as commented on in the Reclassified Consolidated Income Statement section.





Operational Review by Segment

Shipbuilding

The Shipbuilding segment¹ is engaged in the design and construction of vessels for the cruise ships and naval vessels business areas. Production is carried out at the Group's shipyards in Italy, Europe and the United States.

(euro/million)	31.12.2024	31.12.2023
Revenue and income [*]	5,990	6,129
EBITDA ^{1,2}	396	367
EBITDA margin ^{1,2,3}	6.6%	6.0%
Order intake ⁴	13,194	4,148
Order book ⁴	36,515	28,471
Order backlog ⁴	26,497	18,908
Investments	160	162
Ships delivered	10	11

^{*} before adjustments between operating segments.
¹ Ratio between segment EBITDA and Revenue and income.
² Ratio between segment EBITDA and Revenue and income, excluding extraordinary or non-recurring income and expenses. See the definition contained in the section A - Technical Performance Measures.
³ Ratio between segment EBITDA and Revenue and income, excluding extraordinary or non-recurring income and expenses. See the definition contained in the section A - Technical Performance Measures.

Revenue and income

Shipbuilding segment revenue of euro 5,990 million decreased by 2.3% compared to 2023, and relates to euro 3,913 million for the cruise ships business area (euro 4,014 million as at 31 December 2023) and euro 2,015 million for the naval vessels business area (euro 2,060 million as at 31 December 2023). The remaining balance of euro 62 million relates to the portion generated by the Ship Interiors business area with third-party clients (euro 55 million as at 31 December 2023). The cruise ships business and naval vessels for defence contribute 44% and 23% respectively (48% and 25% as at 31 December 2023) of total consolidated revenue.

The cruise ship business area ended 2024 with revenue down 2.5% compared to the previous year, in line with forecasts. The second half of the year, in line with expectations and production plans, saw a significant increase in volumes, particularly in the last quarter, due to the development of the large backlog, with 2 deliveries made in the second half of 2024 and a further 2 in the first quarter of 2025.

Revenues in the naval vessels business area decreased by 2.2% compared to 2023, mainly due to the timing of the contract for the sale of 2 PPA vessels to the Indonesian Ministry of Defence, which was expected in 2024 but formally came into effect in early 2025. This effect is partly offset by the increase in production volumes realized in the last quarter of the year.



EBITDA

EBITDA of the segment as at 31 December 2024 amounted to euro 396 million, up compared to 2023 (euro 367 million). At 6.6%, the EBITDA margin realized in the financial year was higher than that achieved as at 31 December 2023 (EBITDA margin 6.0%). Despite the slight reduction in volumes compared to the previous period, this marginally confirmed the positive effects of the programs implemented to improve operational efficiency in line with the Business Plan.

Order intake

Orders in the Shipbuilding segment, amounting to euro 13,194 million, mainly relate to:

- 4 cruise ships for the Oceania Cruises brand and 2 ships for the Regent Seven Seas Cruises brand of the group Norwegian Cruise Line Holdings Ltd.;
- 3 cruise ships for the Carnival Cruise Line brand, the largest so far ordered from Fincantieri and in Italy at around 230,000 tonnes;
- 2 FREMM EVO units and the fourth OPV (Offshore Patrol Vessel) for the Italian Navy;
- the fifth and sixth frigates of the Constellation (FFGX) program for the US Navy;
- the fourth submarine in the U212NFS (Near Future Submarine) program for the Italian Navy;
- a small vessel for the US Government.

Capital expenditure

Investments in Property, plant and equipment mainly related to:

- the start of preparatory activities for the adjustment of production capacity at the Monfalcone shipyard, in terms of operating areas and infrastructure, to cater for the expected development of work on the orders acquired during the year;
- the general process of continuous modernization and gradual replacement of poorly performing or obsolete assets with more advanced and efficient technological solutions in line with new operating requirements and the highest sustainability criteria;
- initiatives to research and implement safety levels beyond the legal requirements;
- specific initiatives for energy efficiency in production infrastructure, equipment and buildings, with the possibility of monitoring, managing and thus reducing environmental impact at the Group level.

Production

The number of ships delivered in 2024 is analysed as follows:

(number)	Deliveries
Cruise ships	4
Defence	6

The ships delivered were:

- "Sun Princess", the first of the new LNG (liquefied natural gas) class for the shipowner Princess Cruises, a Carnival group brand, at the Monfalcone shipyard;
- "Queen Anne" for the shipowner Cunard, a Carnival group brand, at the Marghera shipyard;
- "Explora II", the second of four vessels for Explora Journeys, the luxury cruise brand of the MSC group, at the Sestri shipyard;
- "Viking Veia", the eleventh vessel of the cruise class for the shipowner Viking, at the Ancona shipyard;
- "Trieste", the LHD¹ transport and landing vessel, and "Giovanni delle Bande Nere", the fourth PPA² for the Italian Navy, at the Muggiano shipyard;
- "Al Fulk", the LPD unit³ for the Qatar Ministry of Defence, at the Muggiano shipyard;
- "USS Nantuxet" and "USS Bebit" as part of the LCS program⁴, commissioned by the US Navy, at the Marinette (Wisconsin) shipyard;
- an LNG bunker barge for client Crowley Maritime Corporation at the Sturgeon Bay (Wisconsin) shipyard.

¹ Landing Helicopter Dock.
² Multi-Role Support Ship.
³ Landing Platform Dock.
⁴ Littoral Combat Ship.



Offshore and Specialized Vessels

The Offshore and Specialized Vessels segment includes the design and construction of high-end offshore support vessels, specialized vessels, offshore wind plant vessels as well as its own range of innovative products in the field of semi-submersible drilling ships and platforms. Fincantieri operates in this segment through the WARD group, Fincantieri S.p.A. and Fincantieri Oil & Gas S.p.A.

(euro/million)	31.12.2024	31.12.2023
Revenue and income*	1,371	1,070
EBITDA**	67	52
EBITDA margin***	4.9%	4.9%
Order intake*	1,555	1,801
Order book*	3,381	2,715
Order backlog*	2,192	1,866
Investments	40	24
Ships delivered	10	15

* Before adjustments between operating segments.
** Ratio between segment EBITDA and Revenue and income.
*** Ratio between segment EBITDA margin and Revenue and income. See the definition contained in the section AL-TRANSITION PERFORMANCE INDICATORS.

Revenue and income

The revenue for the Offshore and Specialized vessels segment recorded as of 31 December 2024 amounted to euro 1,371 million, an increase of over 28% compared to the previous year. The improvement in revenue reflects the Group's excellent positioning in a market characterized by strong demand, especially with regard to offshore wind support vessels.

EBITDA

EBITDA as of 31 December 2024 was positive at euro 67 million (euro 52 million as of 31 December 2023), an increase of 28% compared to 2023, in line with the increase in revenue. The EBITDA margin, which stood at 4.9%, in line with 2023, confirms the consolidation of the expected levels of marginality in line with the evolution of the core market.

Gli ordini

In 2024, order intake in the Offshore and Specialized vessels segment amounted to euro 1,555 million and mainly concerned:

- 8 CSOVs³⁸; 2 for Windward Offshore, 2 for Dong Fang Offshore, 2 for Navigare Capital Partners, 1 for Cyan Renewables and 1 for REM Offshore;
- 2 OECVs³⁹ for Island Offshore;
- 1 ECV⁴⁰ for Wind Energy Construction;
- 5 Walk-to-work units for an international client;
- 1 fishery unit for Havbryn AS.

Capital expenditure

Capital expenditure in 2024 mainly relates to:

- the completion, in the Vietnamese Wing Tau shipyard, of the site expansion program aimed at increasing production capacity to strengthen the company's leadership position in the construction of SOVs⁴¹;
- work on facilities to maintain the efficiency and safety of the production plants in order to ensure full business operation across the entire production network including, in addition to the aforementioned Vietnamese shipyard, the shipyards in Norway and Romania.

³⁸ Commissioning Service Operation vessel.
³⁹ Ocean Energy Construction vessel.
⁴⁰ Offshore Construction vessel.
⁴¹ Service Operation vessel.

Production

The number of ships delivered in 2024 is analysed as follows:

(vessels)	Deliveries
Wind	5
Fishery	1
Other	4

- In detail:
- 3 SOVs for customers REM Wind AS, Norwind Offshore AS and North Star Renewables at the Vung Tau shipyard (Vietnam);
 - 2 CSOV for customer Norwind Offshore AS at the Brattvåg shipyard (Norway);
 - a fishery unit for Deutsche Fischfang-Union GmbH & Co. KG at the Brattvåg shipyard (Norway);
 - "KV Hopan", the third vessel for the Norwegian Coast Guard at the Langsten shipyard (Norway);
 - a cable-laying vessel for customer NCT Offshore at the Langsten shipyard (Norway);
 - a remotely controlled robotic unit and a Multi Purpose Offshore Vessel for Ocean Infinity Group Limited at the Vung Tau shipyard (Vietnam).



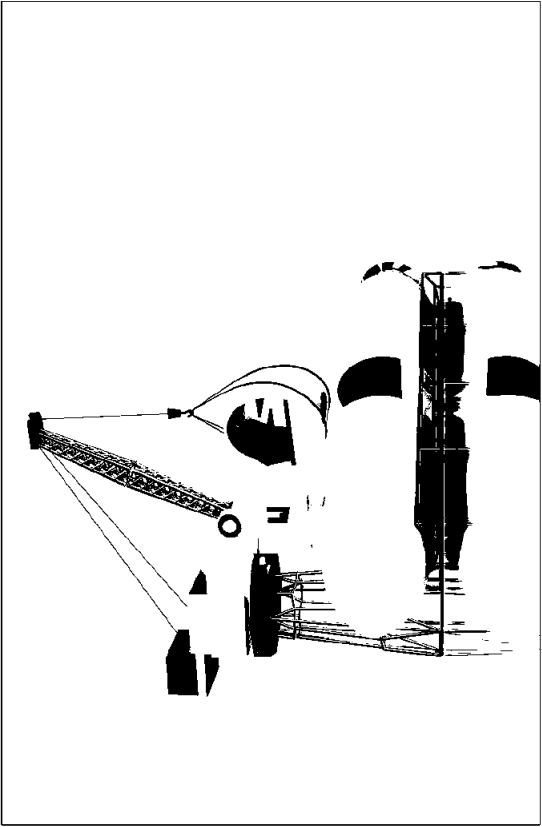


Equipment, Systems and Infrastructure

The Equipment, Systems and Infrastructure segment includes the following business areas: Electronics and Digital Products Clusters⁴², Mechanical Systems and Components Cluster⁴³ and Infrastructure Cluster. These activities are carried out by Fincantieri S.p.A. and by its Italian and foreign subsidiaries.

It should be noted that, following a reorganization at the beginning of the year within the segment, the activities of the Vard Electro group, included in the Mechanical Systems and Components Cluster until 31 December 2023, were reallocated to the Electronics and Digital Products Cluster. Comparative figures as at 31 December 2023 have been appropriately reclassified and are shown below as restated values.

	31.12.2024	31.12.2023 restated	31.12.2023 reported
SEGMENT TOTAL			
Revenue and income*	1,498	1,100	1,100
EBITDA ⁴⁴	103	24	24
EBITDA margin ^{44,45}	6.9%	2.2%	2.2%
Order intake*	1,389	1,050	1,050
Order book*	4,898	4,338	4,338
Order backlog*	3,001	2,688	2,688
Investments	28	35	35



42 At 31 December 2023 named Electronics Cluster.
43 At 31 December 2023 named Mechanicals Cluster.

	31.12.2024	31.12.2023 restated	31.12.2023 reported
ELECTRONICS AND DIGITAL PRODUCTS CLUSTER			
Revenue and income*	431	351	180
to other Group segments	301	221	67
EBITDA ⁴⁴	19	9	(1)
EBITDA margin ^{44,45}	4.4%	2.6%	-0.5%
Order intake*	228	233	180
Order book*	478	447	358
Order backlog*	311	317	278
Investments	7	10	8

	31.12.2024	31.12.2023 restated	31.12.2023 reported
MECHANICAL SYSTEMS AND COMPONENTS CLUSTER			
Revenue and income*	384	255	426
to other Group segments	191	143	298
EBITDA ⁴⁴	52	26	36
EBITDA margin ^{44,45}	13.5%	10.1%	8.3%
Order intake*	530	259	313
Order book*	1,039	734	823
Order backlog*	555	261	300
Investments	19	21	23

	31.12.2024	31.12.2023 restated	31.12.2023 reported
INFRASTRUCTURE CLUSTER			
Revenue and income*	684	495	495
to other Group segments	11	17	17
EBITDA ⁴⁴	34	(11)	(11)
EBITDA margin ^{44,45}	5.0%	-2.2%	-2.2%
Order intake*	629	588	588
Order book*	3,377	3,158	3,158
Order backlog*	2,132	2,111	2,111
Investments	2	4	4

* Before adjustments between operating segments.
** Reconciling amount EBITDA and Revenue and income.
*** Reconciling amount EBITDA and Revenue and income, after adjusting income and expenses. See the definition contained in the section Alternative Performance Measures.



Revenue and income

Equipment, Systems and Infrastructure segment revenue as at 31 December 2024 amounted to euro 1,498 million, up 36.2% compared to 2023 thanks to the positive contribution of all Clusters included in the segment, fully in line with the forecast for 2024.

The increase in revenue in the Mechanical Systems and Components Cluster is 50.5% and includes the contribution of the Remazei group, consolidated from 2024⁴⁴, amounting to euro 93 million, net of which the increase remains positive at 14.0%.

The Electronics and Digital Products Cluster recorded revenue growth of 22.6%, mainly due to the volumes developed by the subsidiary Vard Electro during the year in support of the Group's shipbuilding activities in the offshore wind and cruise sectors.

The Infrastructure Cluster also closed the year with an increase in revenues (+38.3%) due to the progress of the main projects underway, in particular some hospital construction contracts developed by the subsidiary FINSO, the contract for the construction of the Genoa Breakwater, as part of the consortium led by the Wabuild Group, and the contract for the construction of the Miami Terminal, delivered at the start of 2025.

EBITDA

The EBITDA for the segment as at 31 December 2024 was a positive euro 103 million, with the EBITDA margin rising to 6.9%, a substantial increase over the previous period (2.2% as at 31 December 2023). The improvement is due to the positive results achieved by all Clusters and also benefits from the contribution of the Remazei group, amounting to approximately euro 18 million (19.0% in terms of marginality), without which the marginality would still be fully in line with the forecasts for 2024 (approximately 6%).

Order intake

- Order intake for the Equipment, Systems and Infrastructure segment amounted to euro 1,389 million in 2024 and for the business areas mostly comprises:
- Electronics and Digital Products Cluster:** in the Digital Solutions and Defence Systems area, contracts with Leonardo, AlCOX and GCE are of particular note. In Maritime Systems, contracts for the supply of the Navy Platform for three new Patrol Vessels, Cruise Platform for Four Seasons and Yacht Platform for Benetti should be highlighted. Simulation systems for training were also ordered by the Merchant Navy Academies in Genoa and Venice. In the Unmanned Systems area, the European Space Agency has ordered the study of an autonomous system to recover the components of next-generation rockets. Finally, work continues on the Lifecycle Management and Cybersecurity Lines - the latter extended to FREMM and PPA shipboard systems - with consultancy and specialized engineering research in the Maritime field and in the field of Electromagnetism;
 - Mechanical Systems and Components Cluster:** activities linked to the ITER project continue, focusing on the construction of a prototype nuclear reactor and the integration of electric propulsion on Navigazione Lagni boats and ferries for the Italian lakes. Activities also began in connection with the development of "cold ironing" in the ports of Civitavecchia and Fusina (Venice), where the Group won the tender for the electrification of the docks within two consortia. Contracts were signed in the year for orders for stabilizer systems in Chile and Finland and for turbo-generators in Morocco, France and Italy. In addition, agreements were signed for a feasibility study on electric generation systems on barges, for after-sales services and for the supply of spare parts on steam turbines and ship machinery. Finally, after-sales services and spare parts on engines for the Italian and French navies continue.
 - Infrastructure Cluster:** hauling, relocation and demolition of the existing superstructure and dam body at the Port of Genoa; construction of the offshore platform at the Port of Venice (Montesyndical Container Terminal); works for the construction of the arch bridge over the Mures river in Romania; renovation and extension with seismic adaptation of Mugello hospital; construction works for Lot 1 from Alghero to Ornedo S.S. 291 'Della Nurra' and construction works for three steel bridges in Romania.

Capital expenditure

- Capital expenditure in 2024 mainly relates to:
- the continuation of Isotta Fraschini Motori's investments in the iFuture project, launched in 2020 with the aim of studying innovative solutions for the improvement and expansion of its product portfolio; this capital expenditure was accompanied by the launch of initiatives related to the 'Future Hydrogen' program;
 - work on facilities to maintain the efficiency and safety of production plants in order to ensure the continuity of business operations.

⁴⁴ From 15 February 2024, date of acquisition.
⁴⁵ Cold ironing is a proposed solution to reduce greenhouse emissions from ships at berth.

Other activities

Other activities primarily refer to the costs incurred by Corporate headquarters for directing, controlling and coordinating the business that are not allocated to other operating segments.

(euro/million)	31.12.2024	31.12.2023
Revenue and income	2	4
EBITDA ⁴⁴	(57)	(46)
EBITDA margin	n.a.	n.a.
Investments	35	37

n.a. not applicable
n.a. the indicator is contained in the section Alternative Performance Measures.

Capital expenditure

- The main initiatives relate to capital expenditure on:
- strengthening of the Group's digital transformation process, mainly focused on: (i) expanding the scope of intervention within the production processes, extending solutions to the various work phases, in line with the strategic guidelines defined in the Business Plan and (ii) the use of advanced analysis tools;
 - initiatives to further increase efficiency and safety at work through the introduction of advanced robotics solutions and remote control of shipyard operating processes. In this area, the most important initiatives concern: (i) the installation of new automated production lines based on industry 4.0 principles, which envisage the use of sensors on the main machinery for the collection and subsequent processing of asset performance data; (ii) the development of innovative robotic welding solutions; (iii) the introduction of high-tech Augmented Reality and generative artificial intelligence tools to support the production process and engineering; the completion of the project to upgrade the IT environment through the implementation of a high-tech multi-cloud infrastructure;
 - the development of information systems to: (i) support the Group's growing activities with particular reference to the upgrade of management systems and the standardization of management platforms among the main subsidiaries and (ii) optimize process management with a focus on production;
 - the continuous implementation of new cyber security tools.

As in previous years, capital expenditure in renewing the Group's network infrastructure and hardware continued.



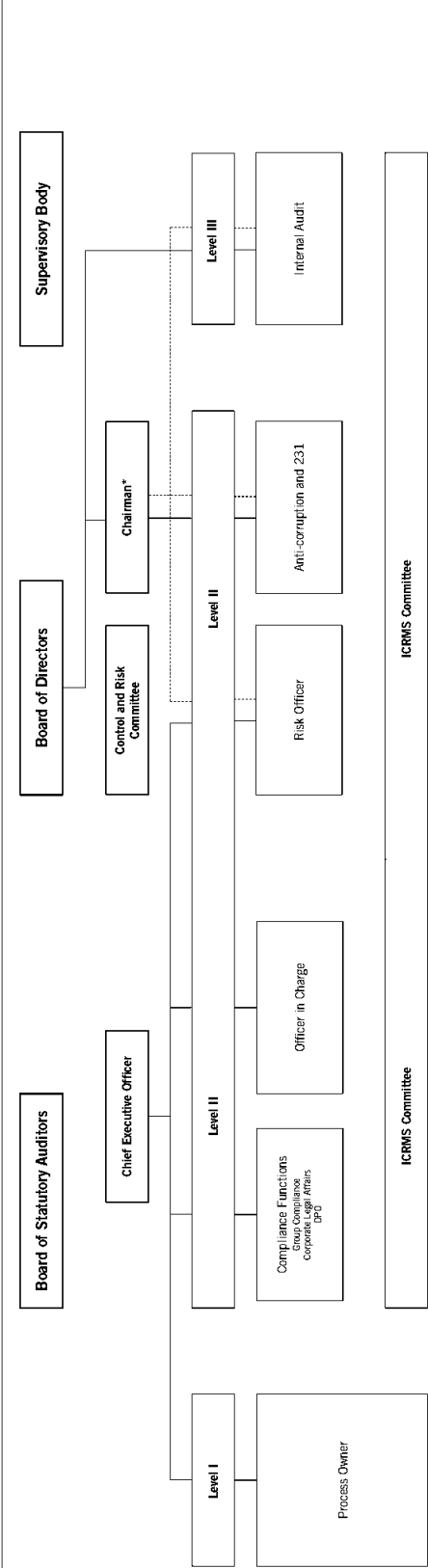
Risk Management

Fincantieri's Internal Control and Risk Management System (ICRMS) consists of a set of tools, organizational structures, and corporate procedures which seek to contribute - through a process of identification, assessment, management and monitoring of the main risks - to a sound and correct management of the Company, in a way that is consistent with the predetermined objectives defined by the Board of Directors.

This system, defined according to leading international practices, is based on the three traditional levels of control:

- 1st level: the operational departments identify and assess risks and implement specific actions to manage them;
- 2nd level: the functions in charge of risk management define risk management methods and tools, and conduct monitoring activities;
- 3rd level: the Internal Audit function provides independent assessments of the entire system.

ICRMS structure





Risk Management Model

In order to implement the strategic guidelines, Fincantieri has adopted an integrated ERM-PRM (Enterprise Risk Management - Project Risk Management) risk management model, in accordance with the principles contained in the Corporate Governance Code for Listed Companies, which provides for the identification, assessment and management of risk events through a continuous, recurring and widespread process within the organization, minimizing impacts and enhancing opportunities for growth and development.

In 2023, the Company launched a major project to review the Group's risk management model with the objective of developing and adopting an integrated "ERM (Enterprise Risk Management) - PRM (Project Risk Management)" model. The new model aims to capture the interconnections between all business risks, both "Enterprise" and "Project", allowing for a more comprehensive and holistic view of risk management, improving the organization's resilience and appropriately addressing future challenges. The constituent elements of the new model already implemented in 2023 represent the first important step along an evolutionary path of integration and improvement in the identification, assessment and management of the Group's risks.

The purpose of the system is to identify and manage the main risk events using a business-oriented approach, with a focus on integrating planning, strategic management and business operational level.

This integration of project risks and Enterprise Risk Management (ERM) is facilitated with the use of specific Key Risk Indicators (KRIs). These indicators represent the progress of contracts over the project life cycle in relation to expected performance, acting as an information link to ERM. This also allows contracts to be monitored at Group level, aligning project-specific objectives with Fincantieri's broader and more general objectives.

The main new elements include:

- (i) The definition of a Macro Risk Rating model developed within PRM to support Bid/No Bid decisions and to prioritize the level of Risk/Opportunity monitoring in the Prospect, Proposal and Execution stages;
- (ii) The development of the Project Advanced Risk Measurement, a key approach of the PRM assessment model, which allows the Net Contract Risk profile and the overall portfolio risk profile (at segment/business area and group level) to be monitored over time;
- (iii) The redefinition of the ERM risk catalogue, structured over several levels and containing specific risk events that are closely related to the different segments and business areas in which the Group operates;
- (iv) The revised structure of the risk management model with a more precise identification of the Risk Owners;
- (v) The introduction of trend indicators (KRIs), which can have a direct impact on risk occurrence;
- (vi) The adoption of a quantitative assessment system for risks that have a predominantly economic/financial and GHG impact;
- (vii) The introduction of probabilistic quantitative approaches that enable the potential impacts of occurrences on the key indicators of the business plan, as well as on the budgets defined for each of the organizations within the Group, to be precisely defined.

The risk management process is carried out using a continuous improvement approach involving different organizational structures, with different roles and responsibilities.

The **Chairman of the Board of Directors** ensures that the CRMS is an integral part of the Group's business ethic and operations, activating to this end appropriate information, communications and training processes as well as disciplinary and remuneration systems which incentivize the proper management of risks and discourage conduct that is contrary to the principles dictated by these processes. The Chairman also verifies that the CRMS is capable of reacting promptly to significantly risky situations and facilitates the identification and prompt implementation of corrective actions.

The **Internal Control and Risk Management System Committee** (the "CRMS Committee") has the task of supporting the company functions involved in the CRMS, optimizing their respective processes and coordination with the Group's organs and structures, in line with the Company's strategic objectives. The CRMS Committee is chaired by the Chairman of the Board of Directors and is supported by the Risk Officer, who is assisted by the Legal and Corporate Affairs Department. The CRMS Committee is composed of the Chairman, the Chief Executive Officer, the Head of Internal Auditing, the Risk Officer, the Head of the Anti-Corruption and Model 231 Function, the General Counsel, the Chief Financial Officer, the Financial Reporting Officer and the Head of the Human Resources and Real Estate Department.

The **Risk Officer** is responsible for guaranteeing that a risk management system is in place, ensuring the monitoring of business and contract risks at Group level in coordination with the subsidiaries and individual divisions, providing support to the Chairman for the supervision and coordination of the CRMS, particularly with reference to Enterprise Risk Management.

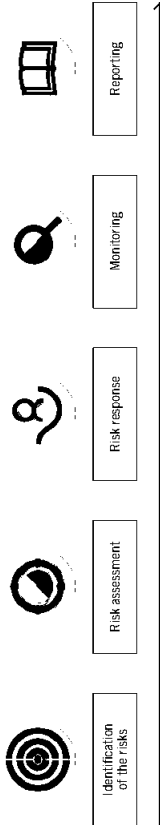
The Risk Officer is not in charge of managing specific risks, which is the responsibility of management, but is responsible for implementing an integrated risk management process. The Risk Officer provides high-level support in the dissemination of risk culture.

Management is responsible for implementing ERM within the corporate processes under its remit, identifying, assessing and managing risks that may have an impact on the defined objectives.

The Risk Management Process

Risk management is a continuous and recurring process, spread throughout the organization, that involves the systematic and repeated identification, assessment, treatment and monitoring of risks.

Continuous monitoring of the ERM process and risks



Identification

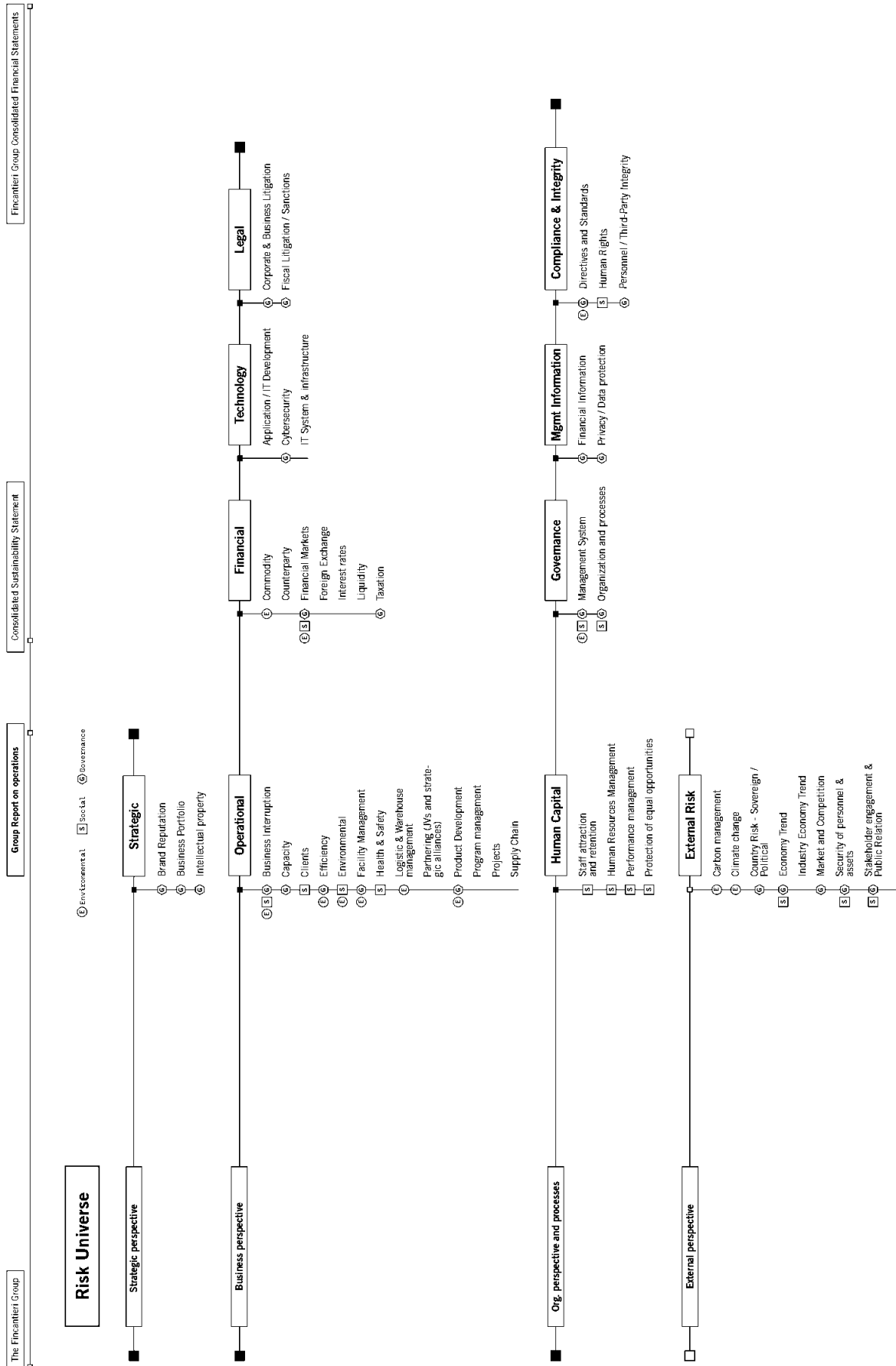
The identification of possible existing risks, in relation to the defined strategic objectives, is carried out on an ongoing basis in order to identify and promptly manage potential threats or opportunities that the Group may face in the pursuit of its activities.

The Group's risk universe has several levels:

- (i) Perspective
- (ii) Risk category
- (iii) Level I and II sub-category
- (iv) Risk event

In the risk identification process, all factors that could undermine the Group's values and strategic objectives are considered, thanks to an integrated view of risks with an impact on ESG (Environmental, Social and Governance) factors. In total, more than 200 risk events were identified (66% with an ESG impact).







Assessment

The table below lists the categories with a brief description of the risk areas they cover.

The risks identified are assessed using qualitative and quantitative tools, taking into consideration the probability of occurrence over the plan horizon and the magnitude of their impact.

During 2024, Financiert enhanced its ERM-PRM risk management process by developing a dedicated tool with the aim of making the assessment phase increasingly digitalized and integrated between the different company functions.

In order to support the Risk Owners and make the assessment of the probability of occurrence of risk events more objective, the assessment model includes the use of Key Risk Indicators (KRIs) that provide key information about the trend in or potential escalation of a specific risk. Evolving markets, changing rules and regulations, internal reorganizations and boundary changes are just some of the factors that can influence the probability of a given risk event occurring.

For impact assessment, the model adopts the key impact approach, which has the advantage of directing risk response actions towards reducing the most significant impacts, identifying the best strategies to ensure company continuity.

The Model provides for 14 types of impact:

- Strategic
- Reputational
- Economic and financial
- Governance
- Legal
- Tax
- Human capital
- Intellectual capital
- Environmental
- Health and Safety
- Social (community)
- Security (physical, information and personal)
- Protection of Physical Assets
- Greenhouse Gas (GHG) Emissions

The Risk Officer periodically updates the **Risk Management Model**, which is based on different levels of responsibility and defines who is responsible. Accountable, Consulted and Informed (according to the well-known RACI approach) at each stage of the risk assessment and risk management process. This approach ensures that all stakeholders are involved in the decision-making process and that relevant information is collected and communicated effectively. Clear responsibilities reduce the possibility of errors or omissions in risk assessment and enable the Group to make informed decisions to protect its interests.



Each type of impact is broken down on the assessment scale by means of a tree model that considers four specific criteria to highlight correlations between impacts of different natures and to rank the severity of the impact. Assessment scales are used to make the risks comparable. These are defined by the Chairman of the Board of Directors, with the support of the Risk Officer, based on the Risk Appetite and Risk Tolerance thresholds approved by the Board of Directors.

The assessment of each risk is carried out at Inherent level (i.e., the theoretical risk assumed in achieving the objectives) and at Actual Residual level (i.e., the risk that remains following the establishment of internal control procedures implemented to mitigate the probability and impact related to the occurrence of the risk event) and, as part of the assessment, each Risk Owner identifies the main measures and controls in place and assesses their relative level of adequacy.

Each control is evaluated according to the principles of intrinsic effectiveness (a preventive control is more effective than an ex-post control) and actual effectiveness.

The combination of probability of occurrence and impact determines the risk rating, which enables the comparison of the risks under assessment and the representation of Group's overall exposure, comparing it with the defined thresholds, in order to identify the priorities for action for the subsequent risk response strategies.

Risk response

Based on the risk assessment, the risk management strategy is defined (e.g., Mitigation, Transfer, etc.), which depends on the rating of the risk exposure with respect to the thresholds.

For risks within their purview, the Risk Owner is responsible for identifying response plans for risks identified as critical and high and for submitting them, with the support of and through the Risk Officer, to the Chairman of the Board of Directors.

In this phase, if the need arises, the Risk Owner is asked to identify and plan specific prevention/mitigation initiatives in addition to those already in place, in order to bring risk back to a level considered acceptable and consequently keep the risk profile within the set limits.

The treatment actions identified and planned may act on the probability of occurrence, the magnitude of impact, or both, determining the expected residual risk rating.

Monitoring

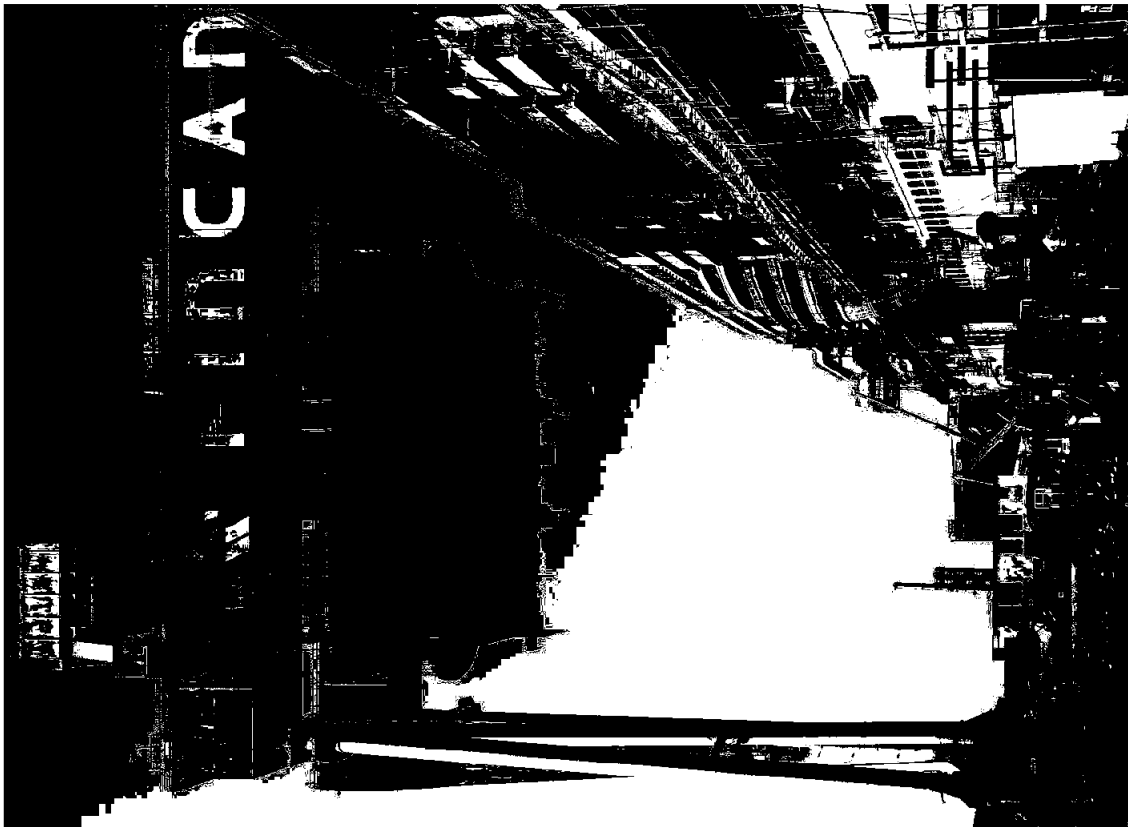
The internal and external context is subject to possible changes and it is therefore necessary to regularly monitor the risk portfolio in order to assess its dynamics and verify the operational effectiveness of the defined response strategies. Risk monitoring activities and their management is carried out at least once a year, by repeating the steps described above, and, during the year, with specific verification and/or analysis activities on:

- the existence, traceability and risk mitigation capacity of the controls identified as in place during the risk assessment;
- the additional controls to be implemented and their implementation status;
- any changes in the risk profile following macro changes in the scenario;
- the most significant risks (e.g., cause analysis, impact analysis, risk management and monitoring system).

Reporting

The Risk Officer, having completed the assessment and result consolidation process, prepares specific reports for the various actors of the ICRMS. The results of the ERM process are used:

- by the ICRMS actors to provide the necessary assurance to the Corporate Bodies regarding the identification of the main business risks, as well as the reasonable certainty that they are managed in accordance with the limits defined for value creation;
- by the Board of Directors when drawing up the Report on Corporate Governance and ownership structure providing information on the subject;
- by Internal Audit as information elements for the preparation of specific risk-based audit plans.





Exposure to Group risks

The risks identified and included in the Risk Universe have been assessed in terms of their probability and impact by Fincantieri's Middle and Top Management. On the basis of the assessment, the most relevant risks or those emerging in relation to the strategic objectives and relevant external context have been identified and analysed in detail, classified below by perspective/category/subcategory and accompanied by information on the relative potential impacts and the main existing controls.

Strategic perspective - Strategic



Brand reputation

Risk that damage to the brand image might expose the Group to loss of customer, profits and competitive advantage. This risk may, for example, arise due to activities/behaviour that do not protect the interests of stakeholders (e.g. customers, the community), either by internal members of the organization or by external parties with whom the Company has business dealings. It includes the risk arising from the dissemination of false and misleading information through digital media (e.g. AI and deep fakes).

Management methods

Fincantieri adopts an integrated communication strategy in line with the Group's mission and values, thanks to a process of direction and control of communication initiatives (media, social channels, exhibitions and events) at a worldwide level, aimed at strengthening brand reputation and increasing brand awareness. The use of dedicated internal and external platforms enables constant monitoring of communication levers, mitigating their potential negative effect on perception and the image of the Group. Special attention is paid to the monitoring of digital communication channels (online media, social channels, web and deep web), also thanks to automatic control tools developed by the Group company E-Phors, which specialises in providing cyber security services and products. Dialogue with external stakeholders is continuous and transparent.



Business perspective - Operational



Product Development

Risk that the Group does not monitor and/or invest in technological developments for products/services with a consequent adverse impact on competitiveness, on leadership in complex high-potential markets and on the development of more efficient and sustainable solutions that include systems with low emissions of greenhouse gases or other pollutants and that are energy efficient. This also includes the risk associated with technological transition, which, if poorly designed and executed, can lead to long lead times, high costs, operational inefficiencies and low product/process quality.

Management methods

The Group annually defines an innovation plan and constantly monitors technological trends in its core markets, through scouting activities and partnerships with the main players in innovation, such as universities, research centres, associations, etc. Furthermore, through participation in European industrial organizations, it helps identify European priorities, including research and innovation funding opportunities.



Chapter "Consolidated Sustainability Statement" - "84 - Consumers and end-users"



Business Interruption

Risk that the unavailability of strategic assets will interfere with the Group's ability to continue its operations (e.g. production stoppages, including along the supply chain), resulting in increased costs, lost profits and jeopardizing the very survival of the Group. This risk may arise due to exogenous factors (e.g. climate change, pandemics, cyber attacks, supply chain disruption, crime or vandalism) or endogenous factors (e.g. plant breakdown).

Management methods

In order to contain the risk related to business interruptions due to unplanned shutdowns of production facilities, specific maintenance procedures are put in place, as well as quality control audits. Company assets, including ICT infrastructure, are protected by adequate insurance coverage, which includes damage resulting from adverse weather events. Production sites apply specific protocols and procedures for the implementation of preventive measures according to expected critical scenarios and promote training activities for emergency workers (firefighting, first aid, etc.). Based on the risk scenarios identified in the Emergency Plan, emergency drills are carried out regularly to test their correct operation. The Physical Security Plan is drawn up with RINA in accordance with the ISPS guidelines (International Ship and Port Facility Security Code). The Directors/Managers of the Production Units (Head Offices and Plants) have the decision-making and spending powers for the necessary and urgent measures required to safeguard the health and physical safety of workers and the protection of the environment, providing with absolute timeliness and in full autonomy for the planning, organization, management and control of all the activities aimed at implementing and fulfilling the relevant legal provisions. Supply chain disruption risk is mitigated by activating Crisis Committees (CMTs) set up when exceptional events occur and through periodic scouting activities aimed at identifying and evaluating new potential and alternative suppliers. The monitoring of production capacity and programme adherence is ensured by means of information exchanges with the units responsible for expediting activities, focusing on strategic items. The proper flow of information to and communication with the trade unions and the activation of the Joint Commissions under the 2022 supplementary agreement allow production stoppages due to strikes by own and third-party personnel to be prevented or reduced.



Chapter "Investment plan"
Chapter "Consolidated Sustainability Statement" - "81 - Climate Change"



Capacity

There is a risk that insufficient production capacity (either its own or that of its suppliers), in terms of plant, space and workforce, prevents the Company from meeting market demand, achieving optimal levels of efficiency (industrial productivity) and profitability.

Management methods

Production complexity is managed at different levels and in an integrated and cross-functional manner. Periodic cross-functional committees analyse workloads and identify possible critical areas for action (resources, structural investments, logistical solutions) based on employment plans. Particular attention is paid to monitoring and strengthening the supply chain, both in terms of capacity (e.g., lack of resources) and performance, through continuous and structured scouting activities and the definition of a joint growth path with satellite businesses to support their growth, increase the availability of resources, reduce turnover and improve capabilities.



Chapter "Investment Plan"
Chapter "Consolidated Sustainability Statement" - "02 - Workers in the value chain"



Environmental

Risk that the Group, in carrying out its production activities, may cause damage to environmental matrices (water, land, air) with consequent harm to the territory and the community in both the short and medium/long term. This risk may arise due to a lack of timely or adequate adaptation of existing and emerging regulations into internal processes, a flawed system of management, control and mitigation of potential environmental impacts arising from its activities (e.g. pollution, energy consumption, environmental disaster, damage to biodiversity) or poor training, information and awareness raising given to individuals.

Management methods

In order to mitigate the damage related to failure to invest or inadequate investment in environmental protection, production sites implement the controls required by environmental authorizations (AIA, AUA) and by internal procedures that regulate the management of environmental impacts in relation to the activities carried out within the production units and analyses in the workplace and in the external environment of atmospheric emissions, noise and discharges. In addition, Fincantieri pays particular attention to the proper handling of all phases of waste management and waste classification and disposal. The continuous monitoring of legislative compliance and its timely adaptation into internal processes are fulfilled through the use of specific software. In order to verify the correct application of all provisions on the Environment, coordination meetings are in place and the management system is the subject of periodic internal audits and audits by third parties which include inspecting work areas to verify compliance with legislation and the adequacy of the systems implemented. Additional control measures have been adopted to ensure environmental compliance and environmental risk management. For example, the application of site operating instructions and periodic monitoring of environmental KPIs to identify and correct any deviations from standards. Continuous improvement programmes have been implemented using dedicated software for waste management, with spot checks to ensure correct classification and subsequent disposal. With regard to atmospheric emissions, preventive maintenance on the collection systems and the required monitoring of emissions are carried out. Similarly, discharges are monitored in line with requirements. For the prevention of adverse effects on soil and subsoil, containment tanks are used for hazardous materials and emergency plans are in place for dealing with any possible spills. Periodic drills are also required for the containment of any spills, using appropriate kits. Marine water protection is also ensured through specific procedures for specific activities (such as bunkering and fluid transfer) as well as the positioning of floating barriers. Finally, with the aim of raising the awareness of the entire company population and strengthening its culture on environmental issues, specific training courses are provided in compliance with national and European regulations.

Chapter "Consolidated Sustainability Statement" - "02 - Pollution"



Health & Safety

Risk that the Group does not invest enough, also in terms of information and awareness raising activities, in the protection of health and safety in the workplace with consequent damage to its own employees and any third parties involved in company activities.

Management methods

The Group constantly monitors legislative and regulatory developments, incorporating updates into its processes and procedures and verifying their correct implementation through internal and external audits. Software (LEX-EHS) is used to monitor and regularly update users on regulations issued at the European, national and regional level. Internal procedures are in place for the identification, assessment and management of risks that could compromise people's health and safety, including the analysis of accidents/injuries, near misses and 'unsafe conditions, unsafe behaviours and positive feedback' with a view to prevention. Specifically, the detection of 'Unsafe Observations' by the field monitoring carried out by the supervisors is achieved using an IT tool available on tablets and smartphones that allows the timely reporting of unsafe conditions and behaviour, as well as positive feedback. Emergency plans are implemented and periodically tested through field drills involving different emergency scenarios for example, extinguishing a fire on board, recovering a person from a confined space). Particular attention is also paid to the dissemination and strengthening of the culture of prevention and protection and increasingly responsible individual behaviour, through the necessary training, also using innovative tools such as gaming, and information on accident prevention and emergency management as well as actions to raise awareness of compliance with the rules and procedures aimed at internal and external staff, including the #Safetyboard initiative and the sharing of Safety Breaks. The production sites and shipbuilding departments are ISO 45001 certified. In the area of health, safety and environment, regular meetings are held to review and promptly resolve any issues.

Chapter "Consolidated Sustainability Statement" - "01 - Our workforce"

Chapter "Consolidated Sustainability Statement" - "02 - Workers in the value chain"





Program Management

Risk associated with the medium/long-term planning of production activities, the distribution/balancing of workloads among the various production sites based on available production capacity (plants, space and workforce) and product diversification, and the management of resources (internal and third-party personnel), production facilities, areas).

Management methods

Scenario analyses make it possible to optimize the distribution of workloads in the short/medium/long term on the basis of available production capacity and to monitor it over time thanks to the planning of activities, hours and resources by job, plant and production site and to periodic monitoring of the progress of individual programs (production, engineering, purchasing) and of the job as a whole. Possible path variants that may occur in relation to specific contingent situations, linked both to changes in medium/long-term production scenarios (e.g. due to business opportunities foreseen in the plan being brought forward or business assumptions/cases being eliminated) as well as impacts caused by exogenous elements (e.g. unforeseen events deriving from the execution of infrastructure works at our production sites) are promptly managed with the immediate involvement of the relevant stakeholders and the reworking of simulations and alternative scenarios that allow for the elimination and/or minimization of potential risk exposure. The aim is to ensure business continuity for the sites involved, minimizing the impact on internal and satellite activities, and identifying the necessary specific corrective actions. In order to give substance to the management methods described, a periodic committee with the Operations Directors of the Departments/Divisions is scheduled and monthly management routines are implemented involving the Strategic Planning Bodies of the Departments/Divisions involved.



Chapter "Investment Plan"



Projects

Risk that the project management activities are inadequate and do not allow continuous and timely monitoring of the correctness and efficiency of the entire contract development process (engineering, purchasing, production, customer management) resulting in failure to meet contractual and quality requirements, delays and/or additional costs with a consequent negative impact on the expected contract margin and Group cash flows.

Management methods

The Group manages its projects through dedicated structures that control all aspects (contractual, technical/design, scheduling, economic and qualitative) of the contract life cycle (design, procurement, construction and outfitting). The identification, assessment and management of project risks is carried out through continuous risk management processes structured according to the type of business concerned. Contracts with customers are managed by involving the Corporate Contract and Claim Management department, with the aim of setting up, from the earliest stages of the project, a strategy to identify opportunities, together with the project and Risk Management team. Contracts agreed with suppliers are managed using the back-to-back approach, mirroring the contractual clauses in the contract with the customer such as for the application of penalties for delays, errors or negligence attributable to the supplier. In order to monitor the progress of both individual orders and the order book and to promptly identify any critical issues and share corrective actions to be taken, various opportunities for analysis and discussion at different levels are scheduled in accordance with the timetable for accounting closure. In addition, the contracts entered into with customers provide that, in the event of a "force majeure event", preventing the regular construction of the project, such as a government order, a pandemic or a war, the company would not be required to pay penalties to the shipowner for late delivery.



Chapter "Consolidated Sustainability Statement" - "SG - Consumers and end-users"

Focus on Project Risk Management

In the Project Risk Management (PRM) area, Fincantieri has implemented a business-oriented "Risk Management" model to support operating activities, both in the commercial and executive phases. Two key risk indicators have been defined to monitor the contract risk profile: (i) the Macro Risk Rating and (ii) the Project Risk & Opportunity Ratio.

The Macro Risk Rating indicator represents the Overall Risk Level - Risk Tag - of a business initiative and/or job order for execution. It is defined at the commercial stage, and remains constant throughout the project life-cycle. It is calculated on the basis of the most relevant drivers for each division and/or cluster and is defined using 4 levels: R1, R2, R3, R4. Each Division/Cluster has defined the relevant parameters and weights, considering the most relevant drivers with reference to specific business characteristics. The Risk Officer Function defined for all entities within the Fincantieri Group (Divisions/Clusters) the new Macro Risk Rating indicator, having defined the parameters and relative weights.

Contracts are represented in the Group's overall portfolio net risk profile, according to a weighting logic based on (i) the Macro Risk Rating associated with the project (i) the net risk level identified in the Risk Analysis (Project R&O Ratio) and (ii) the residual value of the project itself compared to the portfolio value. The result will be to distribute the orders in the Net Risk Chart portfolio into four portfolio levels with increasing risk profiles.



Business perspective - Financial



Supply Chain

Risk of not conducting adequate due diligence on potential suppliers, not monitoring their performance over time and/or not developing solid and long-lasting relationships for medium/long-term business development, in line with current and emerging regulations and the Group's sustainability principles with consequent economic, legal and reputational impacts. This risk includes the following aspects: economic and financial soundness, capacity and concentration of suppliers in core areas, and control over outsourced activities.

Management methods

When qualifying and qualifying suppliers, the Group puts in place a structured due diligence process aimed at verifying the following aspects: i. economic and financial soundness; ii. Security and business integrity; iii. Health & Safety; iv. Environment; v. Product and process certifications in the case of specific supply categories; vi. Technical and professional suitability. In order to limit the damage associated with inadequate supplier due diligence, supplier performance is systematically monitored through scorecards, process controls (e.g. warehouse, production), "fact-finding audits and cross-functional visits to suppliers. Management of any problems and suppliers with an "inefficient" or "critical" Scorecard rating is carried out by the Supplier Observatory (cross-functional committee) through the formalization and sharing of a recovery or phase-out plan and the subsequent monitoring of the actions taken. Preventive checks are carried out to verify that contracts are concluded with qualified suppliers and, at the tender stage, technical verification of adherence to the requirements of the supplier base and dependence on the same is mitigated through periodic direct (e.g. internet, exhibitions, etc.) and indirect (e-procurement, promoters) scouting activities, aimed at identifying and evaluating new potential and alternative suppliers, focusing on critical areas related to the production context and the pool of suppliers. Fincantieri promotes dedicated training and/or information events, fostering the engagement of Procurement units in sustainability issues and responsible sourcing principles. The "Sustainable Supply Chain" project, activated in the supplier evaluation system, aims to assess the ESG performance of the Group's supplier base. In addition, suppliers are required to submit specific ESG documentation in the pre-contractual phase, to sign clauses on the regularity of pay, contributions, insurance and tax, as well as the Supplier Code of Ethics, which, through a specific clause, requires compliance with environmental, social and ethical regulations.



Chapter "Consolidated Sustainability Statement" - "02 - Workers in the value chain"

Chapter "Consolidated Sustainability Statement" - "01 - Business conduct"



Counterparty

Risk that the Group establishes business relations with a counterparty without having carefully assessed the counterparty's solvency and/or risk that one or more counterparties with which the Company has ongoing contracts are unable to meet their commitments (one or more customers fail to fulfil their contractual obligations and/or one or more partners fail to fulfil their contractual obligations) due to financial causes.

Management methods

During order acquisition, and where deemed necessary, the Group performs checks on the financial stability of its counterparties, including by obtaining information from leading credit rating agencies, and works constantly with customers, financial institutions and government bodies to identify sources of funding, for payment (e.g. export finance activated prior to contract execution). The risk of non-collection is also mitigated using trade finance instruments (parent company guarantees). Periodically, a review of the economic performance of "critical" customers is carried out with any necessary reassessment of financial receivables in accordance with accounting standard IFRS 9 Expected Credit Loss and a corresponding provision. Financial stability checks are also carried out on potential suppliers, as part of the qualification process, and potential partners. In order to minimize the impact on the Group resulting from potential financial crises in joint venture companies, financial instruments, such as guarantees issued with a non-several pure pro-rata indemnity, are negotiated at the agreement stage with third parties.



Chapter "Consolidated Sustainability Statement" - "03 - Business conduct"

Item 4: "Financial risk management" of the Consolidated Financial Statements



Financial Markets

This category includes the risk of having insufficient access to the capital market and the banking system to support the Group's operations (or accessing them on particularly onerous terms), also due to the new ESG criteria imposed by some credit institutions, the risk of not being allocated export finance (e.g. SACE), and the risks associated with capital markets. This includes risks related to risk transfer instruments.

Management methods

In order to limit its dependence on individual banks and keep conditions calm, the Group diversifies its sources of funding, in terms of duration, counterparty and technical form (e.g. short and medium/long-term committed credit facilities, commercial papers, uncommitted facilities), negotiating loan agreements that do not include stringent financial covenants. It continuously monitors the status of export finance granted to shipowners and the allocation of funds by the Government for the relevant titles for export support (e.g.: Law 295/73 and subsequent laws concerning funding, OPE allocations for SACE), maintaining relations with a variety of local and international financial institutions to obtain timely information on any regulatory changes and to ensure stable access to financial services. Dialogue with the export support "system" to spread awareness of the need to maintain an agile, quick and efficient export credit mechanism is ongoing. Share performance is continuously monitored and analysed in terms of price and volume, and for unusual market movements the Group engages with sell-side analysts.



Item 4: "Financial risk management" of the Consolidated Financial Statements



Business perspective - Technology



Cyber security

Risk that the Group suffers a cyber attack aimed at identity, data and information theft (e.g. confidential/in-side information, sensitive data, bank credentials, etc.), temporary suspension of company services or sabotage of computer systems, exploitation of the computing power of company computers for criminal purposes, resulting in reputational damage, loss of turnover, loss of customers and suppliers, sanctions and compensation claims, up to and including business interruption.

Management methods

Fincantieri has equipped itself with a set of tools designed to prevent and/or intercept computer attacks, such as a firewall web application and solution to prevent Distributed Denial-of-Service attacks, a platform for correlating computer-related events to detect computer attacks and review accesses by system administrators, a notification system to warn about suspicious emails (phishing) and an awareness campaign for the assessment of malicious e-mails. To enable a higher degree of security, a threat intelligence service and SOC (Security Operation Centre), which promptly intercept cyber attacks or attempted attacks, and preventive security checks through vulnerability assessments and penetration tests are also in place. Any IT incidents are handled through structured processes that allow for a quick response. The internal documental framework includes various policies, procedures and processes to mitigate risk, together with the latest specific organizational and technological safeguards aimed at limiting access to services and information according to the "Least Privilege" and "Defence in Depth" principles and at protecting, through proactive, preventive and reactive controls, information systems and the information managed within them. In addition, cyber insurance has been taken out to cover possible IT incidents.



Chapter "Consolidated Sustainability Statement" - "9d - Consumers and end-users"



Organizational perspective and processes - Human capital

Staff attraction and retention

Risk that the Group is unable to attract and retain highly qualified and competent management personnel with a high level of diversity in terms of age, nationality and gender, or to enhance the organizational structure with figures capable of managing the Group's growth and ensuring business transformation. Disruption of professional relations between the Company and key figures could jeopardise the achievement of the Company's operational and strategic objectives. This includes the risk that the Company may not be able to offer adequate remuneration compared to the market or adequate benefits or welfare instruments, according to employees' expectations to ensure their loyalty (e.g. improving the balance between work life and personal needs).

Management methods

Fincantieri extensively applies an Employer Branding strategy in order to promote internally and externally the quality of its brand as an employer, together with an Employee Value Proposition strategy aimed at satisfying the needs and expectations of employees. There is an ongoing employee engagement programme, based on evidence from the Employee Engagement Survey, to create a work environment that enables resources to fulfil their potential, perform at their best and be engaged. The Remuneration Policy adopted by the Group ensures the required levels of competitiveness in the labour market and promotes alignment between the objective of creating sustainable value for the benefit of shareholders, taking into account the interests of other stakeholders relevant to the Company, and the interests of management. Consequently, the balance and selection of performance parameters of the short-term incentive systems are defined in accordance with the priorities set out in the Business Plan and approved by the Company's Board of Directors. Meritocratic policies and initiatives guide the effective management of human resources, through remuneration policies and instruments for the recognition of quantitative and qualitative results, stimulating and highlighting individual contributions. The Company has also defined a supplementary health care system and a welfare model, also the result of constant dialogue with trade union associations and the activation of a special Joint Commission.



Chapter "Consolidated Sustainability Statement" - "9f - Own workforce"





Organizational perspective and processes - Compliance & Integrity



Risk of relationships with third parties (customers, suppliers, strategic partners) of dubious integrity, in terms of ethics and legality in their conduct of business, and that leaders/executives or, more generally, Group employees may be involved in improper, unethical or fraudulent conduct, compromising the stakeholders' trust, threatening the company's reputation and potentially negatively affecting the company's financial and operational stability.

The Group implements in advance a strict process of **Third Parties Due Diligence** which involves the collection and prompt verification of information and guarantees of professionalism, integrity and suitability of the potential contracting party.

Furthermore, Fincantieri has its own Code of Conduct, which all those working in the company undertake to promote and comply with, actively contributing to its implementation and reporting any shortcomings and non-compliance. The Code requires that the Group's activities be conducted in accordance with the law and international conventions, and with respect for human rights as enshrined in the United Nations Universal Declaration.

With the aim of ensuring responsible and ethical business management, Fincantieri conducts specific training on the subject and monitors compliance with the Code of Conduct and the Charter of Sustainability Commitments, which it shares not only with Fincantieri employees but also with all its business partners.

In addition, Fincantieri requires its suppliers to sign and disseminate the Supplier Code of Ethics, which is based on three fundamental pillars: i. safeguarding and respect for the environment; ii. labour and human rights; iii. business ethics and integrity.

Adherence to the Supplier Code of Ethics and compliance with the contents of the Code of Conduct represent a binding requirement for entering into any business relationship with Fincantieri.

The Group has developed a rigorous qualification process for strategic suppliers, which also provides for the collection of environmental and social information at the pre-qualification stage (e.g. possession of certifications for occupational health and safety management systems and environmental and energy management systems, information on renewable sources, etc.). The Company pays particular attention to the ethical and reputational aspects of suppliers, also through the implementation of audits and quality visits at supplier production units.

Under the current National Framework Tender Protocol, suppliers are subject to audits and spot-checks or checks carried out by the Security function, which may lead to the possible revocation of their qualification if any impediment is found. In addition, in accordance with the principles of legality, processes for screening of Sanctions Lists and monitoring to detect any changes in the risk scenario are implemented throughout the entire duration of business relations with suppliers. In order to monitor and manage critical issues relating to the supplier base, there is a special cross-functional committee, the Supplier Observatory, which defines targeted improvement plans or, if necessary, formalises supplier phase-outs.

In compliance with the principles of trust and transparency, Fincantieri applies a specific procedure for the timely management of any conflicts of interest, whether of employees or third parties, both at the selection stage and throughout the relationship. Indeed, it is of paramount importance to Fincantieri that nobody, during the performance of their work activities and functions, is influenced by personal interests that might, even potentially or in the abstract, modify or alter their choices.

Fincantieri has obtained ISO 37001 certification of compliance with the standards on management systems for the prevention of corruption.

Chapter "Consolidated Sustainability Statement" - "02 - Workers in the value chain"
Chapter "Consolidated Sustainability Statement" - "01 - Business conduct"

Personnel/
Third-Party Integrity

Management methods

Risk of non-compliance by the Company with the requirements of EC and national legislation on the protection and processing of personal data, with consequent infringement of the rights and freedoms of the interested parties in relation to the processing of their personal data carried out by and on behalf of the Company and related application of the relevant sanctions to the economic-financial and reputational detriment of the Company. This risk may arise as a result of an inadequate Organizational Model for Privacy in terms of roles and responsibilities, a failure to fulfil obligations in the area of personal data processing, or a lack of integration of privacy processes and controls with existing Management Systems (e.g. ISO 27001 on data security).

Fincantieri has adopted a structured, cross-functional organizational approach to privacy management (Privacy System) aimed at identifying, managing and exercising appropriate oversight of risks related to data protection and confidentiality (internal and external). The Privacy System is designed to assign appropriate roles and responsibilities within the relevant organizational structure; therefore, controls operate at the level of individual organizational units. In this context, Fincantieri has appointed a Data Protection Officer (DPO), who also performs control functions through constant monitoring of regulatory changes, the pronouncements of the Italian Data Protection Authority and the Guidelines of the European Data Protection Board (EDPB), and monitors compliance by the Company (Data Controller) with the regulations. In cases where personal data processing is assessed as high risk (mandatory DPIA), the DPO must be involved in carrying out the DPIA (Data Protection Impact Assessment). Fincantieri carries out periodic reviews of the processing register and privacy policies, and applies specific procedures for handling any Data Breach.

Chapter "Consolidated Sustainability Statement" - "01 - Own workforce"
Chapter "Consolidated Sustainability Statement" - "01 - Business conduct"

Organizational perspective and processes - Management information



Privacy/Data Protection

Management methods



External perspective - External risk



Directives and Standards

Risk of non-compliance with laws, regulations and bylaws, primary or secondary regulations of emerging countries, and sector-specific regulations due to the evolution and tightening of the legal and regulatory environment at the national and international level. This includes directives and regulations on adaptation to and mitigation of climate change, business and trade compliance, national and international cyber security and anti-corruption legislation, EU, national and international legislation on the protection and processing of personal data, and rules and regulations applicable to listed companies.

Management methods

For the risk of non-compliance with cyber security legislation, a cross-functional steering committee was introduced internally to analyse and new regulations in the area of data protection and essential services and assess their impact on the Group. For the specific regulatory framework of the National Cybersecurity Perimeter (PNSC), relevant internal procedures were defined and updated, while, for the overall protection of the Financier Group, the process of taking out cyber insurance to cover possible cyber incidents was supported. Similarly, externally, Financier participates in institutional and international standardization working groups to keep abreast of new regulations and contribute to the definition of industry standards. During 2025, with the progressive evolution and integration of the regulatory framework at the national and European level, Financier will further strengthen its organizational, technical and procedural cyber measures to ensure full compliance with regulatory requirements.

Chapter "Consolidated Sustainability Statement" - "G3 - Our workforce"

Chapter "Consolidated Sustainability Statement" - "G3 - Business conduct"

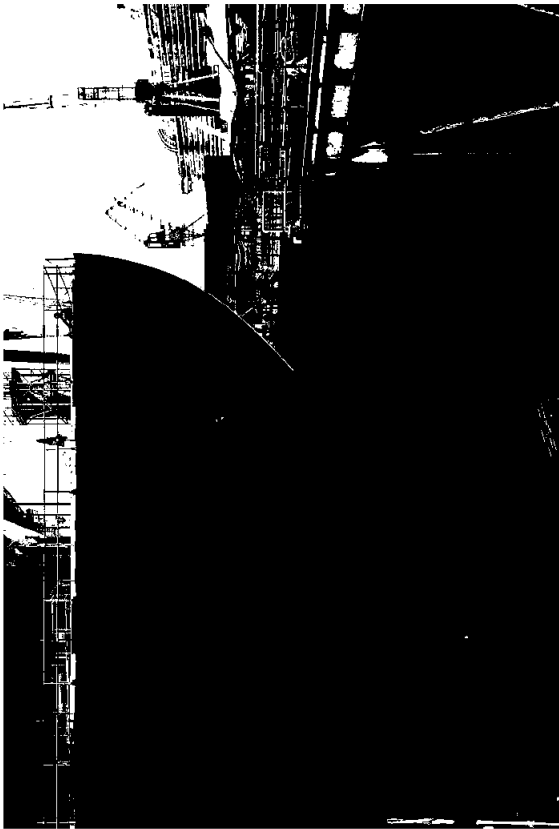


Climate change

Management methods

In order to prevent or limit potential damage to assets and/or production stoppages due to adverse weather events, each production site has specific emergency plans, subject to periodic verification through internal and third-party audits, as well as procedures governing studies and checks on the positioning of ships, moorings, scaffolding, cranes and related safety and warning systems. Maintenance activities also contribute to limiting damage from extraordinary weather events. The entire system is geared towards identifying, assessing and managing site-specific risks and limiting the potential impacts on company assets, as well as in general terms, the environmental and social impacts that could result. To date, the economic/financial and asset-related risks arising from acute weather events are covered by insurance policies that reduce the possible direct and indirect impact of business interruption. The Group contributes to the fight against climate change by paying particular attention to the technologies used in its production process, and to their potential development with a view to green transition. In fact, it annually defines an innovation plan and constantly monitors technological trends in its core markets, through scouting activities and partnerships with the main players in innovation, such as universities, research centres, associations, etc.

Chapter "Consolidated Sustainability Statement" - "G1 - Climate change"





Stakeholder Engagement
& Public Relation

Risk that the Group does not adopt an adequate stakeholder engagement and public relations strategy aimed at building and consolidating long-term relationships with stakeholders. This risk covers corporate communications on sustainability to meet rating agency by ESG agencies, disclosure to the market and investors, dialogue with trade union representatives, and relations with institutions and governments aimed at building consensus on issues relevant to corporate strategy. Poor relationships with local, national and international counterparts (e.g. local communities and authorities/associations, judicial and governmental authorities, trade associations, SMEs, etc.) can damage the company's image and reputation, diminish its credibility and creditworthiness, and compromise its competitiveness and operations.

Management methods

In order to ensure that the company operates in compliance with applicable regulations, while maintaining positive relations with trade union representatives and protecting its strategic interests internationally, multiple safeguards and controls have been implemented.
A key element is the correct flow of information and communication to trade union and employer organizations. Fincantieri is part of the Federmeccanica delegation for national collective bargaining and ensures a correct trade union management model by guaranteeing that all relevant information is shared promptly and accurately. This is also supported by the collaboration and coordination activities with the HR Business Partners who ensure a correct information flow/communication with the Site Trade Unions and monitor the correct application of the supplementary contract and, in general, of second-level trade union agreements. The definition of trade union agreements on labour regulations, and the subsequent operational management and monitoring of their correct application, guarantees improved working conditions based on safety, well-being and work-life balance. In addition, the activation and management of joint bodies and the initiation of union discussion panels for supplementary bargaining are further measures taken to maintain participative, positive and collaborative labour relations. With this in mind, with the supplementary agreement of 27 October 2022, Fincantieri further expanded its industrial relations model with the establishment of new joint commissions to increase the level of involvement of the Trade Unions. Moreover, with a view to pursuing and enhancing integration among the various Group companies, on 2 December 2024, a Memorandum of Understanding was signed with the trade unions which governs the industrial relations system of the Italian subsidiaries related to the Infrastructure Cluster and Technology Cluster with the creation of new joint bodies.

Chapter "Consolidated Sustainability Statement" - "ESRS 2 - General disclosure"
Chapter "Consolidated Sustainability Statement" - "G1 - Own workforce"
Chapter "Consolidated Sustainability Statement" - "G3 - Affected communities"
Chapter "Consolidated Sustainability Statement" - "G4 - Consumers and end-users"
Chapter "Consolidated Sustainability Statement" - "G5 - Business conduct"



Security of personnel
& assets

Risk of common or organized crime events occurring inside or outside the Company's premises, to the detriment of company assets and people, productivity and business continuity. This includes both risks related to industrial security and the protection and safeguarding of state secrets and classified and exclusively disseminated information, and risks related to the physical security of assets (tangible and intangible) and human resources.

Management methods

In order to contain the risk of unlawful influence and infiltration into the company's business, Fincantieri deploys an integrity due diligence model, checking that third party companies meet reputational requirements, with particular regard to the strategic supply chain and companies with the highest risk of mafia infiltration, monitoring them over time and defining preventive bans and phase-out plans for cases deemed higher risk, including within the relevant company committees.
Information research activities (Threat Intelligence) are also carried out, through the collection and analysis of information, mainly from publicly accessible sources, in order to evaluate known or emerging criminal risk scenarios, in areas of company interest in Italy and abroad.
In terms of institutional partnerships, within the scope of the guarantees provided by the National Framework Tender Protocol signed with the Ministry of the Interior, Fincantieri subjects all company supply chains operating in activities with a high risk of mafia infiltration to prefectural anti-mafia checks, thereby promoting the highest standards of safety and legality, and reports any suspicions of external influence to the relevant Prefectures.
For the physical security of its Production Units, the Company has technological systems - including video-surveillance, anti-intrusion and electronic access control systems - to support the activities to protect assets carried out by an effective security service, the latter using suitable personnel and/or private security institutions, not least to monitor the orderly use of the premises and to verify the transit, both incoming and outgoing, of people and materials.
Some of these Production Units are also subject to maritime security regulations, including the National Maritime Security Plan, the purpose of which is to provide for the application of specific security procedures, in synergy with Authorities and Police Forces.
Management and protection procedures also cover classified information or state secrets and information subject to controlled dissemination in compliance with the laws and regulations of the country and based on international agreements for classified international contracts, as well as proprietary information that qualifies as a trade secret and is managed with internal company rules and directives.
In order to increase awareness of security issues, the Group offers training activities to all personnel with access to sites and shipyards.
In addition, as part of the travel risk management process, with the aim of protecting personnel travelling abroad from risks related to terrorism / kidnapping / acts of violence, the Group puts in place mitigation measures in line with the international best practices in the sector (ISO31030).
In 2024 the travel risk management system was certified as compliant with the guidelines ISO31030:2021 "Travel Risk Management: guidance for organizations" within the Fincantieri S.p.A. boundary.

Chapter "Consolidated Sustainability Statement" - "G1 - Own workforce"



Core Markets

Reference scenario
and Fincantieri's
positioning

The 2024 year was characterized by a favourable trend in the shipbuilding market and the easing of inflationary pressures but also by a geopolitical context which continues to be unstable.

Energy transition and the spread of digital technologies are confirmed as the major levers influencing all markets including shipping, guaranteeing further opportunities and the spread of new business models.

This situation is favourable to the Fincantieri Group due to its distinctive competencies in high value-added shipbuilding.

The Group aims to excel in the construction and whole-life management of the digital and green ship for the cruise, defence and energy sectors, with a particular focus on renewables, exploiting synergies between the various sectors and maximizing the overall value offered to the customer. In addition, it is committed to extending its range of action to the underwater domain, which is essential to the defence system and the security of strategic infrastructure at sea.

All this translates into strengthening its international competitive positioning and the entire supply chain with respect to sustainability issues.

Within the cruise ship segment, Fincantieri is leader with over 40% of the market share and 130 cruise ships built since 1990, i.e. over a third of the global fleet currently in operation. The Group counts 28 vessels in the order book with scheduled delivery up to 2033 and has globally leading players in cruise tourism among its customers.

With a long-standing presence in the defence industry, since 1990 the Group has delivered over 140 naval vessels, of which over 50 to Italy, another 50 to the USA and about 40 vessels to foreign navies. Fincantieri is a strategic partner of the Italian Navy, among the most advanced worldwide, and an accredited supplier to the US Ministry of Defence. It is one of the leading operators for high-tech surface vessels, specialises in the production of submarines and, over the past year, has taken a leading role in the development of the underwater sector.

Fincantieri is confirmed its place as the lead player in the construction of support vessels for the development of the offshore wind sector, with 19 CSOV, SOV and 4 cable-laying vessels in its portfolio, new generation vessels with high operational and environmental efficiency.

In addition, over the past year, it has been able to meet the emerging demand for flexible vessels, suitable for construction or maintenance, which are capable of operating in a subsea environment to support projects in both the offshore wind and Oil & Gas sectors.

Cruise ships

For the cruise industry, 2024 could be a record year. The number of cruise passengers is thought to have reached around 35 million, with ship occupancy rates for the major companies at around 105% to 108%.

Demand, bookings, cruise prices and on-board revenues are higher than expected. In fact, some leading cruise operators have exceeded the targets set in the 2024 Guidance and set targets for further growth in 2025, or have upped their forecasts for the whole year⁴⁶.

The high level of bookings makes it possible to optimize pricing policies and improve profitability. Leisure spending is growing and travel spending is increasing at a faster pace, a trend confirmed for the future. The trend towards cruising is motivated by the intrinsic value for money in relation to the price, which is superior to land-based holidays. Cruising has become a mainstream holiday product, attracting an increasingly broad audience, including younger people.

The 2024 year marked a decisive resumption of investment programs by shipowners: orders were finalized for 19 ships (9 of which are with Fincantieri) and contracts, agreements and letters of intent were signed for a further 14 ships (including options), whose effectiveness is subject to customers obtaining financing, in line with industry practices.

The upturn in orders affected all segments, including the mainstream large ships segment, with slots booked for deliveries well beyond 2030. This reflects the complexity and high value of new generation ships, which require a partnership with customers to harmonize desired design, environmental and digital technology choices and increasing production lead times.

A virtuous cycle has been reactivated, similar to that of the 2016 - 2019 period, characterized by orders exceeding deliveries, resulting in the rebuilding of order backlog and increased visibility.

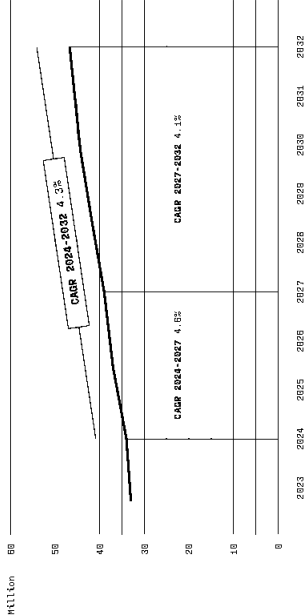
The forecast scenario in terms of new orders is affected by the expected growth in the number of cruise passen-

⁴⁶ CLIA and RCL exceeded the targets set in the 2024 Guidance and set targets for further growth in 2025, while NCLA exceeded the targets for the third quarter for all key parameters and revised its full-year forecast upwards for the fourth time.

gers and the change in the fleet size, in relation to the process of decommissioning less attractive older vessels with lower marginality, also in response to new regulatory constraints.

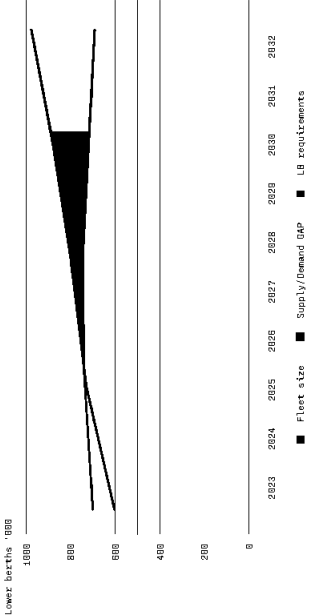
With regard to the trend in the number of cruise passengers, CLIA estimates that it will reach 39.7 million in 2027 (CAGR +4.6%). In later years, further growth is expected reaching about 48.5 million by 2032 (CAGR 2024-2032 +4.3%).

EXPECTED CRUISE TRENDS



Comparison between available lower berths (based on deliveries of ships in the order book and assumed decommissioning) and needs related to passenger growth reveals a gap between demand and supply from 2027, which justifies the investment plans of shipowners.

DEVELOPMENT OF SUPPLY AND DEMAND FOR LOWER BERTHS¹



¹ LB - Lower berths, beds available on a ship considering the standard of two beds per cabin. Global fleet size, prepared by Fincantieri, using Shipfax data.



The business scenario for the coming years will be influenced by the development of the international economic and geopolitical environment, the application of environmental regulations on emissions reduction, reduced availability of production slots, supply chain pressures and access to financial support (ECA).

Environmental regulations coming into force in 2023-2024 that impact vessel operation include: i) ETS - European Union Trading Systems, i.e. the Greenhouse Gas Emissions Trading Scheme, a taxation mechanism for greenhouse gas emissions in force in Europe that may also impact ship itinerary planning; ii) CII - Carbon Intensity Indicator, according to which all ships (> 5,000 GRT) must report carbon emissions in relation to the distance travelled. The calculation mechanism penalizes cruise ships, which spend more time in port than cargo ships.

As far as the naval segment is concerned, the global defence budget stood at approximately USD 2.48 trillion in 2024⁴⁷, (+1.1% compared to 2023, taking inflation into account), confirming an upward trend since 2014 (+2.8% a year). The current geopolitical scenario is fueling an increase in defence spending, growth at an average rate of +1.5% is expected in the period 2025-2029⁴⁸. The budget allocated to the naval domain is also set to grow, supporting the demand for new ships.

In 2024, orders for naval vessels⁴⁹ worth around euro 45.3 billion (or 167 vessels) were finalized, a significant increase compared to 2023. In terms of value, the major part (75%) was allocated to domestic shipyards and the remaining 25% (or 45 vessels) to the export market.

In Europe, the naval industry is driven by individual European states each with their own budgets, resulting in fragmentation and dispersion of resources, as well as greater fragility of EU companies compared to American ones. The industry's weight in the shipbuilding domain is, however, significant. In 2024, the total value of programs acquired by the network of European shipyards from European and foreign navies will amount to 45% of orders by value worldwide.

So far as Fincantieri's cooperation initiatives in Europe are concerned, under the second call of the European Fund, the bid for the European Patrol Corvette (EPC) program for the development of a Modular and Multirole Patrol Corvette (MMPC), submitted by the consortium coordinated by Naviris, was selected by the European Commission.

In the domestic market, the Italian Navy's expansion and modernization program took concrete form with the order for the construction of two "EVOLUTION" version FREMM Frigates, named FREMM EVO, a fourth new-generation patrol vessel and a fourth U212NFS (New Future Submarine).

With regard to the US market, options for the fifth and sixth next-generation Constellation-Class multi-role frigate were exercised in 2024.

In other countries, Fincantieri continues to develop established programs (e.g. FREMM and PPA) to meet customers' needs, and to pursue opportunities in the smaller vessel segment, also through the conclusion of agreements with local operators.

The current geopolitical situation has highlighted the fragility of the world's energy and communication infrastructure system, including national infrastructures. For the Mediterranean, a crossroads between three continents, underwater is a strategic domain, where intelligence, surveillance, defence and deterrence activities take place. The area is characterized by significant economic flows, accounting for 20% of global maritime traffic, and is set in a context of increasing instability.

Over the last two years Fincantieri has finalized a series of agreements aimed at strengthening its technological leadership in the underwater domain, a crucial sector for the future of maritime security and technology. The first steps included participation as leader in the National Underwater Dimension Cluster, established in 2023, which was followed in 2024 by i) the signing of an MoU with W8sense, a deep tech company specializing in underwater monitoring and communication systems; ii) the acquisition of Renazel, a leader in the design and supply of topside equipment for submarines; iii) the Memorandum of Understanding with Saipem to assess opportunities for commercial and industrial cooperation in the field of autonomous underwater vehicles and their integration with surface vessels and submarines.

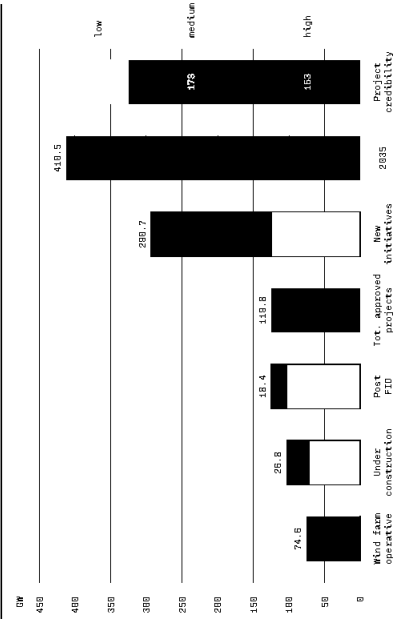
The Group's growth strategy in the underwater domain continued with the acquisition, finalized in January 2025, of the Leonard S.p.A. Underwater Armament Systems (UAS) business line, through the purchase of the entire share capital of the newly established company WASS Submarine Systems S.r.l. With this transaction, Fincantieri integrates unique expertise in the field of underwater acoustic technologies and advanced weapons systems.

⁴⁷ Source: Global Defence Budget, June '24, 29 January 2025. - Figures in real value (taking inflation into account).
⁴⁸ Excluding nuclear-powered naval vessels and warships (less than 45 percent in length).

Offshore and Specialized Vessels

In terms of offshore wind power, installed capacity worldwide reached 74.6 GW at the end of 2024 and, based on the pipeline of known projects to date, is expected to increase to 410 GW in 2035.⁴⁹

INSTALLED CAPACITY TO 2035



The demand for clean energy remains a solid demand driver for the growth of offshore wind power, although its development is proceeding at a slow pace. Despite support for green transition policies and the setting of ambitious targets by governments, there is still an implementation gap between declared targets and industry development. Problems with permitting processes, financing, bottlenecks in the supply chain, and the implementation of energy transmission networks remain an obstacle to faster growth.

The direction of Trump's energy policy could halt the spread of wind power in the US; for some operators, however, the consequences could be less dramatic as it is the individual states that can decide on the continuation of projects, regardless of the US federal state support.

In general, the development of renewable energies is fuelling the demand for specialized vessels to support the construction and maintenance of offshore wind fields, such as CSOV, SOV and cable-laying vessels for grid and shore connection.

In 2024, SOV and CSOV orders stood at 20 vessels, of which 8 were acquired by VARD, which also finalized the sale of designs for two SOVs assigned to the Indian shipyard Cochin. The market therefore continued to record fairly high volumes (2023 closed with orders for 23 new constructions + 3 conversions).

At the end of December, the SOV/CSOV fleet comprised 56 vessels, the same size as the order book (56 vessels),⁵⁰ so the strong demand for energy also contributed to a revival of investments in the Oil & Gas sector, which led to the emergence of a demand for particularly large vessels for construction and maintenance activities, also in the subsea area, capable of supporting projects in both the offshore wind and Oil & Gas sectors.

Against the backdrop, the year ended with the formalization of 21 orders for Multipurpose Supply Vessels (MSV), including OCEV/ECV (60x24 conversions). The Norwegian subsidiary VARD was able to take advantage of these new trends, achieving a significant market position, winning orders for 8 innovative ships, all with hybrid propulsion. The order book at the end of December (including conversions) consisted of 33 vessels, 13 of which belonged to VARD.

⁴⁹ Source: Offshore Global Market Overview 04/2024.
⁵⁰ Source: Offshore Global Market Overview 04/2024. - Figures in real value (taking inflation into account).
⁵¹ ECV - Green Energy Construction Vessel; ECV - Energy Construction Vessel.



Investment plan

Within this sector, Fincantieri can play the role of Prime Contractor and Design Authority for traditional shipowners, as a core (physical and logical) integrator according to the concept of a 'network' of systems and sensors, and as an aggregator within a national cluster to develop and enhance a national supply chain.

The achievement of these objectives requires an across the board commitment throughout the Group and the development and subsequent implementation of multiple initiatives that relate in particular to continuous improvement processes and the enhancement of assets.

In order to ensure that core markets are covered, it is becoming increasingly important to adopt solutions capable of responding to the ever-increasing workload, looking at the possibilities offered by technological innovation in the production process. Continuous investment in its assets in order to adapt and constantly raise the efficiency of production capacity enables the Group to optimize its operational processes, improving their quality and effectiveness.

In the last three years, the Group has invested around euro 81.6 million in its production units, both in Italy and abroad, to make its production process safer and more efficient. The main interventions focused on:

- adaptation of the operating areas and infrastructure of the Italian shipyards, with a particular focus on Montecarlo and Marghera, to achieve the adjustment in production capacity and efficiency necessary to deal with the expected workload and developments in the core market. The significant investment plan launched at these two sites has led to the acquisition of state-of-the-art infrastructure, machinery and equipment and allowed a reconfiguration of processes to provide greater efficiency;
- ongoing modernization of shipyards in the United States aimed at (i) updating infrastructure, including technology, (ii) increasing the efficiency of production processes, and (iii) making sites consistent with the Group's sustainability objectives. Actions to increase production efficiency were mainly driven by the needs of the Constellation frigate programme, without neglecting the needs of other core markets;
- the completion, at the Vietnamese Viking Tau shipyard, of an expansion program aimed at increasing the shipyard's production capacity, so as to consolidate the company's leadership position in the construction of SOVs, for the offshore wind market in particular;
- constant improvement in the safety standards of machinery, equipment and buildings.

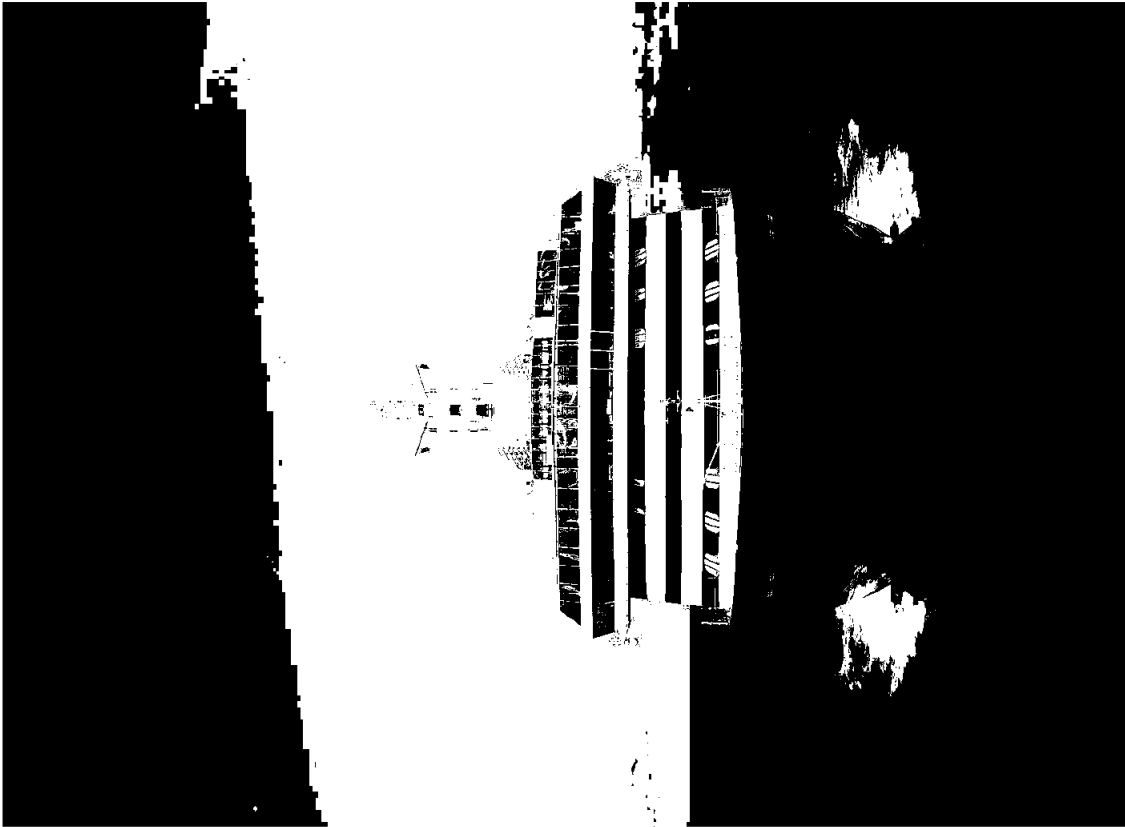
In addition, the Group is pursuing multiple initiatives to further raise its technological standard through the introduction of advanced robotics solutions and the launch of a major digitalization program. In this area, the most important initiatives concern:

- completion of the installation of the new panel line at the Riva Trigoso shipyard, a highly automated line characterized by solutions at the most advanced technological level that will guarantee greater production capacity at the site but above all an excellent level of quality for the processing carried out by the automatic line;
- the introduction and progressive spread in Group shipyards of prototype robotic solutions for steel welding, also through partnerships with leading companies operating in related sectors. The first step in this process concerns a mobile welding robot, consisting of a man-made arm equipped with a welding head installed on a tracked mobile base controlled by an operator with a remote control system. This solution will make the welding process more efficient by increasing the quality level of execution and reducing processing time;
- the introduction of high-tech Mixed Reality and Augmented Reality instruments to support the production process which, through the use of special visors, will allow the assembly plan for the various components to be projected directly onto the production blocks.

In parallel with the aforementioned actions aimed at making the production process more efficient, increasing product quality and site production capacity, the Group has demonstrated considerable commitment and attention to the environment and the social context in which it operates. In 2024 Fincantieri continued to support significant investments in the area of sustainability, both in Italy and abroad, mainly with the aim of:

- increasing safety in the workplace;
- optimizing energy consumption;
- introducing tools monitoring consumption and reducing waste;
- improving and streamlining smoke extraction systems;
- reducing noise pollution;
- aligning shipyard standards with environmental regulations;
- increasing the welfare of its employees with initiatives such as the equipping of new office space, refreshment areas, changing rooms and car parks.

Fincantieri believes that value can only be created through sustainable and responsible management of growth, which will generate benefits for all stakeholders. In this context, Fincantieri is bringing ESG issues to the centre of its processes and this is also reflected in its management of investments.





Other information

Stock performance

The performance of the stock in 2024 recorded an extremely positive trend, rising from a price of euro 4.33 per share on 29 December 2023 to euro 6.93 per share on 30 December 2024, with an increase of around 60.2%. Over the same period the FTSE MIB, the index comprising Italy's 40 largest stocks, rose by 12.6%, while the FTSE Italia Mid Cap index, which includes Fincantieri, rose by 7.2%. The stock's positive performance was driven by the activities implemented by the parent company to increase stock liquidity, including the increased share of institutional investors in the capital, and by the success of the capital increase transaction finalized in July 2024. The average price of the stock during the year was euro 4.92 per share, with a peak value for the period of euro 6.93 recorded on 30 December, the last day of dealing for the year, corresponding to a market capitalization of euro 2,238 million.

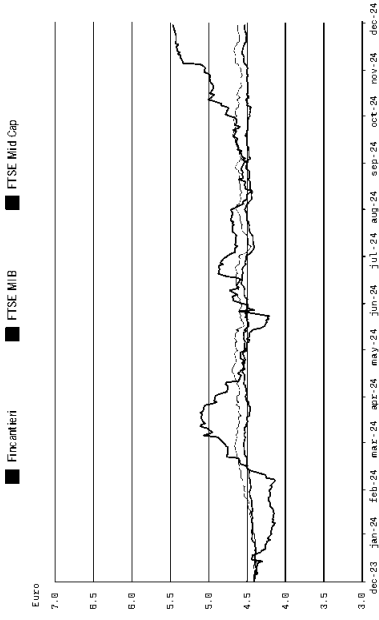
In terms of volumes, a total of 272.3 million shares were traded, with an average daily trading volume of around 1.1 million shares, more than three times higher than in 2023.

It should also be noted that on 17 June 2024, in view of the capital increase resolved on 11 June 2024 by Fincantieri's Board of Directors, Fincantieri's ordinary shares, amounting to 1,699,651,360, were regrouped into 169,965,136 newly issued ordinary shares, at a ratio of 1 new ordinary share for every 10 existing shares. The capital increase was completed on 16 July 2024 with the subscription of 152,419,410 shares. An equal number of 152,419,410 Fincantieri 2024-2026 Warrants* were coupled with the new shares issued, entitling their holders to subscribe 5 newly issued ordinary shares for every 34 2024-2026 Warrants exercised. As of 31 December 2024, 147,972,278 Warrants remained in circulation.

At 31 December 2024, Fincantieri's Share Capital of euro 878,288,066.70 was held as follows: 71.30% by CDP Equity S.p.A., 28.57% by the general market and 0.13% in treasury shares.

Key figures	31.12.2024	31.12.2023
Share Capital	Euro 878,288,066	862,980,726
Ordinary shares issued	Number: 323,038,536	1,699,651,360
Treasury shares	Number: 407,433	8,059,914
Market capitalization*	Euro/million 2,238	948
Performance**	31.12.2024	31.12.2023
Price at year end	Euro 6.93	4.33
Year high	Euro 6.93	5.07
Year low	Euro 3.67	3.55
Average price	Euro 4.92	4.16

* Number of shares outstanding multiplied by reference share price at period end.
** Prices recalculated on the basis of the stock composition (average stock split) enacted on 17 June 2024. In the ratio of 10, 1 share of Fincantieri 2024-2026 Warrant is equivalent to 1 share of Fincantieri 2024-2026 Warrant.
On 16 June 2024, the Board of Directors approved the capital increase.



Other significant events in the period

On 4 March 2024, Fincantieri joined the prestigious Industrial Liaison Program (ILP) of the Massachusetts Institute of Technology (MIT). By joining this program, the Group will be able to engage with researchers, faculty members and students to start at the forefront of innovation. This partnership is part of the course towards the implementation of the 2023-2027 Business Plan. This agreement will become part of Fincantieri's commitment to innovate and be at the forefront of new technologies on strategic topics, such as Digital Transformation, with a focus on Artificial Intelligence, the Energy Transition and Maritime Sustainability.

On 12 March 2024, Fincantieri signed two MoUs in Doha. The first with the naval shipyard in Alexandria, Egypt, which aims to define the principles for discussions that will mainly focus on finding new opportunities for the construction of new ships. The partnership will concentrate on potential new ship programs of various types for the defence sector. The second with Qatar Emiri Naval Forces (QENF) with the aim of starting discussions with the goal of entering into new contracts for the provision to QENF personnel of cutting-edge education and training courses.

On 4 June 2024, Fincantieri signed an agreement with Genius, an Italian scale-up active in the field of research and development of Generative Artificial Intelligence technologies, to establish a partnership for the development of AI systems based on an entirely Italian platform. This operation is part of the Artificial Intelligence development plan that Fincantieri is pursuing with the aim of strengthening its control of a technology with high development potential, evaluating solutions that can improve the performance, safety and efficiency of its products and processes.

On 7 June 2024, the European Commission selected the bid for the European Patrol Corvette project submitted by a consortium of industries bringing together the three European shipyards Navantia (ES), Fincantieri (IT) and Naval Group (FR), together with Naviris (FR/IT) and Hydrus (GR) for the second European Defence Fund call for tenders for the Modular and Multirole Patrol Corvette. The contract will be negotiated with OCCAR-EA under a mandate from the European Commission.

On 29 July 2024, Fincantieri and Accenture announced a partnership with the strategic objective of creating a joint capability between Fincantieri NextTech, a Fincantieri company active in the development of digital products and services for the Group, and Accenture, aimed at accelerating certain digital transformation initiatives included in the Fincantieri Group's 2023-2027 Business Plan through the adoption of advanced technologies.

On 25 September 2024, Fincantieri and its subsidiaries Fincantieri NextTech and DS announced their participation for the second consecutive year in REPMUS 2024 (Robotic Experimentation and Prototyping) organized by Maritime Unmanned Systems), an annual military exercise held in Portugal, organized and hosted by the Portuguese Navy, NATO and EDA with the participation of foreign military forces, universities and hi-tech companies.

On 22 October 2024 Fincantieri and the Study Foundation of the National Council of Labour Consultants signed an important Memorandum of Understanding for the application of ASSECO certification, with the aim of further promoting regular contributions, pay and economic conditions in the management of labour relations in the shipbuilding supply chain. This project aims to further strengthen Fincantieri's corporate social responsibility performance, ensuring compliance with labour regulations and improving the safety and well-being of workers.

On the same date, Fincantieri Group signed an MoU with Barzan Holdings, a company wholly owned by Qatar's Ministry of Defence and responsible for enhancing the military capabilities of the state's armed forces, for the joint development of the Omega360 radar program, a central sensor for Qatar's national anti-drone system.

On 25 October 2024 Fincantieri, in the presence of the Undersecretary of State for Defence Hon. Matteo Pellegrino di Orennago took part in the opening of an Innovation Antenna at the Mind the Bridge Innovation Center in San Francisco. This strategic step consolidates the company's position within the world's most advanced technology ecosystem, with the aim of exploring new trends and developing innovative solutions in the area of dual-use technologies, applicable in both the civil and naval sectors.

On 31 October 2024 Fincantieri and BQ Solutions, a Qatari company dedicated to providing strategic support to the country's military and security forces, signed an MoU in Doha with the aim of developing education and training programs, created under Italian guidance, for the Naval Forces of the Emirate of Qatar.

On 7 November 2024 Fincantieri launched from the Montalbene site 'Cantieri aperti, vista sul futuro' (Open Shipyards, a view of the future), the roadshow that opens the doors of its shipyards to institutions with the aim of showcasing the excellence of Italian shipbuilding, describing the transformations taking place in the shipyards and the technological developments pursued by the Group. The initiative, which in its first stage saw the participation and visit to the shipyard by Interior Minister Matteo Placidosi, continued in the latter part of 2024 and will continue in 2025 with the involvement of the Group's other sites in Italy.

On 11 November 2024, Fincantieri announced the successful conclusion of the membership for the campaign for the first widespread employee share ownership and co-investment plan, which saw significant participation by Group employees in Italy, Norway and the United States. The initiative, which was approved by the



Shareholders' Meeting, is consistent with the company's desire to strengthen the sense of belonging to the Group, making all personnel actors in achieving the objectives of the 2023-2027 Strategic Plan and creating sustainable value.

On 27 November 2024, SIMEST, the CDP Group company which supports companies with their international expansion, and Fincantieri signed a memorandum of understanding aimed at fostering new investments, greater competitiveness and market growth for companies in the shipbuilding industry.

On 9 December 2024, the Fincantieri Foundation opened a new chapter in its history, expanding its mission with ambitious projects focused on culture, innovation and inclusion. This new era sees the Foundation strongly committed to creating a more inclusive world, with the aim of building a bridge between the past and the future, placing a vast historical heritage and its cultural contribution at the service of communities and new generations.

On 16 December 2024, it was announced that the Polytechnic University of Turin, the Fondazione Bruno Kessler and ENEA, together with Engineering Fincantieri, Reply, TIM and Tiscali will create a shared test environment to make use of the results of the activities of 8RA, the project funded by the European Community under the IPCEI (Important Project of Common European Interest) programme.



Key events after the reporting period ended 31.12.2024

On 13 January 2025, the Parent Company and the Hera Group, one of the largest Italian multi-utility companies operating in the environment, energy and water sectors, announced the establishment of CircularYard S.r.l., a newco with the aim of creating, in the Group's eight Italian sites, an innovative integrated waste management system, and extracting value from waste from a circular economy perspective. In the future, there are plans to expand the newco's operations to other sites located abroad.

On 27 January 2025, the Group announced the signing of a Memorandum of Understanding (MoU) in Saudi Arabia. These agreements underline the interest in this region following the establishment of the subsidiary Fincantieri Arabia for Naval Services during the year. In line with the Vision 2030 programme launched by Saudi Arabia, these partnerships will strengthen the Group's role and status as the only shipbuilding complex in the world active in all areas of high-technology shipbuilding.

On 29 January 2025, the Parent Company published the Information Document - prepared pursuant to art. 71 and in accordance with Appendix 3B, Schedule no. 3, of the Regulation adopted by Consob with resolution no. 11971 of 14 May 1999 (as subsequently amended and supplemented) - relating to the acquisition, completed on 14 January 2025, of the Leonardo "Underwater Armaments & Systems" (UAS) business line, through the purchase by Fincantieri of the entire share capital in the newly incorporated company WASS Submarine Systems S.r.l., to which the UAS business line was previously contributed by Leonardo.

On 7th February 2025 Fincantieri and TUI Cruises, a joint venture between TUI AG and Royal Caribbean Cruises, celebrated at the Montalicone shipyard the delivery of "Mein Schiff Relax", the first of two new dual-fuel (Liquefied Natural Gas - LNG and Marine Gas Oil - MGO) inTuition class cruise ships that Fincantieri is building for this shipowner. The sister ship will be launched in mid-2026.

On 17 February 2025, Fincantieri and EDGE, one of the world's leading advanced technology and defence groups, announced that the Tawazun Council has awarded MAESTRAL, their Abu Dhabi-based shipbuilding joint venture, a major "In-Service Support (ISS) Strategic Partnership Project" for the entire UAE Navy fleet. The Tawazun Council is an independent government body that works closely with the Ministry of Defence and security agencies in the United Arab Emirates. The value of the agreement is approximately euro 500 million with a five-year term.

On 24 February 2025, Fincantieri and EDGE announced the signing of a new MoU that expands and strengthens the agreement signed in Paris in November 2024 in the rapidly evolving underwater segment. The agreement is based on collaboration between the two companies to develop underwater technologies, supporting the United Arab Emirates (UAE) in becoming a regional benchmark for innovation in this field.

On 21 March 2025, Fincantieri and the Guardia di Finanza (Finance Police) signed a Memorandum of Understanding to strengthen cooperation in preventing and combating criminal infiltration and wrongdoing in the economic and production sector. The agreement envisages joint action aimed at safeguarding legality, focusing on preventing and combating economic-financial crime, corruption and illegal employment.

It should be noted that in January and February 2025, 823,752 "Fincantieri 2024-2026 Warrants" were exercised, with the consequent subscription and simultaneous redemption of 121,140 Fincantieri ordinary shares for a total countervalue of euro 537,862 (of which euro 12,114 is to be allocated to share capital and the remainder to the share premium reserve). After this operation, Fincantieri's share capital consists of a total of 323,159,676 shares, with a countervalue of euro 878,300,180.



Business outlook

The sectors in which Fincantieri operates reflect important growth prospects characterized by positive macro-trends in the cruise tourism market, geopolitical developments driving an increase in defence spending, and the growing need for the development of offshore energy resources, both in the wind and oil & gas segments.

The **Cruise business**, where Fincantieri is a market leader, is seeing growth accelerate. All major shipowners report a positive trend above expectations for key industry indicators such as bookings, cruise prices, on-board revenues and profitability. The CLIA forecast is for 39.7 million cruise passengers by 2027 (CAGR +4.6%), in later years further growth is expected with the achievement of about 48.5 million by 2032 (CAGR 2024-2032 +4.3%). The upturn in growth in 2024 for all ship classes, from luxury to contemporary, is also fuelled by the introduction of new environmental regulations that accelerate the fleet renewal process. This favourable scenario, marked by the restart of investments with a long-term vision by the major cruise lines, is confirmed by the recent transformation of the LOI signed in 2024 into an order for the construction of four new ships for Norwegian Cruise Line, the largest ever ordered for this brand.

As far as the **Defence business** is concerned, the global defence budget stood at approximately US\$ 2.48 trillion in 2024⁵², (+1.1% compared to 2023, taking inflation into account), confirming an upward trend since 2014 (+2.8% a year).

In the naval sphere, the current rapidly changing international geopolitical context is expected to open up new scenarios, marked by an increase in resources allocated to programs to strengthen fleets for defence and deterrence purposes. This trend offers attractive growth opportunities for the Group, in a potential market of around euro 20 billion over the Plan period, particularly in Italy and the United States, and in strategically important quadrants such as the Middle East and South East Asia, where the Group has strengthened its presence.

On the domestic market, the Italian Navy's fleet renewal plan continued in 2024 with the finalization of contracts for the construction of new generation units, specifically two FREMM EVO frigates and a fourth patrol vessel, while for the underwater segment, the order for a fourth submarine was finalized. In the US market, options for the fifth and sixth next generation Constellation-Class multi-role frigate were exercised.

In other countries, in addition to the contract for two MPCS (multipurpose combat ship)/PPA for the Indonesian government, a series of agreements were concluded in the Middle East (Egypt, Qatar, Saudi Arabia and the United Arab Emirates) and in Asia.

The numerous activities and agreements put in place to strengthen the technological leadership in the underwater domain, a crucial segment for the future of maritime security and technology, culminating with the acquisition of Renzeai and Leonardo S.p.A.'s Underwater Armament Systems (UAS) business line, involve a significant broadening of the Group's core market.

In the **Offshore segment**, the demand for renewable energy has been confirmed as a solid driver of demand for offshore wind growth, albeit at a slower pace than expected.

In 2024, demand for specialized SOV/CSOV vessels remained high, totalling 20 orders, 8 of which were acquired by the Norwegian subsidiary VARD, which confirmed its market leadership, holding one third of the world order book.

Green transition policies and the setting of ambitious targets by governments, especially in Europe, will continue to support demand in the long term.

New market opportunities have emerged in 2024 with growing energy demand, which has helped to re-launch investment in the Oil & Gas sector. This trend, expected to continue in the coming years, has generated a demand for particularly flexible vessels (MSV, OECV, ECVPs) dedicated to construction or maintenance activities, also in the subsea area, and able to provide support for both offshore wind and Oil & Gas projects. The Norwegian subsidiary VARD was able to seize these opportunities by winning orders for 8 innovative ships during the year (out of 21 vessels worldwide), all with hybrid propulsion.

The Group plans to continue implementing the 2023-2027 Business Plan during 2025, focusing on:

- (i) the creation of a distinctive portfolio of technologies, products and services in the underwater segment, capable of meeting the needs of customers in both the defence and civil sectors;
- (ii) increased operational efficiency with a focus on the performance of the supply chain and the industrialization of robotics and automation solutions (robots, digital twin, logistics); entry into a new cruise ship segment (over 200,000 gross tonnage) enabled by the investments planned in the Montalcione shipyard;
- (iii) introduction of advanced digital technologies, such as artificial intelligence, to optimise engineering and purchasing.

⁵² Source: Global Defence Budget, June '24, 29 January 2025. - Figures in real value (taking inflation into account).

⁵³ R&D-Multisupport Supply Vessel, R&D-Beam Energy Construction Vessel, R&D-Energy Construction Vessel.

- (iv) development of the technology platform to enable functionality to be integrated on board using advanced digital products and services;
- (v) further strengthening of Orizzonti Sistemi Naval's skills as a naval system integrator;
- (vi) implementation of systems for decarbonization of the maritime sector (integration of hydrogen storage and utilization systems on board).

The expectation of continued growth in the Group's activities is reflected in the forecast of an increase in revenues for 2025, expected to be around euro 9 billion, including the contribution from integration of Leonardo's 'Underwater Armament Systems' business unit. The strong increase in profitability is also confirmed with an EBITDA margin above 7% at the end of 2025. On the financial front, a further acceleration of the deleveraging process is expected, with the NPV/EBITDA leverage ratio expected to be in line with 2024, a clear improvement on the 2025 Business Plan target (between 4.5x and 5.5x). Finally, a positive net profit in 2025 is confirmed.

Transactions with the controlling company and other group companies

In compliance with the provisions of art. 2391-bis of the Italian Civil Code and the Regulation on related party transactions adopted by Consob Resolution No. 17221 of 12 March 2010 and subsequent amendments and additions (the "CONSOB Regulation"), also taking into account the guidelines provided by the Consob Communications of 24 September 2010, on 5 May 2014 the Board of Directors of Fincantieri S.p.A. adopted the Regulations governing related party transactions (the "RPT Regulations"), which identify the principles to which Fincantieri adheres in order to ensure the transparency and substantive and procedural propriety of related party transactions entered into by the Company, directly or through its subsidiaries.

Subsequently, on 3 December 2015, the Parent Company also adopted the "Management of Related Party Transactions" Procedure ("RPT Procedure") in order to describe and define the process, terms and operating procedures for the proper management of related party transactions, defining the responsibilities of the various company organizational units involved in such operations carried out by Fincantieri directly or through its subsidiaries as defined by the RPT Regulations.

Both the RPT Regulation and the RPT Procedure have been subject to subsequent revisions. In particular, the RPT Regulation was last updated on 22 October 2024.

With reference to related party transactions concluded in 2024, it should be noted that on 9 May 2024, a sale and purchase agreement was signed between Fincantieri and Leonardo S.p.A. ("Leonardo") for the acquisition by Fincantieri of Leonardo's Underwater Armament Systems business line, which constitutes a significant related party transaction. For further information, please refer to the information document drafted pursuant to Article 5 of the Consob Regulation and Article 8.4 of the RPT Regulation and the Information Document drafted pursuant to Article 71, paragraph 1, and in accordance with Appendix 3B Schedule no. 3 of the Regulation adopted by Consob Resolution no. 11971 of 14 May 1999 and subsequent amendments and additions, available on the Company's website in the section "Governance and Ethics - Related Party Transactions".

The related party transactions concluded during the year do not qualify as either atypical or unusual, since they fall within the normal course of business of the Group's companies. These transactions benefit from the exclusions from the procedural regime provided for ordinary transactions concluded at arm's length or standard terms or for transactions with subsidiaries.

Information about related party transactions, including the disclosures required by the Consob Communication dated 28 July 2006, is presented in Note 33 of the Notes to the Financial Statements at 31 December 2024.

Purchase of treasury shares

The Ordinary Shareholders' Meeting of 23 April 2024 approved the proposal to authorize the purchase and disposal of treasury shares, subject to revocation of the previous Shareholders' Meeting authorization of 31 May 2023, to service the Fincantieri Group's Employee Share Ownership Plan approved by the Ordinary Shareholders' Meeting of 23 April 2024. The purchase of treasury shares was authorized for a period of eighteen months from the date of the resolution of the Shareholders' Meeting, for a maximum amount of shares equivalent to 10% of the Share Capital. The disposal of treasury shares was authorized without time limits. The purchases and sales of disposal of the treasury shares may be executed in accordance with the terms and conditions set forth by the applicable regulation and accepted market practices and, in particular, purchases must be made at a price that does not deviate downwards or upwards by more than 10% from the reference price recorded on the Euronext Milan market organized and managed by Borsa Italiana S.p.A. in the stock exchange session preceding each individual transaction.

No treasury shares were purchased during the year. At 31 December 2024, the treasury shares in the portfolio amounted to 407,433 (equal to 0.13% of the Share Capital).



Essential intangible resources

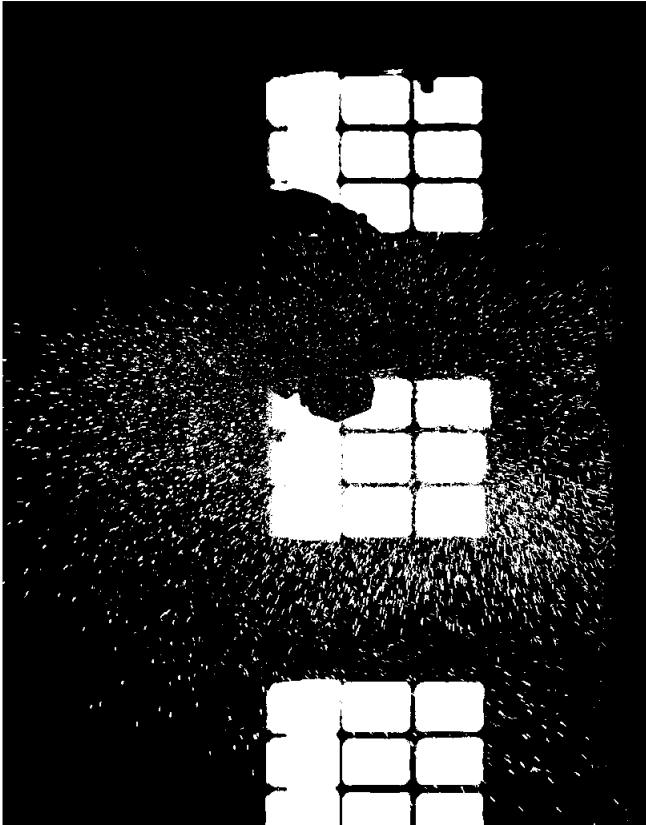
In relation to the requirements of Articles 15 and 16 of Legislative Decree 125, the following information is provided with respect to essential intangible resources, i.e. those without physical substance on which the business model of the company fundamentally depends, which constitute a source of value creation and, by their very nature, are only partially translated into assets recognized in the financial statements.

The pillars of the Business Plan take into account the relevance of factors related to essential intangible resources, considering that they constitute a distinctive and indispensable value for the achievement of the Group's objectives.

The business model is developed to take into account the aforementioned resources and their contribution to value creation, including: (a) intellectual capital, understood as organizational capital, with its implicit knowledge, systems, procedures and protocols, and value of knowledge in terms of technical and technological capabilities related to the design and management of complex workspaces and projects; (b) human capital, embedded in the skills of the workforce and permeated by shared ethical values, which allow for unity of purpose and coordinated action when implementing the strategies reflected in the Plans; (c) social and relational capital, expressed in terms of managing relations with the supply chain and with workers in the value chain, as well as the ability to create relationships within the communities in which the Group operates, with institutions and various stakeholders, and to nurture external partnerships aimed at innovative and technological development.

These elements have allowed the Group to stand out in terms of its capacity, developed over the years, to manage highly complex projects, enabling it to offer one of the most advanced integrated platforms in the world.

In the Report on Operations, and in particular in the section on the Sustainability Statement, more extensive information is provided on the above-mentioned resources and their contribution to value creation by the Group.



Alternative performance measures

Financier's management reviews the performance of the Group and its business segments, also using certain measures not envisaged by IFRS. In particular, EBITDA, in the configuration monitored by the Group, is used as the main earnings indicator, as it enables the Group's underlying marginality to be assessed without the impact of the volatility associated with non-recurring items or extraordinary items outside the ordinary course of business (see the reclassified consolidated income statement given in the section commenting on the Group's economic and financial results); the EBITDA configuration adopted by the Group might not be consistent with the configurations adopted by other companies.

As required by Consob Communication no. 0092543 of 3 December 2015 which implements the ESMA Guidelines on Alternative Performance Measures (document no. ESMA/2015/1415), the components of each of these measures are described below:

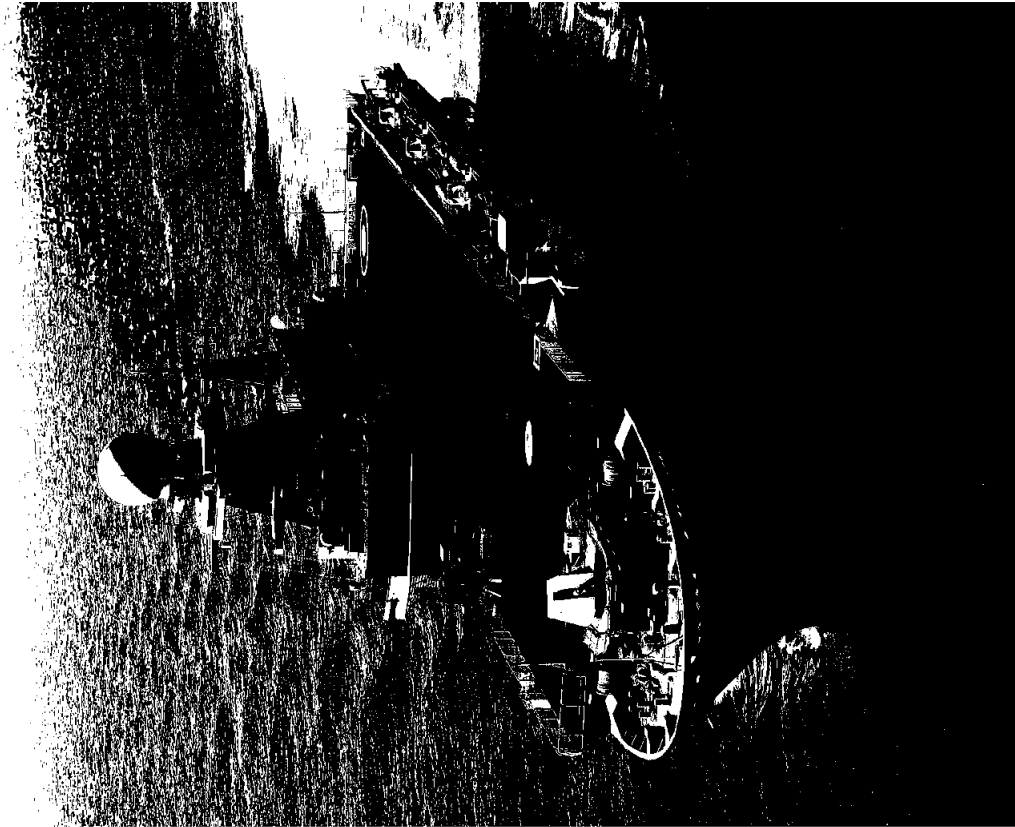
- EBITDA: this is equal to pre-tax earnings, before financial income and expenses, before income and expenses from investments and before depreciation, amortization and impairment, as reported in the financial statements, adjusted to exclude the following items:
 - provisions for costs and legal expenses associated with asbestos-litigation;
 - costs relating to reorganization plans and other non-recurring personnel costs;
 - other extraordinary income and expenses.
- EBIT: this is equal to EBITDA after deducting recurring depreciation, amortization and impairment of a recurring nature (this excludes impairment of goodwill, other intangible assets and property, plant and equipment recognized as a result of impairment tests or after specific considerations on the recoverability of individual assets).
- Adjusted profit/(loss) for the year: this is equal to the profit/(loss) for the year before adjustments for non-recurring or extraordinary items, which are shown net of the related tax effect.
- Net fixed capital: this reports the fixed assets used in ordinary operations and includes the following items: Intangible assets, Rights of use, Property, plant and equipment, Investments, Non-current financial assets and Other assets (including the fair value of derivatives classified in Non-current Financial assets) net of Employee benefits.
- Net working capital: this is equal to capital employed in ordinary operations which includes Inventories and advances, Construction contracts and client advances, Trade receivables, Trade payables, Other provisions for risks and charges and Other current assets and liabilities (including income tax assets, income tax liabilities, deferred tax assets and Deferred tax liabilities, as well as the fair value of derivatives classified in Current financial assets).
- Net invested capital: this is calculated as the sum of Net fixed capital, Net working capital and Assets held for sale.
- Net financial position, includes:
 - Net current cash/(debt): cash and cash equivalents, current financial assets, current financial payables and current portion of medium/long-term loans;
 - Net non-current cash/(debt): non-current bank debt and other non-current financial payables.
- ROI: Return on investment is calculated as the ratio between EBIT and the arithmetic mean of Net invested capital at the beginning and end of the reporting period.
- ROE: Return on Equity is calculated as the ratio between Profit/Loss for the period and the arithmetic mean of Total Equity at the beginning and end of the reporting period.
- Total financial debt/Total Equity: this is calculated as the ratio between Total financial debt and Total Equity.
- Net financial position/EBITDA: this is calculated as the ratio between the Net financial position and EBITDA in the configuration monitored by the Group and described above.
- Net financial position/Total Equity: this is calculated as the ratio between Net financial position and Total Equity.
- Revenue and income: this is equal to the sum of Operating revenue and Other revenue and income.
- Revenue and income excluding pass-through activities: Revenue and income excluding the portion relating to sale contracts with pass-through activities, whose value is exactly offset by the corresponding cost; pass-through activities are defined as contracts for which the whole value is entirely invoiced by the Group to the final customer, but whose construction activities are not managed directly by the Group.
- Provisions: these refer to increases in the Provisions for risks and charges, and impairment of Trade receivables and Other non-current and current assets.



Reconciliation of Parent Company profit/(loss) for the year and equity with the consolidated figures

As required by the Consob Communication of 28 July 2006, the following table provides a reconciliation between equity and profit/(loss) for the year of the Parent Company Fincantieri S.p.A. with the consolidated figures (Group and non-controlling interests).

	31.12.2024		31.12.2023	
	Equity	Profit/(loss) for the year	Equity	Profit/(loss) for the year
Parent Company Financial Statements	1,661,648	37,091	1,234,242	7,587
Share of equity and net result of consolidated subsidiaries, net of carrying amount of the related investments	(668,089)	75,296	(733,553)	(12,480)
Consolidation adjustments for difference between purchase price and corresponding book value of equity	83,272	(11,364)	142,787	(6,381)
Reversal of dividends distributed by consolidated subsidiaries		(88,434)		(37,098)
Joint ventures and associates accounted for using the equity method	3,936	8,854	(4,965)	2,222
Elimination of intercompany profits and losses and other consolidation adjustments	(108,462)	11,390	(88,100)	(6,680)
Exchange translation differences from line-by-line consolidation of foreign subsidiaries	(122,842)		(117,291)	
Equity and profit for the year attributable to owners of the parent	849,463	32,833	433,120	(52,830)
Non-controlling interests	(4,364)	(6,456)	1,041	(281)
Total consolidated equity and profit/(loss) for the year	845,109	27,377	434,161	(53,111)





Reconciliation of the reclassified financial statements used in the Report on operations with the mandatory IFRS statements

CONSOLIDATED INCOME STATEMENT			
	31.12.2024		31.12.2023
	Mandatory reclassified statement	Amounts in reclassified statement	Amounts in reclassified statement
			(euro/million)
A - Revenue		8.128	7.651
Operating revenue	7.951		7.448
Other revenue and income	177		203
B - Materials, services and other costs		(6.245)	(5.960)
Materials, services and other costs	(6.255)		(5.964)
C - Personnel costs		(1.371)	(1.219)
Personnel costs	(1.371)		(1.219)
D - Provisions		(3)	(75)
Utilizations	(37)		(132)
Recl. to I - Extraordinary or non-recurring income and expenses	34		57
E - Depreciation, amortization and impairment		(263)	(235)
Depreciation, amortization and impairment	(258)		(235)
Recl. to I - Extraordinary or non-recurring income and expenses	(5)		
F - Financial income/(expenses)		(178)	(169)
Financial income/(expenses)	(178)		(169)
G - Income/(expense) from investments		7	4
Income/(expense) from investments	7		4
H - Income taxes		(18)	(4)
Income taxes	(9)		11
Recl. to L - Tax effect of extraordinary or non-recurring income and expenses	(9)		(15)
I - Extraordinary or non-recurring income and expenses		(39)	(61)
Recl. from B - Materials, services and other costs	(10)		(4)
Recl. from D - Provisions	(34)		(57)
Recl. from E - Depreciation, amortization and impairment	5		
L - Tax effect on extraordinary or non-recurring income and expenses		9	15
Recl. from H - Income taxes	9		15
Profit/(loss) for the year		27	(53)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
	31.12.2024		31.12.2023
	Partial values reclassified mandatory scheme	Amounts in reclassified statement	Amounts in reclassified statement
			(euro/million)
A - Intangible assets		571	474
Intangible assets	571		474
B - Rights of use		124	125
Rights of use	124		125
C - Property, plant and equipment		1.715	1.684
Property, plant and equipment	1.715		1.684
D - Investments		69	60
Investments	69		60
E - Non-current financial assets		94	668
Non-current financial assets	108		683
Recl. to F - Derivative assets	(14)		(15)
F - Other non-current assets and liabilities		32	12
Other non-current assets	99		67
Recl. from E - Derivative assets	14		15
Other non-current liabilities	(81)		(70)
G - Employee benefits		(54)	(54)
Employee benefits	(54)		(54)
H - Inventories and advances		904	801
Inventories and advances	904		801
I - Construction contracts and client advances		1.163	632
Construction contracts - assets	3.377		2.498
Construction contracts - liabilities and client advances	(2.011)		(1.599)
Recl. from N - Onerous Contracts Provision	(203)		(257)
L - Trade receivables		671	767
Trade receivables and other current assets	1.036		1.150
Recl. to O - Other current assets	(365)		(383)
M - Trade payables		(3.071)	(2.471)
Trade payables and other current liabilities	(3.571)		(2.872)
Recl. to O - Other current liabilities	500		401
N - Other provisions for risks and charges		(212)	(237)
Provisions for risks and charges	(415)		(504)
Recl. to I - Onerous Contracts Provision	203		267
O - Other current assets and liabilities		120	192
Deferred tax assets	248		231
Income tax assets	42		34
Derivative assets	35		35
Recl. from L - Other current assets	365		383
Deferred tax liabilities	(40)		(72)
Income tax liabilities	(30)		(18)
Recl. from M - Other current liabilities	(500)		(401)
P - Assets held for sale		-	52
Assets held for sale and discontinued operations	-		52
NET INVESTED CAPITAL		2.126	2.705
Q - Equity		845	434
R - Net financial position		1.281	2.271
SOURCES OF FUNDING		2.126	2.705



Group Report on operations

Corso Group S.p.A. 2024 Sustainability Report

2024 Consolidated Sustainability Statement

2024 Consolidated Sustainability Statement

Consolidated Sustainability Statement pursuant to Legislative Decree 125/2024

FINCANTIERI



General Information	
ESRS 2 – General disclosures	122
Basis for preparation	122
BP-1 – General basis for preparation of sustainability statements	122
BP-2 – Disclosures in relation to specific circumstances	123
Governance	124
GOV-1 – The role of the administrative, management and supervisory bodies	124
GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	132
GOV-3 – Integration of sustainability-related performance in incentive schemes	132
GOV-4 – Statement on due diligence	134
GOV-5 – Risk management and internal controls over sustainability reporting	138
Strategy	140
SBM-1 – Strategy, business model and value chain	140
SBM-2 – Interests and views of stakeholders	150
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	154
Impact, risk and opportunity management	164
IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	164
IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability Statement	168
Environmental Information	176
Taxonomy - Disclosure pursuant to Article 8 of Regulation (EU) 2020/852	176
The process to define Taxonomy-eligible economic activities	177
The process to define Taxonomy-aligned economic activities	181
Contextual Information	186
The analysis of the Minimum Safeguard (MS) requirements	187
E1 – Climate change	202
Governance	202
GOV-3 – Integration of sustainability-related performance in incentive schemes	202
Strategy	202
E1-1 – Transition plan for climate change mitigation	202
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	203
Impact, risk and opportunity management	205
IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	205
E1-2 – Policies related to climate change mitigation and adaptation	213
E1-3 – Actions and resources in relation to climate change policies	214
Metrics and targets	220
E1-4 – Targets related to climate change mitigation and adaptation	220
E1-5 – Energy consumption and mix	224
E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	226
E1-7 – GHG removal and GHG mitigation projects financed through carbon credits	229
E1-8 – Internal carbon pricing	229
E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	229
ESRS E2 – Pollution	230
Impact, risk and opportunity management	230
IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	230
E2-1 – Policies related to pollution	231
E2-2 – Actions and resources related to pollution	231
Metrics and targets	232
E2-3 – Targets related to pollution	232
E2-4 – Pollution of air, water and soil	233
E2-6 – Anticipated financial effects from pollution-related impacts, risks and opportunities	233
E3 – Water and marine resources	234
Impact, risk and opportunity management	234
IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	234
E3-1 – Policies related to water and marine resources	235
E3-2 – Actions and resources related to water and marine resources	235
Metrics and targets	236
E3-3 – Targets related to water and marine resources	236
E3-4 – Water consumption	237
E3-5 – Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	239
E4 – Biodiversity and ecosystems	240
Strategy	240
E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model	240
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	240
Impact, risk and opportunity management	242
IRO-1 – Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	242
E4-2 – Policies related to biodiversity and ecosystems	243
E4-3 – Actions and resources related to biodiversity and ecosystems	244
Metrics and targets	245
E4-4 – Targets related to biodiversity and ecosystems	245
E4-5 – Impact metrics related to biodiversity and ecosystems change	245
E4-6 – Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	247
E5 – Resource use and circular economy	248
Impact, risk and opportunity management	248
IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	248
E5-1 – Policies related to resource use and circular economy	249
E5-2 – Actions and resources related to resource use and circular economy	249
Metrics and targets	252
E5-3 – Targets related to resource use and circular economy	252
E5-4 – Resource inflows	254
E5-5 – Resource outflows	254
E5-6 – Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	256

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The Financial Group		Group Report on operations		Consolidated Sustainability Statement		Environmental footprint		Social footprint		Governance & assurance	
				General Information							
				General Information							
				ESRS 2 – General disclosures							
				Basis for preparation							
				3P-1 General disclosures prepared in accordance with standards							
				3P-2 Disclosures related to specific standards							
				Governance							
				GOU-1 The role of the board in supervising management and supervisory bodies							
				GOU-2 Information provided to and by the sustainability management and supervisory bodies							
				GOU-3 Integration of sustainability into the performance incentive schemes							
				GOU-4 Statement on due diligence							
				GOU-5 Risk management and material controls over sustainability reporting							
				Strategy							
				S30-1 Strategy, business model and value chain							
				S30-2 Frameworks and views of stakeholders							
				S30-3 Material impacts, risks and opportunities and their relation to the strategy and business model							
				Impact, risk and opportunity management							
				IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities							
				IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability Statement							



The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Environmental Information	Social Information	Information on Governance	Fincantieri Group Consolidated Financial Statements

General Information

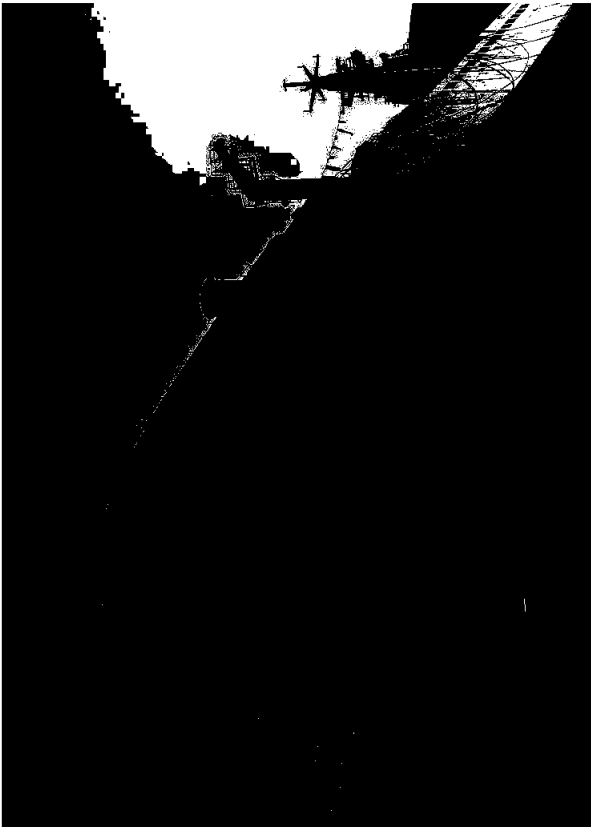
ESRS 2 — General disclosures Basis for preparation

BP-1 – General basis for preparation of sustainability statements

The 2024 Consolidated Sustainability Statement, included in the Group's Annual Report, is a communication tool which transparently and comprehensively describes the Group's environmental, social and governance achievements and demonstrates the Group's commitment to sustainable development, with the aim of creating value not only for the Company, but also for its stakeholders.

This document constitutes the Group's first Consolidated Sustainability Statement (hereinafter also "Statement") pursuant to Legislative Decree 125/2024, for the 2024 financial year (1 January to 31 December 2024). The content was prepared according to the European Financial Reporting Advisory Group (EFRAG) European Financial Reporting for the data in the Statement includes companies that are fully consolidated in the scope of consolidation of the Consolidated Financial Statements. Reporting has been extended to information related to the Group's upstream and downstream value chain with reference to qualitative information on material impacts, risks and opportunities, for which reference should be made to the list of material IROs in section SBM-3 and IRO-1, and to chapter S2 Workers in the value chain, as well as information related to policies, actions and targets defined by the Group, as set out in paragraphs EL6-Gross Scopes 1, 2, 3 and Total GHG emissions and SL14- Health and safety metrics.

The Statement is published annually.



BP-2 – Disclosures in relation to specific circumstances

The process of collecting data and information and preparing the Statement is coordinated and managed by the Sustainability department. The document contents were defined in compliance with the qualitative characteristics of the information required by the ESRS, namely: relevance, faithful representation, comparability, verifiability and understandability.

With regard to the definition of the **time horizons** adopted by the Fincantieri Group, the reference periods used for the preparation of this document are, in line with the short, medium and long-term definitions in the ESRS standards. The only case for which Fincantieri used differentiated time horizons was for data related to the EL1 Climate change chapter: these horizons are subject to variation to meet the needs of the Group's activities and to better manage the nature of the long-term impacts and effects of climate change.

Specifically, Fincantieri's strategy on climate-related risks and opportunities, in line with the Task Force on Climate-related Financial Disclosures (TCFD), considers the 2023-2027 Business Plan as a short-term time horizon. In line with the Group's R&I Plan, the medium-term period is extended to 10 years. Finally, the Group considers a time horizon of more than 20 years in the long term and specifically only with reference to projects such as the International Maritime Organization (IMO) 2050 project.

Under the transitional provisions of ESRS 1, the Group is not required to disclose comparative information in the first year of reporting. However, where deemed directly comparable and subject to any restatement requirements, certain data relating to previous financial years, already reported in the 2023 Non-Financial Statement, have been included in this Statement.

The main areas of estimation reported within the document refer to disclosures related to air and water pollutant emissions generated within its operations. These are reported in paragraph E2-4 Pollution of air, water and soil, in relation to the value chain, to Scope 3 emissions reported in paragraph EL6-Gross Scopes 1, 2, 3 and Total GHG emissions. The complexity of measuring Scope 3 emissions is due not only to the Fincantieri Group's extensive value chain, but also to the uncertainty associated with the methodology for estimating this category of emissions, especially in cases where primary data are not available. In order to improve the accuracy of value chain metrics, Fincantieri is committed to further refining its calculation processes in future in line with the latest market standards and developments.

Finally, Fincantieri is required to disclose information related to article 8 of the Regulation (EU) 2020/852 (the "Taxonomy Regulation"), reported in the chapter dedicated to the European Taxonomy within the Environmental Information section. Specifically, the Fincantieri Group reports the portion of revenues, capital expenditure (Capex) and operating expenditure (Opex) related to activities that potentially contribute to the achievement of the environmental targets covered by the Taxonomy ("Taxonomy-Eligible" economic activities) and the portion that substantially contributes to the achievement of climate change mitigation objectives and the transition to a circular economy ("Taxonomy-Aligned" economic activities).

For any further information, please contact the Sustainability department at sustainability@fincantieri.it.

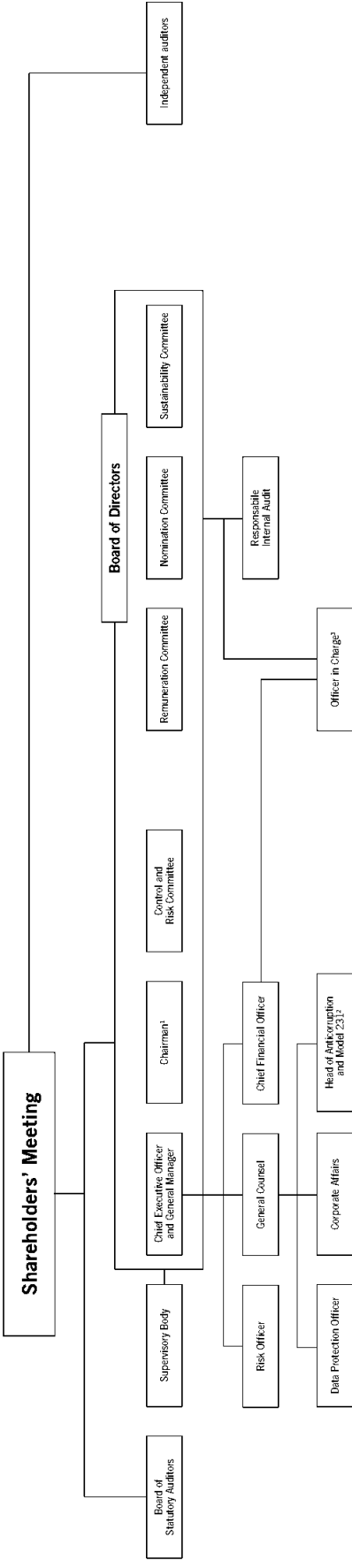


The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	General Information	Environmental Information	Social Information	Information on Governance	Fincantieri Group Consolidated Financial Statements

Governance

GOV.1 – The role of the administrative, management and supervisory bodies

Fincantieri's Corporate Governance model is in line with the recommendations of the Corporate Governance Code currently in force and is structured as follows.



1 On 18 May 2022, the Board of Directors delegated powers to the Chairman concerning the internal control and risk management system, confirmed by the Board of Directors on 1 August 2024 for the new Chairman.
2 On 18 May 2022, the Board of Directors delegated powers to the Chief Executive Officer concerning the internal control and risk management system, confirmed by the Board of Directors on 1 August 2024 for the new Chairman.
3 Also responsible for the institution of sustainability reporting.

Board of Directors and Board Committees

The Board of Directors is the **key body of the Company's corporate governance system**, as it holds the broadest powers for ordinary and extraordinary administration of the Company, including the definition of the strategic, organizational and control policies of the Company and the Group.
In particular, the Board plays a **guiding role** at the proposal of the Chief Executive Officer and with the support of the competent Board Committees. In defining policies and strategies in pursuit of sustainable growth and identifying medium and long-term objectives, also in relation to the variable component of management and executive director remunerations, including consideration of sustainability impacts, risks and opportunities, and in verifying the related results, which are presented to the Shareholders' Meeting. With specific reference to sustainability issues, the Board, subject to the opinion of the Sustainability Committee, defines sustainability guidelines, approves sustainability policies, the Company's Sustainability Plan, the double materiality analysis and, subject to the Committee's prior review, the sustainability statement.
The Board of Directors of Fincantieri S.p.A. does not include members representing employees or other workers, nor members directly elected by the workforce or their representatives.

The Chairs of the Board Committees report to the Board on their committee's activities at the first available meeting. The Board of Directors, both directly and through its Committees, oversees the management of impacts, risks and opportunities, as well as the implementation of policies and strategies and the achievement of set targets. This oversight includes periodic meetings with Company management. Furthermore, it supervises the conduct of the company and the integrity of the business by monitoring, among other things, the trend in the rate of injuries and measures to prevent accidents in the workplace, the trend in litigation involving the company, and annually assessing the appropriateness, adequacy and effectiveness of the Anti-Corruption Management System. The Board consists of 8 non-executive Directors and 2 executive Directors, namely the Chairman and the Chief Executive Officer.
The Board has further structured its organization by establishing four **Board Committees**, each with investigative, advisory and consultative functions:

- the **Control and Risk Committee** performs investigative, advisory and consultative activities whenever the Board is tasked with making assessments or taking decisions concerning the Company's internal control and risk management system. In particular, this Committee supports the Board in defining the guidelines of the internal control and risk management system; examines the Company and Group Business Plan; assesses the correct application of accounting standards and their uniformity for preparation of periodic financial reports; and reviews the content of the Sustainability Statement; given its importance for the purposes of the internal control and risk management system. This Committee is also responsible for related party transactions, with the exception of resolutions with regard to remuneration;
- the **Remuneration Committee**, which assists the Board in drawing up the remuneration policy, monitoring its correct application and submitting proposals or expressing opinions to the Board on the remuneration of executive Directors and other Directors holding special offices, as well as on the setting of performance targets related to the variable component of such remuneration, including sustainability targets. This Committee is responsible for related party transactions, in the case of resolutions with regard to remuneration involving Executive Directors and Executives with strategic responsibilities in the specific cases provided for by the Regulation governing related party transactions adopted by the Company;
- the **Nomination Committee**, which assists the Board with the self-assessment activities of the Board and its Committees, in identifying candidates for the office of Director in cases of co-optation, in preparing guidelines on the maximum number of offices, in preparing, updating and implementing any succession plan for the Chief Executive Officer and the other Executive Directors; and in the preliminary investigation related to the annual checks on the requirements of Directors;
- the **Sustainability Committee**, which carries out investigative, advisory and consultative activities, whenever the Board needs to make assessments or take decisions that involve sustainability issues, in the exercise of the Company's business or in its interaction with stakeholders, including through the integration of sustainability issues into corporate strategies.



The **Sustainability Committee**, together with the other Board Committees, supports the Board in the creation of long-term value for the benefit of shareholders, considering the interests of other stakeholders. More specifically, the Sustainability Committee:

- examines the adequacy of Fincantieri's sustainability policies in the light of its strategic guidelines;
- supports the Board in reviewing policies with an impact on the environment, society or stakeholder relations, and in particular on issues such as, among others, respect for and promotion of human rights, health and safety in the workplace, environmental management, business integrity, transparency, anticorruption, etc.
- identifies and indicates to the Board specific financial and sustainability risks;
- monitors trends in the main sustainability ratings;
- reviews the sustainability statement, the Sustainability Plan¹, the strategic guidelines in the Business Plan and other sustainability issues.

The Chairman of the Committee reports to the Board on the Committee's activities at the earliest available meeting. Committees are composed of **four** Directors. In accordance with the recommendations for large companies in the Corporate Governance Code, the Board appoints the members of the Committees while avoiding an excessive concentration of offices. All the members of the Committees are Non-Executive Directors, the majority of whom are independent (70%); in particular, the members of the Nomination Committee and the Sustainability Committee are all independent and have the functional powers to perform the tasks assigned to them.

All Committee's Chairmen, appointed by the Board of Directors, are Independent Directors.



1 More information on the setting of the Sustainability Plan can be found in chapter "ESG & SDG" of the Sustainability Report.

Composition of the Board of Directors and its Committees

Board Member	Office	Expiry of term	List	Role	Code Indep.	Legal Indep.	No. of other Appointments*	CRC	RC	NC	SC
Biagio Mazzotta	Chairman of the Board of Directors	From approval of 2024 financial statements	- ¹	Executive	-	-	-	-	-	-	-
Pierdante Folgiere	CEO	From approval of 2024 financial statements	CDP Industria S.p.A. ²	Executive	-	-	-	-	-	-	-
Paolo Anato	Director	From approval of 2024 financial statements	INARCASSA	Non-Executive	✓	✓	1	X	-	-	P
Barbara Debra Contini	Director	From approval of 2024 financial statements	- ³	Non-Executive	✓	✓	-	-	-	X	X
Alberto Dell'Acqua	Director	From approval of 2024 financial statements	CDP Industria S.p.A. ²	Non-Executive	✓	✓	1	P	X	-	-
Massimo Di Carlo	Director	From approval of 2024 financial statements	CDP Industria S.p.A. ²	Non-Executive	-	-	-	X	X	-	-
Paola Muratori	Director	From approval of 2024 financial statements	INARCASSA	Non-Executive	✓	✓	-	-	P	-	X
Cristina Scocchia	Director	From approval of 2024 financial statements	CDP Industria S.p.A. ²	Non-Executive	✓	✓	2	X	-	P	-
Valter Trevisan	Director	From approval of 2024 financial statements	CDP Industria S.p.A. ²	Non-Executive	✓	✓	-	X ⁴	X	X	-
Alice Vatta	Director	From approval of 2024 financial statements	INARCASSA	Non-Executive	✓	✓	1	-	-	X	X

* This table shows the number of directorships held by the persons concerned in other large listed companies, as at 31 December 2024.

¹ Following the untimely death of Claudio Cazzaniga, who was elected by the Shareholders' Meeting at 16 May 2022 and taken from the list provided by the Registry, shareholders of Fincantieri S.p.A. elected Biagio Mazzotta as Chairman of the Board of Directors, pursuant to Article 2383 of the Italian Civil Code, and the Board of Directors, pursuant to Article 2380 of the Italian Civil Code, elected Biagio Mazzotta as Chairman of the Board of Directors. For the purpose of the appointment, the Board assigned the representation made by the shareholders CDP Equity S.p.A. which, pursuant to Article 2380 of the Italian Civil Code, is the sole shareholder of Fincantieri S.p.A.

² With effect from 30 September 2022, CDP Industria S.p.A., a wholly-owned subsidiary of CDP S.p.A., was merged into CDP Equity S.p.A., also a wholly-owned subsidiary of CDP S.p.A.

³ Barbara Debra Contini was appointed Director of the Company to replace Alessandro Battaglia (who resigned on 24 March 2023), as proposed by the shareholder CDP Equity S.p.A., pursuant to Article 2383 of the Italian Civil Code. This was a sole decision by the Board of Directors. The legal appointment was applied pursuant to the list voting mechanism pursuant to Article 2383 of the Italian Civil Code.

⁴ The members who stand in for the non-independent director Di Carlo when the Committee, meeting as the RPT Committee, examines material related party transactions.

CRC: Council and Risk Committee.
RC: Remuneration Committee.
NC: Nominations Committee.
SC: Sustainability Committee.

P: Chairman of the Committee.
X: Requirement fulfilled.
-: Requirement not fulfilled.



Upon request of the Independent Directors, on January 27th, 2023 the Board of Directors of Fincantieri appointed Independent Director Valter Trevisani as **Lead Independent Director** of the Company pursuant to article 3, recommendation 13, letter c) of the Corporate Governance Code.

The Lead Independent Director will remain in office until the end of the Board of Directors term and, therefore, until the Shareholders' Meeting for the approval of the Financial Statements as of December 31, 2024.

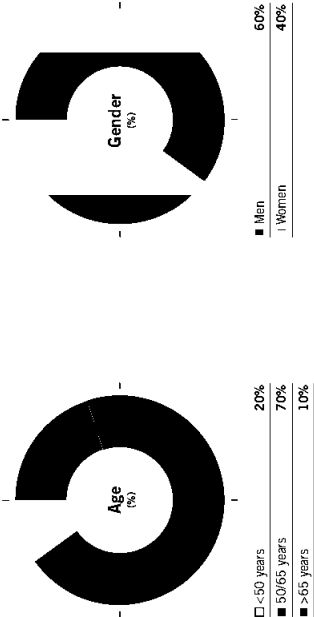
Areas of expertise of the Board of Directors

Area of expertise*	%
Environmental	80
Social	80
International relations	60
Financial	90
Specific experience in the sectors in which Fincantieri operates	90
Planning and strategy	90
Internal control and risk management system	80
Anti-corruption	80
Cybersecurity	50

* A self-assessment questionnaire considered both the experiences gained during both professional careers and the training sessions organized by the Company. All Directors have international experience in the Group's key geographic areas.



In 2024, the Board of Directors consisted of 10 members, 40% of whom were women and 60% of whom were men, with a female to male ratio of 0.67.



To enable Directors to fully perform their functions, in line with the reference context and the material impacts, risks and opportunities for the Group, induction activities are provided on an ongoing basis that allow them to deepen their knowledge and enhance their skills from an industrial, operational, commercial, ESG, financial and governance perspective.

In 2024, the Board of Directors received an illustration of the Group's organizational structure, and the project set out in the SG&A and Industrial Governance Business Plan.

The Board was also briefed about cyber security related risks and the mitigation plan drawn up by Fincantieri. The Board of Directors received a detailed briefing from the Investor Relations function on the outcome of the Shareholder Identification carried out to obtain an accurate picture of the new institutional investors following the capital increase.

Also, the Board visited the Castellammare di Stabia shipyard and received an illustration of its operations and the quotation system used by the Merchant Ships Division and the Infrastructure Overview & Industrial Plan.

As part of the Board induction program in 2024, initiatives were implemented to enhance the Board's understanding of sustainability, ensuring a comprehensive grasp of the related social, economic, political and regulatory aspects, as well as the material impacts, risks and opportunities. This program equips the governance body to effectively steer its activities and ensure the pursuit of the Sustainability Plan's goals.

In this context, the Board received an illustration of the project envisaged in the Energy Transition & Innovation Strategy Business Plan, and the Sustainability Committee continued the meetings started in 2023 with the corporate departments most closely involved, aimed at deepening their knowledge of the initiatives undertaken to achieve the goals of the 2023-2027 Sustainability Plan.

Furthermore, for the purposes of obtaining and maintaining ISO 37001 certification, the Company provides anti-corruption training to all Directors following their appointment and every three years. During the term of office of the actual Board, this activity was carried out at the Board meeting of 7 November 2022.

In accordance with the requirements of the ISO 37001 standard, the Board of Directors conducts an annual review of the Anti-Corruption Management System established by Fincantieri to ensure its ongoing suitability, adequacy and effectiveness.



The Fincantieri Group

Group Report on operations

Consolidated Sustainability Statement

Fincantieri Group Consolidated Financial Statements

General Information

Environmental Information

Social Information

Information on Governance

Board of Statutory Auditors

The Board of Statutory Auditors consists of three Standing Auditors and three Alternate Auditors appointed by the Shareholders' Meeting using a dedicated procedure. The acting Statutory Auditors satisfy the integrity and professionalism requirements along with the independence requirements. The Board of Statutory Auditors currently in office was appointed by the Shareholders' Meeting held on May 31st, 2023, for the financial years 2023, 2024 and 2025.

Composition of the board of Statutory Auditors at the date of the report*

Member	Role	Expiry of term
Gabriella Chersicla	Chairman	Sh. meeting to app. Fin. Stat. 2025
Elena Cusiagh	Standing auditor	Sh. meeting to app. Fin. Stat. 2025
Antonella Lillo	Standing auditor	Sh. meeting to app. Fin. Stat. 2025
Marco Seracini	Alternate auditor	Sh. meeting to app. Fin. Stat. 2025
Ottavio De Marco	Alternate auditor	Sh. meeting to app. Fin. Stat. 2025
Arianna Pennacchio	Alternate auditor	Sh. meeting to app. Fin. Stat. 2025

* The Board of Statutory Auditors in office until 31 December 2024 was appointed by the Shareholders' Meeting on 31 May 2023.

The Board of Statutory Auditors is entrusted with the supervisory tasks provided for by the applicable regulations and the Corporate Governance Code, including, among other things, the task of monitoring the adequacy of the Company's organizational structure, the internal control and risk management system and administrative-accounting system, and the implementation of the corporate governance rules provided for in the Corporate Governance Code.

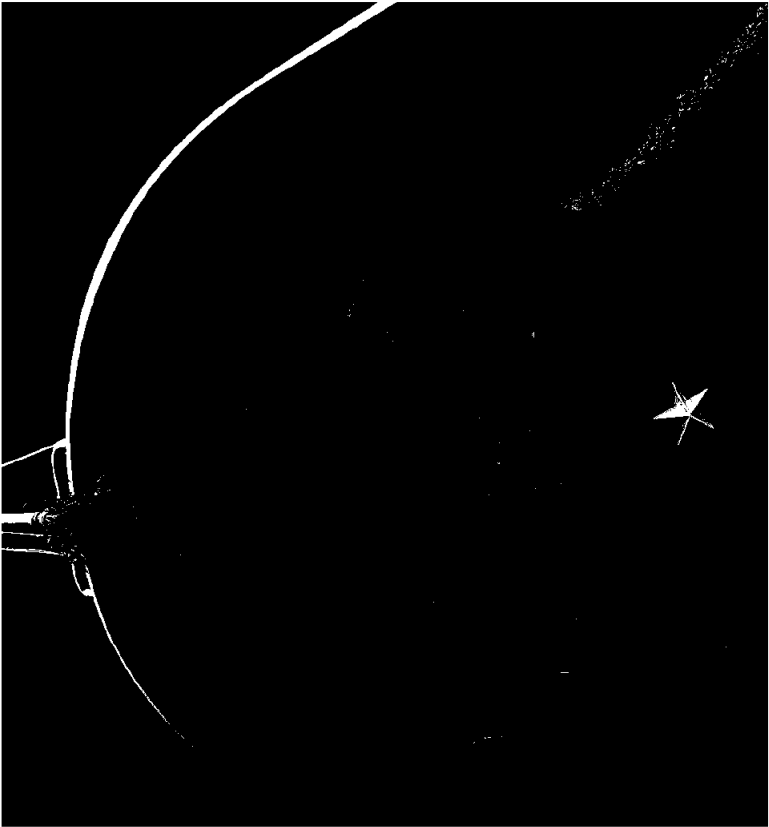
Areas of expertise of the Board of Statutory Auditors

Area of expertise*	%
Environmental	67
Social	67
International relations	-
Financial	100
Industry Experience in Fincantieri's Business Sectors	100
Planning and strategy	67
Internal control and risk management system	100
Anti-corruption	100
Cybersecurity	67

* A self-assessment questionnaire took account of experiences gained during both the predecessors' tenure and the training sessions organized by the company. All Statutory Auditors have demonstrated experience in the majority of the above-mentioned areas.

Management

Regarding the role of Management, Fincantieri has designated the Administration, Finance and Control Department as primary point of contact for sustainability issues. Within this Department, the Sustainability function guides, coordinates and supervises the Company's sustainability processes. It also identifies the Company's material sustainability issues through double materiality analysis, initiates and supervises the collection of information according to the ESRS standards, and prepares the annual Sustainability Statement. Additionally, it ensures Fincantieri's commitments to sustainability by monitoring progress on Sustainability Plan's targets and regularly informing the Sustainability Committee on all aspects of sustainability. The department is supported in its management of initiatives related to sustainability and ESG objectives by the Multifunctional Working Group composed of representatives of the main Parent Company Departments/functions most involved in sustainability issues. The Sustainability Committee periodically meets with management to review and monitor the implementation of actual initiatives, due diligence and the effectiveness of policies and metrics for impact, risk and opportunity management.





The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	General Information	Environmental Information	Social Information	Information on Governance	Fincantieri Group Consolidated Financial Statements

GOV 2 – Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies

Through the Group’s sustainability governance framework the Board of Directors is actively engaged in sustainability matters beyond a merely informational role, as outlined in paragraph ESRS 2 GOV-1. The role of the administrative, management and supervisory bodies. The assessment of material impacts, risks and opportunities is detailed in paragraph ESRS 2 SJM-3. Material impacts, risks and opportunities and their interaction with strategy and business model.

Sustainability governance relies on internal regulatory procedures and tools to ensure the active participation of all administrative and supervisory bodies, as well as top management. This engagement spans the entire process, from identifying impacts, risks and opportunities to defining strategic guidelines and monitoring targets. The Group ensure the participation of all governance bodies, with differentiated responsibilities: they may act as managers, validators or approvers within these processes, ensuring informed participation. All impacts, risks and opportunities are incorporated into strategy development and risk management, with continuous monitoring by administrative, management and supervisory bodies or their Committees.

GOV 3 – Integration of sustainability-related performance in incentive schemes

Fincantieri’s **Remuneration Policy** aims to achieve the Company’s strategic objectives while fostering medium- to long-term sustainable value creation. Closely aligned with the new 2023-2027 Business Plan, the Policy reflects Fincantieri’s growing commitment to environmental, social and governance (ESG) principles. The Policy is approved annually by the Board of Directors upon the proposal of the Remuneration Committee. The Board is responsible for its proper implementation, relying on the Committee’s propositional and advisory support. Moreover, the Remuneration Committee assesses the Policy’s adequacy overall consistency, and effective application, in accordance with the Corporate Governance Code and Committee’s Regulations.

Stakeholders’ opinions are always considered when defining the Policy, particularly the feedback of the Shareholders’ Meeting vote on its approval.

If necessary, the Committee may seek support from independent external consultants, provided they are bound by confidentiality agreements and have been verified to be free from any conflicts of interest that could compromise their judgement impartiality.

The parties covered by the Remuneration Policy are the Chairman, the Chief Executive Officer and General Manager, Executives with Strategic Responsibilities and other Key Executives (Top Management).

The implementation of the Remuneration Policy for Executives with Strategic Responsibilities and other Key Executives is entrusted to the Chief Executive Officer and General Manager, supported by the Company’s Human Resources and Real Estate Department. This is without prejudice to the authority of the Remuneration Committee in defining the general criteria for the remuneration of Executives with Strategic Responsibilities.

The 2024 Remuneration Policy, while introducing new instruments, is aligned and consistent with the 2023 Policy adopted by the Company.

The remuneration structure for the Company’s Top Management ensures a balanced distribution between fixed and variable components, with the variable component representing a significant proportion of total remuneration, that drive the performance of the executives involved. Top Management is assigned economic/financial targets, as well as corporate and individual targets tailored to their respective roles. These include EBITDA Margin, Free Cash Flow, order intake, sustainability and additional targets related to the business plan and specific roles, along with segment-specific targets for the remaining proportion.

In 2024, the Board of Directors, on a proposal of the Remuneration Committee, confirmed the presence of a sustainability index in the MBO of the **Chief Executive Officer and General Manager**, increasing the weight from 15% to 20% of total variable remuneration. In continuity with the previous year, the target is developed on Group targets in Environmental (Environmental Management), Social (Health and Safety in the Workplace) and Governance (Sustainable Supply Chain) areas.

The targets, assigned annually by means of individual target sheets, are predefined, measurable and divided into the following categories:

- Corporate objectives of an economic-financial nature;
- Sustainability Objectives**, divided into three aspects:
 - Environmental** - Environmental Management: the focus is on waste reduction, with a target of 5% reduction in the amount of waste produced in relation to production hours in 2024, compared to 2021.
 - Social** - Health and Safety in the workplace: the focus is on an improvement of occupational health and safety performance, with a view to zero injuries to protect workers’ health and the working environment. With respect to this target, the access gate is to contain the severity index within 0.2 for the 2024 year, and, subject to passing the access gate, containing the frequency rate for work-related injuries below 7.5 for 2024.
 - Governance** - Sustainable Supply Chain: the focus is on developing a Sustainable Supply Chain by integrating sustainability criteria into the supplier qualification system, while effectively managing associated risks. The target for this objective is to assign an ESG score to at least 50% of strategic qualified suppliers. Strategic suppliers are those listed in the Register, net of suppliers referenced and imposed by the customer (500 out of 1,000 strategic qualified suppliers in total).
- Function/role targets;
- Business Plan targets.

Moreover, in alignment with the Company’s principles of transparency and ethics, Fincantieri’s MBO system is applied using the same mechanisms, such as proportionality with respect to fixed remuneration and the clawback clause, across all “high risk employees”, namely senior and middle managers identified as Company’s attorneys, as well as the rest of the target company population.

The principles governing the short-term variable component, while considering the diversity of the core markets, are consistent within the Group.

In defining the **long-term variable components**, and in continuity with the 2019-2021 Long Term Incentive (LTI) Plan, the Shareholders’ Meeting of April 8th, 2021 approved the 2022-2024 LTI Plan. This plan maintains essentially the same structure and reaffirms the inclusion of an objective linked to a sustainability index.

The **sustainability index** for the 2022-2024 LTI Plan, Cycle 1 (2022-2024), was updated in relation to the 2019-2021 LTI Plan in the light of a benchmark analysis conducted with the support of a consultancy firm. The goal includes obtaining a certain rating from international rating agencies, in combination with the achievement of the sustainability targets set out in the corporate Sustainability Plan during the reference period (obtaining at least a B rating in the Carbon Disclosure Project (CDP) index and inclusion in the highest band (Advanced) for the Moody’s, formerly Vigeo Eiris, index).

The ratings can be found on the official website on the “Sustainability Ratings and Awards” page.

It should be noted that the climate targets are included in the 2023-2027 Sustainability Plan and refer to the Scope 1 and 2 emission reduction targets for 2025, 2027 and 2030. In addition, a specific Scope 3 target was included in the Plan to reduce GHG emissions related to GHG Protocol Category 11 “Use of Sold Products”, which represents over 91% of the total emissions for the Fincantieri Group. The ultimate goal is to achieve a net-zero cruise ship by 2050. The Group is committed and working, subject to technological, regulatory and infrastructure availability, to bring this target forward to 2035.

The sustainability index makes it possible to measure the achievement of the sustainability targets set by the Company, combined with *and/or* in addition to targets related to economic and financial performance and stock performance, also in order to align with best practices and the growing expectations of the financial community on sustainable development. In light of the above, the Board of Directors, as proposed by the Remuneration Committee, taking into account the growing importance of ESG issues, provided, for the 2022-2024 LTI Plan, 2nd Cycle (2023-2025) and 3rd Cycle (2024-2026), for an increase in the weight of the sustainability objective (from 20% in Cycle 1 to 25% in Cycle II and III) and a change in the performance bands.

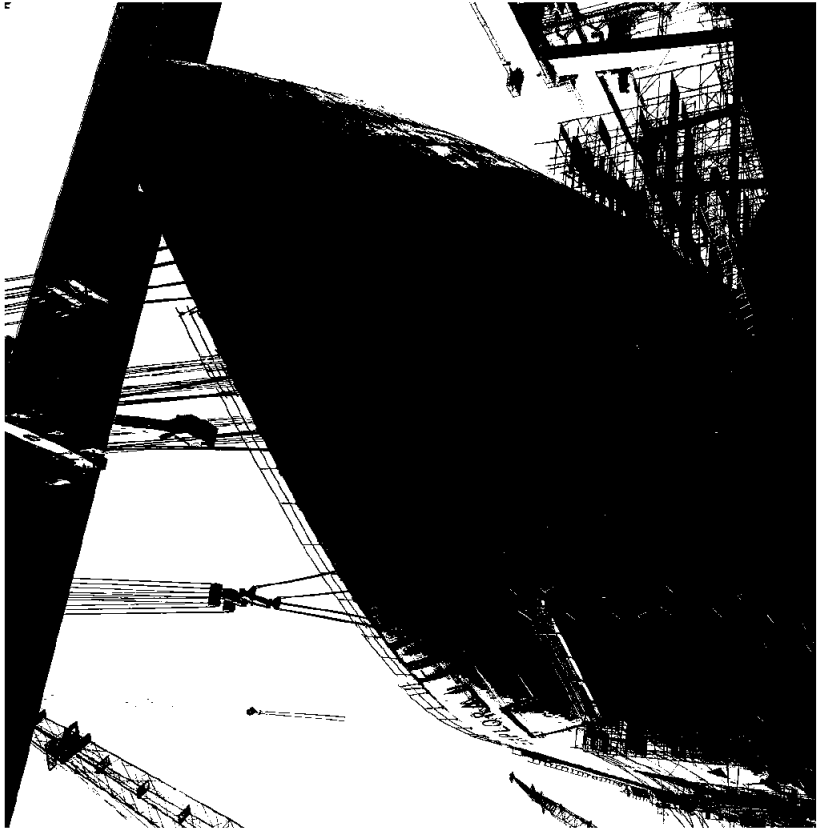
The creation of sustainable value in the medium/long term, the alignment of the interests of management with those of the shareholders and support the retention are the primary objectives of this Plan, in line with the guidelines of the Corporate Governance Code and in accordance with the best and most widespread market practices. The LTI Plans, for which the allocation process has been concluded (2019-2021 LTI and 2022-2024 LTI), link part of the remuneration of Top Management to the achievement of economic-financial (EBITDA) and non-financial targets (linked to a sustainability index). Furthermore, these targets are linked to stock performance (the TSR against both the FTSE Italia All Share Modified Index and an International Peer Group).



GOV-4 – Statement on due diligence

Through the materiality analysis conducted in 2024, Fincantieri identified and assessed both actual and potential negative impacts related to sustainability issues. This analysis enabled the Group to begin defining a due diligence process to manage and mitigate the negative impacts associated with the issues deemed material to Fincantieri.

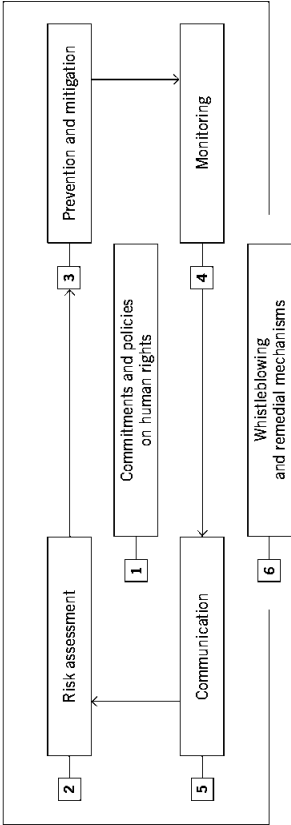
In response to the evolving regulatory requirements set out by the European Parliament and Council in the Corporate Sustainability Due Diligence Directive (CSDDD), Fincantieri established a human rights due diligence process in 2023. This process is aligned with the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, as well as the CSDDD.



The following provides an overview of the information included in the Statement, highlighting the due diligence processes for the topics material to the Group.

Due Diligence steps	Report reference
Embedding due diligence in governance, strategy and business model	- GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies - GOV-4 - Statement on due diligence - S1-1 - Policies related to own workforce - S2-1 - Policies related to value chain workers - S3-1 - Policies related to affected communities - S4-1 - Policies related to consumers and end-users - G1-1 - Corporate culture and business conduct policies - G1-2 - Management of relationships with suppliers
Engaging with affected stakeholders in all key steps of the due diligence	- GOV-4 - Statement on due diligence - ESRS 2 - S1, S2, S3, S4, SBM - 2. Interests and views of stakeholders - S1-2 - Processes for engaging with own workers and workers' representatives about impacts - S2-2 - Processes for engaging with value chain workers about impacts - S3-2 - Processes for engaging with affected communities about impacts - S4-2 - Processes for engaging with consumers and end-users about impacts
Identifying and assessing adverse impacts	- GOV-4 - Statement on due diligence - ESRS 2 - IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities - S1 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model - S2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model - S3 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model - S4 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model - G1 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities - G1-3 - Prevention and detection of corruption and bribery
Taking actions to address those adverse impacts	- GOV-4 - Statement on due diligence for sustainability purposes - S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns - S1-4 - Taking corrective impacts on own workforce, approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of these actions - S2-3 - Processes to remediate negative impacts on value chain workers and effectiveness of these actions - S2-4 - Taking action on material impacts on value chain workers and approaches to managing material risks and pursuing material opportunities related to value chain workers and effectiveness of these actions - S3-3 - Processes to remediate negative impacts and channels for affected communities to raise concerns - S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities and effectiveness of these actions - S4-3 - Processes to remediate negative impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of these actions - S4-4 - Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of these actions
Tracking the effectiveness of those efforts and communicating	- GOV-4 - Statement on due diligence - S1 - Own workforce - Metrics and targets - S2 - Workers in the value chain - Metrics and targets - S3 - Affected communities - Metrics and targets - S4 - Consumers and end-users - Metrics and targets - G1 - Business conduct - Metrics and targets

The human rights due diligence process initiated by the Group, following the requirements of international standards, is divided into six stages, all characterised by the **active involvement of stakeholders**.



The process started in 2023 with the preliminary activity of identifying **salient human rights issues**² for the Group. This was carried out through consultation with relevant stakeholders, considering business activities, operating contexts, and employing a risk-based approach. The salient issues, which are also outlined in the Group Policy **Human Rights - Commitment for the Respect of Human Rights and Diversity**, include:

- Child labour;
- Forced labour, modern slavery and human trafficking;
- Freedom of association and collective bargaining;
- Decent working conditions;
- Health and safety in the workplace;
- Right to privacy;
- Rights of local communities;
- Protection of the environment and biodiversity.

In this first step, an analysis of actual and potential negative impacts specific to human rights was structured, following a risk-based approach. **The Human Rights Risk Assessment (HRRRA)** was conducted using the following methodological framework:

- **Identification of areas of impact:** the analysis of corporate documentation and the involvement of some internal stakeholders of the Parent Company and selected subsidiaries, as well as site visits to a number of production sites and suppliers both in Italy and abroad, made it possible to identify specific risk events on which the Group's activities and business relationships could generate negative impacts.
- **Assessment of actual and potential negative impacts:** the probability of occurrence of the impact and its severity, defined as the product of severity, spread and remediality, were assessed for each identified risk event. This activity identified which risk events Financier needs to manage more carefully, including those related to forced labour, modern slavery and human trafficking, decent working conditions, and the rights of local communities.
- **Residual risk assessment:** in addition to assessing the possible negative impacts that could occur, a mapping of the safeguards in place for the protection of human rights by the various corporate departments was carried out, in order to identify any possible areas of improvement to strengthen their mitigation, prevention and remedial actions.

² There are the salient human rights issues as defined by the UN Guiding Principles Framework, i.e. those human rights that are at risk of the most severe negative impact through the Company's activities and business relationships. This concept of salience uses the term "most severe negative impact" to refer to the most significant adverse impacts that are likely to occur, taking into account their nature, scope, timing, frequency, and the ability to avoid, prevent, or mitigate them. The salient issues identified are subject to periodic review and update. The assessment of the salient issues is carried out by the Group's corporate departments, which are responsible for managing human rights. The Policy was updated in 2024 to more effectively integrate the activities identified as salient in the corporate process.



The results of the HRRRA revealed that the political and social conditions of the countries in which Financier operates – directly through subsidiaries and indirectly through suppliers – represent one of the key elements to be considered in the risk analysis. With regard to the supply chain, the analysis identified suppliers operating in countries with a high risk of possible human rights violations and where Financier is aware that there are inherent difficulties in managing possible negative impacts due to socio-political conditions that expose workers to possible violations. Despite this, over the years Financier has adopted various safeguards and implemented mitigation and prevention actions, including the obligation to implement the **Supplier Code of Ethics** as a binding contractual obligation (clause) for the establishment of business relationships, the formalisation of a supplier selection and qualification process that takes ESG parameters into account, the definition of a corporate structure dedicated to site management and in charge of monitoring suppliers and contractors, and the implementation of on-site audits, both at subsidiaries and at suppliers.



GOV-5 –
Risk management
and internal controls
over sustainability reporting

In 2024, the Fincantieri Group established an "Internal Control Over Sustainability Reporting System" (ICSRS), designed to meet the requirements of the European Sustainability Reporting Standards (ESRS). This system is a structured process designed to ensure the accuracy and completeness of the sustainability information reported in this Sustainability Statement and to ensure compliance with the ESRS reporting standards. Fincantieri has adopted the "CCSO - Internal Control Integrated Framework" and COBIT - Control Objectives for Information and related Technology" frameworks as the main "company-wide" ICSR assessment tools.

The system operates in line with applicable regulations and the principles of good corporate governance, and is fully integrated into the Group's Internal Control and Risk Management System. The main regulatory sources and reference standards are: Directive (EU) 2022/2464 - Corporate Sustainability Reporting Directive (CSRD), Italian Legislative Decree no. 125 of 6 September 2024 on Corporate Sustainability Reporting (transposing EU Directive 2022/2464), Delegated Regulation (EU) 2023/2772 and Regulation (EU) 2020/852 the "Taxonomy Regulation". The boundary of the Internal Control System for the Sustainability Statement, in terms of material companies and processes, is developed according to an approach aimed at guaranteeing adequate control of the areas most exposed to the risk of material errors in the Fincantieri Group's sustainability reporting, prioritising them according to the scale of the risk. The concept of materiality is dictated by significance in relation to the double materiality analysis. The boundary for the companies in scope is defined according to a quantitative and size-based approach, considering the companies that individually contribute to the achievement of a Group total value large enough to meet the threshold for the individual reporting indicators for the "Environmental", "Social", & "Governance" aspects, and taking into account qualitative aspects for specific activities or defined ESG objectives. The main actors involved in managing the control of risks related to the Sustainability Statement are:

- The **Chief Executive Officer** of the Parent Company, who certifies in the relevant report that the sustainability reporting included in the management report was prepared in accordance with the applicable reporting standards and the provisions of Regulation (EU) 2020/852 (the "Taxonomy Regulation").
- The **Officer in Charge of Financial Reporting** periodically reports to the Chief Executive Officer on the planning of activities, results and critical issues highlighted following the monitoring process for the essential controls implemented relevant for assessing the adequacy of the Internal Control System and any other issues to be urgently submitted to the Board of Directors;
- The **Chief Approver**, who are the directors at Parent Company level, globally approve the data already validated by the Group Approver, who verify the information on each Group company or site received from the Local Data Approver. After assessing the correctness and completeness, as well as consistency with ESRS standards of the data and information reported by the Sustainability Department, the Officer in Charge issues the certificate required by Legislative Decree No. 125 of 6 September 2024.

The most significant potential risks identified at the basis of the ICSR refer to the fact that sustainability reporting:

- is not timely, i.e. not included in the information flows within a reasonably short time of the occurrence of the event to which it relates;
- is inaccurate, i.e. contains approximations or outright inaccuracies;
- is incomplete, i.e. only partially reflects the event to which it refers;
- is not authorized or has been produced and communicated without the appropriate level of authorization required internally.

In addition to these risks, there are others typical of the standard processes as set out below:

- transactional processes: i) risk of omitted or incorrect detection, which refers to the possibility that transactions or events that have occurred are not recorded in the information systems and that recorded transactions or events have not actually occurred;
- assessment and estimation processes: i) risk that estimates and assessments are made without documentary support for the information sources used, or that they are based on information sources that are inadequate for the assessment or, finally, that they are not consistent with the information sources used to support them; ii) risk of adopting calculation methodologies that do not comply with the sustainability reporting standards adopted by the company or of their inaccurate application; iii) risk of non-homogeneity of calculation methodologies or in the application of calculation formulas for the same types of case and in different reporting periods.

The Group adopts the most appropriate mitigation strategies through a three-tiered control system. Risks mitigation is ensured by the Company's Internal Control System, which operates at the following levels:

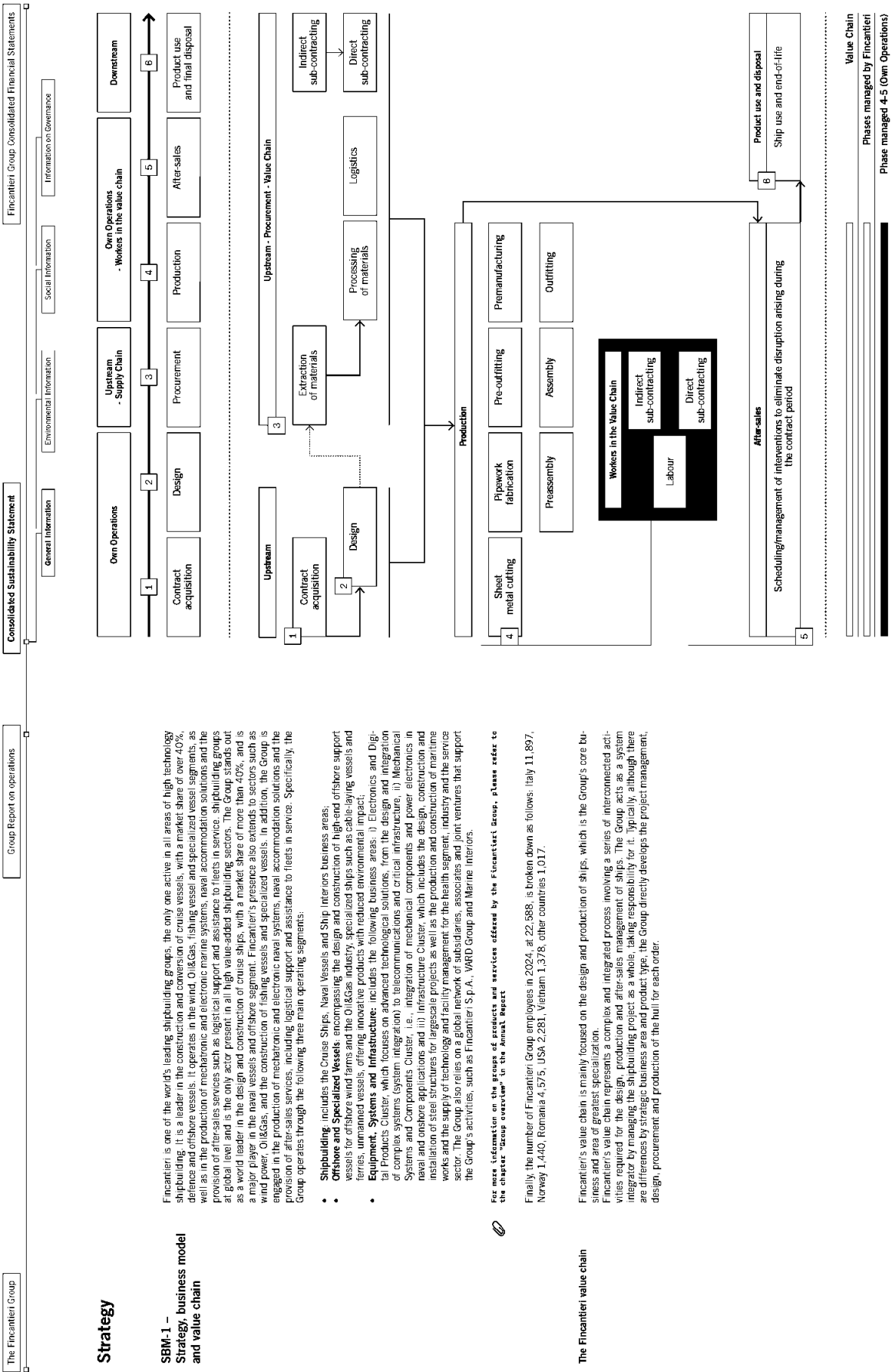
1. **Entity Level**, encompasses organization-wide controls to establish an adequate and reliable control environment;
2. **Process Level**, assesses activities and risks related to the sustainability data collection and processing, with controls defined in special Risk Control Matrices (RCM), periodically updated by Group Approver;
3. **IT General Control**, evaluates the IT systems used in reporting processes, ensuring that application and IT controls are effective and support the proper handling of information.

The periodic verification of the adequacy and effective operation of controls over sustainability reporting is carried out through:

- second-level monitoring carried out by management, within the scope of its responsibilities, which include an obligation to monitor the actual implementation and tracking of controls;
- independent third-level monitoring, aimed at verifying the effective implementation of the activities related to the Internal Control System for the Sustainability Statement.

At the end of the monitoring activities, the Officer in Charge Structure prepares a final report containing details of the activities performed. This report is shared with the Chief Executive Officer and subsequently with the Control and Risk Committee. Annually, when issuing sustainability reporting, the Officer in Charge reports to the Board of Directors and the Supervisory Bodies.





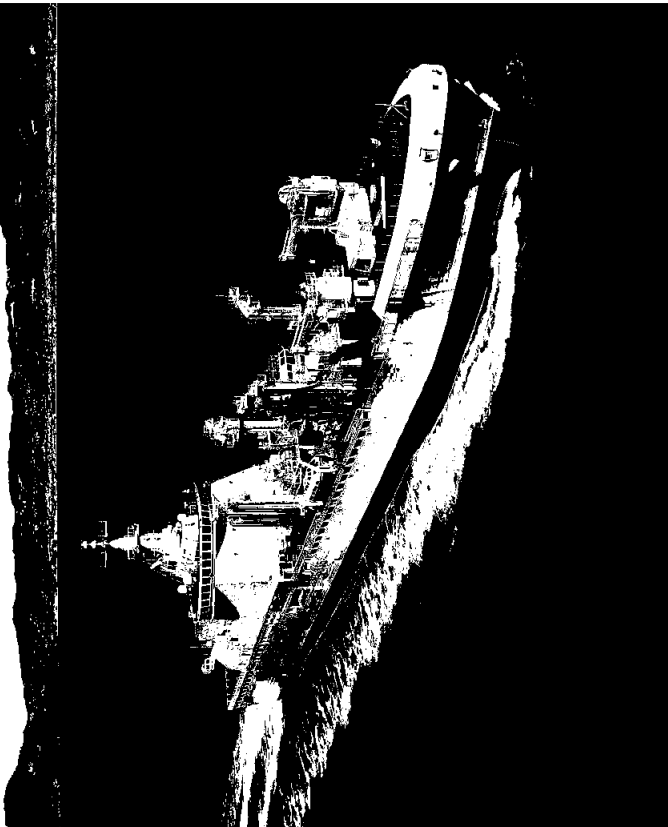


1 & 2
Contract acquisition
and ship design

Initial activities include the acquisition of new contracts, a competitive process requiring careful internal preparation and coordination of various professionals, and the design phase, managed by a dedicated team under the guidance of a project manager. The latter is responsible for the overall planning, which includes the basic design and the management of any changes over the entire project cycle. Specifically, design is broken down into several highly integrated and interconnected phases: basic design, functional design, development design, technical assistance for production, change management.

3.
Procurement

The company adopts procurement strategies, balancing in-house production with the purchase of components from third-party suppliers. The approach takes into account the entire production and processing cycle for raw materials, from the extraction and processing of materials to their distribution. The main purchasing procedures include: turnkey supplies, supply of materials and contracts. The main materials include steel for the hull structure, copper for electrical cables, steel and plastic materials for on-board pipes, welding materials and paint products. Most goods are transported by ship, road and rail. Air cargo handling accounts represents a minority share.



4.
Ship manufacturing

The production process is developed through several well-defined stages. It starts with sheet metal cutting, which consists of the treatment of ferrous materials for hull construction by in-house labour. In parallel, the pipes are manufactured, either in-house or by specialist suppliers. Subsequently, in the prefabrication phase, the ferrous materials, suitably processed, are assembled in groups, ensuring efficient management of fluctuations in order backlog using 'leadereed' contracts, again under the close supervision of Fincantieri. During the pre-outfitting, outfitting of plant and systems and painting activities begin. During pre-assembly, the already formed blocks are assembled into sections, an activity which, like the previous ones, involves external suppliers under Fincantieri supervision. The assembly phase then involves joining the prefabricated sections together to form the complete hull. In this phase, welding, outfitting of the interior spaces and the installation of on-board equipment take place, together with the outfitting of the exterior spaces and the installation of the payload. In this phase Fincantieri also relies on contracting, ensuring at the same time a close monitoring. Finally, the final outfitting consists of the completion of the minor installations and the payload, including equipment, furnishings and other elements required for use of the ship. All these operations take place under the constant supervision of Fincantieri, with the support of external suppliers where necessary.

5.
After-sales

After delivery of the ship, Fincantieri offers a warranty period during which it remains available for on-board issues, in cooperation with customers and suppliers. This approach ensures effective after-sales service aimed at maintaining high quality standards. To maintain and consolidate its role as a global leader, Fincantieri carefully monitors commercial, regulatory and environmental developments, anticipating customers' needs with innovative and technologically advanced solutions. The Group's strategic value lies in its ability to design and integrate complex tailor-made systems, strengthening partnerships along the entire value chain and creating shared value through co-design activities and the dissemination of best practices, with tangible benefits for customers, investors and stakeholders. Fincantieri's customers can be grouped into three major categories: Cruise, Naval and Offshore. For more information, please refer to paragraph S4, SBM.3, Material impacts, risks and opportunities and their interaction with strategy and business model. Finally, at the end of the ship's use, there is the disposal phase, an activity managed directly by the shipowners.

6.
Product use
and final disposal

Fincantieri presides over all the high value-added segments in which it operates, consolidating its role as a global leader. To do so, it closely monitors commercial, regulatory and environmental developments, anticipating customers' needs with innovative and technologically advanced solutions. The Group's strategic value lies in its ability to design and integrate complex tailor-made systems, strengthening partnerships along the entire value chain and creating shared value through co-design activities and the dissemination of best practices, with tangible benefits for customers, investors and stakeholders. Fincantieri's customers can be grouped into three major categories: Cruise, Naval and Offshore. For more information, please refer to paragraph S4, SBM.3, Material impacts, risks and opportunities and their interaction with strategy and business model. Finally, at the end of the ship's use, there is the disposal phase, an activity managed directly by the shipowners.

The strategy for the future

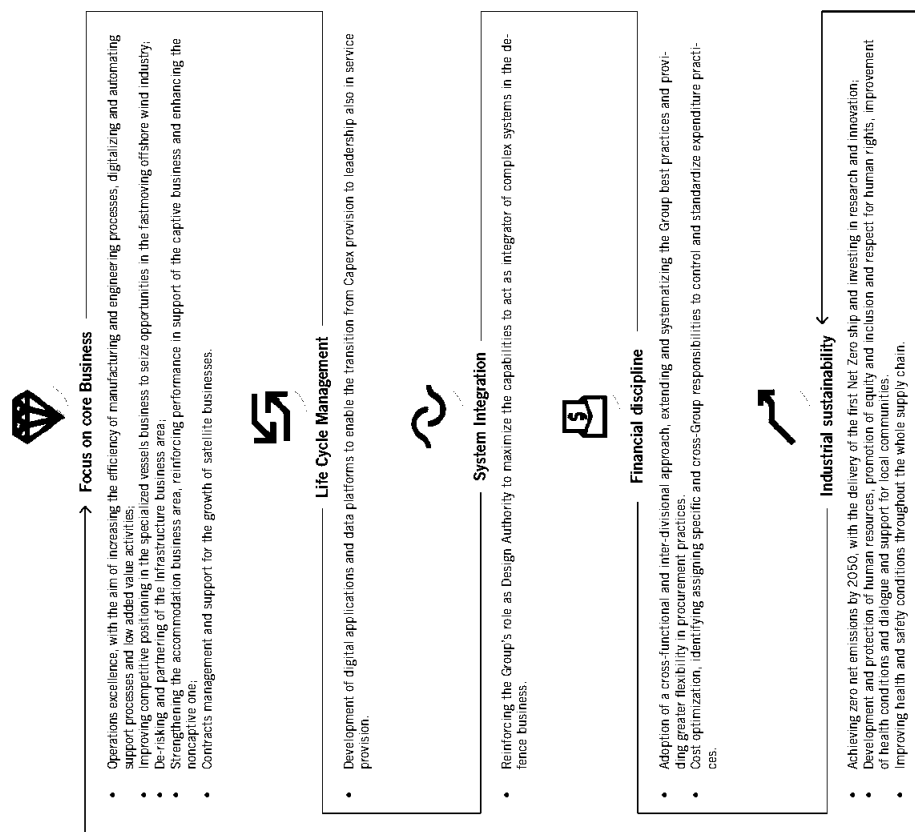
The Group's strategy, increasingly oriented towards the energy and digital transition and addressing new socio-economic challenges, reflected the objectives of the 2023-2027 Business Plan and Sustainability Plan. To demonstrate its responses to the challenges of strengthening the international competitive positioning of the Group and the Italian shipbuilding industry, Financiar's aims to become a world leader in the design, construction and life-cycle management of digital and green ships for the tourism, defence and energy sectors.

In support of this strategic vision, the 2023-2027 Business Plan, approved by the Board of Directors of Financiar S.p.A. in December 2022, identifies five innovation pillars and ten strategic projects that will guide the Group in the pursuit of its sustainability and innovation objectives.



2023-2027 Business Plan

Strategic pillars and actions

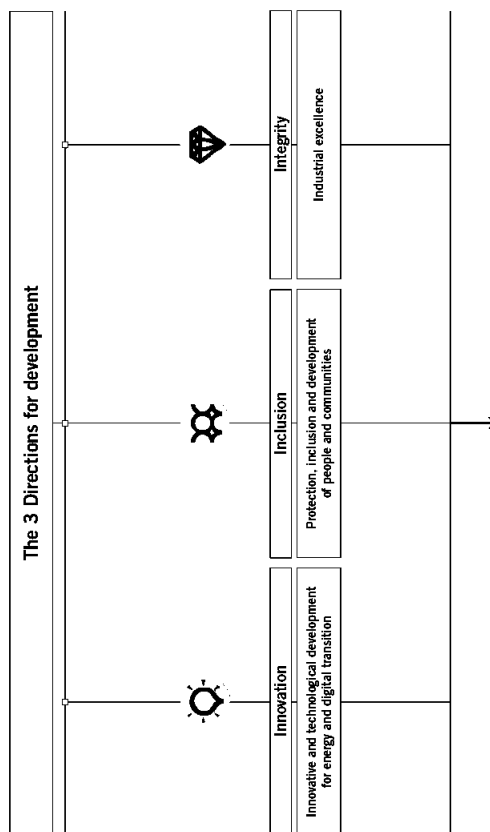


2023-2027
Sustainability Plan

The 2023-2027 Sustainability Plan is an integral part of the strategic vision and is aimed at creating value for all stakeholders. At this time of transformation, sustainability represents a pivotal point in the evolution of production processes and an essential objective in the development of the product portfolio in line with customer needs, helping to ensure a high level of resilience and sustainable development for the Group.

In order to respond to socio-economic trends, the new 2023-2027 Sustainability Plan identifies **3 Directions for development** that represent the Group's strategic vision in terms of sustainability, ensuring that Fincantieri's commitments are met and contribute to the achievement of the 17 United Nations Sustainable Development Goals (SDGs). In particular, 9 SDGs were recognized by Fincantieri as relevant to its business and in line with its strategic guidelines.

The 3 Directions for development



Sustainable Development Goals

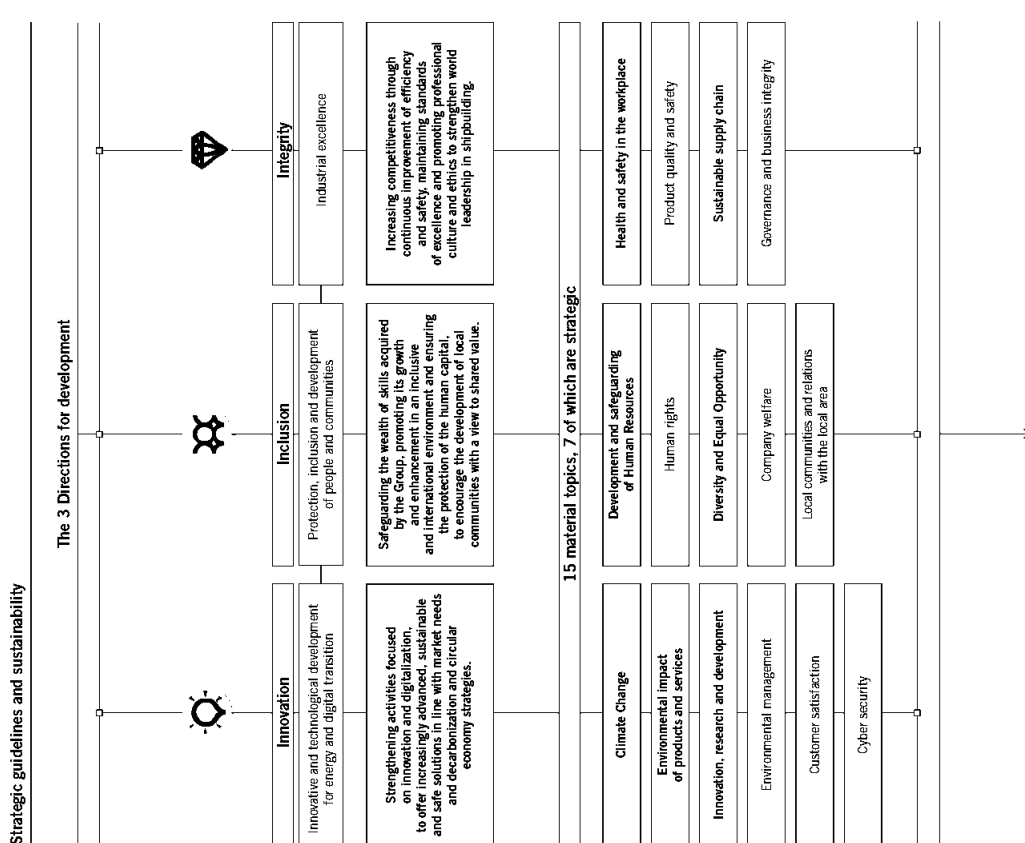


Encantieri, in particular, contributes to the achievement of 9 of the 17 goals of the UN's 2030 Agenda for Sustainable Development.

Focus on energy transition, development of innovative and sustainable solutions, maintaining the central role of the human capital, and sustainable supply chain.

The **3 Directions for development**, defined in synergy with the Business Plan, cover the **15 material topics** identified by the Group from the 2023 materiality analysis, and confirmed by the double materiality analysis carried out in 2024, 7 of which are strategic topics for business development which the Group has decided to focus on:

- Climate change;
- Environmental impact of products and services;
- Innovation, research and development;
- Development and safeguarding of human resources;
- Diversity and equal opportunity;
- Health and safety in the workplace;
- Sustainable supply chain.





The Fincantieri Group	Group Report on operations				Consolidated Sustainability Statement				Fincantieri Group Consolidated Financial Statements			
	General Information				Environmental Information				Social Information			
									Information on Governance			

The objectives defined in the Plan make the Group's path towards sustainable development transparent and verifiable. Periodically, these objectives are updated, and new targets are defined, according to a process of continuous alignment with strategic guidelines and results achieved, to further integrate sustainability along the entire value chain, taking into account potential impacts on the economy, environment and people.

The 2023-2027 Sustainability Plan was approved by the Board of Directors of Fincantieri S.p.A. on February 16th, 2023.

Top Management has been consistently involved in the definition of all objectives. Top Management, the Chief Executive Officer, and the Board of Directors, each according to their respective roles and responsibilities, are tasked with ensuring that the Company's functions have the necessary conditions to achieve the established objectives. The relevant corporate functions are responsible for achieving the Sustainability Plan's goals and targets and they allocate resources, tools, and expertise to implement the actions underpinning the objectives.

Since 2023, the Sustainability Plan's objectives have been **monitored** on a quarterly basis, presented to Top Management and shared on a half-yearly basis with the **Sustainability Committee**. The objectives and their progress are made **public** and accessible to all the Group's customers and stakeholders through the **Consolidated Sustainability Statement**.

For further details on the identified targets in relation to relevant impacts, risks and opportunities, please refer to the specific sections of each Topical Standard.

SBM-2 –
Interests and views
of stakeholders

With the introduction of CSRD, listening to and involving stakeholders has become more and more of a priority to understand their needs, interests and expectations. Through a proactive, multi-channel approach, stakeholder engagement enables the establishment of long-term relationships, turning them into a source of competitive advantage for the Group.

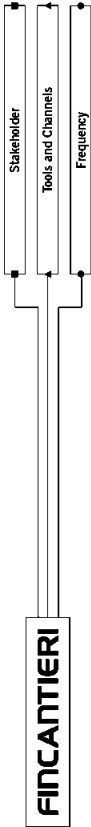
During 2024, the Group continued to involve stakeholders, including the financial community, suppliers and partners, customers, associations, and other stakeholders, through a Sustainability survey, an important initiative aimed at assessing and understanding the impact of its activities on various topics for Fincantieri. This activity provided a crucial opportunity to gather perspectives or concerns from ESG stakeholders, improving understanding of the Group's main concerns. In addition, a financial analysis of risks and opportunities was carried out, as required by the double materiality analysis in paragraph ESRS 2 SBM3.3. Material topics, risks and opportunities and the interaction with stakeholders identified in the previous period are presented in detail in paragraph 3.2.2 of the Consolidated Sustainability Statement.

The Group's commitment to listening to and involving stakeholders is a priority. In this context, the Group continues to develop new processes for engaging with stakeholders to ensure constant updating of results and an ever-better integration of their demands into corporate strategies. For each stakeholder category, the main tools, listening channels and frequency of contact have been identified, with the aim of gathering expectations and needs and communicating the results achieved and the programs promoted by the Group. Observations arising from such engagement activities are always considered, processed and shared within the Group. In particular, the interests and views of the company's own workforce, workers in the value chain, affected communities, consumers and end-users, where significant, are taken into account when defining business objectives and strategy, as well as when underling relevant policies. Responsibility for managing the relationship with the various stakeholders is spread throughout the Group, where specific functions constantly liaise with their respective stakeholder groups. Furthermore, stakeholder interests and views about impacts of the company on sustainability are periodically reported to the administrative, management and supervisory bodies, in order to integrate this information into decision-making processes.





The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Fincantieri Group Consolidated Financial Statements
		General Information	Environmental Information
			Social Information
			Information on Governance



Environment	■ Fincantieri's mission is to become a model of excellence in environmental protection and it therefore adopts, in its strategic choices and corporate processes at all levels, the principles of environmental sustainability when carrying out its work. ▲ Direct contact with bodies and ad hoc working parties. ● Continuous dialogue and periodic meetings.
Human resources	■ For Fincantieri, people come first. Constant collaboration and cooperation allow for individual and group growth, making ideas and practices, responsibilities and actions a common factor. ▲ Days dedicated to training, individual performance reviews, discussions with trade unions and employee representatives, involvement in specific initiatives, and performance evaluation meetings. Courses, various activities, e-learning related to health and safety topics. ● Continuous dialogue and periodic meetings.
Suppliers	■ Fincantieri suppliers are a valuable strategic resource. That is why the Company promotes long-term relationships and sharing of responsibilities and development. ▲ Meetings with strategic suppliers, dedicated audits at selected suppliers, feedback questionnaires. Various activities related to health and safety topics. ● Continuous dialogue and periodic meetings.
Partner	■ Fincantieri's partners represent a fundamental and strategic asset. The Company therefore favours lasting partnerships based on shared skills and mutual development. ▲ Meetings with partners, feedback questionnaires. Various activities related to health and safety topics. ● Continuous dialogue and periodic meetings.
Community	■ Fincantieri is aware of its role in the local community and considers the demands of the latter, collaborating systematically with all the relevant figures in the area. Fincantieri promotes proactive initiatives that foster the development of the local community and areas where the company operates. ▲ Participation in working parties, meetings with representatives from NGOs and non-profit organizations, civil society institutions and associations, press conferences. Periodic meetings with schools and universities to discuss and develop topics for research, internships. ● Continuous dialogue and periodic meetings.
Trade Unions	■ Fincantieri confirms the importance of hands-on representation of its workers through suitable levels of involvement, awareness and the assignment of co-responsibility for production objectives and issues of common interest. Accordingly, a new system of industrial relations has been implemented in line with the relevant commercial, economic and production context. ▲ Meetings, working parties/discussions and the establishment of appropriate joint bodies to address various topics with the trade unions on all levels. ● Continuous dialogue and periodic meetings.

Financial community	■ Dialogue with the financial community is constant, in compliance with the law and in line with best working practices, ensuring complete transparency. ▲ Press releases, periodic presentation of financial results, conference calls, Shareholders' Meetings, meetings with investors and analysts, one-to-one presentations, road shows and shipyard tours. E-mail address dedicated to Investor Relations for institutional investors and small shareholders. ● Frequency as set by law and internal organizational models; dialogue with investors is continuous and related to Analyst engagement strategies.
Institutions and Public Administration	■ The distinct nature of Fincantieri's business calls for a continuous relationship with institutions and the Public Administration. ▲ Direct contacts, internet, ad hoc working groups, definition and development of common projects. ● Continuous dialogue and periodic meetings.
Customers	■ Fincantieri always listens to its customers' needs, each ship is the product of a strong relationship with the shipowner. ▲ The entire shipbuilding process calls for a continuous relationship between the project manager and the customer and their staff. ● Direct and continuous relationship.

Regular meetings are held with clients, employees, suppliers and community representatives to foster with whom the Group works, promoting continuous engagement and improvement.

The Group engages with legislators and national and international institutions to foster constructive cooperation, interpret and apply new regulations correctly and share expertise, initiatives and projects, contributing to public consultations for the definition of new measures and laws and regulations specific to the industry, and providing concrete guidance.

To support the development of its business, Fincantieri S.p.A. and its subsidiaries participate in the governance of various national and international associations, stimulating, along with the other associates, a propulsive and systematic action in the areas of research and development and in the promotion of the various stakeholders' interests. The main organizations and associations with which the Group actively collaborates include Confindustria, Federmeccanica, ASSONAVE, Confindustria Nautica, Federazione del Mare, SEA Europe, Surface Navy Association, Shipbuilders Council of America and Norsk Industri Maritim.

In 2024, engagement activities focused in particular on decarbonization, new business, innovation, diversity and inclusion, health and safety and managing the supply chain.

The main engagement initiatives with relevant stakeholders are detailed in the specific chapters. In addition, stakeholder involvement in the materiality analysis is reported in the paragraph ESRS 2, IRO-1 Description of processes to identify and assess material impacts, risks and opportunities.

The Fincantieri Group		Group Report on operations		Consolidated Sustainability Statement				Fincantieri Group Consolidated Financial Statements									
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model		In accordance with the requirements of the ESRs, only those impacts, risks and opportunities (IRO) that were found to be material, i.e. that exceeded the materiality threshold, were considered. The thresholds adopted by the Fincantieri Group were defined based on specific criteria. For materiality of impact, the Group gave prominence to issues deemed important by stakeholders over time, also ensuring alignment with the Sustainability Plan and the Business Plan. Reference should be made to later chapters for a detailed description of how the material impacts, both positive and negative, affect people and the environment for each topic.		With regard to financial materiality, in line with the Enterprise Risk Management (ERM) approach and expectations, it was considered appropriate to include topics starting from those with material risks and opportunities. In addition to the process described, the Group conducted a targeted analysis to assess the exposure of its assets and its strategy with regard to climate risks, both physical and transition related. The results of this assessment are set out in detail in paragraph E1.IRO.1 – Description of the processes to identify and assess material impacts, risks and opportunities.		The Group currently performs a resilience analysis of the risks and opportunities identified by the double materiality analysis as part of Fincantieri's ERM process. In the next update of the Sustainability Plan, the Group will further consider the impacts, risks and opportunities identified by the double materiality analysis when setting new objectives. Following the double materiality analysis, 30 impacts, 27 Risks and 21 Opportunities were confirmed. The results of this assessment were validated by the Sustainability Committee on 28 January 2025 and approved by the Board of Directors on 20 February 2025.		The tables below show the relevant IROs broken down by impact materiality and financial materiality, then ordered in accordance with the ESRs standards.		General Information		Environmental Information		Social Information		Information on Governance	
										General Information		Environmental Information		Social Information		Information on Governance	
Impact materiality																	
Policies		Description	Actual/potential negative/positive impact	Value chain	Time horizon												
ENVIRONMENT																	
ESRS E1 – CLIMATE CHANGE																	
Health and Safety at Work, Environment and Energy Policy		Increase in GHG (Greenhouse Gas) emissions related to the Group's own operations and value chain	Actual negative	Own operations and Value chain	Medium to long-term												
Health and Safety at Work, Environment and Energy Policy		Development of advanced technologies enabling more energy-efficient processes and products, and awareness programs for end-users	Potential positive	Own operations	Medium to long-term												
ESRS E2 – POLLUTION																	
Health and Safety at Work, Environment and Energy Policy		Increased presence of pollutants and/or hazardous or highly hazardous substances in the atmosphere and in the production processes, such as sulphur oxides (SOx), nitrogen oxides (NOx) and heavy metals	Actual negative	Own operations	Short to medium-term												
Health and Safety at Work, Environment and Energy Policy		Incentives to reduce other emissions/pollutants by developing innovative technologies and thorough collaboration with suppliers and partners committed to responsible practices	Actual positive	Own operations	Short to medium-term												
ESRS E3 – WATER AND MARINE RESOURCES																	
Health and Safety at Work, Environment and Energy Policy		Increased water consumption within own sites/shipyards during the production cycle in water-stressed areas	Potential negative	Own operations	Short to medium-term												
ESRS E4 – BIODIVERSITY AND ECOSYSTEMS																	
Health and Safety at Work, Environment and Energy Policy		Decrease in the variety of species present in the areas surrounding the production sites, deterioration of natural habitats and alteration of ecological balance due to the Group's activities	Potential negative	Own operations	Short to medium-term												

Consolidated Sustainability Statement		General Information		Environmental Information		Social Information		Information on Governance		Fincantieri Group Consolidated Financial Statements	
Health and Safety at Work, Environment and Energy Policy		ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY		Environmental repercussions due to incorrect treatment and disposal of waste produced during the various stages of operations		Potential negative		Own operations and Upstream value chain		Short to medium-term	
Innovation Policy											
SOCIAL											
Policy on Human Rights		ESRS S1 – OWN WORKFORCE		Increased employee well-being and a better work-life balance through appropriate welfare schemes		Potential positive		Own operations		Short to medium-term	
Code of Conduct											
Policy against Harassment in the Workplace											
Health and Safety at Work, Environment and Energy Policy		Increase in accidents, occupational illnesses and/or damage to employees' mental and physical health due to inadequate management and monitoring of safety, faults and malfunctioning of company assets		Actual negative		Own operations		Short to medium-term			
Policy on Human Rights											
Code of Conduct											
Policy against Harassment in the Workplace											
Travel Risk Management Policy											
Health and Safety at Work, Environment and Energy Policy		Increased health and safety awareness through training, information and awareness-raising programs for employees and co-workers in the value chain		Actual positive		Own operations and Upstream value chain		Short to medium-term			
Policy on Human Rights											
Code of Conduct											
Policy against Harassment in the Workplace											
Health and Safety at Work, Environment and Energy Policy		Discriminatory and unfair behaviour and practices in recruitment, career progress and remuneration procedures		Potential negative		Own operations		Short to medium-term			
Policy on Human Rights											
Code of Conduct											
Policy against Harassment in the Workplace											
Health and Safety at Work, Environment and Energy Policy		Improving the well-being of employees through the implementation of integrated programs for the protection and promotion of equal opportunities		Actual positive		Own operations		Short to medium-term			
Code of Conduct											
Policy against Harassment in the Workplace											
Health and Safety at Work, Environment and Energy Policy		Unacceptable consequences for employees due to inadequate enforcement of existing labour regulations including collective bargaining, working hours and pay		Actual negative		Own operations		Short to medium-term			
Code of Conduct											
Policy on Human Rights											
Code of Conduct											
Policy against Harassment in the Workplace											
Health and Safety at Work, Environment and Energy Policy		Improving skills, attracting talent and generating new skills and know-how through the development of staff training programs		Actual positive		Own operations		Short to medium-term			
Code of Conduct											
Policy on Human Rights											
Code of Conduct											
Policy against Harassment in the Workplace											
Health and Safety at Work, Environment and Energy Policy		Entering into agreements with national and international trade unions in the industry to raise awareness and protect the human rights of employees		Potential positive		Own operations		Short to medium-term			
Code of Conduct											

The Fincantieri Group		Group Report on operations		Consolidated Sustainability Statement			Fincantieri Group Consolidated Financial Statements		
				General Information		Environmental Information	Social Information	Information on Governance	
Privacy Policy	Policy on Human Rights	Breach of confidentiality, integrity and availability of company data, caused by unauthorized disclosure and unlawful processing of personal and sensitive information	Potential negative	Own operations	Short to medium-term				
Privacy Policy	Policy on Human Rights	Increased data protection and security for all internal and external stakeholders through the development of specific security plans and systems	Potential positive	Own operations	Short to medium-term				
ESRS S2 – WORKERS IN THE VALUE CHAIN									
Policy on Human Rights	Supplier Code of Ethics	Violation of human rights within the supply chain due to incorrect monitoring	Actual negative	Upstream value chain	Short to medium-term				
Policy Conflict Minerals									
Privacy Policy	IT Security Policy	Breach of confidentiality, integrity and availability of company data, caused by unauthorized disclosure and unlawful processing of personal and sensitive information	Potential negative	Own operations	Short to medium-term				
Privacy Policy	IT Security Policy	Increased data protection and security for all internal and external stakeholders through the development of specific security plans and systems	Potential positive	Own operations	Short to medium-term				
ESRS S3 – AFFECTED COMMUNITIES									
Policy on Initiatives for the Communities and Territories		Increased inconvenience affecting the local community caused by activity	Actual negative	Own operations	Short to medium-term				
Policy on Human Rights									
Policy on Initiatives for the Communities and Territories		Generating economic benefits for the local community through partnerships, awarding of contracts, payment of taxes/contributions, implementation of development programs and investment in infrastructure/services	Actual positive	Own operations	Short to medium-term				
Policy on Human Rights									
Policy on Initiatives for the Communities and Territories		Social and environmental repercussions of not listening to the needs of communities regarding end-use of own products	Potential negative	Own operations and value chain	Short to medium-term				
Policy on Human Rights									
Policy on Initiatives for the Communities and Territories		Potential violation of human rights such as the use of forced labour, child labour and restriction of freedom of association with consequences for the community	Potential negative	Own operations and value chain	Short to medium-term				
Policy on Human Rights									
ESRS S4 – CONSUMERS AND END-USERS									
Quality Policy	Innovation Policy	Increased customer satisfaction and trust through effective relationship management and the development of targeted solutions	Potential positive	Own operations	Short to medium-term				
Quality Policy		Generation of delivery delays due to incorrect order management and processing times	Potential negative	Own operations	Short to medium-term				
Quality Policy		Increased efficiency, safety and reliability of products for both the customer and end-users	Potential positive	Own operations and value chain	Short to medium-term				
Innovation Policy		Failure to achieve high quality standards due to the complexity of activities and inadequate control systems	Potential negative	Own operations and value chain	Short to medium-term				
Privacy Policy		Breach of confidentiality, integrity and availability of company data, caused by unauthorized disclosure and unlawful processing of personal and sensitive information	Potential negative	Own operations	Short to medium-term				

Consolidated Sustainability Statement		Group Report on operations		Fincantieri Group Consolidated Financial Statements			
				General Information	Environmental Information	Social Information	Information on Governance
Privacy Policy	Increased data protection and security for all internal and external stakeholders through the development of specific security plans and systems	Potential positive	Own operations	Short to medium-term			
GOVERNANCE							
ESRS G1 – BUSINESS CONDUCT							
Code of Conduct	Engaging in conduct such as tax evasion, monopolisation, persecution of private interests and other improper actions, with possible negative consequences for the Company's reputation	Potential negative	Own operations	Short to medium-term			
Anti-corruption Policy							
Fincantieri Group Tax Strategy							
Code of Conduct	Promotion of the principles of ethics, integrity and transparency through the promotion of co-operation between countries and international partnerships in the maritime sector	Potential positive	Own operations	Short to medium-term			
Anti-corruption Policy							
Fincantieri Group Tax Strategy	Decreased investment in research and development and lack of industrial collaboration with other companies, research institutes or government agencies, placing a constraint on the sustainable progress of the sector	Potential negative	Own operations	Short to medium-term			
Supplier Code of Ethics	Promotion of environmental sustainability and social values through the active participation of suppliers and supply chain partners	Actual positive	Own operations	Short to medium-term			
Privacy Policy	Breach of confidentiality, integrity and availability of company data, caused by unauthorized disclosure and unlawful processing of personal and sensitive information	Potential negative	Own operations	Short to medium-term			
Privacy Policy	Increased data protection and security for all internal and external stakeholders through the development of specific security plans and systems	Potential positive	Own operations	Short to medium-term			





Financial materiality				
Policies	Description	Risk/Opportunity	Value chain	Time horizon
ENVIRONMENT				
ESRS E1 – CLIMATE CHANGE				
Health and Safety at Work, Environment and Energy Policy	Risk of misalignment in the adoption and implementation of emerging technologies, including those related to the green transition	Risk	Own operations	Short to medium-term
Health and Safety at Work, Environment and Energy Policy	Risk of incurring unexpected costs (increased OPEX) for adaptation/recovery due to interruption of operations at production sites due to environmental/climate/extreme events	Risk	Own operations	Short to medium-term
Health and Safety at Work, Environment and Energy Policy	Risk of inadequate management of atmospheric emissions	Risk	Own operations	Short to medium-term
Health and Safety at Work, Environment and Energy Policy	Improved competitiveness and profitability through the development of technologies and production processes in line with global 2050 emission reduction targets and increased attractiveness for investors	Opportunity	Own operations	Short to medium-term
Health and Safety at Work, Environment and Energy Policy	Improved profitability by updating production processes to achieve greater efficiency	Opportunity	Own operations	Short to medium-term
ESRS E2 – POLLUTION				
Health and Safety at Work, Environment and Energy Policy	Risk of inadequate management of atmospheric emissions	Risk	Own operations	Short-term
Health and Safety at Work, Environment and Energy Policy	Risk of potential soil/subsoil contamination due to accidents/spills	Risk	Own operations	Short-term
Health and Safety at Work, Environment and Energy Policy	Risk of potential contamination of sea water due to accidents/spills	Risk	Own operations	Short-term
Health and Safety at Work, Environment and Energy Policy	Improved competitiveness and profitability through the development of innovative and more sustainable solutions fostered by collaboration with top research institutes	Opportunity	Own operations	Short to medium-term
ESRS E3 – WATER AND MARINE RESOURCES				
Health and Safety at Work, Environment and Energy Policy	Risk of inadequate management of water discharges	Risk	Own operations	Short-term
ESRS E4 – BIODIVERSITY AND ECOSYSTEMS				
Health and Safety at Work, Environment and Energy Policy	Improved competitiveness and profitability through the development of innovative solutions with less impact on marine biodiversity	Opportunity	Own operations	Short-term
ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY				
Innovation Policy	Risk of not meeting market demand due to a shortage of raw materials	Risk	Value chain	Short-term
Health and Safety at Work, Environment and Energy Policy				
Health and Safety at Work, Environment and Energy Policy	Risk of inadequate management of hazardous and non-hazardous waste	Risk	Own operations	Short-term

Health and Safety at Work, Environment and Energy Policy	Improved competitiveness and profitability through the development of circular initiatives and processes to ensure greater reuse and more efficient disposal of materials	Opportunity	Own operations	Short to medium-term
SOCIAL				
ESRS S1 – OWN WORKFORCE				
Policy on Human Rights Privacy Policy	Risk of non-compliance with national and international data protection regulations	Risk	Own operations	Short-term
IT Security Policy				
Policy on Human Rights Privacy Policy	Risk of non-compliance with national and international legislation on cyber security (e.g. Data Protection, Military Regulations, National Cyber-security Perimeter)	Risk	Own operations	Short-term
IT Security Policy				
Travel Risk Management Policy	Risk for the safety and security of personnel travelling to places at risk of terrorism/ kidnapping/ acts of violence	Risk	Value chain	Short-term
Corporate Security Policy				
Policy on Human Rights	Risk linked to relations with trade union representatives	Risk	Own operations	Short-term
Policy on Human Rights	Risk of industrial actions/strikes causing a production slowdown or stoppage	Risk	Own operations	Short-term
Policy on Human Rights	Risk of lack of staff retention due to inadequate career growth paths or non-alignment with market trends and/or inadequate staff empowerment (skills enhancement) model	Risk	Own operations	Short-term
Code of Conduct				
Policy on Human Rights	Risk of lack of staff retention due to significant salary deviation from competitors or comparable sectors	Risk	Own operations	Short-term
Code of Conduct				
Policy on Human Rights	Risk related to the loss of key personnel/ Group retention capacity	Risk	Own operations	Short-term
Policy on Human Rights	Risk of labour disputes	Risk	Own operations	Short-term
Code of Conduct				
Policy against Harassment in the Workplace				
Health and Safety at Work, Environment and Energy Policy	Risk of potential exposures impacting on human health and safety (e.g. leakage of fumes, paint, chemicals)	Risk	Own operations	Short-term
Health and Safety at Work, Environment and Energy Policy	Risk of failure to adapt the provisions of existing and emerging occupational health and safety regulations in production processes	Risk	Own operations	Short-term
Health and Safety at Work, Environment and Energy Policy	Improved competitiveness and fostering innovation through the creation of a stimulating, engaging working environment that enables the development of new skills and increased talent retention	Opportunity	Own operations	Short to medium-term
Policy on Human Rights				
Code of Conduct				



The Fincantieri Group		Group Report on operations		Consolidated Sustainability Statement		Fincantieri Group Consolidated Financial Statements	

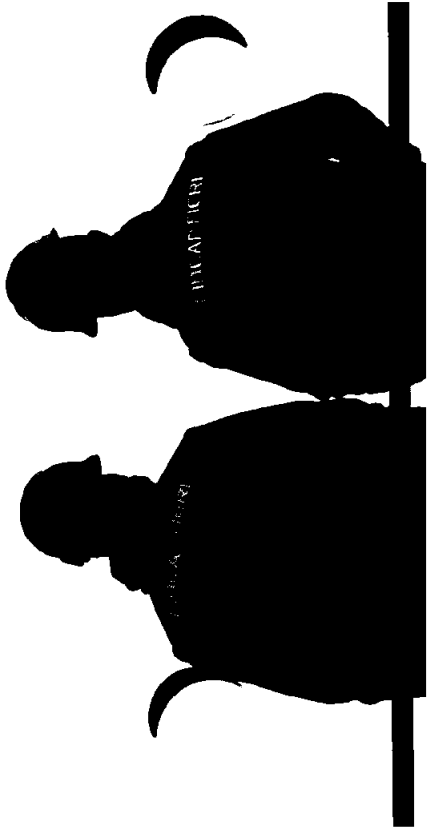


The Fincantieri Group	Group Report on operations			Consolidated Sustainability Statement			Fincantieri Group Consolidated Financial Statements		
				General Information			Environmental Information		
							Social Information		
							Information on Governance		

Privacy Policy	Risk of non-compliance with national and international legislation on cyber security (e.g. Data Protection, Military Regulations, National Cyber security Perimeter)	Risk	Own operations	Short-term
Code of Conduct	Risk of conflicts of interest in purchasing relationships with suppliers	Risk	Own operations and value chain	Short-term
Anti-corruption Policy				
Code of Conduct	Risk of establishing relationships with commercial counterparties (suppliers) of dubious integrity	Risk	Own operations and value chain	Short-term
Anti-corruption Policy				
Code of Conduct	Risk linked to the presence of suppliers on relevant Sanctions Lists (Italian, US, EU and UN sanctions lists)	Risk	Value chain	Short-term
Corporate Security Policy				
IT Security Policy	Risk of Advanced Persistent Threat (cyber espionage by organized and/or state-sponsored groups)	Risk	Own operations	Short-term
Privacy Policy	Reducing costs through efficient cyber security management, minimizing the risk of data breaches, thus ensuring business continuity and the trust of customers and stakeholders	Opportunity	Own operations	Short to medium-term
Privacy Policy	New business opportunities due to an increased demand for cyber security with the growing use of autonomous navigation systems	Opportunity	Own operations	Short to medium-term
Corporate Security Policy				
IT Security Policy				
Policy for managing engagement with the general body of shareholders and other key stakeholders	Increasing investor interest based on improved ESG (Environmental, Social and Governance) performance and open and transparent communication	Opportunity	Own operations	Short to medium-term
Policy for managing engagement with the general body of shareholders and other key stakeholders	Improved profitability by meeting market expectations, increasingly sensitive to sustainability issues, and building supplier loyalty by sharing know-how	Opportunity	Own operations	Short to medium-term

With regard to environmental pollution risks, during the reporting period, the Fincantieri Group had environmental risk provisions of €7.2 million, as reported in Note 20 of the Consolidated Financial Statements for the Fincantieri Group as at 31 December 2024.

Regarding the other risks identified as material, the Fincantieri Group did not experience any significant current financial effects on its statement of financial position, results of operations or cash flows during the reporting period. In addition, as of the date of publication of this document, there is no evidence to suggest that there is a significant risk of impairment (losses or adjustment) in the next financial year, of the carrying amounts of assets and liabilities reported in the Group's Consolidated Financial Statements.



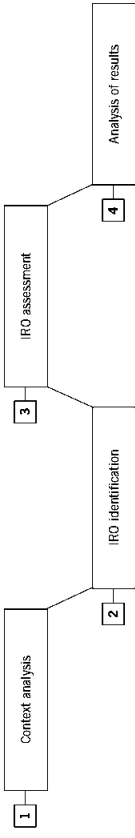


Impact, risk and opportunity management

IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

During 2024, the Fincantieri Group conducted a double materiality analysis in accordance with ESRS requirements and considering the EFRAG guidelines. This process enabled the identification and assessment of material topics both in terms of the impacts on the environment and society generated by the Group and in terms of the potential effects of external factors on the Group's capacity to create long-term value. The analysis represents a central element in orienting corporate strategies towards integrated and responsible sustainability and has allowed for renewed reflection on the material impacts directly related to the Group's activities, products and services, including upstream and downstream activities in the value chain, as well as the risks and opportunities arising from the external context. The process also took into account the outcomes of the human rights due diligence process started by the Group in 2023.

The Group's double materiality analysis was divided into four stages:



1. Context analysis

In order to gain a deeper understanding of the Fincantieri Group's operating environment and stakeholder expectations, an analysis of relevant regulations and corporate documentation was conducted. This analysis enabled the identification of potentially material impacts, risks and opportunities for the Group and its value chain. In particular, Italian and European regulatory sources, documents and publications concerning global trends were considered, with a focus on developments in the maritime and shipbuilding industry. The actors in the value chain were also mapped to provide complete visibility of the macro-activities performed upstream and downstream of Fincantieri's own operations, with reference to the shipbuilding industry. This analysis took into account the main input and output categories, the main countries of operation of the suppliers, and material elements from the industry analysis. As part of the process for identifying and assessing impacts, risks and opportunities the Group has, in fact, considered all the countries in which it operates. The document analysis was then complemented by a benchmarking analysis against peers and competitors and analysis of the Group's Enterprise Risk Management (ERM) Risk Universe, developed by the Risk Management function, as well as the material topics identified in previous reporting and those of significance to ESG rating agencies.

2. Identification of impacts, risks and opportunities

Based on the areas of interest highlighted in the context analysis and the study of internal documentation, the actual or potential negative and positive impacts that Fincantieri has or could have on the economic and environmental context and on people, including human rights, as a result of its activities or business relations, and risks and opportunities that the context may create for the Group's development capacity have been identified for each ESRS. In particular, with respect to negative and positive impacts, the links to risks and opportunities that may arise from these impacts were also taken into account. A list of potentially material impacts, risks and opportunities was thereby defined.

3. Assessment of impacts, risks and opportunities

The assessment was made on a scale with six levels ranging from low to critical, and adopting the following process:

- The **impacts** were assessed by the Multifunctional Working Group and by stakeholders, by sending an online "Sustainability survey" to over 500 internal and external stakeholders, selected from the financial community, customers, institutions and the public administration, suppliers, associations, trade unions and partners. The evaluation was based on two criteria:
 - **Probability**, i.e. the frequency with which an impact could occur;
 - **Severity** understood as the set of **Scale** of the impact itself which defines how severe the negative impact is or how beneficial the positive impact could be, its **Scope** which defines how widespread the negative and positive impacts are and the **Irremediable character** i.e. how difficult it is to counteract or repair the resulting damage
 - The **risks** were identified within Fincantieri's Risk Universe. The document contains around 200 risk events, some of which are considered to be related to ESG issues. For the purposes of the double materiality analysis, the assessments made by the Risk function were considered in relation to:
 - **Probability** of occurrence
 - **Severity**
 - The **opportunities** were assessed exclusively by the Working Group, through a dedicated workshop activity. The activity provided an opportunity to illustrate the new elements introduced by the CSRD and the new materiality process. In order to highlight the new elements in comparison to previous materiality analysis results, an online questionnaire was submitted to the workshop participants. Opportunities were evaluated on the basis of their:
 - **Probability** of occurrence
 - **Severity**
- Severity refers to the potential magnitude of the possible financial effects, such as the financial and economic impact, that the occurrence of such risks and opportunities may generate for the Fincantieri Group. The impacts were assessed over the short- and medium-term time horizon in line with the definition provided by the ESRS. For climate issues (ESRS E1), a medium- to long-term horizon was applied, in line with the TCFD analysis. In contrast, Risks and Opportunities were considered in the context of the Business Plan and Sustainability Plan and therefore with a short and medium-term time horizon, in line with the ERM perspective. For more details on the time horizons considered for the materiality analysis, reference should be made to paragraph ESRS 2.BP-22 Disclosures in relation to specific circumstances.
- Differentiated assessment thresholds for impacts, risks and opportunities were defined following a critical analysis of the results of the assessments, in order to define the material aspects for the Group, taking into account the Sustainability Plan directions.



4. Analysis of results

Impacts

In line with the approach described above, impacts were identified and assessed in cooperation with internal and external stakeholders, starting from the materiality analysis carried out for the 2023 Annual Report, through an online platform.

Each stakeholder was provided with material containing background information and guidance to help with understanding the requirements and how to express their opinion. The views of the main upstream and downstream actors in the value chain (suppliers, customers, institutions and public administration, associations, employees, trade unions, the financial community, partners and working groups) were considered as part of the assessment. The different stakeholder assessments were then consolidated without giving priority to the views of one group over another, and regardless of the numbers in the individual categories.

The results of the survey were processed and reviewed in the light of ESRS requirements to understand the regulatory and industry-specific expectations.

Risks

Fincantieri has been using an integrated risk management model for some time now. The model complies with the principles contained in the Corporate Governance Code for listed companies and is based on the international standard "COSO ERM - Integrated with Strategy and Performance". In 2023, the Company developed and adopted an integrated "ERM (Enterprise Risk Management) - PRM (Project Risk Management)" model. The process is divided into five main steps:

1. Risk identification: the identification of possible existing risks, in relation to the defined strategic objectives, is carried out on an ongoing basis in order to identify and promptly manage potential threats or opportunities that the Group may face in the pursuit of its activities.
2. Assessment: the risks identified are assessed using qualitative and quantitative tools, taking into consideration the probability of occurrence over the plan horizon and the magnitude of their impact. Assessment scales are used to make the risks comparable. These are defined by the Chairman of the Board of Directors, with the support of the Risk Officer, based on the Risk Appetite and Risk Tolerance thresholds approved by the Board of Directors. The assessment of each risk is carried out at inherent level (i.e., the theoretical risk assumed in achieving the objectives) and at Actual Residual level (i.e., the risk that remains following the establishment of internal control procedures implemented to mitigate the probability and impact related to the occurrence of the risk event). As part of the assessment, each Risk Owner identifies the main measures and controls in place and assesses their relative level of adequacy.
3. Risk response: based on the risk assessment, for risks within their purview, the Risk Owner's risk management strategy is defined, and the Risk Owner is responsible for identifying response plans for the risks.
4. Monitoring: risk monitoring activities and risk management is carried out at least once a year, by repeating the steps described above.
5. The Risk Officer, having completed the assessment and result consolidation process, prepares specific reports for the various actors involved in the Internal Control and Risk Management System (ICRMS).

The risk assessment was conducted on the risks present within the Group's Enterprise Risk Management (ERM) system, updated to 30 June 2024. The analysis was performed on about 200 risk events, from which only ESG risks were selected, including those related to the Fincantieri Group's value chain. Risks that received a rating above the materiality threshold based on a combination of the Probability (P) and the Impact (I) were considered material.

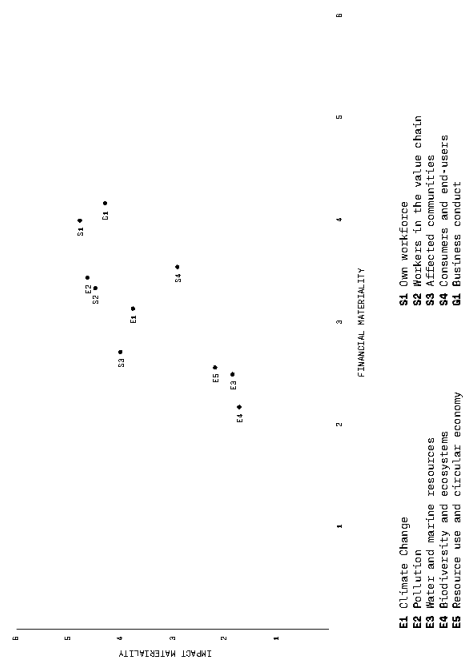
For a detailed analysis of risk management processes and strategies, reference should be made to the chapter "Risk Management" in the financial section of this document.

Opportunities

Opportunities were evaluated by the Working Group, which was asked to assess the significance of opportunities that affect or can reasonably be expected to affect the Group's financial position, financial performance, cash flows, access to finance or cost of capital in the short, medium or long term. For each opportunity, an opinion was sought on the probability of occurrence and the potential magnitude of the financial effects in the short, medium and long term.

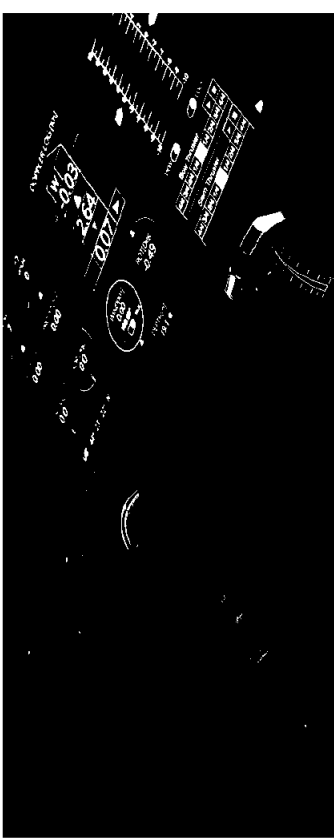
The Double Materiality Matrix is detailed below, showing the materiality of the topics covered in compliance with the ESRS. It should be noted that for the purpose of the graphical representation, for the impact perspective the highest ESRS impact was considered and for the financial perspective the highest ESRS risk or opportunity was considered.

Double materiality matrix



The double materiality analysis will be updated whenever requested by Top Management or when there is a material change in the context.

Fincantieri has implemented an internal control system dedicated to the management of the Sustainability Statement, which includes the supervision and monitoring of the double materiality analysis. For more information on the internal control system, reference should be made to paragraph ESRS 2 GOV-5 Risk management and internal controls.



Group Report on operations

Consolidated Sustainability Statement

General Information

Environmental Information

Social Information

Information on Governance

Fincantieri Group Consolidated Financial Statements

IRO-2 – Disclosure requirements in ESRs covered by the undertaking's sustainability Statement

List of datapoints in cross-cutting and topical standards that derive from EU legislation

Disclosure Requirement and related datapoint	Disclosure requirements deriving from other EU legislation			Sustainability Statement Paragraph
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	SDFR: Indicator number 13 of Table #1 of Annex 1	Commission Delegated Regulation (EU) 2020/1816, Annex II	ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies	
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)	Delegated Regulation (EU) 2020/1816, Annex II		ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies	
ESRS 2 GOV-4 Statement on due diligence paragraph 30	SDFR: Indicator number 10 of Table #3 of Annex 1		ESRS 2 GOV-4 Statement on due diligence	
ESRS 2 GOV-4 Statement on due diligence paragraph 32	SDFR: Indicator number 10 of Table #3 of Annex 1		ESRS 2 GOV-4 Statement on due diligence	
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	SDFR: Indicator number 4 of Table #1 of Annex 1		Non-material for Fincantieri	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) iii	SDFR: Indicator number 5 Table #2 of Annex 1	Delegated Regulation (EU) 2020/1816, Annex II	Non-material for Fincantieri	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	Delegated Regulation (EU) 2020/1816, Annex II		Non-material for Fincantieri	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	Regulation (EU) 2021/1119, Article 2 (1)		Transition Plan under development	
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453. Template 1: Banking book-Climate Change transition risk. Credit quality of exposures by sector, emissions and residual maturity		Transition Plan under Development	
ESRS E1-4 GHG emission reduction targets paragraph 34 (a), (b)	SDFR: Indicator number 4 of Table #2 of Annex 1	ESRS E1-4 Targets related to climate change mitigation and adaptation		
ESRS E1-5 Energy consumption and mix paragraph 37(a)(b)(c)(d)(e)(f)(g)(h)(i)(j)(k)(l)(m)(n)(o)(p)(q)(r)(s)(t)(u)(v)(w)(x)(y)(z)	SDFR: Indicator number 5 of Table #1 of Annex 1	ESRS E1-5 Energy consumption and mix		
ESRS E1-6 Gross GHG emissions paragraph 53 to 55	Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453. Template 3: Banking book – Climate change transition risk. alignment metrics	ESRS E1-6 Gross GHG emissions		
ESRS E1-7 GHG removals and carbon credits paragraph 56 (a), (b)	Regulation (EU) 2021/1119, Article 12.2	ESRS E1-7 GHG removals and carbon credits		
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	SDFR: Indicator number 4 of Table #2 of Annex 1	ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66		
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)	SDFR: Indicator number 5 of Table #1 of Annex 1	ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		



The Fincantieri Group	Group Report on operations			Consolidated Sustainability Statement			Fincantieri Group Consolidated Financial Statements		
				General Information	Environmental Information	Social Information	Information on Governance		
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy efficiency classes paragraph 67 (c)	Article 449a Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2463 paragraph 34, Template 2, Banking book, Climate change transition risk, Loans collateralised by immovable property, Energy efficiency of the collateral	Phase-in							
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69 (a)	Delegated Regulation (EU) 2020/1818, Annex II	Phase-in							
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 (a)	ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 (a)	ESRS E2-4 Pollution of air, water and soil							
ESRS E3-1 Water and marine resources paragraph 9	ESRS E3-1 Water and marine resources paragraph 9	ESRS E3-1 Policies related to water and marine resources							
ESRS E3-1 Dedicated policy paragraph 13	ESRS E3-1 Dedicated policy paragraph 13	Non-material for Fincantieri							
ESRS E3-1 Sustainable oceans and seas paragraph 14	ESRS E3-1 Sustainable oceans and seas paragraph 14	Non-material for Fincantieri							
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	ESRS E3-4 Total water recycled and reused paragraph 28 (c)	ESRS E3-4 Water consumption							
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	ESRS E3-4 Water consumption							
ESRS 2 SSM-3 - E4 paragraph 16 (a) (i)	ESRS 2 SSM-3 - E4 paragraph 16 (a) (i)	ESRS 2 SSM-3 E4. Material impacts, risks and opportunities and their interaction with strategy and business model							
ESRS 2 SSM-3 - E4 paragraph 16 (b)	ESRS 2 SSM-3 - E4 paragraph 16 (b)	Non-material for Fincantieri							
ESRS 2 SSM-3 - E4 paragraph 16 (c)	ESRS 2 SSM-3 - E4 paragraph 16 (c)	Non-material for Fincantieri							
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Non-material for Fincantieri							
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Non-material for Fincantieri							
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Non-material for Fincantieri							
ESRS E5-5 Non-recycled waste paragraph 37 (d)	ESRS E5-5 Non-recycled waste paragraph 37 (d)	ESRS E5-5 Resource outflows							
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	ESRS E5-5 Resource outflows							
ESRS 2 SSM-3 - S1 Risk of incidents of forced labour paragraph 14 (f), i	ESRS 2 SSM-3 - S1 Risk of incidents of forced labour paragraph 14 (f), i	ESRS 2 SSM-3 - S1. Material impacts, risks and opportunities and their interaction with strategy and business model							
ESRS 2 SSM-3 - S1 Risk of incidents of child labour paragraph 14 (g) (i)	ESRS 2 SSM-3 - S1 Risk of incidents of child labour paragraph 14 (g) (i)	ESRS 2 SSM-3 - S1. Material impacts, risks and opportunities and their interaction with strategy and business model							
ESRS S1-1 Human rights policy commitments paragraph 20 (a), (b), (c)	ESRS S1-1 Human rights policy commitments paragraph 20 (a), (b), (c)	ESRS S1-1 Policies related to own workforce							

ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	Delegated Regulation (EU) 2020/1816, Annex II	ESRS S1-1 Policies related to own workforce							
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	ESRS S1-1 Policies related to own workforce							
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23 (c)	ESRS S1-1 Workplace accident prevention policy or management system paragraph 23 (c)	ESRS S1-1 Policies related to own workforce							
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	ESRS S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns							
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	ESRS S1-14 Health and safety metrics							
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	ESRS S1-14 Health and safety metrics							
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	ESRS S1-16 Compensation metrics (pay gap and total compensation)							
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	ESRS S1-16 Compensation metrics (pay gap and total compensation)							
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	ESRS S1-17 Incidents of discrimination paragraph 103 (a)	ESRS S1-17 Incidents, complaints and severe human rights impacts							
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	ESRS S1-17 Incidents, complaints and severe human rights impacts							
ESRS S2-1 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	ESRS S2-1 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	GOV4 Statement on due diligence							
ESRS S2-1 Human rights policy commitments paragraph 17 (a), (b), (c)	ESRS S2-1 Human rights policy commitments paragraph 17 (a), (b), (c)	ESRS S2-1 Policies related to value chain workers							
ESRS S2-1 Policies related to value chain workers paragraph 18	ESRS S2-1 Policies related to value chain workers paragraph 18	ESRS S2-1 Policies related to value chain workers							
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD Guidelines paragraph 19	ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD Guidelines paragraph 19	ESRS S2-1 Policies related to value chain workers							
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	ESRS S2-1 Policies related to value chain workers							
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	ESRS S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action							

ESRS S3-1 Human rights policy commitment is paragraph 16 (a), (b), (c)	SFDR: Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1	ESRS S3-1 Policies related to affected communities
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	SFDR: Indicator number 10 Table #1 Annex 1 Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	ESRS S3-1 Policies related to affected communities
ESRS S3-4 Human rights issues and incidents paragraph 36	SFDR: Indicator number 14 Table #3 of Annex 1	ESRS S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions
ESRS S4-1 Policies related to consumers and end-users paragraph 16 (a), (b), (c)	SFDR: Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1	Non-material for Fincantieri
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	SFDR: Indicator number 10 Table #1 of Annex 1 Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Non-material for Fincantieri
ESRS S4-4 Human rights issues and incidents paragraph 35	SFDR: Indicator number 14 Table #3 of Annex 1	Non-material for Fincantieri
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	SFDR: Indicator number 15 Table #3 of Annex 1	ESRS G1-1 Corporate culture and business conduct policies and corporate culture
ESRS G1-3 Protection of whistle-blowers paragraph 10 (d)	SFDR: Indicator number 6 Table #3 of Annex 1	Non-material for Fincantieri
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	SFDR: Indicator number 17 Table #3 of Annex 1 Delegated Regulation (EU) 2020/1816, Annex II	ESRS G1-4 Confirmed incidents of corruption or bribery
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1	ESRS G1-4 Confirmed incidents of corruption or bribery

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Environmental Information

Taxonomy - Disclosure pursuant to Article 8 of Regulation (EU) 2020/852

With the introduction of EU Regulation 852/2020 on establishing a framework to facilitate sustainable investment, the European Union has predefined a European classification system for environmentally sustainable economic activities at the regulatory level.

The taxonomy pursues the following six environmental objectives:

- climate change mitigation (CCM);
- climate change adaptation (CCA);
- sustainable use and protection of water and marine resources (WTR);
- transition to a circular economy (CE);
- pollution prevention and control (PPC);
- protection and restoration of biodiversity and ecosystems (BIO).

To achieve these objectives, the European Union has identified specific economic activities and defined the relevant criteria for environmental sustainability. Through Delegated Regulation 2021/2139 (covering the first two objectives) and Delegated Regulation 2023/2486 (covering the remaining four objectives).

Companies subject to taxonomy reporting must analyse their own operations and investments, checking whether they are Taxonomy-Eligible or Taxonomy-Aligned. Specifically, an economic activity is:

- **eligible** when, it corresponds to one of those described in the Delegated Acts;
- **aligned** when:
 - substantially contributes to at least one of the environmental objectives, i.e. meets the "Substantial Contribution Criteria";
 - is not detrimental to the remaining environmental objectives, i.e. it meets the technical criteria for "do no significant harm";
 - prevents human rights violations, corruption, tax evasion and anti-competitive practices.

The taxonomy analysis is translated into economic terms, as the company must report for both eligible activities and aligned activities identified the proportion of **Turnover**, capital expenditure (**Capex**) and operating expenditure (**Opex**) associated with them. For the 2024 tax year, the regulations require companies to report eligible and aligned economic activities for all six taxonomy objectives.

In preparing the Consolidated Financial Statements, the Group applies the International Financial Reporting Standards (IFRS) adopted with Regulation (EC) No. 1126/2008. The proportion of turnover deemed eligible derives from net revenue obtained from products or services associated with eligible activities under the taxonomy. The capital expenditure incurred by the Group attributed to the eligible and environmentally sustainable economic activities include capitalised costs as defined in section 1.1.2.2 of Appendix I to Delegated Regulation (EU) 2021/2178 while the proportion of operating expenditure is calculated as defined in section 1.1.3.2 of Appendix I to Delegated Regulation (EU) 2021/2178. The changes between the two financial years are mainly attributable to turnover, to the completion of a cruise ship delivered in the first quarter of 2024, and for Capex and Opex not only to the change in the amount invested in the financial years, but also to the refinement of the calculation methodology applied to the individual KPIs.

The process to define Taxonomy-eligible economic activities

Sec. 1.2.2.1 (a) of Annex I to art. 8 of Delegated Regulation (EU) 2021/2178

Fincantieri, in accordance with the Delegated Regulation (EU) 2021/2178, determined for the reporting year the proportions of Turnover, Capex and Opex associated with European Taxonomy-eligible and Taxonomy-aligned economic activities.

To this end, a detailed analysis was carried out on each Group company included in the scope of consolidation, considering the economic activities attributable to all six environmental objectives and paying attention to avoid the risk of "double counting".

Proportion of Taxonomy-eligible and Taxonomy-aligned activities – 2024 Turnover, Capex, Opex

(EUR/million)	Turnover	Capex	Opex
Total	8,128	291	389
Percentage of Taxonomy-aligned activities	10.56%	7.50%	5.13%
Percentage of non Taxonomy-aligned activities	52.97%	35.98%	43.17%
Percentage of Taxonomy-eligible activities	63.53%	43.48%	48.30%
Percentage of non Taxonomy-eligible activities	36.47%	56.52%	51.70%





The Fincantieri Group		Group Report on operations		Consolidated Sustainability Statement		Fincantieri Group Consolidated Financial Statements	
				General Information		Environmental Information	
				Social Information		Information on Governance	
These results refer to the economic activities of the Fincantieri Group shown in the table below.							
Economic activities related to Climate Change Mitigation (CCM)				Description		KPI	
3.1 Manufacture of renewable energy technologies				Manufacture of renewable energy technologies, where renewable energy is defined in Article 2(1) of Directive (EU) 2018/2001.		Turnover - Capex - Opex	
3.3 Manufacture of low carbon technologies for transport				Manufacture, repair, maintenance, retrofitting, repurposing and upgrade of low carbon transport vehicles, rolling stock and vessels		Turnover - Capex - Opex	
3.4 Manufacture of batteries				Manufacture of rechargeable batteries, battery packs and accumulators for transport, stationary and off-grid energy storage and other industrial applications. Manufacture of respective components (battery active materials, battery cells, casings and electronic components).		Turnover - Capex - Opex	
4.1. Electricity generation using solar photovoltaic technology				Construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology		Capex	
4.3 Electricity generation from wind power				Construction or operation of electricity generation facilities that produce electricity from wind power.		Turnover - Capex	
4.26. Pre-commercial stages of advanced technologies to produce energy from nuclear processes with minimal waste from the fuel cycle				Research, development, demonstration and deployment of innovative electricity generation facilities, licensed by Member States' competent authorities in accordance with applicable national law, that produce energy from nuclear processes with minimal waste from the fuel cycle.		Turnover	
4.30. High-efficiency co-generation of heat/cool and power from fossil gaseous fuels				Construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.		Turnover	
5.3 Construction, extension and operation of waste water collection and treatment				Construction, extension and operation of centralised waste water systems including collection (sewer network) and treatment.		Capex - Opex	
5.5 Collection and transport of non-hazardous waste in source segregated fractions				Separate collection and transport of non-hazardous waste in single or commingled fractions aimed at preparing for reuse or recycling.		Opex	
6.14. Infrastructure for rail transport				Construction, modernisation, operation and maintenance of railways and subways as well as bridges and tunnels, stations, terminals, rail service facilities, safety and traffic management systems including the provision of architectural services, engineering services, drafting services, building inspection services and surveying and mapping services and the like as well as the performance of physical, chemical and other analytical testing of all types of materials and products.		Turnover - Capex - Opex	
6.15. Infrastructure enabling low-carbon road transport and public transport				Construction, modernisation, maintenance and operation of infrastructure that is required for zero tailpipe CO ₂ fleets of zero-emissions road transport, as well as infrastructure dedicated to transshipment, and infrastructure required for operating urban transport.		Turnover - Capex	
7.1 Construction of new buildings				Development of building projects for residential and non-residential buildings by bringing together financial, technical and physical means to realise the building projects for later sale as well as the construction of complete residential or non-residential buildings, on own account for sale or on a fee or contract basis.		Turnover - Capex - Opex	
7.3 Installation, maintenance and repair of energy efficiency equipment				Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment.		Capex - Opex	
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings				Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings.		Capex	

Group Report on operations		Consolidated Sustainability Statement		Fincantieri Group Consolidated Financial Statements	
		General Information		Environmental Information	
		Social Information		Information on Governance	



Group Report on operations	Consolidated Sustainability Statement	General Information	Environmental Information	Social Information	Information on Governance	Fincantieri Group Consolidated Financial Statements

Economic activities related to the pollution prevention and control (PPC)	Description	KPI
2.1. Collection and transport of hazardous waste	Separate collection and transport of hazardous waste prior to treatment, material recovery or disposal, including the construction, operation and upgrade of facilities involved in the collection and transport of such waste, such as hazardous waste transfer stations, as a means for appropriate treatment.	Capex
Economic activities related to the pollution prevention and control (BIO)	Description	KPI
1.1. Conservation, including restoration, of habitats, ecosystems and species	Initiation, development and realisation on own account or on a fee or contract basis, of conservation activities, including restoration activities, aimed at maintaining or improving the status and trends of terrestrial, freshwater and marine habitats, ecosystems and populations of related fauna and flora species.	Turnover

Activity 3.3 Manufacture of low carbon technologies represents the largest share in terms of Taxonomy eligibility. This activity was assessed only in relation to the Climate Change Mitigation objective as it does not meet the technical screening criteria for the Climate Change Adaptation objective.

In the Taxonomy analysis for Fincantieri, "low-carbon ships" are defined as all civil vessels used for maritime and coastal passenger transport whose design meets the criteria set by the International Maritime Organization (IMO), verified through an Energy Efficiency Design Index (EEDI) assessment, and all vessels for auxiliary activities, defined as specialized, which have hybrid diesel-electric propulsion, ammonia-ready ships and hybrid ships developed with biofuel propulsion and ready for battery power.

EEDI Index

The EEDI index is defined by the IMO as the minimum energy efficiency level per capacity mile (e.g. tonne per mile) for different types of ships dedicated to cargo and passenger transport. This index was made mandatory for new ships in July 2011 during the Marine Environment Protection Committee (MEPC) 62 on greenhouse gas emission reduction through the revision of MARPOL Annex VI. The EEDI index of these ships must record a predefined reduction from the 2008 baseline according to the percentages set for the different development stages identified by the IMO, to promote the design of progressively more energy-efficient ships. The predefined reduction applied is based on the type and tonnage of the ship. The taxonomy technical criterion of the taxonomy refers to Phase 3 as defined by the IMO, which requires a 30% reduction in the EEDI index from the 2008 baseline. In line with previous years, activities related to the naval segment were not included in the eligibility and alignment analysis, despite the communication of some clarifications by the European Union regarding the defence and security sector. Despite the fact that Fincantieri's naval vessel division deals with the design and production of naval ships, it was decided, as a precautionary measure, not to include them in the taxonomy scope in the absence of a clear parameter to define them as "low-carbon ships". The Fincantieri Group reserves the right to reconsider its assessments and interpretations in future reporting periods to take into account future regulatory developments or clarifications. In fact, the scope of eligibility could be broadened to include more economic activities that contribute to climate targets. At the same time, the Group is committed to continuous improvement of the activities necessary to ensure complete and accurate reporting in accordance with regulatory requirements.

The process to define Taxonomy-aligned economic activities

Below are the analyses performed for activities aligned to the Climate Change Mitigation (CCM) objective.

Analysis of activity 3.3 Manufacture of low-carbon technologies

Substantial contribution analysis

The ships built by Fincantieri contribute to the Climate Change Mitigation objective in that they meet the substantial contribution criteria that require that civil vessels used for maritime and coastal passenger transport have an EEDI index 10% lower than the EEDI requirements applicable on April 1st, 2022 and are fuelled with direct zero-emission or renewable fuels (Climate Change Mitigation objective, activity 3.3, requirement m, item iii). The EEDI requirement applicable as of April 1st, 2022 requires a 30% reduction from the 2008 baseline for the period from April 1st, 2022 to December 31st, 2029 (Phase 3). Furthermore, Regulation (EU) 2023/2485 (Amendment to the Delegated Regulation on climate) requires that ships to be delivered from January 1st, 2026 reach an EEDI index 20% lower than the IMO Phase 3 requirement, and be able to plug-in power at berth. For the 2024 year, Fincantieri has identified four ships with an EEDI index that meets regulatory requirements, including the changes introduced by the respective amendment, and capable of running on zero-emission or renewable fuels (e.g. bio-LNG, ammonia, methanol, hydrogen). The construction of these ships took place exclusively at the Montaleno shipyard. The turnover aligned with activity 3.3 correspond to the revenues related to the four identified vessels, recorded in accordance with the IFRS 15 accounting standard applicable to contract work in progress and/or construction contracts. Considering the technical requirements, the VARD group's vessels were classified as non Taxonomy-aligned as the future use of dual fuel, hybrid technology or plug-in use for at least 25% of the energy used cannot be confirmed.

Analysis of Do No Significant Harm (DNSH) criteria

To verify alignment for economic activity 3.3, the DNSH criteria were analysed for each environmental objective to which it does not directly contribute.

Climate change adaptation

With respect to Climate Change Adaptation, the DNSH criterion requires companies to demonstrate:

- a sound analysis of physical climate risks that may affect business performance;
- a climate vulnerability analysis;
- an analysis aimed at identifying relevant adaptation solutions to reduce the risks identified.

In this regard, Fincantieri started a climate risk analysis that identified the main acute and chronic physical risks related to temperature, winds, water and solid mass. By studying possible climate scenarios (from RCP 2.6, which is in line with a temperature increase of less than 2°C by 2100 to RCP 8.5, which corresponds to an increase of more than 4°C), the acute and chronic risk exposures of the main assets of interest (e.g. production sites) and of main suppliers were assessed. The analysis was carried out taking into account the coordinates of these strategic points and assessing the extent of the risks in the various time horizons: short (2025 and 2030), medium (2040-2050) and long (2080) term. Risk projections were based on recognized global climate databases (e.g. IPCC, Copernicus).

The main assessment of the impacts of acute physical risks was determined by calculating the "Business Interruption Days", i.e. the interruption of activities and/or slowing down of the supply chain due to extreme events such as storms, floods or fires. Starting from the revenues of each site, the economic impact of the business interruption days was subsequently quantified, taking into account any risk mitigation actions already in place and evaluating possible measures to be considered for residual risks. Our procedures and our Management Systems therefore comply with the DNSH requirements for climate change adaptation.

In addition, several mitigation actions were developed, described in detail in section E1.10.1, including the installation of cranes with storm brakers and flood drainage systems, protection against atmospheric discharges, the installation of an anemometric sensor for wind monitoring with access to real-time data and historical archives, and the development of a "Mooring Plan" for ships under construction, prepared by a third party, to assess wind impact.

For further information, reference should be made to paragraph "E1.10.1 Description of the processes to identify and assess material impacts, risks and opportunities".



The Fincantieri Group	Group Report on operations				Consolidated Sustainability Statement				Fincantieri Group Consolidated Financial Statements			
	General Information				Environmental Information				Social Information			

Sustainable use and protection of water and marine resources

For the purpose of the alignment of activity 3.3, Annex B of the Delegated Regulation on climate (Regulation (EU) 2021/2139) requires that a management plan for the use and preservation of water and marine resources be implemented, identifying and appropriately addressing the risks of negatively impacting water quality conservation and water stress. The assessment of the impact on water may be included in the broader environmental impact assessment according to Directive 2011/92/EU, and may be preliminary to obtaining an Environmental Authorization (AUA, AIA). Construction of the ships identified as aligned with the Taxonomy is carried out by the Marilacone shipyard, which has an ISO 14001 certified Environmental Management System. The shipyard has also implemented a discharge monitoring plan and has been authorized to carry out shipbuilding activities after obtaining the relevant Environmental Authorization.

For further information, please refer to chapter "18-Pollution"

Transition to a circular economy

For the purpose of alignment of activity 3.3, the DNSH criterion on the objective Transition to a circular economy specifically requires that the Company has put in place techniques to promote circularity of processes and products, from the design phase to waste management. This includes a design to ensure high durability, recyclability, ease of disassembly of manufactured products and the re-use and utilization of secondary raw materials and components in the manufacture of products, through to waste management that prioritizes recovery/recycling over disposal. Fincantieri has implemented a waste management plan, at production site level, to prioritise reuse or recovery of processing residues over disposal, in compliance with actual regulatory requirements. The design and shipbuilding phases are designed to guarantee a high durability of the ships produced, with an estimated average life of 25 years, and to encourage upgrading work that will allow the end use to be changed and/or performance to be improved in the future. Moreover, the vessels produced are accompanied by an inventory of Hazardous Materials booklet, as required by EU Regulation 1257/2013, checked by a third party, which facilitates the traceability of hazardous materials used in the construction phases of the vessel; this also facilitates the proper management of these elements at the end of the vessel's life.

For further information, please refer to chapter "18-Pollution"

For further information, please refer to chapter "18-Resources use and circular economy"

Pollution prevention and control

For the purpose of the alignment of activity 3.3, the DNSH criteria relating to the Pollution prevention and control are linked to technical requirements specified in Appendix C of the Delegated Regulation on climate (Regulation (EU) 2021/2139). The products contemplated by activity 3.3, and especially in the case of the types of ships considered by the Fincantieri Group, are complex systems, since they consist of a large number of different components. The Marilacone vessels aligned with the Taxonomy are built at the Marilacone shipyard, which is certified ISO 14001 and holds an Environmental Authorization (AUA, AIA), which provides for constant environmental assessment, monitoring and management. In addition, the Group implements a careful purchasing process, which already limits the presence of chemical agents at the construction stage to only those situations in which no immediately feasible alternative technical solution can be found. Fincantieri, implementing the strategy on managing chemical substances identified by the European Commission and related provisions of Regulation (EC) 1907/2006 (REACH), has put in place a system of controls to improve the technical and purchasing departments in the implementation of such specific tasks and increasingly building closer relationships with the suppliers of supplies free of substances identifiable as hazardous, such as substances suspected of being carcinogenic and mutagenic.

Protection and restoration of biodiversity and ecosystems

For the purpose of the alignment of activity 3.3, the DNSH criterion contained in Appendix D of the Delegated Regulation on climate (Regulation (EU) 2021/2139), is related to the Protection and restoration of biodiversity and ecosystems objective requires that an environmental impact assessment (EIA) has been conducted in accordance with Directive 2011/92/EU. The necessary mitigation and compensation measures for the protection of the environment must also have been implemented. The Fincantieri vessels aligned to the Taxonomy according to economic activity 3.3 are built in the Marilacone shipyard that holds an environmental authorization (AUA, AIA), which provides for constant assessment, environmental monitoring and management, in line with reference regulations to protect the biodiversity of animal and plant species potentially affected by the Group's activities and infrastructures. Where necessary or agreed with the competent authorities, Fincantieri shipyards participate in initiatives to protect the local areas involved.

For further information, please refer to chapter "18-Biodiversity and ecosystems"

Analysis of activity 4.1. Electricity generation using solar photovoltaic technology

The business produces electricity using photovoltaic solar technology. During the year, investments were made to install RTUs (Remote Terminal Units) and OPCs (Central Plant Controllers). These investments enable Fincantieri's systems to connect with grid operators, receiving, among other things, production data from our photovoltaic plants and facilitating the regulation of the public grid.

The activity substantially contributes to climate change mitigation through compliance with the technical screening criteria described in Delegated Regulation (EU) 2021/2139.

Analysis of Do No Significant Harm (DNSH) criteria

Climate change adaptation

The Group carried out the risk assessment of the exposure of the activity to acute and chronic weather events as set out in Appendix A of Delegated Regulation (EU) 2021/2139 based on the methodology set out in point 3.3, and concluded that activity 4.1. does not show, including considering its remaining useful life, substantial residual risks of exposure to prospective adverse weather events; therefore, the activity was assessed as meeting the DNSH criteria defined in the relevant appendix.

Transition to a circular economy

The activity meets the criteria listed in paragraph (4) of Delegated Regulation (EU) 2021/2139.

Protection and restoration of biodiversity and ecosystems

The Group carried out analysis of the requirements of Appendix D of Delegated Regulation (EU) 2021/2139 and is in line with the DNSH criteria defined in the relevant appendix.

Analysis of activity 7.3. Installation, maintenance and repair of energy efficiency equipment

This activity is related to investments made by the Group during the reporting period to improve infrastructure and energy efficiency, including relamping and the installation of a new air conditioning system.

The activity falls within the description of the measures listed under paragraphs (d) and (e) and complies with the minimum requirements described in Delegated Regulation (EU) 2021/2139.

Climate change adaptation

The Group carried out the risk assessment of the exposure of the activity to acute and chronic weather events required by Appendix A of Delegated Regulation (EU) 2021/2139 based on the methodology set out in point 3.3, and concluded that the measures related to the above activity 7.3. do not show, including considering its remaining useful life, substantial residual risks of exposure to prospective adverse weather events; therefore, the activity was assessed as meeting the DNSH criteria defined in the relevant appendix.

Pollution prevention and control

The Group performed the analysis of the requirements listed in Appendix C of Delegated Regulation (EU) 2021/2139 and concluded that the measures related to the above activity 7.3 do not lead to the manufacture, placing on the market or use of the substances listed in the appendix; therefore, the activity was assessed as complying with the DNSH criteria defined in the relevant appendix.



The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Fincantieri Group Consolidated Financial Statements
		General Information	Information on Governance
		Environmental Information	Social Information

Analysis of activity 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings

This activity is related to investments made by the Group during the reporting period. In detail, remote-controlled valves and meters were installed with the aim of reducing the consumption of technical gases used in the shipyard for production purposes.

The activity falls within the description of the measure listed under paragraph (c) in Delegated Regulation (EU) 2023/2486.

Substantial contribution analysis

Climate change adaptation

The Group carried out the risk assessment of the exposure of the activity to acute and chronic weather events required by Appendix A of Delegated Regulation (EU) 2023/2486 based on the methodology set out in point 3.3. and concluded that the measure related to the above activity 7.5. does not show, including considering its remaining useful life, substantial residual risks of exposure to prospective adverse weather events; therefore, the activity was assessed as meeting the DNSH criteria defined in the relevant appendix.

Analysis of activity 8.1. Data processing, hosting and related activities

This activity includes investments related to the digitalization of internal processes and processes involving partnership with third parties.

Substantial contribution analysis

The activity substantially contributes to climate change mitigation through compliance with the technical screening criteria described in Delegated Regulation (EU) 2023/2486.

Analysis of Do No Significant Harm (DNSH) criteria

Climate change adaptation
The Group carried out the risk assessment of the exposure of the activity to acute and chronic weather events as set out in Appendix A of Delegated Regulation (EU) 2023/2486 based on the methodology set out in point 3.3. and concluded that activity 8.1. does not show, including considering its remaining useful life, substantial residual risks of exposure to prospective adverse weather events; therefore, the activity was assessed as meeting the DNSH criteria defined in the relevant appendix.

Sustainable use and protection of water and marine resources

Compliance with the criteria set out in Appendix B of Delegated Regulation (EU) 2023/2486 was also verified for activity 8.1.

Transition to a circular economy

The activity meets the criteria listed in paragraph (4) of Delegated Regulation (EU) 2023/2486.

Analysis of activity 9.1. Close to market research, development and innovation

The Group's activity related to this category is represented by investment in new technologies to support offshore wind power.

Substantial contribution analysis

The activity substantially contributes to climate change mitigation through compliance with the technical screening criteria described in Delegated Regulation (EU) 2023/2486.

Analysis of Do No Significant Harm (DNSH) criteria

Climate change adaptation
The Group carried out the risk assessment of the exposure of the activity to acute and chronic weather events as set out in Appendix A of Delegated Regulation (EU) 2023/2486 based on the methodology set out in point 3.3. and concluded that activity 9.1. does not show, including considering its remaining useful life, substantial residual risks of exposure to prospective adverse weather events; therefore, the activity was assessed as meeting the DNSH criteria defined in the relevant appendix.

Sustainable use and protection of water and marine resources

The activity carried out by the Group in connection with 9.1. enables the use of battery-powered ships, removing fuel oil, lubrication oil and other oils from the ship, thus eliminating the risk of oil spills at sea. Therefore, the activity was assessed as meeting the DNSH criteria defined in the appendix.

Analysis of activity 9.3. Professional services related to energy performance of buildings

The Group carried out diagnostic studies to assess the feasibility of installing photovoltaic systems and subsequently went ahead with their installation.

Substantial contribution analysis

The activity falls within the description of the measure listed under paragraphs (a) and (c) in Delegated Regulation (EU) 2023/2486.

Analysis of Do No Significant Harm (DNSH) criteria

Climate change adaptation
The Group carried out the risk assessment of the exposure of the activity to acute and chronic weather events required by Appendix A of Delegated Regulation (EU) 2023/2486 based on the methodology set out in point 3.3. and concluded that the measures related to the above activity 9.3. do not show, including considering its remaining useful life, substantial residual risks of exposure to prospective adverse weather events. Therefore, the activity was assessed as meeting the DNSH criteria defined in the appendix.

Below are the analyses performed for activities aligned with the transition to a circular economy (CD) objective.

Analysis of activity 4.1. Provision of data-driven IT/OT (Information Technology/Operational Technology) solutions

The activity substantially contributes to the transition to a circular economy through compliance with the technical screening criteria described in Delegated Regulation (EU) 2023/2486.

Analysis of Do No Significant Harm (DNSH) criteria

Climate change adaptation

The Group carried out the risk assessment of the exposure of the activity to acute and chronic weather events required by Appendix A of Delegated Regulation (EU) 2023/2486 based on the methodology set out in point 3.3. and concluded that activity 4.1. does not show substantial residual risks of exposure to prospective adverse weather events. Therefore, the activity was assessed as meeting the DNSH criteria defined in the appendix.

Sustainable use and protection of water and marine resources

The Group also verified compliance with the criteria set out in Appendix B of Delegated Regulation (EU) 2023/2486 for Activity 4.1.

Pollution prevention and control

The activity meets the criteria listed in paragraph (5) of Delegated Regulation (EU) 2023/2486.

For further information, please refer to chapter "ESG 2-General Disclosures".



The Fincantieri Group	Group Report on operations		Consolidated Sustainability Statement		Fincantieri Group Consolidated Financial Statements	
	General Information		Environmental Information		Social Information	
					Information on Governance	

Contextual information

The values contributing to the numerator of the Turnover KPI derive mainly from shipbuilding activities. The total numerator amounted to euro 5,164 million and was made up as follows:

- euro 4,667 million from the sale of ships. Eligible revenues related to this activity increased by euro 448 million as a result of higher production volumes.
- euro 48 million infrastructure enabling low-carbon road transport and public transport resulting from the supply and installation of steelwork for road and motorway routes.
- euro 382 million from the construction of new buildings related to the activities carried out by the infrastructure Cluster.
- euro 16 million Electricity generation from wind power. Revenue from the following activities is mainly attributable to the activity performed by Remazel, which joined the Fincantieri Group in 2024.
- euro 18 million Pre-commercial stages of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle. This activity relates to the ITER project focused on the construction of a prototype nuclear reactor.

1.2.3.2. Contextual information on KPI related to capital expenditure

The total numerator for capital expenditure is euro 127 million, represented by these main items:

- euro 112 million related to investments made in shipyards for the production of ships.
- euro 4.5 million related to the installation, maintenance and replacement of devices to improve the energy efficiency of offices and shipyards, mainly concerning light sources and heating, ventilation and air conditioning systems.
- euro 4 million from investments in battery manufacturing, resulting in substantial reductions in greenhouse gas emissions in transport, as well as stationary off grid energy storage.
- euro 1.4 million from near-market research, development and innovation of solutions, processes, technologies and other products dedicated to the reduction or elimination of greenhouse gas emissions.
- euro 5 million for other assets relevant for taxonomy purposes.

1.2.3.3. Contextual information on KPI related to operating expenditure

The numerator for operating expenditure is euro 188 million and mainly includes costs related to research and development, building renovation, maintenance and repair measures as well as any other direct expenses related to the day-to-day maintenance, either by the Group or by third parties to whom these tasks are outsourced, of property, plant and equipment required for shipbuilding. Other direct expenses included: maintenance material, the cost of maintenance employees, the cost of cleaning employees, and maintenance IT. The change in these expenses compared to the previous year is due to the refinement of calculation methods used to precisely quantify the eligible and aligned activities.

The analysis of the Minimum Safeguard (MS) requirements

Article 18 of the EU Taxonomy Regulation describes Minimum Safeguards, or "minimum social safeguards", as procedures implemented by a company to ensure that its business activities are conducted in accordance with internationally recognized principles set out in the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the United Nations Guiding Principles on Business and Human Rights (UNGPs). The guidelines identified by the Platform on Sustainable Finance in the Final Report on Minimum Safeguards, published in October 2022, were also considered.

For further information, please refer to chapter "G1-Business conduct"

Human rights, including workers' rights

The Group, and specifically the companies to which the aligned activities relate, has formalised its commitment to the protection and promotion of human rights in its policies and codes of conduct. Given the responsibility arising from its role as parent company and industry leader, the Group is also committed to making its supply chain responsible on this issue. With this in mind, in 2023 it initiated a due diligence process, initially conducting a Human Rights Risk Assessment (HRRRA). The activity covered the parent company and the Italian subsidiaries, as well as the Italian and European production sites and the related ancillary businesses. The outcome of the HRRRA was crucial in identifying both the main areas of impact for the Group and the segments of the supply chain most exposed to critical issues, on which specific and targeted action is a priority. The analysis also allowed prevention and mitigation actions to be defined and prioritised. From this perspective, numerous safeguards are already in place to ensure respect for human rights along the supply chain. The choice of suppliers is in fact subject to a supplier qualification process, which includes checks on health and safety, reliability of pay and contributions and the application of national collective agreements, where available. Suppliers are also required to adopt the Supplier Code of Ethics by signing a Binding Contractual Clause. Through the Supplier Observatory, the Group ensures the involvement of all the corporate departments concerned and constantly monitors the performance, including sustainability performance, of its partners and suppliers. In case of non-compliance with the minimum requirements, it prepares improvement plans or, where necessary, press-out plans. In addition, periodic audits are conducted at suppliers' premises to assess and monitor respect for human rights, health and safety standards and environmental regulations. The Group also monitors the implementation of the effectiveness of the measures in place, a monitoring plan was developed for the human rights due diligence process in 2024. This plan aims to ensure that data collection analysis and reporting system, with specific focus on the most significant risks and impacts. The initiative aims to identify critical issues at an early stage and foster the implementation of targeted and effective corrective measures.

For further information, please refer to chapter "G1-Business conduct"

For further information, please refer to chapter "G2-Workers in the value chain"

Taxation

The Group, and specifically the companies to which the aligned activities relate, has adopted its own Tax Strategy aimed at ensuring the timely fulfilment of all tax obligations, protecting the correct taxation of the Group on a global scale, and monitoring and mitigating tax risk. This strategy establishes the guidelines for the concrete implementation of these objectives at Group level and at the level of individual subsidiaries and is subject to annual review. Furthermore, in order to ensure greater transparency, for the benefit of the tax authorities, Fincantieri adheres to the transfer pricing provisions, in accordance with the OECD guidelines. Finally, the company takes action to raise staff awareness of tax risks.

For further information, please refer to chapter "G1-Business conduct"



Fair competition

The Group, and specifically the companies to which the aligned activities refer, includes the promotion of fair competition practices as one of its corporate values, to the benefit of competitors, market operators and customers. The principle of fair competition is also enshrined in the Code of Conduct that all Fincantieri employees are required to observe. Moreover, the Company adopts specific policies and procedures for the management of relationships with the Public Administration, offset contracts and conflicts of interest. In this context, appropriate training measures on fair competition, communication with the Public Administration and relations with external stakeholders have been implemented to raise awareness among those acting on Fincantieri's behalf.

For further information, please refer to chapter "G1-Business conduct"

Anti-corruption and anti-bribery

The Group's anticorruption commitment, initially enshrined in the Code of Conduct, has been consolidated through a dedicated management system and a set of company procedures and documents. The main guidelines on the issue are set out in the Anti-corruption Policy for the Group and specifically the code of conduct that aligned activities refer to. Fincantieri's anti-corruption management system is certified ISO 37001. The System includes the identification of risks, assignment of responsibilities, adaptation and preventive measures and compliance with laws. The System is constantly updated to adapt to organisational and regulatory changes. The Board of Directors oversees compliance with the System, while the Supervisory Board monitors its implementation. Fincantieri provides relevant training at all company levels. In 2024, in particular, training continued with specific courses for employees, attorneys and corporate departments, enabling raising the level of awareness of corruption and ensuring the characteristics of the anticorruption management system, control principles and the whistleblowing system. In parallel, the area is also controlled through other company documents, including the document on Management of Relationships with the Public Administration, on Donations, Gifts, Sponsorships, Gifts and Hospitality, and on Conflicts of Interest.

For further information, please refer to chapter "G1-Business conduct"

Convictions

With regard to the Board of Directors, it should be noted that, pursuant to actual legislation, Directors must meet the integrity requirements set forth in the Consolidated Law on Finance and its implementing regulations, as well as any other actual laws and regulations applicable to the Company's Directors. Pursuant to art. 19.5 of the By-Laws, failure to meet these requirements constitutes grounds for ineligibility or automatic forfeiture of office. In addition, there were no questions submitted by the Business and Human Rights Resource Centre (B-HRRC) and no cases dealt with by the OECD National Contact Point (NCP).

For further information, please refer to chapter "G1-Business conduct"





Proportion of Turnover from products or services associated with Taxonomy-aligned economic activities – Disclosure covering year 2024

Financial Year 2024		2024		Sustainable contribution criteria												DNSS criteria				
		Code	Turnover	Proportion of Turnover, year 2024	Climate Change Mitigation	Climate Change adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Category enabling activity	Category transitional activity	
Economic Activities		Company turnover	%	Y	N	Y	N	Y	N	Y	N	Y	N	Y	N	Y	N	%	E	T
TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of low carbon technologies for transport		CCM 3.3	854,172	10.51%	Y	N	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	14.3%
Professional services related to energy performance of buildings		CCM 9.3	4,196	0.05%	Y	N	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-
Turnover of environmentally sustainable activities (Taxonomy-aligned (A.1))			858,367	10.56%	10.56%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which enabling				10.56%	10.56%															
of which transitional				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
Manufacture of low carbon technologies		CCM 3.3	354,172	10.91%	-	N	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	14.3%	E
Manufacture of low carbon technologies for transport		CCM 3.3	3,812	0.95%	Y	N	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	-	E
Manufacture of batteries		CCM 3.4	1,229	0.05%	Y	N	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	-	E
Electricity generation from wind power		CCM 4.3	15,762	10.55%	10.55%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pre-commercial stages of advanced technologies to produce energy from the fuel cycle		CCM 4.26	18,229	10.55%	10.55%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
High-efficiency cogeneration of heat/cold and power from fossil gaseous fuels		CCM 4.30	7,324	10.55%	10.55%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure for rail transport		CCM 6.14	6,941	10.55%	10.55%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure enabling low carbon road transport and public transport		CCM 6.15	47,997	10.55%	10.55%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction of new buildings		CCM 7.1	382,232	10.55%	10.55%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Data-driven solutions for GHG emissions reductions		CCM 8.2	79	10.55%	10.55%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Close to market research, development and innovation		CCM 9.1	8,194	10.55%	10.55%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Research, development and innovation for direct air capture of CO ₂		CCM 9.2	48	10.55%	10.55%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities (A.2))			4,305,408	52.97%	52.97%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.3%	E
A. Turnover of taxonomy-eligible activities (A.1+A.2)			51,831,775	63.53%	63.47%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																					
				Currency € 1000	%	EL ₁ NEL	EL ₂ NEL	EL ₃ NEL	EL ₄ NEL	EL ₅ NEL	EL ₆ NEL	EL ₇ NEL	EL ₈ NEL	EL ₉ NEL	EL ₁₀ NEL	EL ₁₁ NEL	EL ₁₂ NEL	EL ₁₃ NEL	EL ₁₄ NEL	%	
Manufacture of renewable energy technologies	Manufacture of low carbon technologies for transport	COM 3.1	395	0.00%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	0.04%	
		COM 3.3	3,812,383	46.96%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	40.81%
		COM 3.4	1,229	0.02%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	0.00%
		COM 4.3	15,762	0.19%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	
		COM 4.35	18,229	0.22%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	
		COM 4.30	7,324	0.09%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	0.10%
		COM 6.14	6,941	0.09%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	
		COM 6.15	47,997	0.59%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	
		COM 7.1	382,232	4.70%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	1.94%
		COM 8.2	79	0.00%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	
		COM 9.1	8,194	0.10%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	0.20%
		COM 9.2	48	0.00%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	
		COM 9.3	-	0.00%	EL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	0.09%
		CE 3.3	4,497	0.05%	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	-
CE 4.1	24	0.00%	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	-		
BIO 1.1	114	0.00%	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	NEL	-	
Turnover of Taxonomy-eligible but not environmentally sustainable activities and taxonomy-eligible activities				4,305,408	52.97%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43.08%	
TOTAL: Turnover of Taxonomy-eligible activities (A.1+A.2)				51,817,775	63.53%	63.47%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	57.38%



Proportion of Capex from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial Year 2024	Climate Economic	Test	Sustainable contribution criteria										DNIS criteria										Category transitional activity	Category enabling activity			
			Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or enabling (A.2) turnover, year 2023	%	Y	N	E	T						
2024	Capex	000's of €	%	Y	N	E	T	Y	N	E	T	Y	N	E	T	Y	N	E	T	Y	N	E	T	Y	N	E	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)

Activity	Code	Capex	Proportion of Capex, year 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or enabling (A.2) activities, year 2023					Category transitional activity	Category enabling activity
Manufacture of new carbon technologies for transport	COM 3.3	16,198	5.55%	Y	No	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	2.70%	E
Electricity generation using solar photovoltaic technology	COM 4.1.1	203	0.07%	Y	No	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Installation, maintenance and repair of energy efficiency equipment	COM 7.3	3,515	1.21%	Y	No	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Installation, maintenance and repair of energy efficiency equipment	COM 7.5	215	0.07%	Y	No	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Construction, extension and operation of waste water collection and treatment plants	COM 5.3	208	0.07%	Y	No	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Close to market research, development and innovation	COM 9.1	907	0.31%	Y	No	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Provision of T10T data-driven solutions	CE 4.1	609	0.21%	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		21,854	7.50%	7.29%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which enabling			7.35%	7.15%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which transitional			0.07%	0.07%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

A.2. Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

Activity	Code	Capex	Proportion of Capex, year 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or enabling (A.2) activities, year 2023					Category transitional activity	Category enabling activity
Manufacture of renewable energy technologies	COM 3.1	160	0.05%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	2.70%	E
Manufacture of new carbon technologies for transport	COM 3.3	96,103	32.98%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Manufacture of batteries	COM 3.4	4,126	1.42%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Electricity generation from wind power	COM 4.3	331	0.11%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Construction, extension and operation of water collection, treatment and supply plants	COM 5.1	-	0.00%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Construction, extension and operation of waste water collection and treatment plants	COM 5.3	780	0.27%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Collection and transport of non-hazardous waste in source segregated fractions	COM 5.5	-	0.00%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Infrastructure for rail transport	COM 6.14	268	0.09%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Infrastructure enabling low-carbon road transport and public transport	COM 6.15	626	0.21%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Construction of new buildings	COM 7.1	544	0.19%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Renovation of existing buildings	COM 7.2	-	0.00%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Installation, maintenance and repair of energy efficiency equipment	COM 7.3	1,026	0.35%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Acquisition and ownership of buildings	COM 7.7	-	0.00%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Data processing, hosting and related activities	COM 8.1	-	-	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-
Data-driven solutions for GHG emissions reductions	COM 8.2	118	0.04%	EL	NEL	NEL	NEL	NEL	NEL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-





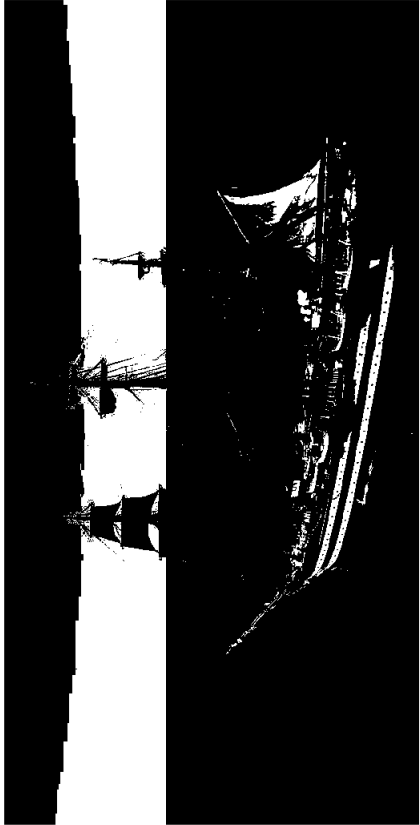
**APPENDIX XII
(energy sector)**

Regulation (EU) 2022/1214, which amends the Delegated Regulation (EU) 2021/2139, introduces the methods of reporting information on economic activities related to nuclear energy and fossil gas. In the specific case of Financier, a check was carried out on a like-for-like basis with the other economic activities in order to verify the alignment or eligibility of these activities.

Template 1 - Nuclear and fossil gas related activities	
Nuclear energy related activities	
1. The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	YES
2. The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3. The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities	
4. The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5. The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6. The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO



Template 2 - Taxonomy-aligned economic activities (denominator) - Turnover							
Economic activities							
CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)			
Amount (€ million)	%	Amount (€ million)	%	Amount (€ million)	%	Amount (€ million)	%
1. Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%	0%
2. Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%	0%
3. Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%	0%
4. Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%	0%
5. Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%	0%
6. Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%	0%
7. Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the Turnover	858	11%	858	11%	-	0%	0%
8. Total applicable Turnover	8,128	100%	8,128	100%	-	0%	0%





Template 4 - Taxonomy-eligible but not Taxonomy-aligned economic activities

	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (€ million)	%	Amount (€ million)	%	Amount (€ million)	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	18	0.4%	18	0.4%	-	0%
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	7	0.2%	7	0.2%	-	0%
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%
7.	Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the Turnover	4,280	99.4%	4,280	99.4%	-	0%
8.	Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the Turnover	4,305	100%	4,305	100%	-	0%

Template 3 - Taxonomy-aligned economic activities (numerator) - Turnover

	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (€ million)	%	Amount (€ million)	%	Amount (€ million)	%
1.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Turnover	-	0%	-	0%	-	0%
2.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Turnover	-	0%	-	0%	-	0%
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Turnover	-	0%	-	0%	-	0%
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Turnover	-	0%	-	0%	-	0%
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Turnover	-	0%	-	0%	-	0%
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Turnover	-	0%	-	0%	-	0%
7.	Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the Turnover	858	100%	858	100%	-	0%
8.	Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the Turnover	858	100%	858	100%	-	0%



Template 5 - Taxonomy non-eligible economic activities

Economic activities		Amount (€ million)	3
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%
7.	Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the Turnover	2.965	100%
8.	Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the Turnover	2.965	100%





Group Report on operations	Consolidated Sustainability Statement	General Information	Environmental Information	Social Information	Information on Governance	Fincantieri Group Consolidated Financial Statements

ESRS E1 – Climate change

Governance

GOV-3 – Integration of sustainability-related performance in incentive schemes

Strategy

E1-1 – Transition plan for climate change mitigation

The Group has established specific sustainability targets on environmental issues. In particular, the sustainability index of the LT Plan predicts the achievement of the targets set out in the Sustainability Plan over the reporting period, which also include climate targets.

More details on incentive systems can be found in paragraph "ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes".

Fincantieri operates in a complex and highly competitive market environment, in which various technological, economic and regulatory dynamics are intertwined. The shipbuilding sector is characterized by strong regulation at the national and international level, with an increasing focus on sustainability and decarbonization. In particular, international policies, such as those set by the International Maritime Organization (IMO), are pushing towards the adoption of solutions with lower CO₂ emissions and the use of alternative fuels.

In order to consolidate its leadership position, Fincantieri aims to play an active role in the development of a more sustainable economy by promoting innovative and sustainable solutions for the manufacture of its products. For this reason, the Group is strongly committed to the energy and digital transition of the shipping industry, a commitment that translates, on the one hand, into initiatives aimed at monitoring and reducing its direct impacts and, on the other, into projects geared towards developing increasingly technologically advanced ships with the aim of contributing to the decarbonization of maritime transport and meeting the European climate neutrality targets by 2050. This commitment is also reflected in initiatives aimed at finding responsible and attentive suppliers and business partners.

Although the Group has not formalized a transition plan, it has embarked on a process to identify the most effective levers for reducing emissions and assessing their technical and economic feasibility. This process is realized through mitigation and adaptation actions aimed at progressively reducing greenhouse gas (GHG) emissions along the entire value chain. The formalization of the transition plan is planned in the next two years.

The 2025-2027 decarbonization strategy actually being implemented by Fincantieri is based on an integrated approach aimed at reducing both emissions related to the Company's activities (Scope 1 and Scope 2) and indirect emissions along the entire value chain (Scope 3).

With regard to **emissions from Fincantieri's own operations (Scope 1 and Scope 2)**, the Group is taking several measures to improve energy efficiency and reduce the environmental impact of its industrial activities. The main actions include increasing the energy efficiency of shipyards and equipment used in production processes through the adoption of innovative technological solutions and optimization of consumption. It is in this context that the electrification of air conditioning systems represents a further step in reducing emissions from company infrastructure.

With regard to **indirect emissions (Scope 3)**, the main focus of the strategy is on reducing the impact of products placed on the market. In particular, the Group's analysis showed that the most relevant category in absolute terms is the use of solid products Scope 3 - Category 11, i.e. emissions generated during the operation of the ships built. For this reason, Fincantieri is focusing its decarbonization plan on the design and production of vessels with low emissions impact.

One of the main directions for development concerns the construction of ships powered by liquefied natural gas (LNG), with the first vessel delivered in 2024. This technology represents an intermediate solution towards the decarbonization of the maritime sector, while awaiting the development of even more sustainable propulsion systems. In parallel, the Group is working on the design and construction of ships with methanol-ready and hydrogen-ready propulsion systems to ensure future compatibility with fuels with reduced environmental impact. In addition, the development of solutions for the use of bio-fuels is underway, which will enable the new ships to be compatible with those already available on the market.

In addition to strategies related to reducing emissions while at sea, Fincantieri is also pursuing initiatives to improve sustainability while in port. A key element of this process is the spread of shore connection, a technology that allows ships to power themselves from shore while at berth, avoiding the use of on-board engines for power generation. Although this solution is already integrated in the vessels built by the Group, its actual implementation depends on the availability of adequate infrastructure in the destination ports.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

The challenge of climate change and risk management

Fincantieri has adopted a structured approach to identify, assess and manage climate change impacts, risks and opportunities. This process is based, as for the other topics, on the double materiality analysis carried out by the Group.

For more details on the considerations taken into account for the double materiality analysis, see paragraphs: "ESRS 2 SD-1 Description of the process to identify and assess material impacts, risks and opportunities" "ESRS 2 SD-3 Material impacts, risks and opportunities and their interaction with strategy and business model"

The double materiality analysis revealed two significant impacts related to climate change. The first, of a negative nature, relates to the increase in direct greenhouse gas emissions caused by the production process and transport, and indirect emissions involving the entire value chain. This impact, while posing a significant challenge, is nevertheless mitigated through innovative projects aimed at reducing emissions, including energy efficiency solutions in production processes, the adoption of alternative fuels and the design of ship technologies with reduced environmental impact. Fincantieri takes a structured and proactive approach, constantly improving its practices to minimize environmental impact and developing mitigation and adaptation strategies.

In terms of impact of a positive nature, the Group plays an active role in the energy and transport transition and the development of lower carbon technologies that enable more energy efficient processes and products. Through targeted projects, often carried out in cooperation with research institutes and universities, it promotes knowledge sharing and encourages the dissemination of strategic information. These initiatives not only accelerate innovation in the sector, but can generate new models of intervention for private industry and research ideas for the scientific community. To consolidate its contribution to sustainability, Fincantieri constantly invests in Research and Innovation (R&I) projects and encourages the adoption of advanced technologies with reduced environmental impact. Scouting and monitoring developments in the green technology market enables the development of ever more advanced solutions, anticipating both regulatory and customer requirements. This approach not only strengthens the Group's competitiveness, but also consolidates its leading position in an ever-expanding market.

In addition to impacts, the Group has identified three **climate risks**, two transitional and one physical. The first **transition risk** identified is related to the misalignment in the adoption and implementation of emerging technologies, particularly those related to the green transition. Sub-optimal timing, inefficient investment or difficulties in integrating innovative solutions into existing processes could jeopardise the company's competitiveness, hinder compliance with applicable regulations and slow down the achievement of long-term sustainability objectives. The second transition risk is the risk of inadequate management of atmospheric emissions, inefficiencies in monitoring systems, non-compliance with environmental regulations or delays in adopting emission abatement technologies could lead to significant consequences, including economic penalties, reputational damage and increased environmental impact. Failure to effectively manage this risk could also require costly corrective actions, potentially delaying the achievement of the sustainability objectives set.

Finally, the risk of incurring unexpected costs related to adaptation and restoration activities following operational disruptions at production sites caused by extreme environmental and climate events (**physical risk**) is a crucial aspect for the Group. Events such as floods, heat waves or other emergencies could compromise business continuity, requiring extraordinary interventions to secure and adapt the infrastructure. Such circumstances can have a significant impact on operating costs and overall production capacity.

Aware of the significance of the challenges posed by climate change, the Group adopts an integrated and multi-disciplinary approach to assessing and managing these risks, using a structured Enterprise Risk Management process. This system, based on continuous and widespread monitoring, involves all business areas, ensuring a comprehensive analysis of critical issues. The assessment encompasses both physical risks, divided into chronic and acute and related to the direct impact of extreme climate events, and transitional risks, arising from regulatory developments and market, technological and social changes on the path to a low-carbon economy.

For the purpose of a timely assessment of the risks detected by the double materiality analysis, the alignment to the **Task Force on Climate-related Financial Disclosures (TCFD)** was completed in 2023, involving the entire corporate organization in a cross-cutting manner. The TCFD recommendations are divided into four thematic areas and provide a framework for the dissemination of consistent information, supporting financial market participants



Impact, risk and opportunity management

In understanding climate risks, the aim is to mitigate risks to financial stability arising from potential asset mispricing and inefficient capital allocation. In line with the recommendations of the TCFD, analyses were developed on different reference climate scenarios, corresponding to the projections of the IPCC (Intergovernmental Panel on Climate Change) and IEA (International Energy Agency, IEA-Net Zero by 2050 A Roadmap for the Global Energy Sector). Specifically, scenarios are developed on the basis of different temperature rises and their physical and transitional consequences for the planet. Three scenarios were selected to conduct the analysis, representing the "best case", an intermediate projection and the "worst case". In temperature trends up to 2100. In light of the above, an analysis was conducted to identify the main physical risks, both acute and chronic, related to temperature, winds, water and solid mass (e.g. landslides). Through the study of possible climate scenarios, exposures to acute and chronic risks were initially assessed for the 18 shipyards in Italy, Brazil, Norway, Romania, Vietnam, the United States and 3,800 strategic suppliers (strategic in terms of turnover and type of supply). Subsequently the analysis was supplemented with a further 35 sites. This analysis was carried out taking into account the coordinates and assessing the extent of the risks in the various time horizons: short, medium and long term. Risk projections were based on recognized global climate databases (e.g. IPCC, Copernicus). Despite the understanding that physical and transition risks may occur simultaneously, it was assumed that the best case scenario may have a greater impact on transition issues, i.e. market and regulatory issues, as a direct result of more stringent regulatory mechanisms in a context where countries and companies operate rapidly, while physical impacts would be reduced. On the other hand, a less regulated environment, in which provisions to contain the effects of climate change in the medium/long-term are not concretely implemented, would lead to more physical consequences, remaining less restrictive on transition risks.

The detailed results of the analysis of physical and transition risks are reported in the following paragraph "ESG 2 200-1 Description of the processes to identify and assess material impacts, risks and opportunities"

Risk Management

Climate Change Risk Assessment Analysis (CCRA)

In addition to the double materiality analysis, the Fincantieri Group also conducted a **Climate Change Risk Assessment (CCRA)** in order to understand the risks to which it is most exposed and to adopt a proper mitigation strategy. The analysis considers both the physical risks, acute and chronic, that may affect each site, and the transition risks, assessing their evolution under different climate scenarios and time horizons.

Physical and transition climate risks

The identification process was developed from the results of the materiality analysis, which identified three main climate risks. Within these, it is possible to outline **seven subgroups** of climate-related risks that fall within the six risk macrocategories of the Task Force on Climate-Related Financial Disclosures (TCFD), as illustrated below.

Risk associated with double materiality analysis		Subgroups of climate risks
1 - Risk of incurring unexpected costs (increased OPEX for adaptation/recovery due to disruption of operations at production sites due to extreme environmental/climate/health events)	1.1	Impact on business for acute climate risks
	1.2	Impact on business for chronic climate risks
2 - Risk of misalignment in the adoption and implementation of emerging technologies, including those related to the green transition	2.1	Technological risk of the production process and products
	2.2	Market risk due to changing customer needs and/or increased competition
	3.1	Market risk for raw materials and commodities
3 - Risk of inadequate management of emissions into the atmosphere	3.2	Risk of evolutions of laws and regulations
	3.3	Reputational risk

IRO.1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Fincantieri has adopted a structured approach to identify, assess and manage climate change impacts, risks and opportunities. This process is based, as for the other topics, on the double materiality analysis carried out by the Group.

For more details see paragraph:
"ESG 2 200-1 Description of the process to identify and assess material impacts, risks and opportunities"
"ESG 2 200-3 Material impacts, risks and opportunities and their interaction with strategy and business model"

The Group is committed to pursuing its alignment with the recommendations of the TCFD, with the aim of continuing to integrate the metrics and targets used to measure the climate-related financial effect based on the risks and opportunities analysed. Below are the analyses carried out in order to provide a categorisation of physical and transition risks. The significance of the impacts of acute **physical risks** was assessed by taking into account the interruption of activities at Group sites and/or the slowing down of the supply chain due to extreme events such as storms, floods or fires. With regard to **transition risks**, the Group is aware of the multiplicity of areas on which they impact; therefore, an analysis was conducted in which all risks present in Fincantieri's Risk Universe were taken into account, in order to highlight the most significant risks to be analysed in detail, based on a qualitative assessment of inherent and residual risk.





The scenarios used for the assessment of the seven subgroups of climate-related risks that fall within the three main risks identified by the double materiality analysis are based on different temperature increases and their physical and transition consequences for the planet. Three scenarios were selected to conduct the analysis, representing the "best case", an intermediate projection and the "worst case" in temperature trends up to 2100.

- **Scenario 1 (best case) - Net Zero Scenario (NZS).** Selected as a "best case" scenario, it maps out projections for which there is a high involvement from all governments to increase their ambitions and commitments towards Net Zero, and therefore in line with a 1.5°C temperature increase by 2100, as stated in the Paris Agreement. Contextually with reference to the assessment of physical risks, the "best case scenario" is equivalent to the RCP 2.6 (Representative Concentration Pathway) scenario, which is aligned with the objectives of the Paris Agreement and the Kyoto Protocol, and aims to limit global warming to below 1.5°C compared to pre-industrial levels by 2100. This is a peak-and-decline scenario, which assumes a significant reduction in greenhouse gases over time.
- **Scenario 2 (intermediate projection) - Announced Pledges Scenario (APS).** This intermediate scenario, also known as the "pledges and targets scenario", represents a pathway that takes into account the official commitments announced by governments and international organizations to reduce greenhouse gas emissions. APS is based on stated promises and targets, without necessarily considering the full implementation of these commitments. For the assessment of physical risks, the "pledges and targets scenario" is considered the most likely scenario - RCP 4.5 based on actual country commitments. It predicts a temperature increase of between 2 and 3°C by 2100, exceeding the limits set by the 2015 Paris Agreement and the Kyoto Protocol. This scenario assumes a gradual stabilization of greenhouse gases, with a reduction starting shortly after 2100. It is based on a carbon concentration that generates an average global warming of 4.5 watts per square metre on the earth's surface.
- **Scenario 3 (worst case) - Stated Policies Scenario.** The Stated Policies Scenario (SPS), represents a pathway that takes into account policies and measures actually in force or already established by governments and organizations. This scenario reflects the expected impact of existing policies on greenhouse gas emissions and climate change trends over time without taking into account future policy changes or new measures that may be adopted in response to evolving scientific knowledge or changing socio-economic conditions. This less regulated scenario, with a lack of concrete plans for 2030 by the countries participating in the agreement, would imply an actual increase in global warming with consequent significant effects on climate and repercussions on business. For the assessment of physical risks, the "worst case" is considered to be the RCP 8.5 scenario, which represents a "business-as-usual" pathway and assumes continued high greenhouse gas emissions without significant policy interventions to mitigate climate change. This scenario represents a world with rapid economic and population growth (SSP5), characterized by a continuous increase in annual greenhouse gas emissions over time. Ultimately, it refers to a carbon concentration that produces global warming averaging 8.5 watts per square metre across the planet.

Physical risks are associated with increased economic costs and financial losses due to the increased severity and frequency of extreme weather events related to climate change. They include acute risks and risks related to long-term climate change, i.e. chronic risks. The analysis of physical risks was carried out on the Fincantieri Group operational sites. The significance of the impacts of acute physical risks was assessed by taking into account the interruption of activities at Group sites and/or the slowing down of the supply chain due to extreme events such as storms, floods or fires. Using a quantitative assessment model with reference to risks with a prevalent economic-financial impact and greenhouse gas (GHG) emissions defined within the framework of the Integrated Enterprise Risk Management (IERM) - Project Risk Management (PRM) Model, the degree of significance of these risks was defined in relation to the days of business interruption, taking into account any risk mitigation actions already in place and evaluating possible measures to be considered for residual risks.

Transition risks are associated with the transition to a low-carbon economy and are closely related to changes in the social, economic and political environment, as well as changes in the CO₂ pricing framework and regulatory restrictions. With regard to transition risks, the Group is aware of the multiplicity of areas on which they impact; therefore, an in-depth analysis was conducted through the ERM function, in which all risks present in Fincantieri's Risk Universe were considered. In order to highlight the most significant risks requiring detailed analysis, based on a qualitative assessment of inherent and residual risk. In this regard, interviews were conducted with risk owners to analyse in detail the controls and mitigations already in place for the risk in question. Below is a complete and detailed description of the climate-related risks where the Group is exposed, the related management methods implemented and the associated opportunities.

1. Risk of incurring unexpected costs (increased OPEX) for adaptation/recovery due to disruption of operations at production sites due to extreme environmental/climate/health events

For a more complete representation, the company has identified two sub-categories of risk as follows.

1.1. Impact on business for acute climate risks

Description of risk
Acute extreme weather events, such as storms, floods, fires and heat waves, can have a direct impact on company activities and the supply chain, disrupting the supply of goods, services and energy. The consequences may include production stoppages, damage to strategic assets, delivery delays and potential contractual penalties, as well as increased costs for repairs and replacements. In addition, an increase in the frequency and intensity of these phenomena could lead to a rise in supply, transport and insurance premiums on structural assets. The sites, located in coastal areas, are highly exposed to extreme weather events such as storms, floods and fires, with the risk of damage to facilities, operational disruptions and production delays, which could lead to high costs and contractual penalties. The risk analysis showed a higher vulnerability for the Marghera, Riva Trigoso and Muggiano shipyards, followed by Ancona and Monfalcone, especially in the most severe climate scenario (RCP 8.5).

Mitigation actions
The main actions undertaken include the installation of cranes with storm brakes and flood drainage systems, the implementation of atmospheric discharge protection systems, and the monitoring of safety procedures through regular meetings. An annual Disaster Recovery test was also carried out to ensure business continuity. At the contractual level, clauses were included to protect against delays and insurance policies were taken out against catastrophic events. Finally, a climate risk analysis was conducted on over 3,800 global suppliers and alternatives in less vulnerable areas were identified.

1.2. Impact on business for chronic climate risks

Description of risk
Impact on business due to chronic extreme weather events. Expected consequences of climate change include chronic weather events, i.e. long-term climate changes (temperature changes, rising sea levels, reduced water availability, etc.). Production sites are exposed to various climate risks, including abnormal temperatures, wind variations and heavy rainfall. High temperatures can compromise the health of employees working outdoors, reduce productivity and increase energy costs at operating sites. Conversely, extremely low temperatures can hinder welding work, leading to production delays and potential quality defects, resulting in additional heating costs. In addition, changes in wind direction and rainfall can have negative impacts on outdoor structures, such as cranes and ships under construction.

A detailed analysis of chronic physical risks showed that the sites most at risk are those in Vung Tau and Palermo. In Vung Tau, the main risks are heat stress due to high temperatures, heavy rainfall and strong gusts of wind (RCP scenario 8.5). The Palermo site, in addition to being exposed to abnormal temperatures, presents a high water stress risk, a situation that also affects the Ancona and Castellammare di Stabia sites.

Mitigation actions
The main actions undertaken include the definition of internal rules for the management and monitoring of emergencies related to adverse weather conditions and the installation of an anemometric sensor for wind monitoring with access to real-time data and historical archives. A "Mooring Plan" for ships under construction, drawn up by a third party, was also developed to assess the impact of winds. In addition, internal and third-party audits were carried out to verify the implementation of the operating instructions.

2.2. Risk of misalignment in the adoption and implementation of emerging technologies, including those related to the green transition

For a more complete representation, the Company has identified two sub-categories of risk as follows.

2.1. Technological risk of the production process and products

Description of risk

Description of risk
The incantier is also exposed to the transition risk arising from changing environmental regulations and the increasing demand for lower impact solutions in the maritime sector. Failure to adapt to new regulations and technologies could have negative consequences for the company's competitiveness and reputation. The need to reduce greenhouse gas emissions is driving the market towards alternative fuels and advanced technologies, making continuous investment in research and development essential. Furthermore, the green transition requires the replacement of traditional fuels with more sustainable alternatives and the adoption of high-efficiency machinery, resulting in an increase in the investments required to maintain competitiveness in the long term.

Mitigation actions

Mitigation actions The main actions undertaken include participation in national and international roundtables to monitor the evolution of maritime regulations, collaboration with universities and research centres to develop technologies with low environmental impact, and monitoring technologies for ships powered by alternative fuels, such as hydrogen and ammonia. A dedicated green transition team has been established for the introduction of alternative technologies into LNG in the cruise sector. In addition, the Group is involved in European hydrogen projects and has developed ships with low environmental impact.

2.2. Market risk due to changing customer needs and/or increased competition

Description of risk

Description of risk In a highly competitive market, due to inadequate monitoring of their profitability to meet new customer demands, or to inadequate monitoring of their needs and expectations, and insufficient analysis of the products offered by competitors, can lead to a loss of market share and customer dissatisfaction. The Group is also exposed to the risk of 'failing to adequately exploit technological innovation to reduce the environmental impact of its products in order to anticipate regulatory solutions in response to increasingly stringent regulatory constraints. Competitors could anticipate regulatory developments by developing more technologically advanced products such as solutions that reduce CO₂ emissions and increase energy efficiency, thus establishing a sustainable competitive advantage that would prevent the Group from meeting market demand and achieving its profitability targets. In a Net Zero scenario, it is crucial for other products that are not obsolete in the short term, especially in terms of eco-sustainability, considering the long life of its ships.

Mitigation actions

Mitigation actions

The main actions undertaken concern control of costs through a dedicated team, advance planning of investments and continuous staff training. Market monitoring is carried out to analyse technology trends and promote strategic partnerships with universities and research centres. In addition, medium/long-term innovation strategies are developed and European funding opportunities for maritime projects are exploited.

3. Risk of inadequate management of atmospheric emissions

For a more complete representation, the Company has identified three sub-categories of risk as indicated below.

3.1. Market risk for raw materials and commodities

Description of risk

Description of risk

Disturbing costs related to the price of raw materials and commodities can hinder the development of certain projects. These increases in CGAM and the EU ETS, after the introduction of the carbon price, have increased the costs of the entire supply chain, reducing the availability of raw materials. The cost effectiveness of these increases in the EU ETS will also depend on the trend in the carbon price, which in an inflationary environment could increase the cost of raw materials. In turn, increasing costs for the Group and reducing the competitiveness and marginality of the market offer. Adaptation to low-emission policies and reduced availability of resources could also lead to increased costs of fuels and electricity (both conventional and renewable, due to changes in climate patterns (such as changes in rainfall and wind patterns), with a direct impact on production processes and operations).

Mitigation actions

Mitigation actions The main actions undertaken include the monitoring of fluctuations in energy and steel prices through specialist analyses, the optimization of production processes through coordination between order controllers and purchasing departments, and the implementation of financial hedging strategies to manage raw materials volatility. Strategic innovation projects have been identified: the installation of photovoltaic systems for internal energy generation started, and energy efficiency measures implemented, including the reamping of thermal and fluid networks, the installation of lighting systems, and the selection of raw materials with low CO₂ emissions to ensure compliance with environmental regulations are ongoing.

3.2. Risk of evolution of laws and regulations

Description of risk

Description of risk

Changes in and tightening of the national and international legal and regulatory environment (changes in laws, regulations and Company's by-laws, primary or secondary regulations of emerging countries, as well as sector-specific regulations including those concerning climate change adaptation and mitigation) may generate negative impacts in terms of profitability, jeopardize the achievement of strategic objectives, compromise the operations of corporate bodies and/or business continuity. The risk of non-compliance with environmental, occupational health and safety regulations or, in all the countries in which Financière operates, may materialise due to failure to or inadequate monitoring of developments in the shipping industry (IMO, EU ETS, production processes CBAM) and sustainability reporting (Decree 125/2024, Regulation (EU) (2020/852) (taxonomy), or from misinterpretation, inadequate application or delayed adoption within corporate processes. The aforementioned regulatory measures, particularly a Net Zero scenario, could influence market dynamics and trigger inflationary mechanisms, especially on complex manufacturing products such as ships, consisting of the integration and assembly of thousands of components, including imported ones. In addition, they could impact on the ability to attract financing, resulting in civil, tax, administrative or criminal sanctions or penalties that could damage the Company's operations and reputation. Evolving international regulations, especially environmental ones, entail risks to the CO2 management and compliance with global guidelines, such as those established by the IMO and the "Paris Agreement" and the "United Nations Sustainable Development Goals". The "Paris Agreement" and the "United Nations Principles". In addition, the increasing focus of investors on environmental issues requires Financière to ensure that its operations and products are in line with regulatory and financial expectations, avoiding the risk of greenwashing.

Mitigation actions

Mitigation actions. The activities involve monitoring the international regulatory framework and active participation at the multilateral level with the IMO and regulatory bodies, with the aim of contributing to the development of industry regulations. In this context, alignment with the Potsdam Principles and the EU Taxonomy is ensured, ensuring efficient management of emissions and certification of environmental sustainability, essential for access to sustainable finance instruments.

In order to integrate sustainability into operational processes, environmentally sustainable design procedures have been implemented in the pre- and post-contract phases. In addition, GHG Assist, in-house software for calculating the CO₂ emissions and carbon footprint of ships, with the potential for commercial exploitation, was developed.



3.3.

Reputational risk

Description of risk

An inadequate decarbonization strategy and/or inadequate communication on ESG issues may create stakeholder expectations, particularly with regard to the financial community, which is increasingly sensitive to climate change and energy transition issues. Failure to achieve the objectives of reducing pollutant emissions, incorrect management of environmental certifications, the absence of a supply chain aligned with the Group's sustainability strategy and values, together with inefficient/ineffective management of relations with local national and international counterparties (authorities, local associations, institutions, SMEs, etc) can damage the Company's image and reputation, diminish its credibility, creditworthiness and competitiveness. In particular, financial stakeholders may require the company to meet certain efficiency criteria on products and processes, as well as to set even more ambitious decarbonization targets in order to access green financial instruments.

Mitigation actions

Key mitigation actions include the implementation of the 2023-2027 Sustainability Plan, which defines decarbonization strategies and concrete initiatives to reduce environmental impact. Fincantieri oversees all activities aimed at drawing up the Sustainability Statement and the integration of additional information required by rating companies with a view to transparency and completeness. In the supply chain, the ESG assessment of suppliers was integrated via the e-NGAGE portal, promoting sustainable procurement management. Furthermore, participation in the CDP (former Carbon Disclosure Project) and the preparation of the TCFD Report ensure continuous improvement of environmental performance, aligning with international best practices. Finally, the Group actively participates in the Italian Sustainability Week, where it promotes its ESG strategies, and has adopted the UN Global Compact principles, reinforcing its sustainable commitment in the shipping industry.



Climate opportunities

To complement the Climate Change Risk Assessment (CCRA) analysis, an assessment opportunity was carried out to identify strategic advantages related to the transition to a more sustainable business model.

Opportunities arising from the double materiality analysis	Climate opportunity subgroups
1- Improved competitiveness and profitability through the development of technologies and production processes in line with global 2050 emission reduction targets and increased attractiveness for investors	1.1 Opportunities deriving from the technological risk of the production process and products
	1.2 Opportunities deriving from market risk due to changing customer needs and/or increased competition
	2.1 Opportunities deriving from the risk of evolution of laws and regulations
2- Improved profitability by updating production processes to achieve greater efficiency	2.2 Opportunities deriving from impact on business for acute climate risks
	2.3 Opportunities deriving from impact on business for chronic climate risks

1. Improved competitiveness and profitability through the development of technologies and production processes in line with global 2050 emission reduction targets and increased attractiveness for investors

For a more complete representation, the Company has identified two sub-categories of opportunities as follows.

1.1.

Opportunities deriving from the technological risk of the production process and products

A further opportunity that the Group is exploring and which may strengthen its market position relates to methanol-fuelled ships, which are able to almost completely reduce emissions of sulphur oxides (SOx), nitrogen oxides (NOx) and some greenhouse gas emissions compared to conventional marine fuels, in line with MARPOL regulations to reduce these hazardous gases. Methanol, which can be stored and transported as a liquid at room temperature and decomposes naturally without causing marine pollution, also has the advantage of being easy to transport and store.

1.2.

Opportunities deriving from market risk due to changing customer needs and/or increased competition

The evolving needs of customers and growing competition present a significant opportunity for the Group, driving innovation and fostering adaptation to market dynamics. By continuously monitoring the industry and competitors, the Group can anticipate changes and develop cutting-edge solutions that enhance its competitiveness. Active involvement in research initiatives, along with collaboration with universities and innovation centres, strengthens the Group's ability to respond to market shifts and provides access to European funding for projects that align with maritime sector priorities. Moreover, diversification across activities helps expand the order book and mitigate risks associated with over-reliance on any single sector, ensuring greater stability and resilience. Finally, investments in digital transformation are key to improving operational efficiency and strengthening the Group's position in the market.



The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Environmental Information	Social Information	Information on Governance	Fincantieri Group Consolidated Financial Statements

2. Improved profitability by updating production processes to achieve greater efficiency

For a more complete representation, the Company has identified three sub-categories of opportunities as follows.

2.1. Opportunities deriving from the risk of evolution of laws and regulations

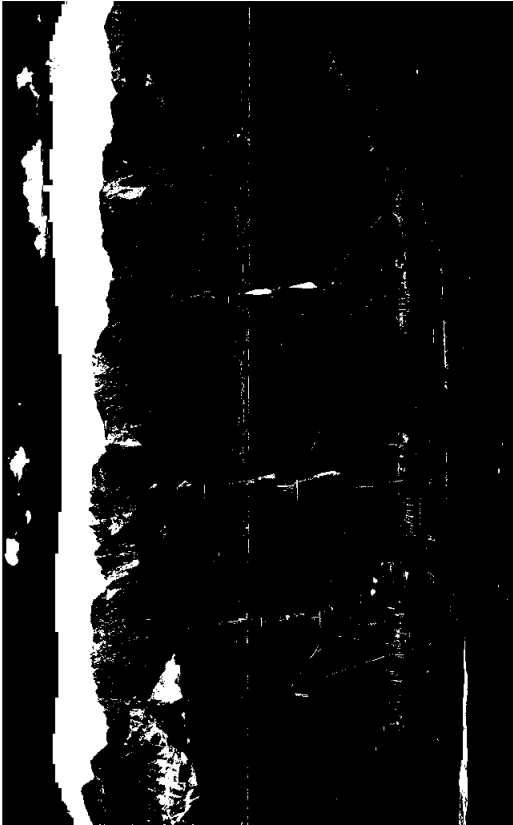
With regard to future regulations in the field of sustainability, the Group is also working to follow all the guidelines required by the CSRD directive approved in November 2022 and which will apply from 2025, ensuring that the Sustainability Statement will be prepared in accordance with the European Sustainability Reporting Standards (ESRS).

2.2. Opportunities deriving from impact on business for acute climate risks

In addition to ensuring the proper functioning of all the described mitigation measures that are already in place, keeping track of all acute weather events that occur over time will have an advantage in the prior identification of further possible improvements to be implemented, in order to avoid days of business interruption due to extreme events. Furthermore, continuous research into and analysis of new suppliers allows the identification of new commercial partners who are better able to respond promptly and resiliently to Fincantieri's requests, even in adverse situations, guaranteeing operational continuity.

2.3. Opportunities deriving from impact on business for chronic climate risks

Continuous investment in adapting facilities will result in a strengthened ability to respond to chronic climatic events, minimizing the effects and impacts on production processes and on the health of Group employees.



E1-2 – Policies related to climate change mitigation and adaptation

The Company is bound by laws and regulations to protect the environment and people's health, which impose limits on atmospheric emissions, discharges into water and soil and set rules for waste management and the reclamation of any polluted sites. Regulatory compliance and related requirements are also closely monitored during regular internal audits. The commitment and commitment to reducing the direct impact of Group activities is achieved by reducing consumption and waste produced, prioritizing the use of eco-sustainable resources and energy from renewable sources.

The model of excellence adopted to ensure environmental protection is applied using certified environmental management systems, as tools for implementing and monitoring continuous improvement actions.

Health and Safety at Work, Environment and Energy Policy

The principles adopted by Fincantieri for the management of both occupational health and safety and environmental and energy aspects are contained in the Health and Safety at Work, Environment and Energy Policy. The Policy is binding for all Fincantieri employees, is approved by the Chief Executive Officer of Fincantieri S.p.A. and is addressed to all employees and third parties. It is shared, in particular, through the coordination activities carried out continuously in the various production sites. Responsibility for implementing the policy at Parent Company level is divided between the Group Health, Safety and Environment and Asset and Energy Management departments. The Policy dictates the guidelines that the individual units must follow by adopting specific site policies, whose application is the responsibility of the shipyard directors. Italian and foreign subsidiaries may adhere to the principles and inalienable commitments declared by Fincantieri S.p.A., by adopting their own policies that are in line with those aspects that for years have represented the cornerstones of action in Fincantieri sites. The Principles of the Health and Safety at Work, Environment and Energy Policy are:

- **Continuous improvement:** continuous improvement of environmental, health and safety at work, and energy performance, promoted through the development of Policies, Guidelines and the adoption of certified Management Systems in accordance with adopted safety standards and regulations.
- **Meeting stakeholder expectations:** meeting stakeholder expectations and the formal obligations undertaken by Fincantieri as a fundamental prerequisite for the creation of value and the promotion of sustainable development.
- **Focus on and pursuit of BAT:** involvement of the necessary resources to ensure the systematic implementation of Best Available Techniques (BAT) and operations to improve energy efficiency.
- **Promoting awareness of employees and suppliers:** involvement of and awareness-raising among employees and suppliers in the process of safeguarding the Environmental and Occupational Health and Safety and in the process of continually improving energy performance.
- **Complying with legislative provisions:** compliance with international, national and local legislative provisions in force on this subject.

The Fincantieri Group's environmental protection commitments are as follows:

- assess and monitor risks and impacts on environmental aspects arising from activities and processes, identifying and implementing initiatives and measures to prevent possible accidents;
- implement improvement plans aimed at containing and reducing the quality of emissions to air, water and soil, continuous improvements in energy efficiency performance to contribute to combating climate change, reduced consumption of water resources, soil protection and waste management to minimize volumes;
- promote the use of the best available technologies and the use of products with a lower environmental impact;
- implement improvement plans to contain the consequences related to the mobility of people, logistics and the procurement of materials;
- develop knowledge and increase the awareness of personnel, involved in the production process in various capacities, on the importance of their contribution in reducing the impact on the environment, including through targeted awareness-raising initiatives;
- safeguard through the implementation of appropriate safeguards and measures, the natural value and biodiversity of the individual territories according to the characteristics present;
- periodically monitor with stakeholders the effectiveness of the Group's environmental initiatives;
- pursue sustainable and efficient management of water resources in the areas where the Group is present, with particular attention to those subject to water stress, implementing initiatives and measures to curb consumption.



The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	General Information	Environmental Information	Social Information	Information on Governance	Fincantieri Group Consolidated Financial Statements

- adopt design logics consistent with circular economy and sustainability criteria that pursue a responsible use of natural resources, and new raw materials in production processes, including by suppliers;
- interact with local communities, research institutions, universities and local associations to assist the green transition and support innovative projects and initiatives in favour of environmental protection;
- implementing highly energy-efficient technologies, promoting the use of energy from renewable sources and investing in self-generation plants, in order to progressively reduce emissions.

Fincantieri is constantly working on its management systems in all production sites and in all ISO 14001 certified business units; **100% of the Italian shipyards** have that certification and **89% at Group level**. The individual certified organizational units adopt specific site policies in line with the guidelines defined at company level. These policies are made available to all employees and are shared with suppliers through recurring coordination activities. All certified sites are also subject to audits by dedicated internal structures according to an annual schedule. The reports of environmental incidents are also collected and managed in the management systems.

The Fincantieri Group has taken a series of targeted actions to address both negative and positive impacts of climate change, managing risks and pursuing opportunities related to these challenges. Below are the main actions taken in relation to the emission reduction targets of Group operations broken down by the main areas of action and impact identified.

E1.3 –
Actions and resources
in relation to climate
change policies

1. Negative impact: increase in greenhouse gas emissions

The Group has carried out a series of preparatory actions to plan the Group's emission reduction actions in the field of energy efficiency, detailed below.

Lighting with LED technology: In continuation of what has been done in previous years with the large-scale implementation of complete relamping initiatives in the shipyards, in 2024, the interventions previously started on the yards of Riva Trigoso, Asenale, Trieste, San Marco, Muggano, Palermo and Marghera were completed. Relamping projects in the shipyards of Ancona, Mantalione and Sestri Ponente and in the offices of the Merchant Ships Division in Trieste were also started and are nearing completion. At the Palermo site, relamping work was carried out on the shipyard light towers. Relamping was also carried out in the Norwegian production workshops of VARD Brattvaag. At the Green Bay site in the United States, traditional lamps were replaced with LED technology combined with motion sensors. LED relamping activities were also completed in Romania (Iulcea and Braila) and Vietnam (Vung Tau). The expected benefits are a reduction in electricity consumption of at least 6 MWh per year, equivalent to a reduction in emissions of around 2,900 tCO₂e.

Energy qualification of buildings: completed the upgrading of the air-conditioning system in the canteen at the Muggano site. At the Naval Vessels Division headquarters in Genoa, the building's air-conditioning system was upgraded. At the Green Bay US shipyard, programmable thermostats were installed inside the facilities; in Romania at the Iulcea site, two refrigeration units were replaced with two more efficient systems.

Pneumatic power plant purchase: of a new compressor with inverter technology for the Palermo site and VARD Brattvaag site in Norway. The expected benefits are a reduction of 180 kWh per year, equivalent to a reduction in emissions of about 90 tCO₂e.

Efficiency enhancement of extraction systems: efficiency enhancement of smoke extraction systems was implemented in 2024 by installing inverters on existing systems and purchasing new systems with inverters. These relamping activities involved the Marghera, Ancona and Palermo shipyards. The expected benefits are to reduce energy consumption by almost 900 kWh per year, equivalent to an emission reduction of about 450 tCO₂e.

Remote control systems and automatic shutdown of mobile welding extractors: in continuity with what has been carried out in previous years at the Mantalione shipyard, with the aim of further reducing consumption at night and in the absence of production activity, in 2024 remote "Track Monitor Control" systems were purchased in order to cover all the extractors with non-negligible consumption in Fincantieri's factories. The activity therefore concerned the shipyards of Mantalione, Marghera, Ancona, Castellammare di Stabia, Palermo, Riva Trigoso, Muggano and Sestri Ponente. Installation and commissioning are planned for 2025.

Improvement of shipyard plant and equipment: for operating units that are not yet subject to ISO 50001, and therefore not monitored on the performance of systems and BAT (Best Available Technologies), improvements on shipyard equipment are studied on the basis of experience and detailed measurements. At Vard's Romanian shipyards in Tulcea and Braila, a press was revamped, some old MT cells were replaced with more modern ones, a new compressor was purchased to replace an old one, and the performance of a cutting machine was improved.

Rational use of energy: important activities of a managerial nature, also in compliance with the provisions of international standards (ISO 50001, Green Marine, etc.), are planned and carried out in continuous coordination between Group Energy Management and the shipyard energy team; these include campaigns to raise awareness on the optimal use of resources, scheduled and selective switching off of plant and equipment, modification of shifts and work zones according to the consumption of production facilities, detailed monitoring campaigns for energy vectors (also analogue in the first instance), etc. For operating units not subject to ISO 50001 standards, the foundations have been laid (to begin next year) for the drafting of internal procedures for the application of the same Energy Management principles to the entire Fincantieri Group.

Energy diagnosis: each Operating Unit covered, together with its own shipyard 'energy team' and in conjunction with Group Energy Management, draws up an annual energy diagnosis for each site covered, aimed at identifying inefficiencies and implementing an annual program to modernize the plant and equipment, also through the implementation of new technologies capable of guaranteeing improved performance in terms of energy efficiency, in compliance with the regulatory obligations provided for by Legislative Decree 102/2014.

Measuring and monitoring systems: to make the quality and consequent analysis of data acquired more reliable, based on which the consequent improvement actions are identified, the installation of the most advanced electricity, natural gas and water meters for all Italian shipyards is ongoing on the basis of the critical issues identified for each. Particularly in the foreign shipyards of Vard and Fincantieri Marine Group, where remote and digital monitoring systems are not yet in place, pending installation in the next two years, measurement campaigns, also analogue, were started in order to obtain the first data on which to lay the foundations for future improvement actions. The expected benefits are to reduce energy consumption by almost 2 MWh per year, equivalent to a reduction in emissions of about 970 tCO₂e.

The Group further developed the following action in relation to the Scope 2 emission reduction targets:

Photovoltaic production and self-consumption and PPA contracts: during 2024, activities to increase electricity production from renewable sources continued according to the programs agreed in the Energy Performance Contract (EPC) with the company ESco Renovit Business Solution and according to the agreements made during the year with ESco Energyproject of Trieste and with the Utility Service for PPA contracts (Power Purchase Agreements, long-term contracts concluded with renewable energy suppliers to ensure a stable and sustainable supply). The installation of EPC systems is enabling a rapid increase in the number of photovoltaic systems at shipyards. To the 18,000 panels installed during 2023, a further 7,700 will be added during 2024 at the Marghera, Riva Trigoso and Palermo sites. The latter can develop a capacity of 3.5 MWp on top of the 8.5 MWp of previous years. The panels installed between 2023 and 2024 thus bring the total installed capacity to around 12 MWp. On the basis of the energy produced, considering that self-consumption varies between 75% and 100% depending on the site, in 2024 Fincantieri achieved considerable savings in energy costs, having reduced the annual withdrawal of electricity from the national grid, thanks to self-consumption, by about 8 GWh, a value more than doubled compared to 2023 (3.5 GWh); with all the plants at full capacity, the energy available annually will be about 15 GWh with self-consumption remaining between 75% and 100%, with a reduction in GHG of about 7,500 tCO₂e. In the field of renewable energy, a PPA agreement was also signed with the Trieste-based ESco Energyproject for the supply of renewable electricity from a photovoltaic plant with a capacity of between 10 MWp and 12 MWp, which will be able to produce up to 18.5 GWh of green energy every year with self-consumption of about 80%, exclusively to serve the Mantalione shipyard; the plant will supply the Fincantieri Group's most energy-intensive shipyard with a physical connection, starting in 2026. Finally, during 2024, a further PPA agreement was reached with an energy supplier, for the supply of 10 GWh/year of renewable electricity, for a contractual term of 10 years starting in January 2025, to be shared to serve all Italian shipyards.



2. Positive impact: development of advanced technologies

With regard to emissions from the value chain, the Fincantieri Group has implemented targeted actions to reduce climate impacts mainly related to its products. These initiatives focus on introducing advanced technological solutions optimizing energy efficiency and designing sustainable products, with the aim of contributing to global commitments to reduce emissions.

In this context, a key role is played by the Energy Efficiency Design Index (EEDI), an indicator adopted in the maritime sector to assess the energy efficiency of ships. This parameter quantifies the energy consumption required to transport a given amount of cargo over a specific distance, thus providing an objective criterion for measuring and improving the environmental performance of vessels. A lower EEDI value indicates greater energy efficiency, contributing to the reduction of greenhouse gas emissions.

The calculation of the EEDI takes into account several factors, including:

- the type of engines installed;
- the propulsive power of the ship;
- the type of fuel used;
- the design of the hull.

The adoption of innovative technologies and compliance with increasingly stringent energy standards make it possible to significantly reduce CO₂ emissions in the maritime sector. To this end, ships must comply with increasingly restrictive EEDI thresholds, thereby incentivizing the development and use of low environmental impact solutions.

In relation to product efficiency and achieving the Group's targets, the actions developed are reported.

Energy recovery

Thanks to the technologies currently in use, Fincantieri's products are able to thermally recover up to 20% of the energy contained in the fuel. The efficiency measures recently introduced in non-propulsion systems on board have led to further reductions in consumption. For example, on a ship of approximately 130,000 GRT (Gross Registered Tonnage), up to 1,200 tonnes of fuel per year can be saved, which corresponds to about 7% of the ship's annual fuel consumption.

Environmentally Sustainable Design

Fincantieri has validated and applied on its ships a series of initiatives, included in the Company's Environmentally Sustainable Design procedure, also aimed at saving energy and reducing air pollution.

Alternative fuels and solutions

Liquefied natural gas. The most common configuration currently used for emissions reduction is based on latest generation diesel engines combined with the installation of flume purification systems in the exhaust systems. Another method which is gradually being established is the substitution of traditional fuels with Liquefied Natural Gas (LNG), in view of the indisputable benefits in terms of emissions impact. In recent years, orders for ships with low environmental impact have accelerated, particularly those for dual-fuel ships with LNG primary propulsion.

In this context, some notable projects stand out:

- the first LNG-powered cruise ship in the Princess Cruises fleet, a brand of the Carnival group, was delivered. With a gross tonnage of 175,500 tonnes and the capacity to accommodate around 4,300 passengers, this is the largest ship built in Italy to date. The second LNG-powered ship on order for Princess will be delivered in 2025;
- 2 new dual-fuel (LNG and Marine Gas Oil) cruise ships of approximately 160,000 gross tonnes are under construction for the company's Cruises. Deliveries are planned for 2025 and 2026. The vessels will also be equipped with a shore power connection for near emission-free operation in port. Fincantieri signed a green construction loan of up to euro 415 million for the first ship;
- the sheet cutting ceremony for the new ferry commissioned by the Region of Sicily took place. The project, worth almost euro 120 million and with scheduled delivery in 2026, features a dual-fuel propulsion system, fuelled by diesel and LNG, combined with a photocatalytic system that, together with a battery pack, allows zero-emission berthing in port for around four hours.





The Fincantieri Group	Group Report on operations		Consolidated Sustainability Statement		Fincantieri Group Consolidated Financial Statements	
	General Information		Environmental Information		Social Information	
					Information on Governance	

In the course of 2024, development in the 'green' ship segment was enriched by further orders. Fincantieri has signed an order for three new LNG-powered cruise ships for the Carnival Cruise Line brand with a gross tonnage of around 230,000 tonnes, the largest vessels ever built by Fincantieri and in an Italian shipyard, with scheduled delivery in 2029, 2031, and 2033 respectively. The value of the agreement is over euro 2 billion. However, new technologies bring some critical issues that need to be addressed. In general, it can be pointed out that the latest technological solutions together with the installations introduced for environmental protection occupy volumes previously intended for payloads. With reference to LNG, it should be noted that, accommodating the tanks on board (in addition to the liquid fuel tanks) and installing the related operating and safety systems entails a significant reduction of the useful space. Moreover, the development of a logistics system capable of ensuring the availability of LNG, including intermediate storage and bunkering systems, in all major cruise destinations is still at development stage, a circumstance that limits the area of operation on new ships.

Methanol and ammonia: ammonia is a carbon-free fuel, i.e. it does not emit CO₂ during the combustion process. If produced exclusively from renewable sources (green ammonia), its Well-to-Wake cycle ensures zero emissions, contributing to the achievement of the IMO's Net Zero target. However, due to its toxicity, it cannot yet be considered as a possible solution for the cruise market. However, Fincantieri is launching research projects to assess the conditions for the applicability of this fuel to the cruise sector. Methanol is a clean fuel with low emissions of SOx, NOx and PM, which in the Well-to-Wake scenario could result in near-zero CO₂ emissions through the use of bio-methanol or e-methanol. Moreover, it would be easier to handle on board a ship than liquefied natural gas since it does not require cryogenic facilities to support it. In both the cruise and offshore sectors, some shipowners have already requested that their engines be pre-arranged for such fuels in addition to traditional fuel. In particular, in 2024, WARD obtained an Approval in Principle (AIP) from Lloyd's Register for the methanol fuel system of two Commissioning Service Operation Vessels (CSOV), designed and built for North Star. The AIP makes the two ships among the first in the world market prepared for conversion to green fuels. In addition, WARD will build new specialized CSOV hybrid vessels for offshore wind farms, equipped to operate with green methanol, for the Windward Offshore consortium and North Star. The first deliveries are scheduled for 2025. In the cruise sector, Fincantieri has received an order worth over euro 2 billion from Norwegian Cruise Line Holdings to build 4 new-generation cruise ships at the forefront of environmental sustainability, technology, comfort and on-board entertainment. The ships that will be destined for Regent Seven Seas Cruises, scheduled for delivery in 2026 and 2029, will have a gross tonnage of 77,000 tonnes and will be able to accommodate about 850 passengers, while the ships destined for Oceania Cruises, scheduled for delivery in 2027 and 2028, will have a gross tonnage of 85,000 tonnes and will accommodate about 1,450 passengers.

Hydrogen: hydrogen, as well as ammonia, is another solution that could enable the maritime transport sector to reduce its emissions to zero. But there is still a long way to go since these involve developing technologies. The most suitable energy sources should be identified for each type of maritime transport, taking into account the relevant constraints (e.g. low energy density, limited availability, storage and transport difficulties, potential toxicity/hazardousness). The systems for these forms of energy generation (from endothermic engines to fuel cells) need to be designed, tested and implemented as do the associated equipment. It is essential to promote the development of the relevant safety regulations and to define the conditions to allow the new technologies to become economically self-sustainable by ensuring development of the infrastructure for production, distribution and storage. Fincantieri has joined the public-private partnership launched by the European Commission and the Waterborne Technology Platform to decarbonize waterborne transport. The aim is to present zero-emission solutions for all types of ships and services in the maritime sector by 2030, making waterborne transport completely emission-free by 2050. The project is funded by the Horizon Europe research and innovation program. Fincantieri is among the 35 European companies participating in the first H2EU (Important Project of Common European Interest) project on hydrogen, which, in July 2022, obtained the European Commission's authorization for funding through the State Aid scheme envisaged for H2EU. One of the problems of hydrogen applied to maritime transport is the absence of regulation on how to design a hydrogen-powered ship or how it can be put to sea. There is still no regulatory framework for setting out the shipbuilding rules. In 2022, in cooperation with the Italian National Research Council (CNR) and the Universities of Genoa, Naples and Palermo, and with the contribution of the Italian Ministry of Economic Development, Fincantieri delivered the ZEUS (Zero Emission Ultimate Ship), an experimental 25.6-metre-long vessel powered by hydrogen fuel cells and equipped with a lithium-ion battery for navigation at sea, the first of its kind in the world.

Fuel cells: The future lies in the application of fuel cells, electrochemical conversion devices that generate electricity and heat by combining a fuel (typically hydrogen, methanol or methane) and a comburent (oxygen), in the absence of combustion. A technology that, in fact, does not produce polluting substances. After the initial development phase, linked to space exploration and the naval field (submarines), terrestrial applications for the generation of electricity and propulsion (from cars to prototype trains fuelled by fuel cells) are spreading. The Company has set up a research laboratory, in collaboration with the University of Trieste, to test power generation systems based on different types of fuel cells. Fuel cells are a mature technology, but the systems in circulation are not capable of generating the tens of megawatts of power needed to power large vessels. Between 40 and 70 megawatts of power are, in fact, installed on a medium/large cruise ship, one third of which is dedicated to the hotel part and two thirds to propulsion. Fuel cell systems currently being adapted for marine use are capable of developing power of around a few megawatts. WARD is finalising the outfitting of the first of 8 multi-purpose robotic ships for operator Ocean Infinity. The vessels can be activated from land and are prepared for the future use of green ammonia as an alternative fuel, as well as being equipped with fuel cell technology.

Lithium batteries: another technology Fincantieri is investing in is lithium batteries. It therefore established the company Power4Future, which covers the entire lithium battery production process, from cell design, lithium ions and assembly to marketing and after-sales services. As well as powering ships covering short distances, the batteries will also be able to contribute to zero emissions in port when there is no cold ironing. Fincantieri experimented with this a few years ago, installing a system of mega lithium batteries to power the Grimaldi port's twin ferries, Cruise Roma and Cruise Barcelona, thus avoiding the need to run diesel generators during port stopovers. In the offshore sector, WARD contracted several small/medium-sized vessels equipped with electric batteries to cover all or part of their energy needs. The Windward Offshore consortium exercised its options, which were contained in the contract signed with WARD in October 2023, for the design and construction of two hybrid diesel-electric CSOVs with batteries. The two new ships are scheduled for delivery in the second and third quarters of 2026. WARD signed a contract for the design and construction of a CSOV for Norwind Offshore to support the operations of offshore wind farms. The ship will be equipped with battery solutions to reduce environmental impact. In addition, WARD signed a contract for the design and construction of five walk-to-work ships with an international customer, for a value in excess of euro 200 million. The first four ships will be delivered in the second half of 2027, with the last one scheduled for the first quarter of 2028. They will be equipped with a hybrid diesel-electric propulsion system with batteries, a gangway system and a crane compensated against 3D sea movement.

Cold ironing: one of Fincantieri's goals is to achieve zero emissions in port by 2030. During dock time the propulsion engines are switched off, but auxiliary diesel engines are used to ensure the provision of services on board, which involve high fuel consumption and exhaust emissions. The solution is cold ironing, the dock electrification system that allows electricity to be supplied to the ship directly from the shore, so that the ship's engines can be shut down while it is berthed. In addition to reducing polluting emissions, the supply of energy from the grid helps to reduce noise pollution and improve comfort on board while in port. The major limitation of cold ironing is investment costs. In fact, this technology requires both the electrification of the quay and the installation of appropriate on-board systems. In connection with this technology, WARD is building a hybrid cable-laying vessel for an order worth over USD 200 million for leading Japanese company Toyo Construction. The ship, with a length of 150 metres, a width of 28 metres and a cable carrying capacity of 9,000 tonnes, will be delivered in the second quarter of 2026. It will be equipped with a large battery pack, a shore power connection and a state-of-the-art energy management system.

Financial Resources allocated to climate change actions

The actions described above demonstrate the Group's commitment to climate change mitigation. In fact, around euro 5 million was spent in 2024 related to LED lighting, equipment revamping, energy requalification of buildings, and energy savings. An additional euro 4 million is planned for 2025. In addition, the Group recorded other investments of about euro 16 million in low-carbon technology manufacturing activities that are aligned with the European Union's Taxonomy Regulation with respect to the climate change mitigation objective.

For further information, please refer to chapter: "Taxonomy - Disclosure pursuant to Article 8 of Regulation (EU) 2020/852"



Metrics and targets

E1.4 – Targets related to climate change mitigation and adaptation

Below are details of the targets included in the 2023-2027 Sustainability Plan relating to the Innovation - Innovative and Technological development for energy and digital transition objective.

- the commitments contained within the specific policies;
- the major socio-economic trends it will face in the short, medium and long term, such as climate issues, the depletion of ecosystems and the strong push towards new technologies and digital transformation;
- the results of benchmarking analysis against industry requirements and the latest regulatory updates;
- the priorities defined by the United Nations in the 2030 Agenda for Sustainable Development;
- the necessary requirements for the objectives to be aligned with the science.

In this perspective the objectives set out in the 2023-2027 Sustainability Plan highlight the maturity of Financière's strategy in adapting to the climate scenario which requires the temperature increase to be limited to 1.5°C above pre-industrial levels.

The table shows the climate change mitigation targets and their progress. No targets have been set for 2024. The scope of the targets, unless otherwise specified in the notes, is Group-wide. The baseline is the first year where the information or quantitative data was reported. For quantitative data, the trend has been calculated relative to the baseline.

The objectives were defined using a market benchmark, an analysis of future available technologies, changes in the production volumes and market studies for the maritime sector as well as future customer demands and regulatory changes. They have not been externally audited and are not based on a scenario analysis.

Innovation – Innovative and technological development for energy and digital transition

Reference Policy	Objective*	2021	2022	2023	2024	2025 Target	2026 Target	2027 Target	2028 Target	2030 Target	2050 Target
Health and Safety at Work, Environment and Energy Policy	Reduction of greenhouse gas (GHG) Scope 1 and 2 emissions**	148,924 tCO ₂ e	+1.5%	-2.7%	-2.3%	-4%	-	-8%	-	-20%	-
Health and Safety at Work, Environment and Energy Policy	Percentage of electricity from renewable sources	82%	82%	85%	90%	-	-	-	-	100%	-
Health and Safety at Work, Environment and Energy Policy	Identify initiatives and projects for the development of products and design tools for low environmental impact ships ¹	-	-	-	-	9 low environmental impact project initiatives (4 for the cruise business and 5 for the naval segment)	5 low environmental impact project initiatives (4 for the cruise business and 1 for the naval segment)	-	-	-	-
Innovation Policy	Design high energy-efficient cruise ships powered by environmentally friendly/renewable sources, with reduced environmental impact in terms of atmospheric emissions, discharges at sea and noise (green ships) ²	-	-	-	-	30%	-	-	-	40%	-
Health and Safety at Work, Environment and Energy Policy		-	-	-	-	CO ₂ emissions from cruise ships of equal tonnage and miles travelled at the EEDI index baseline speed compared to IMO baseline ref. EEDI-2008 ³	CO ₂ emissions from cruise ships of equal tonnage and miles travelled at the EEDI index baseline speed compared to IMO baseline ref. EEDI-2008 ³	-	-	-	Target Net Zero cruise vessels
Innovation Policy		-	-	-	-	-	-	-	-	-	Target Net Zero cruise vessels

In a market context that aims to achieve Net Zero cruise operations by 2050, the Group has committed to this goal and is actively working - within the limits of available technology, regulatory developments, and infrastructure - to bring this target forward, setting an internal objective for 2035. This challenge involves the engagement of all relevant stakeholders, including suppliers, customers, flag administrations, port authorities, and other actors relevant to the industry.

involved. For the previous years, Financier has set the objectives of a progressive reduction of the EEDI, with increasingly stringent thresholds set by international bodies to improve the energy efficiency of new buildings. The International Convention for the Prevention of Pollution from Ships (MARPOL) aims to prevent and minimize pollution from accidental pollution or pollution resulting from routine operations. MARPOL Appendix VI sets out the rules for

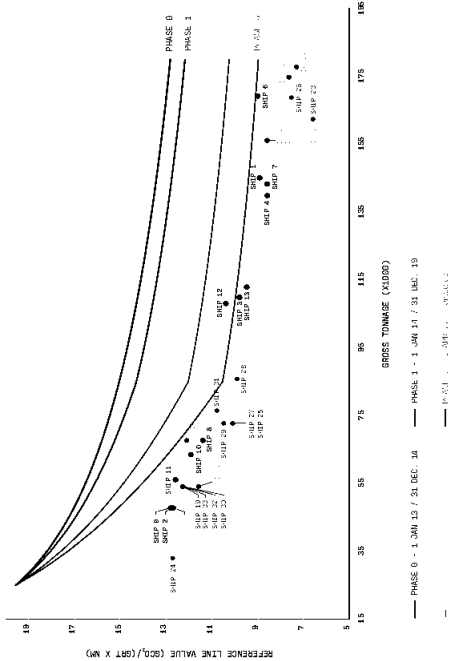


calculating and verifying compliance with the limits set for the energy efficiency design of ships, both for new ships (EEDI) and for existing ships (Energy Efficiency Existing Ships Index – EEXI) and existing vessels through the Energy Efficiency Existing Ship Index (EEXI). Lower index values correspond to greater energy efficiency. Regulations impose a decrease in values over time. For the same tonnage and distance travelled, a ship with a 30% lower EEDI is expected to lead to a 30% reduction in CO₂ emissions. This reduction is reflected in the case of Fincantieri in Scope 3 category 11 emissions (Use of sold products). This category includes emissions from the use of goods and services sold by Fincantieri in the reporting year.

Fincantieri's ships also anticipate EEDI values in several cases.

The EEDI scores obtained by Fincantieri's cruise ships delivered or due for delivery in 2022-2027 with respect to the provisions of the regulations on the index values, represented as time phase curves, are given below.

EEDI for cruise ships due for delivery by Fincantieri in the period 2022-2027



Since the EEDI is a parameter defined in the design phase, it can be assessed in advance to monitor compliance with the predefined targets set for launched ships. On delivery of the ship, the EEDI is certified by the classification society.

For the definition, approval, and monitoring of objectives and targets, please refer to paragraph "ESRS 2 SBN-1 Strategy, business model, and value chain"



The table below represents the Group's overall energy consumption.

E1-5 –
Energy consumption
and mix

Energy consumption and mix (in thousand MWh)	2024	2023
Total energy consumption	872,716	842,260
Total energy consumption from fossil sources	545,205	533,850
Fuel consumption from coal and coal products	0	0
Fuel consumption from crude oil and petroleum products	290,806	314,408
Fuel consumption from natural gas	168,434	166,772
Fuel consumption from other fossil sources	49,490	0
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	36,475	52,670
Share of fossil sources in total energy consumption %	62%	63%
Consumption from nuclear sources	0	0
Share of consumption from nuclear sources in total energy consumption %	0%	0%
Total energy consumption from renewable sources	327,512	308,410
Fuel consumption for renewable sources	8	0
Consumption of purchased or acquired electricity, heat, steam, or cooling from renewable sources	318,800	304,040
Consumption of self-generated non-fuel renewable energy	8,704	4,371
Share of renewables in total energy consumption %	38%	37%
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	870,748	840,288

The data refers to the entire Fincantieri Group. Data was not available for some subsidiaries as firm information from bills or invoices, and through structures when direct information was not available.

The Group produced 508,730 MWh of non-renewable energy and 8,712 MWh of renewable energy. Last but not least, there is also the mechanism of Guarantees of Origin (GOs) valid in Italy, Norway, and which certify that purchased energy comes from renewable sources, and Renewable Energy Certificates (RECs) valid in the US, Brazil and used to certify the use of renewable energy internationally. These tools are used annually by the Group to certify the energy used as renewable.

The Fincantieri Group therefore uses various contractual tools to support and diversify its sustainable energy supply and reduce the environmental impact of its operations.

These tools enable the Company to pursue its sustainability and decarbonization objectives. During 2024, renewable electricity from certified sources, considering all that was applied and mentioned above, amounted to 327,485 MWh.

As provided for in the 2023-2027 Sustainability Plan, the Group is committed to achieving 100% electricity from renewable sources by 2030.

Percentage of energy from renewable sources	2024	2023	2022	2021
Electricity from renewable sources	90%	85%	82%	82%

The data refers to the entire Fincantieri Group.

Energy intensity
in high impact sectors

High-impact sectors for Fincantieri focus mainly on activities related to shipbuilding and maintenance, the Group's core business. The construction of projects and infrastructure is also among the high impact activities. The NACE Code sections for the high impact sectors that include the activities of Group companies are C (Manufacturing) and F (Construction).

Energy consumption and mix in high impact sectors

	2024	2023
Fuel consumption from coal and coal products	0	0
Fuel consumption from crude oil and petroleum products	290,265	313,391
Fuel consumption from natural gas	168,210	166,691
Fuel consumption from other non-renewable sources	49,490	0
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	35,646	51,993
Total energy consumption from fossil sources (MWh)	543,610	532,076
Share of fossil sources in total energy consumption (%)	62%	63%
Consumption from nuclear sources (MWh)	0	0
Share of nuclear sources in total energy consumption (%)	0%	0%

The data refers to the entire Fincantieri Group. Data was not available for some subsidiaries as firm information from bills or invoices, and through structures when direct information was not available.

The energy intensity associated with activities in high climate impact sectors in 2024 was 0.000113 MWh/euro. Energy intensity was calculated by comparing Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors to the value of net revenue generated by these activities, as reported in the table.

Energy Intensity

	2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors – MWh (A)	870,748
Net revenue from activities in high climate impact sectors – million euros (B)	7,721
Energy intensity – MWh/euro (A/B)	0.000113

Below is the reconciliation between net revenue from activities in high climate impact sectors and the total revenue and income recorded by the Group for the period.

	2024
Net revenue from activities in high climate impact sectors	7,721
Net revenue from activities in other sectors	407
Total revenue and income	8,128



- of vessel utilisation differentiated for the different portfolios: cruise, naval and specialized vessels (including Fincantieri Marine Group barges). Using software developed by the subsidiary Cetena, the historical data were used to develop a calculation model that, based on theoretical annual routes and consumption curves of on-board equipment as a function of expectations of the ship's navigation and utilization conditions, estimates the annual emissions in the direct utilization phase both generated during navigation and while berthed in port. This estimate is then multiplied by the expected useful life of the ships, estimated to be in the range of 25 to 30 years depending on the type of ship. In this regard, the relevant useful life for estimation purposes is limited to the time horizon for which it is considered reasonable that the on-board equipment will have energy performance aligned with that guaranteed at the time of delivery and is based on a hybrid approach.
 - Cat. 12 End-of-life treatment of sold products. Emissions from the disposal and treatment of waste at the end-of-life of ships sold by the Group follow the "End-of-life treatment of sold products" calculation method, in accordance with the GHG Protocol. Data were collected for all materials used to build the ships delivered in 2024 and end-of-life treatment methods (e.g. landfill, incineration and recycling) were considered.
 - Cat. 15 Investments. The calculation is based on Fincantieri's capital expenditure, following the average expenditure method, in accordance with the GHG Protocol guidelines. The sources of emission factors are established by Eurostat in the "Consumption-based accounting tool, March 2022", which are multiplied by the capital expenditure in each NAEC category.
 - Other (water withdrawal). The calculation is based on water consumption by the Fincantieri Group. These data include emissions related to the withdrawal municipal water, groundwater and seawater. Emissions were estimated following the GHG Protocol guidelines.
- Fincantieri's Scope 3 calculation analysis excludes the following categories:
- Cat. 8 Upstream leased assets. This Scope 3 emission source was assessed as not relevant for Fincantieri as it has no upstream leased assets. Fincantieri directly manages its shipyards, which individually purchase goods and services required for its activities.
 - Cat. 9 Downstream transportation. Fincantieri has no downstream transportation and distribution activities. Therefore this category is not applicable.
 - Cat. 10 Processing of sold products. Fincantieri supplies finished products to its customers; therefore, there is no need for its products to be processed or reworked downstream. Therefore this category is not applicable.
 - Cat. 13 Downstream leased assets. The Group directly operates its own shipyards for ship repairs and has no other downstream activities. Therefore this category is not relevant.
 - Cat. 14 Franchising. Fincantieri has no franchising in its business model. Therefore this category is not applicable.

The percentage of primary data used for the calculation of the Group's Scope 3 categories is 0%.

EI-7 – GHG removals and GHG mitigation projects financed through carbon credits

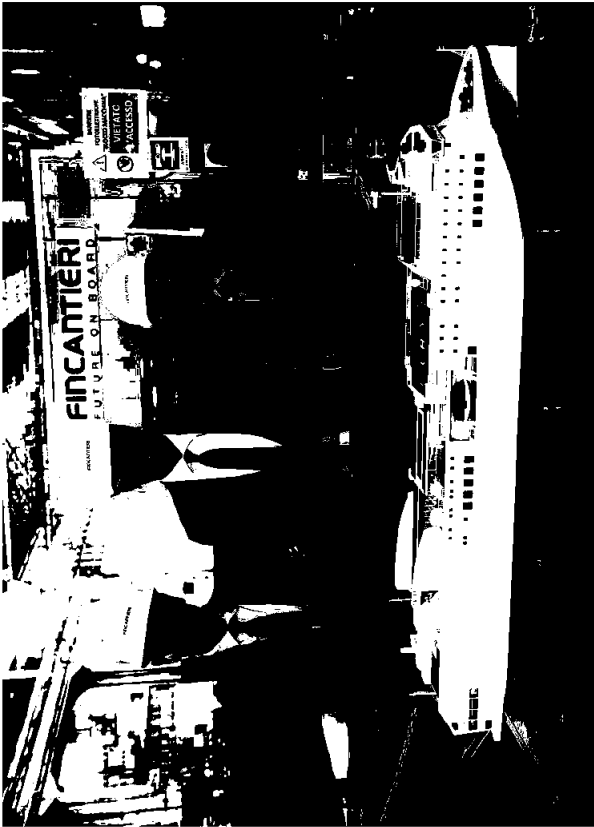
Requirement EI-7 - GHG removals and GHG mitigation projects financed through carbon credits is not applicable to Fincantieri, as the Group actually has no such projects underway.

EI-8 – Internal carbon pricing

Fincantieri is currently focused on developing a well-structured decarbonization strategy. The Group recognizes that the internal carbon assessment is a very important issue, but it is not applicable at the moment as the Group is focusing its resources on the development of this transition plan. Once the development of the transition plan is complete, Fincantieri will be able to focus on the internal carbon assessment project.

EI-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

Fincantieri, in line with the provisions of the ESRs standards, uses phase-in for the gradual integration of information on the financial effects of risks and opportunities related to climate change.





The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Fincantieri Group Consolidated Financial Statements
		General Information	Environmental Information
			Social Information
			Information on Governance

ESRS E2 – Pollution

Companies, depending on their sector and activities, can have both positive and negative impacts on the environment, in terms of pollution including air, water and soil. For Fincantieri, managing these impacts is of paramount importance from an environmental as well as a reputational point of view. Managing this issue proactively can indeed be a competitive factor. For a company like Fincantieri, ensuring high environmental standards and compliance with regulations are essential conditions. Fincantieri adopts a system for the management, control and mitigation of potential environmental impacts and regularly incorporates the provisions of existing and emerging regulations into internal processes and procedures.

Impact, risk and opportunity management

The double materiality analysis highlighted impacts, risks and opportunities for Fincantieri in relation to pollution issues. The Group considered all company activities in the process of identifying material impacts, risks and opportunities, in accordance with the materiality analysis. For the purposes of the materiality assessment, the analysis also took into account the authorization processes and the assessment of the environmental matrices, which form the basis of the Group's management tools. Fincantieri is conducting further targeted investigations into the Group's activities in order to more accurately identify the impacts, risks and opportunities. In this regard, no further consultation with the affected communities was necessary at this time. However, the Company will continue to monitor developments and consider the possible involvement of relevant stakeholders in the future, in line with its sustainability management strategies.

For more details on the considerations taken into account for the double materiality analysis, see paragraph "ESRS 2 IPO-1 Description of the processes to identify and assess material impacts, risks and opportunities"

Below are the impacts, risks and opportunities identified as material for the topic of pollution.

Impacts

The Group's activities can generate negative impacts on the environment, including increased pollutants in the atmosphere, water and soil. Environmental protection is at the heart of the Group's activities. In carrying out these activities, Fincantieri embraces the principles of environmental sustainability, both in its strategic choices and in its corporate processes. The Group is committed to minimizing negative environmental impacts by reducing emissions of greenhouse gases (GHG) and other pollutants. In relation to the presence of pollutants in the air in water or within production processes, such as sulphur oxides (SOx), nitrogen oxides (NOx) and heavy metals (CO2) that could pose risks to health and ecosystems, Fincantieri, through the development of innovative technologies in collaboration with suppliers and partners, optimizes the operation of its products, reducing polluting emissions and ensuring compliance with environmental regulations through advanced monitoring systems.

Risks

The materiality analysis identified potential vulnerabilities related to environmental management, with a focus on emissions into air, soil, subsoil and seawater contamination. These risks can occur due to accidental spills of substances during production activities, leading to potential contamination of environmental matrices, action by authorities and sanctions.

Opportunities

The development of innovative and technologically advanced solutions allows the Group to position itself as a market leader. In particular, various collaborations with industry partners and research institutes allow the Group to access advanced technologies and improve the efficiency of production processes and identify low-impact solutions with respect to different environmental matrices, such as the use of water-based paints and solvents. This proactive approach strengthens the Group's ability to respond and anticipate market needs and to reinforce and improve its market positioning and differentiate itself from competitors, promoting long-term sustainable and resilient growth.

E2-1 – Policies related to pollution

Fincantieri is committed to assessing and managing the risks and negative environmental impacts arising from its activities, implementing initiatives to prevent possible incidents linked to pollution. The Group promotes the adoption of the best available technologies and the use of products with a lower environmental impact, implementing improvement plans to reduce emissions into the air, water and soil, and ensures sustainable management of natural resources, in line with the principles of the **Health and Safety at Work, Environment and Energy Policy**.

For more information on the policy, please refer to paragraph "E2-2 - Policies related to climate change mitigation and adaptation."

E2-2 – Actions and resources related to pollution

The Fincantieri Group has taken a number of targeted actions to address the impacts of pollution, managing the risks and pursuing the opportunities associated with these environmental challenges. The Group constantly monitors the effectiveness of these initiatives, ensuring the minimization of impacts through sustainable practices and compliance with applicable regulations. Overall, to manage the most significant environmental aspects and risks associated with inadequate management of atmospheric emissions, which can impact air quality and public health, the Group adopts advanced technologies and constantly monitors emissions, ensuring full regulatory compliance.

Substitution of low-solvent paints

In 2024, due to the acquisition of new orders, the increase in production resulted in an intensification of painting activities. In addition to maintaining and improving over time the initiatives already implemented to reduce Volatile Organic Compound (VOC) emissions, the Group has identified and analysed ways to increase, within Fincantieri's production sites, the application of products with low-solvent or water-based solutions to replace traditional paint products, also expanding their use within the scope of job order specifications. Fincantieri's production sites have gradually begun to replace the products used with lower-solvent ones. The initiative represents an intervention measure for the reduction of atmospheric emissions, to better comply with environmental permits prescribing specific local limits on the maximum consumption and total emission of VOCs into the atmosphere.

Water and soil management

As part of the environmental management systems for site water, operational control and monitoring measures are provided for to ensure compliance with the specific limits imposed by the individual Environmental Permits and generally by actual legislation. In accordance with these authorization profiles, and in compliance with prescriptive guidelines, the various production sites carry out periodic sampling and laboratory analyses to monitor the quality of discharges and ensure compliance with legal limits for specific analyses. All water discharges, whether of industrial effluents, rainwater or runoff, are conveyed into the public sewage system or into a surface body, in accordance with the specific authorization requirements for environmental management of the Group's sites. Fincantieri, in addition to being committed to implementing and maintaining an Environmental Management System at its sites, in line with the ISO 14001 international standard, has several safeguards in place, including the provision of training courses, periodic drills with the emergency management team, floating docks with waste water collection system, and systems for the management of Intermediate Bulk Containers (IBCs).



Metrics and targets

E2-3 – Targets related to pollution

Below are details of the targets included in the 2023-2027 Sustainability Plan relating to the Innovation - Innovative and Technological development for energy and digital transition objective.

In setting the targets, the Group took into account:

- the commitments contained within the specific policies;
- the main global socio-economic trends it will face in the short, medium and long term;
- the results of benchmarking analysis against industry requirements and the latest regulatory updates;
- the priorities defined by the United Nations in the 2030 Agenda for Sustainable Development;
- the necessary requirements for the objectives to be aligned with the science.

Based on the above, Fincantieri has defined clear and measurable objectives. The table shows the targets related to pollution. The scope of the targets, unless otherwise specified in the notes, is Group-wide. The baseline is the first year where the information or quantitative data was reported. For quantitative data, the trend has been calculated based on the baseline.

Innovation - Innovative and technological development for energy and digital transition

Reference Policy	Objective*	2021	2022	2023	2024	2024 Target	2025 Target	2026 Target	2027 Target	2028 Target	2030 Target
Health and Safety at Work, Environment and Energy Policy	Reduction of VOC emissions over hours of production	25.1*10 ⁶ 6 tCOV/hours of production	-10.7%	-8.9%	-2.0%	-3%	-	-	-5%	-	-

* The targets refer to the entire Fincantieri Group. The target is voluntary as the Group is not subject to mandatory target setting by law.

1 Volatile organic compounds.

With the introduction of a more ambitious target compared to the authorized limits, the commitment to reduce VOC emissions has become more challenging, requiring increased support from the Ship Departments and, in particular, from the Design, Methods, Project Management, Environment, Safety and Purchasing functions. Together with the production sites, Fincantieri has worked to identify specific technological solutions, indicators and analysis methodologies to improve the efficiency of high performance VOC emission abatement conveyor systems. With a view to raising awareness and closely monitoring atmospheric emissions of VOCs, this path has been shared with the VARD group in order to stimulate research into new approaches to contain and minimize the impact of emissions resulting from industrial activities. The VARD group's commitment is also demonstrated by its participation, since 2008, in the **Confederation of Norwegian Enterprises' NOx-Fund**, whose primary objective is to reduce emissions of nitrogen oxides.

For the definition, approval, and monitoring of objectives and targets, please refer to paragraph "ESRS 2 SBT-1 Strategy, business model, and value chain"



E2-4 – Pollution of air, water and soil

Air pollution

The Fincantieri Group pays particular attention to the management of atmospheric pollutants resulting from its production and operations. The analysis of pollutants in the air focused on the list of Volatile Organic Compounds (VOC), nitrogen oxides (NOx), sulphur oxides (SOx), particulate matter (PM10), methane, benzene, ethylene oxides and polycyclic aromatic hydrocarbons (PAH). In order to quantify these emissions, where not measured directly, Fincantieri has adopted a calculation model based on the consumption of natural gas, the number of the amount of paint used. The model has a level of uncertainty due to the emission 1900-2022 (ISPRAT) and the pollutants content of solvents used. The paint and emission factors from combustion 1900-2022 (ISPRAT) in relation to emissions associated with fuel consumption, the model does not take into account possible pollutant abatement systems associated with emission points.

In 2024, VOC emissions from the Morfalco, Braila and Tulcea shipyards, which comply with European Regulation 166/06, totalled 448 tonnes. For these three shipyards, both the emission parameters set by actual national legislation and the reporting requirements of Regulation 166/06 are met.

In its 2023-2027 Sustainability Plan, the Fincantieri Group has identified a target to improve on the legal thresholds, in relation to the reduction of VOCs, as a characteristic specific to the ship painting process.

VOC emissions over hours of production

u.m.	2024	2023	2022	2021	Change 2024/2021	Change 2024/2023
t/hours	0.0000246	0.0000229	0.0000224	0.0000251	-2.0%	+7.5%

The data refer to the entire Fincantieri Group. The target is voluntary as the amount of paint used and the solvent content, and considering the reduction contribution of the emission abatement systems of the individual production sites, monitoring of the Sustainability Plan targets is carried out on a quarterly basis.

Water pollution

The amounts of pollutants in water at each site were compared to the thresholds set by Appendix II of European Regulation 166/06. In order to quantify water emissions from its shipyard production processes, Fincantieri has adopted a calculation model based on the results of chemical analyses of industrial waste water.

Thanks to industrial water sampling carried out at the Ancona, Marghera, Morfalco, Muggiano, Riva Trigoso and Sestri Ponente shipyards, the analyses monitored for compliance with legal limits were identified. In order to estimate the quantities of pollutants at production sites for which specific chemical analyses are not available, the amount of paint used at the different shipyards was taken into account. A literature analysis revealed a direct correlation between the amount of paint used and emissions of pollutants into water.

The quantities of pollutants in water at each site, thus identified, were compared with the thresholds set by the Regulation. Following the analysis, Fincantieri highlights that the pollutants in the water of its shipyards are below the threshold required by the Regulation.

The quantification of emissions has uncertainties due to the lack of measurement of discharged water volumes and the assessment of concentrations, which vary depending on the pollutant and the laboratory. Aware of these uncertainties, Fincantieri has chosen a conservative approach to estimate emissions at shipyards where specific data are not available, using values of pollutant concentrations that are higher than the arithmetic averages calculated from the measured values.

In this context, it should be noted that microplastics are not material for the company business and are not specifically monitored.

E2-6 – Anticipated financial effects from pollution-related impacts, risks and opportunities

Fincantieri, in line with the provisions of the ESRS standards, uses phase-in for the gradual integration of information on the financial effects of risks and opportunities related to pollution.



ESRS E3 – Water and marine resources

In the actual context of climate change, the increasing demand for water resources is highlighting a worrying phenomenon: in an increasing number of countries, large quantities of water may become scarce or even inaccessible due to changes in climate patterns, with a consequent impact on supply costs. Indeed, water resources may no longer be affordable at actual costs, as extreme weather events, such as prolonged droughts and erratic weather patterns, are altering the distribution and availability of natural resources, requiring new approaches and policies for sustainable water management. The Group works on sustainable resource management through preventive measures and monitoring of the water used in production processes.

Impact, risk and opportunity management

Fincantieri, in the double materiality process, thanks to the analyses of the shipyards carried out with the Aqueduct tool, identified the potential positive and negative impacts, as well as the possible risks and opportunities, for proper environmental management of water and marine resources. Moreover, no further consultations with the affected communities are necessary at this point. However, the Company will continue to monitor developments and consider the possible involvement of relevant stakeholders in the future, in line with its sustainability management strategies.

For more details on the considerations taken into account for the double materiality analysis, see in the annex "ESRS E 300-1 Description of the process to identify and assess material impacts, risks and opportunities"

The impact and risk related to the issue identified as material are outlined below.

Impact

Increased water consumption in Group shipyards, especially in water-stressed areas, has a negative impact on the environment. The latter, in fact, could compromise the resilience of ecosystems, increasing the risk of desertification and altering ecological balances. It is of paramount importance for the Group to implement policies aimed at responsible water management, as well as use of technologies for water reuse and recovery, and the continuous search for sustainable alternatives that minimise impact and protect water resources in critical areas.

Risk

The risk considered material during the materiality analysis concerns the inadequate management of water discharges, which may pose a significant threat to the Company in terms of environmental impacts, regulatory compliance and reputation. The environmental risk includes damage to aquatic ecosystems and the possible loss of biodiversity. In this context, extraordinary maintenance work, such as that carried out on the basin's water drainage channel, to verify the integrity of the pipes and for the mapping of water discharges, becomes essential.

E3-1 – Policies related to water and marine resources

Fincantieri is committed to the sustainable and efficient management of water resources in the areas where it operates. In this context, the Group promotes improvement plans aimed at the containment and reduction of emissions into water, water quality, and continuous improvements in efficiency in relation to the consumption of water resources.

For further details, please refer to the Health and Safety at Work, Environment and Energy Policy in the paragraph "E1-2 Policies related to climate change mitigation and adaptation", which guides the Fincantieri Group's approach towards environmental sustainability, the protection of natural resources and the reduction of the environmental impact of its activities, also considering the consumption of water resources and their pollution.

In this sense, the Group pursues sustainable and efficient management of water resources in the areas where it operates, with particular attention to those subject to water stress, promoting the use of the best available technologies and the employment of products with lower environmental impact and implementing initiatives and measures to contain consumption and limit the negative effects on the environment and local communities.

E3-2 – Actions and resources related to water and marine resources

The actions and resources deployed by the Fincantieri Group for the sustainable management of water and marine resources aim to reduce the environmental impact of its operations, thus contributing to the protection and preservation of aquatic ecosystems.

As far as individual shipyards are concerned, the measures implemented to optimize the quantitative and qualitative use of water are constantly monitored as part of the environmental management systems. The monitoring also concerns water consumption during the production cycle and envisages the planning and implementation of specific maintenance interventions aimed at saving water resources. Specifically, data measured by the water meters installed at the Monfalcone, Ancona, Muggiano and Riva Trigoso shipyards in previous years were analysed in 2024; at Sestri Ponente, the measuring systems were repaired and improved. For the Marghera shipyard, remote monitoring instruments for water consumption have been installed so that it can be verified and carefully analysed. For the Monfalcone shipyard, after the data analysis, a verification of possible interventions and planning of the same was initiated. In particular, repair/replacement actions were planned for the damaged pipes that were causing significant water leakage from drainage. For the same shipyard, modification of the approach to coating the ship at the quay during construction by using closed chilled circuits was also initiated.

Finally, for sites at risk of water stress in Italy, studies were started to draw up line surveys (where necessary) and a water balance, aimed at determining a water diagnosis for withdrawal, use and discharge and improving related processes and costs. It is expected to be completed in 2026.





Metrics and targets

E3-3 – Targets related to water and marine resources

Below are details of the targets included in the 2023-2027 Sustainability Plan relating to the Innovation - Innovative and Technological development for energy and digital transition objective.

In setting the targets, the Group took into account:

- the commitments contained within the specific policies;
- the main global socio-economic trends it will face in the short, medium and long term, related to water efficiency and conservation;
- the results of benchmarking analysis against industry requirements and the latest regulatory updates;
- the priorities defined by the United Nations in the 2030 Agenda for Sustainable Development.

Based on the above, Fincantieri has defined clear and measurable objectives. The table shows the target the Group has set for water and marine resources. The scope of the targets, unless otherwise specified in the notes, is Group-wide. The baseline is the first year where the information or quantitative data was reported. For quantitative data, the trend has been calculated based on the baseline.

Innovation - Innovative and technological development for energy and digital transition

Reference Policy	Objective*	2021	2022	2023	2024	2024 Target	2025 Target	2026 Target	2027 Target
Health and Safety at Work, Environment and Energy Policy	Reduction of water withdrawal over hours of production	0.000097 Ml/hours of production	-6.1%	-4.0%	-11.7%	-	-3%	-	-10%
									-12%

* The targets refer to the entire Fincantieri Group, including water-stressed areas. The target is voluntary as the Group is not subject to mandatory target setting by law.



For the definition, approval, and monitoring of objectives and targets, please refer to paragraph "ESRS 2 SBT-1 Strategy, business model and value chain"



E3-4 – Water consumption

Water

One of the commitments of Fincantieri's Health and Safety at Work, Environment and Energy Policy is to reduce consumption, including through effective management of water resources. The latter is also promoted by constant communication and awareness-raising, aimed at promoting virtuous everyday behaviour.

Water stressed areas were identified using the Aqueduct Tool developed by the World Resources Institute (WRI). For the purposes of the analysis, the results in the "water stress" column were considered and those with an "Extremely high" level selected.

The sites of Ancona, Castellammare di Stabia and Palermo were identified as high risk areas for water stress.

Water consumption

Water consumption (m³)	2024
Water consumption	761,836
Water consumption in areas at water risk	117,051
Water consumption in areas of high water stress	117,051
Water recycled and reused	0
Water stored	2,175
Changes in storage of water	0

The data refers to the entire Fincantieri Group. Withdrawal and discharge data are collected from direct measurements, invoices or bills, or estimated by models.

The Group calculated water intensity at Group level as the ratio of consumption in m³ and the total value of revenues and proceeds amounting to euro 8,128 million. The water intensity in 2024 is 94 m³/mn €.

In 2024, the total water withdrawal is amounted to 2,901,790 Ml (2,901,790 m³) of which 67% from municipal/state conduit, the remaining 33% from underground. No water was withdrawn from the sea. Water withdrawals mainly meet the needs of the production process, as well as hygiene and sanitation requirements. In Italy, 100% of the water from municipal/state pipelines and groundwater is freshwater, however there is currently no similar information available for other countries.

Water withdrawal over hours of production

	m.u.	2024	2023	2022	2021	Change 2024/2021	Change 2024/2023
Water withdrawal over hours of production	Ml/hours	0.000086	0.000093	0.000091	0.000097	-11.7%	-8.0%

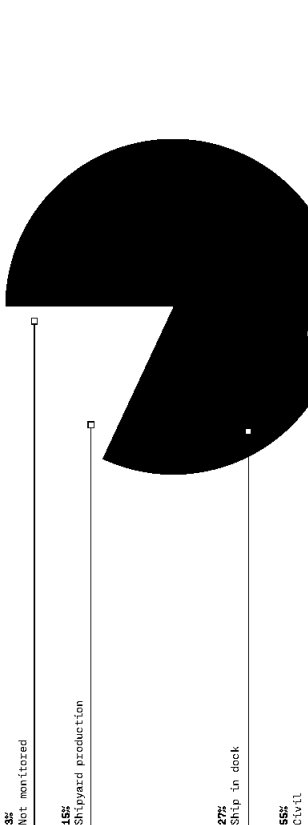
The data refers to the entire Fincantieri Group. Withdrawal data are collected from direct measurements, invoices or bills, or estimated by models. Given the type of production activity, the ratio of water withdrawn to hours of production is a significant indicator to measure the efficiency and effectiveness of the production organisation.



The reduction in withdrawals compared to 2023 is mainly due to the optimization of water use during production processes.

The graph below, derived from measurement data taken during 2024, illustrates the significant uses of water: civil use (e.g. for showers and heating) is the main use, making up 55% of the total, while a smaller percentage is represented by the use of water for the ship at the dock (for e.g. filling tanks and washing) and for shipyard production 15% (cutting, docking washing, use on ship, etc.). The future goal is to characterize the uses of water more clearly and to aim at improving, first culturally and then structurally, consumption, withdrawals and discharges.

Breakdown of types of consumption



The percentages are based on data from Italian shipyards.



Fincantieri, in line with the provisions of the European Sustainability Reporting Standards (ESRS), uses phase-in for the gradual integration of information on the financial effects of risks and opportunities related to water and marine resources.

E3-5 – Anticipated financial effects from water and marine resources-related impacts, risks and opportunities





The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Fincantieri Group Consolidated Financial Statements
	General Information	Environmental Information	Social Information
			Information on Governance

E4 – Biodiversity and ecosystems

Fincantieri promotes the efficient use of natural resources and the protection of biodiversity, identifying potential impacts and mitigation actions, as it recognizes the importance of safeguarding the natural value of areas surrounding its production sites. To protect these places, specific and special precautions are taken in accordance with local legislation and activities that could directly or indirectly concern protected areas are carefully monitored.

Strategy

E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Fincantieri is working on a biodiversity transition plan to integrate the protection of the natural environment into its operations and business model that it will develop in the medium term. This plan aims to ensure the compatibility of the Company's activities with local, national and global biodiversity and ecosystem objectives, contributing to the EU Biodiversity Strategy 2030 and to respect for planetary limits. The Group is currently working with environmental consultants to identify and assess impacts, dependencies, risks and opportunities related to biodiversity and ecosystems. Although a resilience and adaptation plan has not yet been formalized, ongoing activities will allow specific strategies to be defined to reduce the impact of operations on ecosystems. This process will make it possible to analyse the resilience of the corporate strategy with respect to risks related to biodiversity. The approach taken includes sustainable management of natural resources and innovation in production practices, contributing to the evolution towards a more sustainable and responsible business model. Through these initiatives, Fincantieri intends to strengthen its corporate strategy to ensure business resilience to environmental challenges and align with global biodiversity conservation goals.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In line with the goals of the 2023-2027 Sustainability Plan and the requests of key stakeholders, Fincantieri is committed to safeguarding biodiversity, to systematically understanding its impact and to building a robust strategy in line with international best practices and regulatory frameworks.

To this end, the Group carried out a geolocation analysis of its 18 shipyards in 2024, assessing their proximity to areas of high biodiversity interest. The analysis focused on Fincantieri's shipbuilding activities, as they have the most impact from an environmental viewpoint. The aim was to assess the potential negative effects of the Group's activities on the environment and to improve the management of processes to protect natural resources near these areas. The analysis was based on information from the **World Database on Protected Areas** and the **Key Biodiversity Areas** (KBA), based on the indications of the Integrated Biodiversity Assessment Tool (IBAT).

The 18 shipyards included in the scope of analysis are as follows:

- Montalcone - Italy
- Ancona - Italy
- Castellammare di Stabia - Italy
- Palermo - Italy
- Marghera - Italy
- Sestri Ponente - Italy
- Riva Trigoso - Italy
- Muggiano - Italy
- Green Bay - WI, USA
- Sturgeon Bay - WI, USA
- Marinette - WI, USA
- Pinar - Ipiluca, P.E., Brazil
- Braila - Romania
- Tulcea - Romania
- Brathvåg - Norway
- Langsten - Tromsø, Norway
- Saviknes - Sørk, Norway
- Vung Tau - Vietnam

Fincantieri, aware of the possible impacts that its activities could generate on ecosystems, is committed to identifying and assessing such activities at sites located near sensitive areas. The site location analysis carried out in 2024 showed that none of Fincantieri's 18 shipyards are located within natural and semi-natural areas protected by the European Union (Natura 2000 areas of community interest), but 13 of them are close to sensitive areas in terms of biodiversity. Fincantieri started the assessment of impacts and dependencies with regard to the relevant product sector. The results gathered so far concerning the activities carried out at Group level will be supplemented with site-specific analyses.

For more details on the locations of shipyards in relation to the identified sensitive areas, please refer to paragraph "E4-5 Impact metrics related to biodiversity and ecosystem change"

To complete this initial mapping, Fincantieri then conducted a second assessment to understand the state of nature at the production sites and identify biodiversity-sensitive locations and define management priorities for the mitigation of the Group's impacts. In the analysis of the 18 shipyards, using the **WWF Biodiversity Risk Filter**, a methodology suggested by the Science Based Target Network (SBTN) framework, several indicators representative of the state of the ecosystems were taken into account in addition to the criteria of proximity to protected areas: the rarity and endemism of species, the condition of the ecosystem and its integrity, and proximity to protected areas or areas important for biodiversity.

The final processing of the results allowed a comparison of Fincantieri's 18 shipyards, identifying the priority areas for Group management and action to protect the ecosystem. The study of locations near sensitive areas for biodiversity and the assessment of the state of ecosystems at operational sites is a key element in the subsequent analysis of sites according to the Group's impacts and dependencies, investigating in particular those impacting soil and endangered species. Fincantieri, aware of the importance of these aspects, is committed to developing actions to mitigate impacts on biodiversity by 2027.

For more details on the locations and state of nature of the ecosystems measured at them, please refer to paragraph "E4-5 Impact metrics related to biodiversity and ecosystem change"



The Fincantieri Group	Group Report on operations				Consolidated Sustainability Statement				Fincantieri Group Consolidated Financial Statements										
				General Information				Environmental Information				Social Information				Information on Governance			

Impact, risk and opportunity management

IRO-1 – Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

With regard to biodiversity and ecosystems, the Fincantieri Group, as part of its double materiality analysis, has identified a negative impact and an opportunity with regard to biodiversity and ecosystems, related to its direct operations.

For more details on the considerations taken into account for the double materiality analysis, see paragraph 2.1.10.1 Description of the process to identify and assess material impacts, risks and opportunities

In this regard, no further consultation with the affected communities was necessary at this time. However, the Company will continue to monitor developments and consider the possible involvement of relevant stakeholders in the future, in line with its sustainability management strategies.

Below are insights into impacts and opportunities identified as material in the area of biodiversity.

Impact

Fincantieri recognises a negative impact from the decrease in the variety of species present in the areas surrounding the production sites and the deterioration of natural habitats and alteration of ecological balance due to the Group's activities. Business operations, especially those which involve the use of natural resources or modify the environment, can alter local ecological balance leading to generalized impacts. Although these effects are not always avoidable, the adoption of responsible practices is essential to avoid impacts on pollution, resource consumption and habitat protection. Fincantieri is committed to implementing preventive measures to preserve local ecosystems and biodiversity, thus actively contributing to the protection of the natural environment.

To this end, it has initiated a project to better map the biodiversity impacts of its shipyards, with the aim of defining the pressures most relevant to its business and then extending and completing the assessment on its value chain. The potential impacts of the Group's operations were analysed considering an initial screening conducted through the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool, obtaining a mapping and classification of the relevance of pressures for shipbuilding and ship infrastructure activities. The significant elements identified were then placed in the Fincantieri operating context and reclassified in the light of the management procedures and methods in place in the Company's operations. Screening with ENCORE revealed a potentially significant effect on the variability of species and habitats as a result of its activities, water and soil pollution caused by the chemical and physical processes related to the Group's activities, and emissions of climate-altering gases and extraction of abiotic resources. However, the monitoring processes adopted by Fincantieri, in line with regulatory requirements for periodic checks, and the environmental management systems ensure compliance with regulatory limits, management of any non-compliance and low materiality of actual impacts on nature. The study also confirmed the limited dependence of Fincantieri's direct operations on ecosystem assets and services, identifying the business as only moderately dependent on systemic regulatory services, such as soil and sediment retention services, or the system's ability to regulate and sustain water flow and water supply services. The extension of the boundary to the value chain (upstream) could lead to the identification of further dependencies. The activities described above are intended as preliminaries to the subsequent more extensive analysis involving identifying and assessing the Company's actual impacts and risks (physical, transitional and systemic) associated with its operations and value chain. The integration of these aspects within its own process aims to establish more resilient and sustainable medium/long-term management of natural resources.

Opportunities

A significant opportunity for the Group, in the area of biodiversity and nature lies in improving competitiveness and profitability through the development of innovative solutions with less impact on marine biodiversity. Adopting more sustainable technologies and practices not only reduces environmental impact, but also makes it possible to meet the growing demand for eco-friendly products and services.

The use of innovative technologies also enables new operating procedures that make it possible to limit the dependence of business on natural resources and make it more resilient to changes in the state of ecosystems. In particular, on mapping the relations of its activities with nature and biodiversity, Fincantieri has carried out an initial study on the boundary of its direct operations with the aim of mapping the ecosystem services that are most relevant to its business, whose potential disruption is crucial to the Group's activities, with the intention of subsequently extending and completing the assessment on the value chain. Furthermore, the adoption of solutions to protect marine biodiversity and promote the conservation of ecosystems could open up new market opportunities and improve customer and investor confidence.

For more information on impact mapping and the biodiversity project, see paragraph 2.1.4.3 Actions and resources related to biodiversity and ecosystem

E4-2 – Policies related to biodiversity and ecosystems

Fincantieri recognises the importance of biodiversity and ecosystems for environmental sustainability and is committed to integrating their protection into its corporate strategies. The Company is developing processes to identify, assess, manage and mitigate biodiversity-related impacts, risks and dependencies, and to seize opportunities for ecosystem-friendly innovation.

Group Health and Safety at Work, Environment and Energy Policy

Currently, Fincantieri does not have a specific policy on biodiversity and ecosystems, but it has formalized its commitment to biodiversity protection in its Health and Safety at Work, Environment and Energy Policy, which defines actions to manage environmental impacts and continuously improve sustainability performance. In this context, the Company promotes the efficient use of natural resources, minimize the environmental impact of its production activities, the implementation of improvement plans to reduce the negative effects on ecosystems through innovative solutions and mitigation strategies, and the monitoring of environmental impacts to ensure continuous control over the interactions between Company activities and the natural environment. Furthermore, in its Environmental Policy, the Group promotes the responsible use of materials and design approaches consistent with circular economy criteria, also by suppliers, in favour of improved management of natural resources, and aware of the close link between nature and the local area, interaction with local communities, research bodies, universities and associations in the local area to promote the green transition and support innovative projects and initiatives in favour of environmental protection.

For more information on the Health and Safety at Work, Environment and Energy Policy, see paragraph 2.1.2 - Policies related to climate change mitigation and adaptation

In addition, Fincantieri is developing a Biodiversity Policy in line with the objectives of the Global Biodiversity Framework, with the aim of integrating biodiversity protection into corporate decision-making processes, improving the monitoring and management of direct and indirect impacts on ecosystems, and adopting solutions to strengthen environmental resilience and foster sustainable practices throughout the value chain. These initiatives apply in particular to operational sites located near biodiversity-sensitive areas, ensuring a systematic approach to impact management.



Metrics and targets

E4-3 – Actions and resources related to biodiversity and ecosystems

PIAQUO Project

As part of the R&I projects, several European collaborations are underway to study strategies to reduce the environmental impact of products. In particular, studies are being carried out to reduce underwater noise caused by products, even though there is no strict regulation on the subject. In this context, we report on the Practical Implementation of AQUO, which started in 2019, ended in 2024 and is funded by the European LIFE Programme. The project addresses the problem of underwater noise pollution, a growing threat to marine wildlife, particularly for cetaceans, and other species sensitive to manmade noise. By optimizing propeller design and developing a real-time self-assessment model, the project aims to reduce noise emissions from ships, improving living conditions for marine organisms and reducing stress on aquatic populations. The project represents a concrete step towards more sustainable maritime transport, applicable on new merchant ships as well as for the redesign and refitting of existing vessels.

CIRCE Project

In 2024 Fincantieri concluded the CIRCE (Circular Economy in shipbuilding) project with which it aims to apply circular economy principles to shipbuilding, with a focus on cruise ships. The implementation of economy principles reduces the use of natural resources, CO₂ emissions and contributes significantly to limiting the release of pollutants into the marine ecosystem. Reducing pollution from materials used in ships and their disposal helps protect marine habitats and prevent contamination that threatens aquatic fauna and flora.

For more information, please refer to paragraph "E4-2 - Actions and resources related to resource use and circular economy"

Actions related to the Sustainability Plan targets achieved in 2024

The Group defined a specific target in its 2023-2027 Sustainability Plan relating to the protection of biodiversity, highlighting its strategic value (for a complete view of the targets relating to resource use and the circular economy, see paragraph E4-1.4 Targets related to Biodiversity and Ecosystems). Below is the action implemented during 2024, in order to reach the target set for this reporting year:

- Fincantieri started a project on biodiversity with the involvement of the Sustainability, Operation and HSE functions. These contributed to an initial mapping of the Group's impacts and dependencies on biodiversity, the identification of commitments, and the preparation of some calculation models for pollutant emissions into air, water, and soil.



E4-4 – Targets related to biodiversity and ecosystems

Below are details of the targets included in the 2023-2027 Sustainability Plan relating to the Innovation - Innovative and Technological development for energy and digital transition strategic guideline.

- In setting the targets, the Group took into account:
- the commitments contained within the specific policies;
 - the main global socio-economic trends it will face in the short, medium and long term such as climate issues and ecosystem depletion;
 - internal impact analysis supported by the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) software platform for assessing the environmental impacts of industrial projects and activities;
 - the results of the World Database on Protected Areas and the KBA, based on IBA¹;
 - the results of benchmarking analysis against industry requirements and the latest regulatory updates;
 - the priorities defined by the United Nations in the 2030 Agenda for Sustainable Development.

It should also be noted that no ecological thresholds were applied in setting the targets. The launch of the Biodiversity Project will allow for the setting of targets more closely aligned with the global post-2020 biodiversity framework, the EU Biodiversity Strategy for 2030 and other national biodiversity and ecosystem policies and legislation. Further work will also better define the relationship between biodiversity-related commitments, impacts, dependencies, risks and opportunities. Thanks to this project, Fincantieri will consider the need to define possible biodiversity targets.

The table shows the targets related to the management of biodiversity issues. The targets set for 2024 have been achieved. The scope of the targets, unless otherwise specified in the notes, is Group-wide. The baseline is the first year where the information or quantitative data was reported.

Innovation – Innovative and technological development for energy and digital transition

Reference Policy	Objective*	2021	2022	2023	2024	2025 Target	2026 Target	2027 Target
Health and Safety at Work, Environment and Energy Policy	Protection of biodiversity	-	-	-	✓	Launch of project for the protection of biodiversity	Analysis of the impacts of production processes on biodiversity	Definitions of actions to mitigate impacts on biodiversity

* The targets refer to the entire Fincantieri Group.
✓ Target achieved

For the definition, approval, and monitoring of objectives and targets, please refer to paragraph "E4-1 Strategy, business model, and value chain"



E4-5 –
Impact metrics related
to biodiversity
and ecosystems change

As described above, the Group is implementing a process to identify and assess activities that generate an impact on sites located near sensitive areas. In particular, the analysis showed that the production sites of **Muggiano** (covering an area of 1.5 ha), **Riva Trigoso** (covering an area of 22 ha) and **Sestri Ponente** (covering an area of 26 ha) are located near the International Marine Protected Area - Marine Mammal Sanctuary.

The **Maghera** site (with an area of 38 ha) is located near the UNESCO site Venice and its Lagoon, while the **Montalcone** site (with an area of 82 ha) and the **Palermo** site (with an area of 22 ha) are located near the Natura 2000 protected areas of the Foca dell'Isola di Capo Gallo Oriented Nature Reserve.

As far as the **VARO** group is concerned, the **Tulcea** and **Vard Balia** shipyards in Romania (covering an area of approximately 76 and 50 ha respectively) are adjacent to the UNESCO-protected Danube Delta area. The Norwegian **Langsten** shipyard (5 ha) is located near the Jauria Vest reserve, while the **Bratvag** Strandgata (2 ha) and **Svalines** (6 ha) shipyards are located near the Redholmen and Malesanden og Huse reserves, and Lavseyevet and Gjerdholmen respectively.

In Vietnam, the **VARO Vung Tau** site (covering an area of about 15 ha) is located near Can Gio, an area of biodiversity interest reported in particular among Important Bird and Biodiversity Areas, Zero Extinction Alliances sites and Key Biodiversity Areas.

Vard Promar, in **Brazil**, occupies a surface area of about 80 ha and part of it (25 ha) is adjacent to the mangrove forest, considered by WWF to be a biome, i.e. one of the fourteen areas into which the Earth is divided, characterized by particular dominant forms of vegetation and climate. Also, in this case, specific and special precautions are implemented in accordance with local legislation.

The subsequent evaluation of the locations resulted in a quantification for each site of the State of Nature Biodiversity (SoNB) indicators, which describe the state of biodiversity at the level of species and ecosystems in a given area. The results obtained in the analysis confirmed that none of the 18 Fincantieri shipyards are located in locations with critical conditions for biodiversity, although 7 of them are in moderately significant areas, such as:

- Riva Trigoso - Italy;
- Sestri Ponente - Italy;
- Muggiano - Italy;
- Promar - Ipoluca, PE, Brazil;
- Vung Tau - Thanh pho Vung Tau, Vietnam;
- Tulcea - Romania;
- Montalcone - Italy.

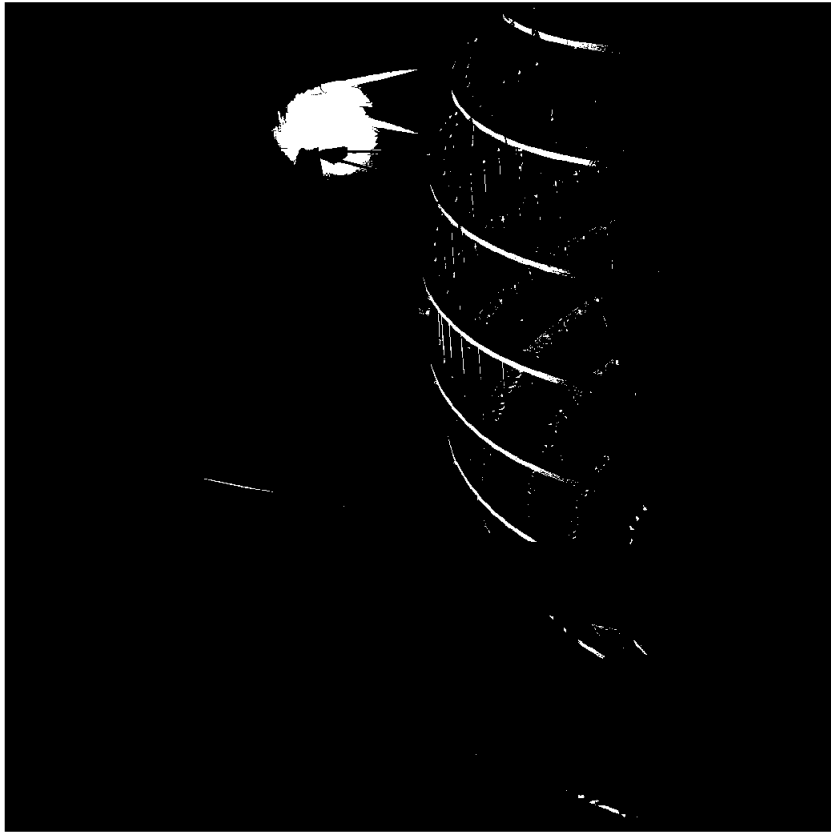
Finally, with the aim of identifying the priority action areas on which Fincantieri intends to focus its impact assessment and management efforts, the results were subject to a selection process that highlighted 6 shipyards as high priority, located in Italy (Liguria), Brazil, Vietnam and Romania. Montalcone was part of the 10 medium priorities in the prioritisation. The remaining 2 sites were deemed low priority for the Company (Sturgeon Bay - WI, USA, and Marnette - WI, USA).

For more information on the location analysis conducted by Fincantieri, please refer to paragraph "Key SRK-3 Material impacts, risks and opportunities and their interaction with strategy and business model".

This analysis was based on data from the databases developed by the tools under review and the scientific literature. The metrics considered were determined according to the assessment of local biodiversity conditions at the Group's shipyards. In the course of the analysis, in order to derive comparable indicators, the metrics used were standardized at the same spatial scale and aggregated accordingly. Such processing, although essential for comparison, may result in a loss in the level of detail of the information. However, the study and the tools used allow the definition of a solid and representative starting point for understanding the Group's relationship with biodiversity and ecosystems and defining initiatives and management processes useful for its protection.

E4-6 –
Anticipated financial effects
from biodiversity
and ecosystem-related
risks and opportunities

Fincantieri, in line with the provisions of the ESRS standards, uses phase-II for the gradual integration of information on the financial effects of risks and opportunities related to biodiversity and ecosystems.





ESRS E5 – Resource use and circular economy

In the actual context of green transition, the responsible use of resources and the adoption of circular economy models are key factors for a sustainable and competitive industry. Fincantieri, aware of the need to reduce the environmental impact of its activities, integrates principles of efficiency and recycling throughout the entire production cycle, optimizing the consumption of raw materials and minimizing waste. In this scenario, the circular economy is not only an opportunity, but a strategic choice to ensure competitiveness and environmental responsibility in the long term. Fincantieri has identified solutions that improve the management and treatment of waste and the environmental impact of the production process and materials used.

Impact, risk and opportunity management

IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

As part of its double materiality analysis, Fincantieri identified both negative impacts and risks and opportunities related to environmental issues surrounding the circular economy. The analysis of IRO was carried out in relation to waste and the main materials used in the production phases generated by sites and activities. As a result of the analysis, Fincantieri is conducting further investigations into Group sites and activities, targeting waste and materials used. In order to more accurately identify impacts, risks and opportunities. No further consultations with the affected communities are necessary at this point. However, the Company will continue to monitor developments and consider the possible involvement of relevant stakeholders in the future, in line with its sustainability management strategies.



For more details on the considerations taken into account for the double materiality analysis, see paragraph "ESRS 2 2024 Description of the processes to identify and assess material impacts, risks and opportunities"

Below are the impacts, risk and opportunities identified as material.

Impact

The incorrect treatment and disposal of waste produced in the course of the Group's activities represents a significant negative impact. Incorrect waste management can lead to the contamination of soil, water and air, damaging ecosystems and public health. In order to address this impact, it is essential to implement safe and compliant disposal procedures, promoting recycling and waste reduction through responsible practices. In order to limit this impact, Fincantieri is developing various initiatives to improve waste management and keep the share of waste sent for recovery between 80-90% as per the Sustainability Plan target.

Risks

The risk of shortages of raw materials can affect the Group's production and competitiveness. Difficulty in procurement can cause delays, increased costs and reduced production capacity, compromising customer satisfaction and market position. To mitigate this risk, it is crucial to diversify suppliers, optimize inventory management and develop resilient procurement strategies. To this end, Fincantieri constantly monitors the progress of raw materials, regularly participates in dedicated training sessions and generally monitors the Company's production capacity through a continuous exchange of information between the structures involved. The Group is subject to environmental and health protection laws and regulations governing the handling of hazardous and non-hazardous waste. Violations of the regulations could lead to restrictions on the Group's activities or to the recording of significant costs. Under these laws and regulations, the Group is obliged to apply for and obtain permits and authorizations to carry out its activities. Such permits and authorizations are subject to periodic renewal, modification, forfeiture, suspension or revocation by the competent authorities. These activities are accompanied by a monitoring plan for the environmental management System, which ensures compliance with internal shipyard procedures regarding waste management.

Opportunities

E5-1 – Policies related to resource use and circular economy



For more details on these commitments, please refer to the Health and Safety at Work, Environment and Energy Policy, contained in paragraph "E1-2 - Policies related to climate change mitigation and adaptation"

The Policy guides the Group's approach towards environmental sustainability, the protection of natural resources and design consistent with the criteria of circular economy and reduction of the environmental impact of its activities, adopting design approaches in line with these criteria. In addition, the Policy encourages suppliers to minimize the use of natural resources, efficient waste management, optimized logistics and sustainable sourcing of materials, also aiming to reduce the use of new raw materials in production processes. Fincantieri places innovation at the heart of its strategy, as evidenced by its Innovation Policy, which is based on the principles of continuous research, technological excellence and capacity to anticipate market needs. This commitment translates into the development of advanced, customized solutions with a focus on the circular economy and the digital and green transition. The Policy, described in paragraph Sd-1 Policies related to customers and end-users, is a guide to addressing regulatory, environmental and commercial challenges, consolidating Fincantieri's role as global leader through the design of innovative and sustainable technologies.

E5-2 – Actions and resources related to resource use and circular economy



In addition, actions related to partnership with organizations, associations and companies for the development of new, innovative and more efficient solutions are detailed in the paragraph "Sd-2 - Taking action on material impacts, risks and opportunities" and applied to the management of the waste and pursuing material opportunities related to customers and end-users, and effectiveness of these actions.

Recovery of materials

Most of the materials used for the construction of the hull are ferrous and are therefore by their nature reusable. Steel is a 100% recyclable material and it can be recycled countless times without losing any of its original properties. This product is therefore never consumed, but by sending the residues to special processing plants it can be continuously transformed through recycling processes that make it a permanent material, a concept underpinning the circular economy. During 2024, the initiative for the sale of the ferrous by-product from the activities carried out in the Office Naval for the Ancona, Palermo and Sestri Shipyards was finalized, establishing the operating procedures and methods and defining the contractual agreements. In this way, scrap iron and ferrous material scraps are made directly available to steel mills in a "furnace-ready" cut for reintroduction into production cycles.



Circular supply of business tools

In order to dispose of obsolete equipment in a safe manner which complies with the regulations, as well as to promote circular economy principles, the Information Technology function has signed a framework agreement whereby obsolete assets are sold/dropped of for remanufacturing and then reused or recycled for components. The initiative allowed the following to be brought into the circular economy circuit in 2024:

- ~ 410 printers;
- ~ 950 PCs (~ 600 laptops and ~ 350 desktops).

Fincantieri is committed to making the adoption of such approaches increasingly integral for future supplies of Company tools.

Actions related to the Sustainability Plan targets achieved in 2024

The Group defined specific targets in its 2023-2027 Sustainability Plan for digital transformation through the introduction of technology and equipment to reduce their environmental impact (for a complete view of the targets related to resource use and the circular economy, see paragraph ES - 3. Targets related to resource use and the circular economy). Below are the actions implemented during 2024, to achieve the targets set for this reporting year:

- The plan to update obsolete printers was completed. As a result of the rationalisation analysis, the printer fleet in 2024 will consist of 430 units, a reduction of more than 8% compared to the initial target of 5%, despite the increased number of users.
- Preparations were completed for access to the cloud services of the Italian companies included within the scope of the objective, with on-demand access.

Actions related to the Sustainability Plan targets achieved in 2024

The Group defined in the 2023-2027 Sustainability Plan a target related to a study on the circular economy for cruise ships, highlighting the strategic value of the topic (for a complete view of the Fincantieri Group's value chain targets, please refer to paragraph ES - 3. Targets related to resource use and the circular economy). In particular, the CIRCE (Circular Economy in Shipbuilding) project, aimed at studying the application of circular economy methodologies in the cruise sector, with a focus on Life Cycle Assessment (LCA), was carried out during 2024, ahead of the target set in the Plan for 2025. The five-phase project analysed three main segments of the ships: hull, cabins and HVAC system.

1. Preliminary analysis: the project started with a study of the scientific literature and an analysis of the best practices of competitors and strategic suppliers. The main results, which guided the subsequent phases of the project, showed that the use phase of ships has the most impact of the LCA of its cycle and that remanufacturing, reuse and recycling should be integrated in the design phase.
2. LCA of the segments: in the second phase, an LCA study was carried out on hull, cabins and HVAC, considering a life cycle of 25 years for the first ship segment. The sales of the second phase, based on a review of LCA studies, highlighted the importance of the use phase and the exploration of sustainable ship design options and circular economy initiatives undertaken by key players in the industry. Following the LCA, the most significant impact categories such as climate change, fossil and mineral resource use, were identified through normalization and weighting, following EU Commission guidelines.
3. Identification of the most promising circular economy initiatives: subsequently, the most beneficial circular economy initiatives for the three segments were identified through comparative LCA analyses, on the environmental benefits of the solutions. These included the use of electric furnace steel, bio-de-free paints and renewable sources for the hull, recycled materials for the cabins and the use of LNG, aluminium ducting and advanced insulation materials for the HVAC system.
4. Dissemination of knowledge and identification of priorities: in the fourth phase, workshops were organized to raise employee awareness of the circular economy and LCA. Furthermore, using the Dupont methodology, priority circular economy practices were identified for Fincantieri, with a focus on energy efficiency, emissions reduction and the use of alternative materials. The practices were evaluated based on the probability of implementation, impact on competitiveness, availability and difficulty.
5. Closure: the project ended with the definition of a partial LCA that will be extended over the next two/three years.

Ship end-of-life

Although the disposal of materials at the end of the ship's operational life is not part of the shipbuilding activities as it is managed directly by the shipowners, the Group's cruise ships have voluntary certifications such as Green Passport, Clean Ship or Eco (the name of the certification differs depending on the classification bodies). All naval vessels can be delivered with the Green Passport and some also have the Clean certification. The Green Passport requires a commitment by the Group to provide, on delivery of the ship, an inventory of materials to be monitored during the ship's life cycle and is used to ensure it is scrapped safely and in an environmentally friendly way, in accordance with the Hong Kong International Convention for the safe and environmentally sound recycling of ships, adopted by IMO MEPC 197 (62). The classification body will carry out periodic audits throughout the life of the ship to ensure compliance with environmental standards and maintenance of its environmental certification.





Metrics and targets

E5-3 – Targets related to resource use and circular economy

Below are details of the targets included in the 2023-2027 Sustainability Plan relating to the Innovation - Innovative and Technological development for energy and digital transition objective.

- In setting the targets, the Group took into account:
- the commitments contained within the specific policies;
- the main global socio-economic trends it will face in the short, medium and long term;
- the results of benchmarking against industry peers and the latest regulatory updates;
- the priorities defined by the United Nations in the 2030 Agenda for Sustainable Development;
- the necessary requirements for the objectives to be aligned with the science.

With this in mind, Fincantieri has defined clear and measurable targets regarding resource use and the circular economy. The scope of the targets, unless otherwise specified in the notes, is Group-wide. The baseline is the first year when the information or quantitative data was reported. For quantitative data, the trend has been calculated based on the baseline.

For the definition, approval, and monitoring of objectives and targets, please refer to paragraph "ESRS 2 SM-1 Strategy, business model, and value chain"



Innovation – Innovative and Technological development for energy and digital transition

Reference Policy	Objective*	2021	2022	2023	2024	2024 target	2025 target	2026 target	2027 target	2030 target
Health and Safety at Work, Environment and Energy Policy	Study on circular economy for Fincantieri S.p.A. cruise ships in cooperation with university/research centre ^{1,2}	-	-	-	Early Achievement of 2025 target	-	Analyse the maturity level of players in the shipping industry	-	-	-
							Identify an analysis methodology			
							Evaluate and identify tools to implement the logic of circular economy			



E5-4 – Resource inflows

Procurement of raw materials continues to hold a strategic role for the Company. Over the years, Fincantieri has consolidated the process of material selection and procurement, based on which the environmental impact of materials in their entire life cycle is assessed at the design stage. Even while preparing contractual technical specifications, and subsequently those needed for the procurement process, the Group works to identify materials for the interiors that, though possessing the same technical, qualitative and compliance characteristics, also have a reduced environmental impact.

Raw materials

Procurement of raw materials continues to hold a strategic role for the Company. Over the years, action has been taken to strengthen the process of material selection and procurement, based on which the environmental impact of materials in their entire life cycle is assessed at the design stage. Even while preparing contractual technical specifications, and subsequently those needed for the procurement process, the Group works to identify materials for the interiors that, though possessing the same technical, qualitative and compliance characteristics, are also environmentally compatible.

The main raw materials present in the production cycle are:

- iron for the hull;
- steel, iron, plastics and other iron and non-iron alloys for the piping installed on board;
- welding materials;
- paint products;
- cement and concrete for infrastructure.

In pursuing the commitments set out in its Policy, Fincantieri promotes the priority use of materials with a lower environmental impact that favour sustainable waste management both during the shipbuilding phase and during operation and end-of-life.

The total weight of technical and biological products and materials used is 270,289 tonnes. The weight of the products is assessed based on the goods purchasing and entry registers in 2024. In particular, biological materials, including biofuels used for non-energy purposes, were not used in significant quantities. Finally, the percentage of purchased secondary materials is zero.

E5-5 – Resource outflows

In line with the Environmental Policy and the objectives of the Sustainability Plan, an eco-design system has been defined to promote the development of environmentally sustainable ships. With reference to the different environmental aspects, criteria have been defined to make use of the best technological solutions during shipbuilding, also with a view to containing and reducing the waste produced. Finally, it should be stressed that sustainability assessments are also taken into account with regard to decommissioning activities, helping to guide choices on materials, components and systems with characteristics that limit the impact of the dismantling and disposal operations at the end of the product's life, which remain the sole responsibility of the shipowner. These aspects are extremely important given the average lifespan of the ship product, which is around 25 years for cruise ships and 30 for naval vessels and specialized vessels, in line with the market average.

As far as product recyclability is concerned, more than 65% of the ship is composed of ferrous materials which are by their very nature reusable. Steel is a 100% recyclable material and it can be recycled countless times without losing any of its original properties.

Fincantieri promotes responsible waste management by giving a strong emphasis to separate waste collection and waste reduction, particularly for hazardous waste. The criteria identified for managing processing residues and waste disposal are included in the Company guidelines, which are incorporated and detailed in the procedures of each production unit for managing the site's specificities.

The types of waste produced are characterized by the different stages of ship construction. During the prefabrication of blocks, pre-assembly of sections and assembly of the ship in the dock, the types of waste mainly derive from welding/carpentry and construction activities. These can be grouped into:

- metals;
- materials from painting activities;
- residues from construction/demolition activities;
- waste from insulation activities.

In the final stage of ship outfitting, residues are mainly produced from packaging materials: wood, paper, cardboard and plastic.

The start-up phase of ship systems can generate residues of lubricants and products used for flushing.

Waste	
Waste (tonnes)	2024
Hazardous waste directed to disposal	3,941
Hazardous waste directed to disposal - incineration	123
Hazardous waste directed to disposal - landfill	368
Hazardous waste directed to disposal - other disposal operations	3,449
Hazardous waste sent for recovery/recycling	17,542
Hazardous waste sent for recovery/recycling - reuse	49
Hazardous waste sent for recovery/recycling - recycling	498
Hazardous waste sent for recovery/recycling - other recovery operations	16,995
Total hazardous waste	21,482
of which radioactive waste	0
Non-hazardous waste directed to disposal	14,914
Non-hazardous waste directed to disposal - incineration	296
Non-hazardous waste directed to disposal - landfill	4,814
Non-hazardous waste directed to disposal - other disposal operations	9,804
Non-hazardous waste sent for recovery/recycling	112,221
Non-hazardous waste sent for recovery/recycling - reuse	294
Non-hazardous waste sent for recovery/recycling - recycling	28,860
Non-hazardous waste sent for recovery/recycling - other recovery operations	83,067
Total non-hazardous waste	127,135
Total waste	148,617
Total non-recycled waste	18,855
Non-recycled waste ratio (%)	13%

The data refer to the entire Fincantieri Group.
The data are taken from the quantities of waste recorded in the Company databases.

In its 2023-2027 Sustainability Plan, the Fincantieri Group has identified a target in relation to waste reduction, measuring the ratio of waste quantity to hours of production. Hours of production are a very significant indicator of the workload at the production site.

Waste over hours of production	
um	2024
thours	2022
Total waste over hours of production	0.00439
	0.00449
	0.00472
	-7.1%
	-2.4%

The data refer to the entire Fincantieri Group.
The data are taken from the quantities of waste recorded in the Company databases.



The layout of the production cycle, characterized by specific sequences of the processing phases, makes it possible to optimize the choice and introduction of the materials used upstream and, therefore, to organize the waste sorting and collection methods correctly. The increase in the share of waste sent for recovery is the consequence of a targeted process for sorting and differentiating processing residues in order to recover and reuse materials still suitable for use in production activities. It should be noted that the entire process is constantly monitored by the Health, Safety & Environment (HSE) structures with regard to both operational and administrative aspects. The awareness-raising process maintained throughout 2024 for all internal stakeholders involved in the waste management process ensured that the predetermined objectives for reducing the quantity of waste in relation to production volumes were achieved, as well as maintaining the proportion of waste sent for recovery above 80%. In general, all the shipyards have implemented engagement actions surrounding correct disposal and sorting of processing residues for both Fincantieri and subcontractor personnel, in order to improve separation at source. In each production unit, an area is designated for the identification of materials and the grouping of processing residues by the same types. Another area is dedicated to the storage of waste by type while awaiting transfer outside. In accordance with this organizational model, waste produced by activities is delivered to authorized sites according to its classification, favouring and maximizing recovery.

The VARD group also identifies the optimization of recovery activities as a priority. In 2024, waste sent for recovery amounted to over 80% of the total waste produced.

In the United States, Fincantieri Marine Group has specific policies and procedures for waste management and the continuous improvement of processes, thanks to consolidation of the actions taken, data on the share of waste sent for recovery increased from 45% in 2022 to 53% in 2023, reaching 67% in 2024.

Finally, in Italy, waste **transport**, recovery and disposal activities are carried out by third parties, authorized and registered in the National Register of Environmental Operators. Evidence of this registration and of the environmental authorizations they hold is required at the time of formalization of the assignment and is repeated each time the contract obligations change.

E5-6 – Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities

Fincantieri, in line with the provisions of the European Sustainability Reporting Standards (ESRS), uses phase-in for the gradual integration of information on the financial effects of risks and opportunities related to resource use and the circular economy.



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The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Environmental Information	Social Information	Information on Governance

Social Information

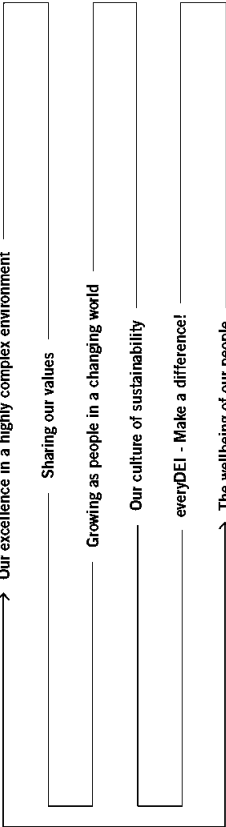
ESRS S1 – Own workforce

For the Fincantieri Group, the central importance of people is an essential value. This is why the People Strategy aims to align HR objectives with business objectives and to promote a collaborative working environment that is open to continuous dialogue and feedback, inclusive and capable of recognizing and valuing diversity, thus ensuring a climate in which employees feel motivated to give their best and ready to face the challenges of a market that is in constant flux.

This commitment by the Group to the effective implementation of its People Strategy has been recognized by the Top Employers Institute, a Company that certifies the quality of people management and development processes as well as the work environment, including Fincantieri in the pool of companies certified as **Top Employer Italy 2025**.

In line with the Employee Value Proposition (EVP), **People on Board**, Fincantieri has implemented employer branding strategies and practical actions for the management, training and growth of Fincantieri people, with the aim of promoting the Group in the labour market and maintaining a high sense of belonging and motivation, leveraging an organization capable of listening to and satisfying individual needs and expectations, enhancing skills and experience and offering real opportunities for growth. The Group's EVP guides all stages of the employee experience, starting with attraction, recruiting and onboarding, through to development processes, professional growth and dialogue with people.

People On Board - The six key points



The Company implements every measure designed to safeguard the protection of its workforce because, as expressed in the Code of Conduct and the Human Rights Policy, it recognizes that all employees have the same rights and rejects any form of discrimination. In order to secure these rights, a number of initiatives have been put in place, as described in the paragraph S1.4. Taking action on material impacts on own workforce, and achieves to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions.

Strategy

SBM-2 – Interests and views of stakeholders

Fincantieri has always considered employees' opinions when defining its corporate strategies. In 2024, in particular, the Company monitored the opinions and interests of these stakeholders through the Sustainability Survey and the Employee Engagement Survey, including the issue of human rights. The results of the surveys serve to understand their point of view and needs and to define new strategic directions, objectives and targets to meet these expectations.



For more information on the Sustainability Survey, please refer to paragraph "ESRS 2 SBM-2 Interests and views of stakeholders"

For the Employee Engagement Survey, please refer to paragraph "S1-2 Processes for engaging with own workers and workers' representatives about impacts" paragraph

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

By conducting a double materiality analysis, the Fincantieri Group identified the impacts, risks and opportunities related to the 'whole' of its own workforce composed of employees (executives, middle managers, white collar and blue collar workers) and non-employees (contractors, interns and others). Through a careful assessment of the dynamics inside and outside the Company, a clear picture of the challenges and potential opportunities for Fincantieri was outlined, with the aim of promoting an increasingly inclusive, safe and innovative working environment.



For more details on the considerations taken into account for the double materiality analysis, see paragraph "ESRS 2 IRO-1 Description of the process to identify and assess material impacts, risks and opportunities"

For more information on potential risks concerning human rights and in particular forced and child labour and the exposure of workers with special characteristics, see paragraph "ESRS 2 SOV-4 Statement on due diligence"

Below are the impacts, risks and opportunities related to own workforce identified as material.

Impacts

People are the Group's most important asset and it is constantly committed to protecting, developing and enhancing them. To avoid the negative impacts of events, which may be systemic or single incidents, such as resignations, dismissals, employment disputes or complaints, the Company constantly invested in individual growth, through constant collaboration and cooperation in an inclusive and international context that encourages the exchange of ideas, comparison of opinions and experiences and the development of multidisciplinary skills. Investment in staff training and development is of strategic importance to guarantee constant growth in skills and know-how, at all levels. The evaluation processes are structured so as to enhance the value of each individual resource by promoting professional growth in line with their expectations, ambitions and potential. The enrichment of the Company's human capital and intellectual know-how can thus become a strategic lever for innovation and business competitiveness.

In order to avoid unfavourable consequences due to inadequate application of existing labour regulations, including collective bargaining, working hours and pay conditions, which could create negative systemic impacts, the Group's industrial relations are based on a participatory model. The model enhances the role of trade unions and workers, also through the establishment of appropriate joint bodies whose task is to ensure the protection of workers' rights, including human rights. In all countries, the Group complies with the labour laws in force and employment relationships are governed by contracts or agreements that regulate, among other aspects, working hours and remuneration. The Group defines and applies a remuneration and incentive policy aimed at achieving the Company's strategic priorities, including sustainability, and at motivating and retaining its resources.

Although no specific human rights theme emerged, the issue remains of fundamental importance for Fincantieri. For this reason, a human rights risk assessment was conducted in 2023, also in order to identify the Group operations most exposed to the risk of forced and child labour. Given the complex and many-faceted nature of the organization, the analysis considered different boundaries for the impact, including the Parent Company and its shipyards, the Italian subsidiaries and their production sites, and the VARD group companies and shipyards located in Romania and Norway.

The analysis revealed low to medium risk levels for child labour for each of the boundaries considered, while for forced labour there was a minimal percentage residual risk for the Romanian sites. In this context, existing control measures significantly reduce this risk.

1 The Group included the entire own workforce in the analysis of impacts, in line with ESRS 2 - General Disclosures.



For more information on potential risks related to human rights, particularly concerning forced and child labour and the exposure of workers with specific characteristics, see paragraph "ESG & SDG-4 Statement on due diligence".

Safety at work, the health of workers, and care for and improvement of working environments are essential conditions for any work activity. The Group is committed to promoting a generalized change of culture in relation to health and safety and to implementing initiatives to prevent the negative effects that may arise from systemic situations or individual events resulting from poor management of this area. The Group is committed to adopting innovative new technologies, practices and specific management systems to prevent and manage negative impacts and to minimize injuries and safeguard employees and third parties involved in Company activities. The central elements are training and information for personnel, raising individual awareness and widespread involvement, including suppliers. The positive effects of the Group's initiatives, such as the Safety Enhancement Plan, also have repercussions on production efficiency and cost reduction. These effects can be seen in the trend of data and indices on injuries that are constantly monitored both at Group level and for each individual site. Employee well-being is also placed at the centre of every Company dynamics, and is ensured through the development of welfare policies and initiatives aimed at promoting satisfaction, involvement and consolidating the corporate image.

The Group also plays an active role in guaranteeing and promoting human rights and diversity in all business areas and among all stakeholders, whether Group employees or suppliers. The Group is committed to ensuring that each employee is able to fulfil his or her potential, guaranteeing recognition of merit and respect for equal opportunities, and avoiding any form of negative impact, which may be systemic or related to individual events, resulting from the mismanagement of this area. The Group has developed a specific plan on the issues related to gender diversity, cultural diversity, generational diversity and disability, providing for both common actions by all Group companies and local actions, leveraging the specifics of each country. Breaches of IT security also have a significant impact on the Group's reputation. In order to reduce the systemic negative impacts arising from a possible breach of confidentiality of personal and sensitive data, Fincantieri has implemented a personal data protection system compliant with the General Data Protection Regulation - GDPR, ensuring the protection of personal data through training, controls, data breach management and promoting the development of a culture of privacy. In this context, in addition to the widespread dissemination of privacy notices to data subjects and instructions to authorized personnel, the Company has appointed a Data Protection Officer (DPO), who oversees regulatory compliance, provides advice and monitors the security measures adopted by the Company. The tools described above allow for the protection and confidentiality of employee and non-employee data with positive repercussions for the Group from both a reputational and an economic viewpoint, avoiding reports and possible litigation.



Risks

Given the activities carried out, the Group is particularly exposed, regardless of compliance with applicable regulations on occupational safety in the various countries in which it operates, to the risk of significant accidents and injuries occurring in the workplace, including the risk of potential exposures harmful to the health of employees. Such events would lead to litigation, as well as possible damage to the Group's image, which could have significant negative effects on the Group's economic and financial situation and assets. To mitigate these risks, the Group is committed to implementing new technologies to protect health and safety and to implementing health and safety management systems.

Fincantieri closely monitors risks to the safety of its employees in areas with a high risk of terrorism, kidnapping or acts of violence through the coordination of management Committees and the preparation of Crisis plans.

Fincantieri monitors risks related to relations with trade union representatives, including the risk of strikes impacting Group production and the risk of labour disputes. In fact, the Group frequently analyses changes in national and international regulations and adapts to them. In addition, it maintains fruitful relations with trade unions and workers' representatives in order to accommodate requests and prevent the risk of disputes or strikes with economic and production consequences.

Further aspects focused on by the Group are the risks of low staff retention and loss of key personnel, which may be caused either by an inadequate empowerment model or by inadequate remuneration compared to the market, or inadequate benefits or welfare tools in comparison with employee expectations to secure their retention.

These risks can create disruption or delays at both administrative and production levels, causing economic and reputational damage. To mitigate these risks, the Group invests in training programs and professional development, conducts sector analysis and applies a meritocratic policy.

Non-compliance with national and international data protection regulations poses both a legal and reputational risk for the Company, as inadequate handling of sensitive data can lead to serious sanctions and undermine stakeholder trust. The principles of the personal data protection system are set out in the Privacy Policy, which governs the key processes for ensuring compliance with the regulations.

Opportunities

The Group continuously invests in the development and enhancement of its people, a community in which individual skills and talents complement each other in a synergistic manner, enabling the Group to innovate, grow and compete effectively in the market. For this reason, Fincantieri is committed to ensuring the professional development of each individual and promoting their personal well-being. With this in mind, a cross-cutting set of tools and processes are adopted to cultivate a working environment that is cooperative and inclusive, characterized by open dialogue, continuous feedback and genuine appreciation of diversity. Such commitments can generate opportunities to improve Company competitiveness and reputation. In particular, the Group, through the everJOC program, is committed to developing a culture based on respect, supporting people with disabilities, fostering cooperation between different generations and cultures, promoting equal opportunities and disseminating the use of a more inclusive language and combating stereotypes and prejudices.

In order to attract and retain people and ensure its market leadership, the Company is implementing new tools to improve work-life balance such as smart working, Company nurseries and additional leave for specific categories of employees. The Group also focuses on interaction with workers and their representatives as well as with local and international institutions.

Furthermore, the Group is committed to ensuring the protection and security of its employees' data by investing in advanced IT systems, which can create an opportunity to reduce costs through efficient management.

In order to improve operational efficiency, business continuity (reducing accidents and illnesses) and protect the health and safety of workers, the Group constantly invests in tools and processes to protect workers' health and safety. This can also lead to an opportunity to reduce the costs associated with health and safety.

Impact, risk and opportunity management

S1.1 – Policies related to own workforce

Code of Conduct

Everyone who works at Fincantieri is required to comply with the Company's Code of Conduct, which requires compliance with the law, international conventions and the rights enshrined in the United Nations Universal Declaration of Human Rights. The Group operates with loyalty, honesty and integrity, protecting the interests of stakeholders, shareholders, employees, customers, partners and local communities. Any behaviour contrary to these Principles is not tolerated and is sanctioned. The Group promotes knowledge of and compliance with the Code through information, prevention and control tools, guaranteeing transparency and fairness.

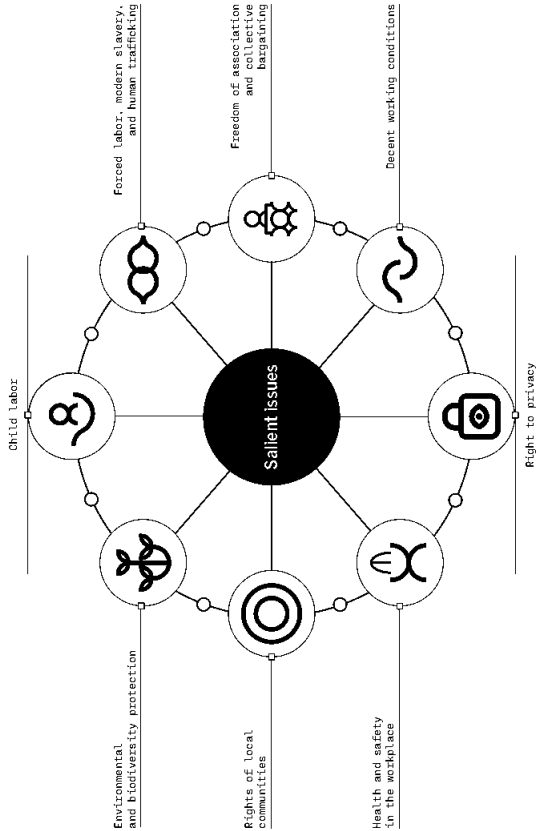
For further information on the Code of Conduct, please refer to paragraph "4.1 Corporate culture and business conduct policies"

Policy on Human Rights – Commitment to the respect of human rights and diversity

Fincantieri is committed to guaranteeing and promoting respect for human rights, a priority for the Group, in all business areas and among all third parties with which it works. The Group conducts all activities in accordance with international human rights standards. In line with the findings of the double materiality analysis, the Policy includes all impacts, risks and opportunities related to human rights. The Policy is inspired by instruments of national and international law including:

- UN International Bill of Human Rights;
- European Convention on Human Rights;
- Fundamental Conventions of the International Labour Organization (ILO);
- EU Directive on Corporate Sustainability Due Diligence;
- United Nations Guiding Principles on Business and Human Rights (UNGPR);
- OECD Guidelines for Multinational Enterprises.

It reflects continuous attention to the demands of institutions, society and the market. Fincantieri's Human Rights Policy applies to all its global operations, including production facilities, headquarters and offices. The Company is committed to the protection of human rights throughout the value chain, in relationships with both direct and indirect suppliers. The involvement of primary stakeholders includes employees, suppliers, customers and trade unions. From this perspective, no particularly vulnerable groups were identified. The monitoring of these demands is continuous and leads to the updating of the Policy where necessary. As confirmation of this, on 30 September 2024, the Board of Directors of Fincantieri S.p.A. approved an update of the document. Responsibility for its implementation remains with the Parent Company. The Human Rights Policy applies to Fincantieri S.p.A. and its directly and indirectly controlled Group companies. The preparation of the Policy involved internal stakeholders who, to the extent of their competence, contributed to the content and represented the interests of external stakeholders they liaise with, including workers' representatives. In line with the requirements of the UNGP Reporting Framework, the latest version of the document focuses on Salient Human Rights issues, i.e. the main negative impacts that the Group's business activities and relationships could have on human rights. The new structure of the document is the result of the Human Rights Risk Assessment (HRRRA), which identified the areas most exposed to such risks. For more information, please refer to paragraph 1.8.2.2 GOV.2 Statement on due diligence.



The updated Policy is based on the following Salient issues:
The Policy also pays particular attention to the issues of **Diversity, Equity and Inclusion**, aspects of fundamental importance to the Group, adopting specific measures in relation to them. Fincantieri rejects any form of discrimination based on ethnicity, skin colour, gender, age, disability, sexual orientation, religion, political opinion, nationality and social background. Fincantieri is committed to maintaining a work environment free from all forms of violence or harassment. The Human Rights Policy is implemented to ensure that discrimination is avoided, mitigated and addressed in a timely manner. In addition, the Company actively promotes diversity and inclusion through, for example, the promotion of development and growth plans, training and awareness-raising initiatives, Company welfare services and tools, equal pay, and personnel selection and recruitment processes that ensure compliance with the principles of equal opportunities and impartiality.

The complete set of activities aimed at preventing incidents of discrimination are better detailed in paragraph S1.4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions.
Fincantieri adopts a system of remedies for human rights impacts through a transparent and confidential whistleblowing reporting process, allowing employees and stakeholders to report potential violations.
The Group shares the Policy with all employees by publishing it on the Company intranet. It can also be consulted by external stakeholders via Fincantieri's official website.
The Vard Viking Tau company in Vietnam and some Italian companies such as Fincantieri Infrastructure, Fincantieri Infrastructure Opere Maritime, FINSO, SOF and Fincantieri Nextech have SA 8000 certification, an international standard aimed at certifying certain aspects of company management pertaining to corporate social responsibility. These are:

- respect for human rights;
- respect for the right to work;
- protection against child labour;
- guarantees of a safe and healthy workplace.



Policy against Harassment in the Workplace

In upholding an inclusive, fair, participatory and professional working environment, free from any form or type of harassment, including sexually inappropriate behaviour, Fincantieri, and its subsidiaries, are committed to combating, preventing and monitoring inappropriate behaviour that can damage the psychological health of the victim and create a hostile working environment. Such violent and harassing conduct is not accepted, as it is contrary to the Group's values and commitment.

The implementation of the Policy is divided into **two main lines of action**.

- disciplinary and contractual measures:** any conduct that, following an investigation, is found to be in breach of the policy is subject to appropriate action to stop the behaviour and protect the harassed person:
 - disciplinary measures are taken against Group personnel in accordance with the applicable legal and regulatory instruments;
 - contractual remedies may be adopted with respect to third parties or external partners, including suspension or termination of the contract, prohibition of business relations with the Group and claims for damages;
- prevention, training and awareness programs:** in line with the provisions of the International Labour Organization (ILO) Convention No. 190 of 2019 to help everyone recognize and understand inappropriate conduct, which the Policy aims to prevent. These activities are essential to build a shared culture of respect and awareness, giving people the tools to prevent and/or combat unacceptable behaviour.

The Policy Against Harassment in the Workplace, approved by the Board of Directors, applies to Fincantieri S.p.A. and Group companies, whether directly or indirectly controlled, based in Italy and in other countries, and also applies to third parties, as well as to all persons who perform work activities in and for the Fincantieri Group, both as protected persons and as persons required to comply with this Policy. The Parent Company Human Resources and Real Estate Department is responsible for its effective implementation.

The Policy promotes a work environment based on respect for equal treatment and dignity regardless of age, race, colour, nationality, citizenship, political opinion, religious belief, gender, sexual orientation and identity, disability status and membership of any other category protected by law. The Group considers harassment, bullying and sexually inappropriate behaviour as threats to the dignity and well-being of employees, compromising their health, work performance and the reputation of the Company. The Policy also applies to harassment outside of work or via social media and electronic means, such as telephone calls, messaging and online platforms.

The primary reference is ILO Convention No. 190 of 2019, ratified in Italy by Law No. 4 of 2021, which offers the first definition of international scope, of violence and harassment at work. This Policy is based on the Internal Code of Conduct and several external sources, including: the Universal Declaration of Human Rights, the UN Global Compact, the United Nations Women's Empowerment Principles and the United Nations Guiding Principles on Business and Human Rights.

The Policy is available on the corporate intranet and can be consulted by stakeholders via Fincantieri's official website.

Health and Safety, Environment and Energy Policy

Safety at work, the health of workers, the maintenance and improvement of work environments have always been the main drivers and the foundation of the Group's policies, which consider safety a strategic and development factor for the Company.

The Group carries out every single action with the health and safety of all workers in mind, whether they are employed by the Group or by subcontractors. The well-being of the individual lies at the centre of each Company dynamics, in the awareness that safety is the right of all and the duty of everyone, and it cannot be done without dialogue and collaboration.

To ensure the health and safety of workers, Fincantieri has drawn up the Health and Safety Policy, integrated with the environment and energy Policy. The Policy is binding for all Group employees, is approved by the Chief Executive Officer of Fincantieri S.p.A. and is addressed to all suppliers. It is shared, in particular, through the coordination activities carried out continuously in the production sites. Responsibility for implementing the policy is divided between the Group Health, Safety and Environment and Asset and Energy Management departments. The Health and Safety at Work, Environment and Energy Policy dictates the guidelines that the individual units must follow by adopting specific site policies, consistent with and aligned to the specific characteristics of the situation. Italian and foreign subsidiaries may adhere to the principles and malienable commitments declared by Fincantieri S.p.A., by adopting their own policies that are in line with those aspects that for years have represented the cornerstones of action in Fincantieri sites. The Policy reaffirms the Group's desire to protect its people, constantly working to reduce health and safety risks by implementing regulatory updates and monitoring the issue so as to reduce the costs associated with accidents and injuries or occupational diseases.

For more information on the Health and Safety at Work, Environment and Energy Policy, please refer to paragraph "81.2 - Policies related to climate change mitigation and adaptation"

Travel Risk Management Policy

People are our main success factor in the definition and achievement of the Group's objectives. Fincantieri undertakes to protect their **Safety and Security**, in Italy and abroad, fulfilling the **Duty of Care** provided for by Italian, EU and, where applicable, destination country regulations. As part of its commitment to this issue, Fincantieri S.p.A. has adapted its travel risk management model to the international standard ISO 31030, obtaining a certificate of conformity from RINA.

The management System includes the **Travel Risk Management (TRM) Policy**, approved by the Chief Executive Officer, after the involvement of internal and external stakeholders involved in the process of people's travel and stay, which fully adopts the aforementioned best practice. The recipients of the Policy are all persons involved in business travel on behalf of the Group. Through this Policy Fincantieri is committed to ensuring the protection of its employees when travelling, protecting its tangible and intangible assets. In this context, it makes every effort to analyse potential risks to the security of personnel in risk areas, including areas of armed conflict, political instability or active terrorist activity.

Responsibility for the correct application of the Policy is entrusted to the Security Department, which implements it by assessing the risks present at the destinations, adequately informing and training those concerned, activating prevention and/or mitigation measures, also through the establishment of **Crisis Committees** chaired by the Employers and assisted by the functions involved in the TRM process or deemed necessary for the management of the individual event.



The Fincantieri Group	Group Report on operations				Consolidated Sustainability Statement				Fincantieri Group Consolidated Financial Statements			
	General Information				Environmental Information				Social Information			
									Information on Governance			

S1.2 – Processes for engaging with own workers and workers' representatives about impacts

Engagement with workers' representatives

For the Fincantieri Group, involvement of workers is of paramount importance in enabling it to orient its people strategy. The opinions and interests of workers are always taken into account, in order to best serve the interests of both parties. Involvement can take place through workers' representatives or directly with employees through appropriate channels.

The industrial relations model of Fincantieri S.p.A. has evolved in a participatory direction and this direction has been strongly reinforced by the supplementary agreement signed with the Trade unions at a national level on 27 October 2022.

With particular regard to participation, the **Participation Body** is envisaged, consisting of the national trade union Coordinators and three representatives chosen from among the employees, to whom the Company will illustrate, after the Shareholders' Meeting held to approve the Annual Report, the economic and financial results and the contents of the Sustainability Statement.

The supplementary agreement also provides for the establishment of the following Commissions at national level:

- **Commission for Diversity & Inclusion** - composed of three members from the employer, three national trade union coordinators and three workers' representatives and responsible for deepening the lines of action, jointly proposing and evaluating new initiatives and monitoring their progress in the field of diversity, inclusion and multiculturalism.
- **Joint Commission for Grading** - composed of three members from the company and three from the trade union and is dedicated to monitoring the implementation of the new professional grading system and to drawing up evaluations and proposals concerning professional profiles.
- **Joint Commission for welfare** - composed of three members from the company and three from the trade union, with the task of analysing, evaluating and monitoring the development of company welfare.

The agreement also reconfirms the full operation of the bodies provided for in the previous agreements, which were always participation-oriented. These include the **Advisory Committee**, composed of six company and six union representatives, which meets annually to discuss strategic issues such as market scenarios, competitiveness, innovation, safety, training and employment, fostering dialogue and cooperation between the parties. The Committee also meets when there are changes in the company and ownership structure, considerable organizational changes, significant changes in labour policy, restructuring and/or reorganization projects and restructuring and development programs.

The **National Joint Commission for safety at work**, which analyses the state of health, safety and environment at company sites, and the **National Joint Commission for training**, which assesses training needs, approves plans and monitors the effectiveness of training are active, also through Fincantieri Press.

The **Bilateral Joint Technical Body and Committee on safety and environment** are present at each operating unit. These bodies, by systematically involving all resources, aim to increase the motivation and participation of employees in the change and innovation processes, combining the necessary increases in efficiency and productivity with the improvement of working conditions and the environment.

In relation to the growing process of internationalization and with a view to encouraging the full involvement of the Group's workers, as part of the supplementary agreement signed on 27 October 2022, the social partners, again with a view to participation, undertook to set up the **European Works Council (EWC)**, which monitors health and safety issues by all workers. With this international agreement, the company establishes a **Joint Initiative**, starting from 2023, on an equal mandatory basis, and on an annual basis, each company site, consisting of an informative meeting for all employees on safety and environmental issues identified jointly at a local level by the Security department and Prevention and Protection Service Manager (RSPM) and Workers' Safety Representatives (RLS).

At the end of 2024, a **Memorandum of Understanding** was signed with the national Trade Unions to regulate the industrial relations of the Italian subsidiaries in the Infrastructure Cluster and the Technology Cluster. The Protocol introduces a model based on the participatory method, favouring the involvement of the Social Partners and ensuring a continuous dialogue on trade union issues.

In particular, the following bodies were set up for each Cluster:

- **Strategic Observatory** - a strategically important body composed of national trade union coordinators and company representatives that meets annually for information and consultation between the Parties on issues such as the market scenario and competitive positioning, economic trends, industrial and commercial strategies, major corporate and/or organizational changes, restructuring/reorganization projects, redevelopment and development programs.
- **National Trade Union Coordination** - body composed of the national trade union coordinators, one RSU (Trade Union Representative Body) member per company where the union (FIM-FIOM-UILM) is present

and one company representative per Cluster. The National Trade Union Coordination is the addressee of the information system referred to in Article 9, Section 1, of the Mechanical Engineering CCNL (National Collective Bargaining Agreement), including aspects relating to employment trends, diversity and inclusion.

- **National Trade Union Coordination Executive** - negotiating body for national second-level collective bargaining composed of national trade union coordinators and up to 9 RSU/regional representatives. This body is also competent to deal, for example, with the issue of company welfare and guidelines on the harmonization of economic and regulatory treatment.

The subsidiary VARD continues to implement a model of industrial relations that is strongly oriented towards dialogue with trade unions in order to identify and provide impetus for the conversions needed to ensure a stable and profitable future for the group.

In particular, meetings with the representative bodies take place regularly in Vietnam. These meetings, whether formally scheduled or informally organized, allow for an open dialogue that promotes trust and mutual understanding.

Furthermore, the forums created for direct exchange of views act as feedback channels, giving union representatives the opportunity to express their concerns or suggestions, ensuring that employee well-being and working conditions are constantly improved.

The Company implements employees support and well-being programmes, including satisfaction surveys and flexible initiatives such as supplementary health insurance and family assistance, often in cooperation with the trade unions. Involving union representatives in decisions on welfare and working conditions promotes transparency and inclusion, while recognizing their contribution strengthens relationships and improves overall well-being.

In the United States, the company cooperates every day with trade unions to discuss issues, concerns and opportunities. The vision of relations with workers' representatives is oriented towards continuous collaboration, through listening and sharing opinions, both in day-to-day operations and in relation to future changes, through meetings or assemblies, also on request. The workforce is covered by a collective bargaining agreement and although blue collar workers are not required to be trade union members, they must follow the parameters set by the collective agreement, which define working conditions and remuneration.





Direct involvement of workers

For years, Fincantieri has activated a direct and open channel for listening to and involving its people, strengthening relations based on trust and transparency, with the aim of understanding and valuing needs, requirements and ideas, improving the quality of working life and gathering suggestions that can contribute to common growth. Gathering feedback is an essential step in implementing the right initiatives.

In particular, the **Group Employee Engagement Survey** has become a pivotal tool for measuring the organizational climate and guiding initiatives to promote the central focus on people.

Conducted at least every two years, the survey measures employee engagement by sending out a questionnaire to measure the degree of belonging, satisfaction and motivation. In 2024, the Parent Company Human Resources and Real Estate Department conducted the survey for the third consecutive year.

The survey provides a detailed view of 11 aspects (including engagement, empowerment, employee experience, diversity, equity and inclusion).

More than **17 500 employees** took part in the survey at the end of 2024, achieving an **overall Group response rate of 84%**, recording year-on-year growth and an increase of more than 9 percentage points since 2022. All aspects of the analysis have grown over the last two years; in particular, the engagement result maintains a constant annual growth rate of 3 percentage points, reaching **78%** at Group level.

Employee Engagement Survey

Employees involved	2022 Survey		2023 Survey		2024 Survey	
	Group		Group		Group	
Respondents	Over 14 000		Over 16 000		Over 17 500	
Response rate	74%		83%		84%	
Engagement rate*	72%		75%		78%	

* The employee engagement rate measures the degree of belonging, satisfaction and motivation. It was calculated on the basis of the percentage of respondents who answered "yes" to the survey statement.

In addition, the Human Resource function is responsible for engaging with and taking on board the feedback from individual workers and implementing all measures to spread open communication, directed towards continuous feedback. Finally, through informal ways, they assess employee satisfaction following events, training sessions and other activities and the feedback is used to improve initiatives.

In the US, in particular, in order to maintain open and constructive dialogue with its workforce, promoting inclusion and active participation at all levels, the company has implemented a corporate communication app ("The Helm"). The tool makes it possible to provide information, receive feedback via quick surveys and incentivize dialogue.

S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns

The main actual negative impacts identified for own workers relate specifically to the occurrence of accidents and injuries, occupational illnesses or damage to employees' health, as well as unfavourable consequences due to inadequate enforcement of existing labour regulations including on collective bargaining, working hours and pay.

In order to remedy negative impacts, Fincantieri has implemented an internal process that requires the identification of risks, their assessment and management through targeted control actions.

In order to remedy the negative impacts identified, several initiatives were implemented, which are described in the following paragraph S1-4. Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions. To collect reports and investigate possible negative impacts on workers, with a focus on issues such as equal pay, privacy, human rights, health and safety at work, and harassment, Fincantieri has adopted a structured whistleblowing channel.

Reports can be made through the whistleblowing channel, which is operated in full compliance with regulations to protect whistleblowers and is accessible to both employees and third parties. The Company communicates and publishes this channel and supports it.

For more information on the whistleblowing channel and remedial actions, see the paragraph "S1-3 Prevention and detection of corruption and bribery"

In addition, the Group's human resource departments deal with the resolution of any disputes, ensuring the correct application of Company policies and the protection of workers' rights.

S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Fincantieri has maintained an unwavering commitment to addressing the impacts on and risks to its own workforce, promoting a series of actions to control and address them, as well as pursue opportunities, consistently monitoring the effectiveness of these initiatives. The management of risks related to the workforce, pursuant to material opportunities have been integrated into the overall sustainability strategy as an integral part of the Group's mission.

The effectiveness of the actions taken is constantly monitored through the monitoring of specific performance indicators such as, for example, rates of injuries or the presence of women in the Company. In addition, analysis of the results of the Employee Engagement Survey described in the paragraph S1-2. Processes for engaging with own workers and workers' representatives about impacts allows the Company to focus on and address the most critical areas or areas where workforce needs have emerged. In addition, the Group is committed to monitoring the effectiveness of its actions and targeting its programs and initiatives following monitoring with the aim of ensuring a safe, inclusive working environment oriented towards growth and continuous improvement.

Health and safety

In response to the impacts, risks and opportunities related to health and safety in the workplace, Fincantieri is committed to complying with applicable regulations in all countries where it operates and to developing and implementing all actions required for the rigorous protection of all workers, whether employees or contractors. Fincantieri considers safety a strategic and development factor, in line with its Health and Safety and Human Rights policy.

For more information on the Health and Safety at Work, Environment and Energy and Human Rights Policy, please refer to paragraph "S1-1 Policies related to own workforce"

In 2024, the Fincantieri Group invested a total of euro 7.6 million for ordinary expenses such as surveillance, workplace health and safety devices and equipment.

The main actions focus on strengthening the safety improvement plan in order to achieve one of the Group's priority goals of achieving zero accidents.



In addition, for the prevention of occupational diseases and work-related stress, the measures taken include:

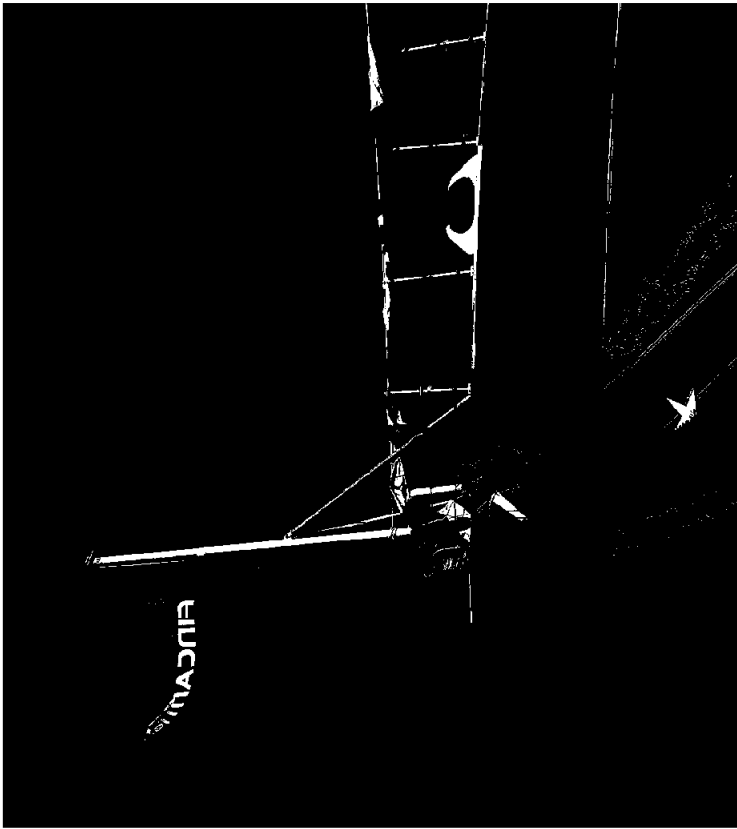
- the automated and planned transport of material, in which the self-driving rover is equipped to transport material by trolley from the warehouse to the operating areas, in order to maintain a constant supply of small parts, through autonomous nighttime missions;
- automated on-demand transport of material, where the production operator, through a dedicated portal, creates a list of the material needed, which is received by the warehouse, for preparation and subsequent automated transport by rover and delivery where required;
- the use of drones for welding inspections. In this use case, the autonomous drone, assisted by an artificial intelligence algorithm, supports the process of visual inspection of welds and the result of the analysis is available to the operator via a special portal, indicating the defects detected and their location.



In terms of training, the multimedia course "Together in Safety", delivered at the Group's Italian plants to all resources involved in the production process, provides precise references on the safety risks present in shipbuilding activities and on correct environmental behaviour.

The training video, lasting about three hours, is intended for all employees of contracting companies (approx. 30,000 people). It has been produced in the 10 most widely used languages at Fincantieri's shipyards, and it is mandatory to watch it in the classroom when first entering the Group's production sites as it provides, among other things, specific information on each of the production units and their emergency plans.

Finally, the implementation and consolidation of occupational health and safety management systems continued in the operating units, with the aim of supporting the implementation of the Health and safety at work, Environment and Energy Policy, Occupational health and safety certification, in compliance with the ISO 45001 standard, covers 100% of Italian shipyards and 89% at Group level. The adoption of a Management System according to the highest international reference standards, entails analysing the risks with respect to all those involved in the production process, whose involvement is also pursued through joint inspections in the different areas of the site.



Security

The protection of Group resources, starting with human capital as well as tangible and intangible assets, is of vital importance for the entire Company.

With this in mind and in line with the principles of the **Travel Risk Management Policy**, Fincantieri S.p.A. applies its own Travel Risk Management System, certified in accordance with ISO 31030, whose main activities include destination risk assessment, personnel information and training, and the activation of prevention and mitigation measures, including the establishment of Crisis Committees chaired by the Employers and supported by the competent corporate departments.

The Company pays particular attention to the analysis and management of risks for staff on business trips, especially in areas characterized by armed conflicts, political instability or terrorist activities, a risk that also emerged as material in the double materiality analysis.

For each trip, a customised risk assessment process is activated to assess potential risks and adopt mitigation measures tailored to the local context, mission duration and specific operations.

In 2024, requests for security assistance were handled through logistical support, dedicated analysis and digital tools, including a security app, used to monitor destinations, receive ministerial alerts and access information on local embassies. Furthermore, in cooperation with specialist partners and in line with Ministry of Foreign Affairs assessments, Fincantieri periodically updates country risk sheets and monitors global scenarios relevant to the safety of travelling employees. During the trip, monitoring and alert systems are in place, enabling timely intervention through contingency and crisis structures, ensuring maximum protection of personnel.

Actions related to the Sustainability Plan targets achieved in 2024

In the area of health and safety, in particular for the safety of travelling employees, the Group has defined specific targets in the **2023-2027 Sustainability Plan**, highlighting their strategic value for a complete view of the targets related to the Fincantieri Group's own workforce, see paragraph SJ – 5. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. Below are the actions implemented during 2024 to achieve the targets set for this reporting year.

- Fincantieri has drafted and published the **Travel Risk Policy**, which is available to all stakeholders on the official website. In addition, Fincantieri has defined a **Travel Risk Management** (TRM) operating model and is the first Company in Italy to have obtained ISO 31030 certification, international certification that provides guidelines for managing risks linked to business travel.

Equal treatment and opportunities for all

In response to the risks, impacts and opportunities related to diversity, equity and inclusion, Fincantieri rejects all forms of discrimination and is committed to maintaining an inclusive and respectful work environment. It promotes fairness and inclusion as strategic values for the Group's competitiveness and development. In line with equal opportunities legislation and the Group's Human Rights Policy, please refer to paragraph SJ-1. Policies related to own workforce.

The main actions focus on fostering an inclusive environment that ensures equal opportunities, increasing employees' awareness of diversity, mutual respect and actively involving all stakeholders, both internal and external, in adopting practices that protect human dignity and promote principles of diversity, fairness and inclusion in all areas of their activities.

In recent years, a process has been undertaken to develop a Diversity, Equity and Inclusion (DEI) business model, **Fincantieri everyDEI**, with the aim of valuing every aspect of diversity as a source of enrichment and growth, placing people with their unique contributions at the centre, aligning this vision with the organization's continuous improvement processes.

In 2024, through Fincantieri everyDEI, several initiatives were promoted, along the following lines: **gender diversity, cultural diversity, generational diversity and disability**

The Fincantieri Group		Group Report on operations		Fincantieri Group Consolidated Financial Statements		
Gender diversity	- Awareness-raising and training actions were launched in 2024, including, "Unity in Diversity. Empowering Women Across Borders", a course dedicated to strengthening women's empowerment and leadership, involving some 80 women from Fincantieri's different areas (Italy, Norway, Romania, the United States and Vietnam) with the aim of building a shared growth culture. - To combat violence against women during 2024, in addition to a cycle of awareness-raising webinars, the "Ademba" project was launched, a group of about 60 employees agreed to assist women, both employees and not, in need of help, and to provide them with the necessary support. "Purple Points" have also been established: 10 Group offices have become a focal point for women who find themselves in an emergency situation on the street. - In continuity with the launch event of "Respect for Future", held in 2023, Road Shows were organized, travelling events at production facilities and shipyards, dedicated both to direct employees and to the staff of ancillary companies, with the aim of laying the foundations for a corporate culture capable of recognizing, preventing and eliminating all forms of violence. The first Road Show took place in Ancona, marking the beginning of a tour that will pass through all the Italian sites. The stages already completed include Caserta, Iannarola di Stabia, Bari, Riva Trigoso, Mugnano and Pordenone. This initiative has involved, and continues to involve, thousands of people, providing opportunities for discussion and awareness-raising that have strengthened the sense of inclusion and shared responsibility. - To support parenting, informative webinars were organized to accompany parents during the different stages of childbearing, as well as ongoing coaching courses for new mothers to help them better balance their personal and professional lives when they return to work after maternity leave. - Fincantieri also confirms the maintenance of the UNWPR 125:2022 Gender Equality Certification, recognized by RINA in 2023, for the Parent Company and all the Group's Italian subsidiaries. Fincantieri has been a partner of Valore D, the first association of companies in Italy for gender balance and an inclusive culture, since 2020. In 2024, all employees have been provided with access to the training platform Unityclub by Valore D, which provides training content, webinars and e-learning on topics related to diversity, equity and inclusion. The subsidiary WARD, in this regard, is a member of Wista 40by30, an initiative promoted by the Women's International Shipping & Trading Association (WISTA), pledging to promote diversity in the maritime industry with the aim of increasing the percentage of women in positions of responsibility by 2030. The association aims to be an important player in attracting more women to this sector and supporting them in their career development.	Consolidated Sustainability Statement		Fincantieri Group Consolidated Financial Statements		
		General Information	Environmental Information	Social Information	Information on Governance	
Gender diversity	Further, Fincantieri is committed to fostering a corporate culture that values cultural diversity by promoting the different cultures, nationalities and ethnicities that enrich the Group. The initiatives undertaken aim to foster cultural exchange, support and designation of people at the international level, regardless of their origins. Training activities focused on cultural diversity include courses on inclusive language, leadership and change management in multicultural contexts, as well as on reorganizing and overcoming bias and stereotypes. In 2024, the Cultural Navigator was launched, a digital tool designed to facilitate the integration of cultural understanding of employees working in places other than their country of origin. In addition, Webinars focusing on intercultural communication were developed to strengthen collaboration in production contexts and ease working relationships.	Cultural diversity				
		Actions related to the Sustainability Plan targets achieved in 2024				
		To ensure maximum integration and full engagement of the Company population on multiculturalism, the Group has defined specific targets in the 2023-2027 Sustainability Plan, highlighting their strategic value (for a complete view of the targets related to the Fincantieri Group's own workforce, see paragraph S1 – 5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities). Below are the actions implemented during 2024 to achieve the targets set for this reporting year. With respect to the target of developing a project for valuing multiculturalism and eliminating all forms of discrimination, in 2024 a physical cultural mediation office, also available to the employees of ancillary companies, was opened in Sestri (in addition to the one already opened in Mugnano) and, at the end of the year, a virtual office for the Montalcione and Marghera construction sites (Site2Connect). The innovative web app was created to facilitate the social integration of foreign workers within host communities. The initiative was developed within the framework of "Includere per Crescere" (Include to Grow), in partnership with the ELIS Consortium. The application provides for a pilot phase, which will end in April 2025, and is a digital intercultural mediation tool providing practical and specific content to guide foreign workers in the Italian system.		Disability		
Gender diversity	Disability is a fundamental pillar of Fincantieri's DEI action plan, as it is not only strategically important, but above all of human importance to the Group. Fincantieri's commitment to persons with disabilities is realized from the earliest stages of the recruitment process through participation in dedicated and targeted recruitment events. The Group constantly works to promote the recruitment of people with different physical and psychological abilities, in line with the characteristics of shipbuilding and the risk profiles associated with the industry. In 2024, initiatives were organized such as information and awareness-raising videos, webinars for people managers on inclusive management, participative events such as Work teams (collaboration between a company and a social cooperative, dedicated to supporting people with disabilities) and the Family Day. The latter, held in 20 Fincantieri Group locations with the support of Dynamo Camp, offered creative workshops to foster inclusion, solidarity and greater awareness of disability among Fincantieri people and their families.	Actions related to the Sustainability Plan targets achieved in 2024				
		To ensure maximum integration and full engagement of the Company population on disability, the Group has defined specific targets in the 2023-2027 Sustainability Plan, highlighting their strategic value (for a complete view of the targets related to the Fincantieri Group's own workforce, see paragraph S1 – 5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities). Below is the action implemented during 2024 to achieve the targets set for this reporting year. On the occasion of the International Day of Persons with Disabilities on 3 December 2024, three short video documentaries were produced and disseminated throughout the Group, in order to raise awareness of disability with a focus on listening, culture and inclusion.				



The Fincantieri Group	Group Report on operations				Consolidated Sustainability Statement				Fincantieri Group Consolidated Financial Statements			
	General Information				Environmental Information				Social Information			

Generational Diversity

In a corporate context like that of the Fincantieri Group, where tradition and innovation are intertwined, generational diversity represents a unique opportunity. Each generation brings with it skills, perspectives and experiences that should be valued to enrich decision-making, foster creativity and strengthen team cohesion. Creating an inclusive environment, where young talents and experienced professionals work together in harmony, is a strategic lever for our Group to meet the challenges of the global market and build a sustainable and competitive future. That is why Fincantieri continues to invest in the upskilling and reskilling of its senior resources, enabling them to acquire new skills and maintain existing ones. The Company also promotes the integration of different generations through mentoring activities, facilitating the transfer of technical and cross-cutting skills from senior resources to younger ones.

The Group is developing an inclusive leadership model and during 2024 promoted a series of workshops for people managers with the aim of developing an inclusive leadership model and providing tools and strategies to foster cooperation between different generations. In addition, a research project was launched in collaboration with a prestigious Italian university, aimed at analysing and understanding the attitudes, behaviour and relational dynamics of the different generations within the Fincantieri Group.

Attraction, training and development

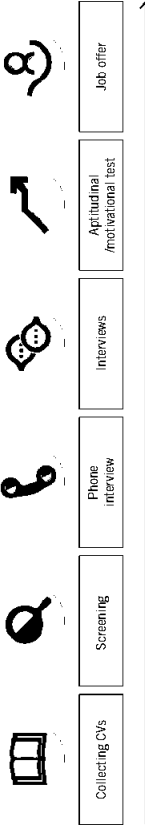
Attractiveness

In response to the risks, impacts and opportunities related to attraction, training and development, the Group is committed to creating an innovative, stimulating and engaging work environment that enables the development of new skills and increased talent retention.

The global labour market, in which Fincantieri operates is characterized by a growing mismatch between supply and demand (professional mismatch), especially for STEM subjects (Science, Technology, Engineering and Mathematics) and the consequent "war for talent".

This is why the Group consistently invests in Fincantieri's selection process. The process is structured and transparent, built on the principles of equality and inclusiveness in order to ensure equal opportunities for all individuals regardless of age, ethnicity, nationality, religion, gender, disability, sexual orientation, political affiliation, marital and socioeconomic status. This process guarantees a thorough evaluation of candidates in terms of technical and cross-functional skills, aptitudes, experience and professional aspirations, avoiding distortions or judgement or "unconscious bias".

Selection process

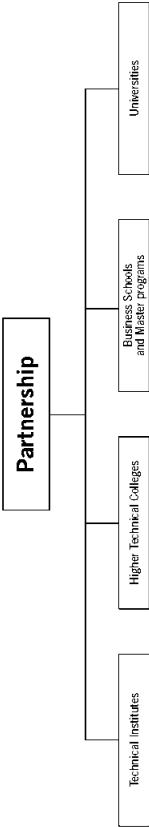


Over the years Fincantieri has developed a structured onboarding program for new hires to support them in understanding the Group's business, culture and values and in building their professional network. The program is an important testimony to the attention that is devoted to everyone who begins a professional career in the Group. The onboarding program is also extended to young people on internships, in order to give them the opportunity to get to know the Group, facilitating the creation of a community.

One channel that the Fincantieri Group uses to recruit its workers involves the well-established partnerships with numerous schools, Universities and Business Schools in the countries where it operates, with the aim of creating a growing synergy between the world of work, education and training. Various social responsibility projects have been launched by different Group entities, aimed at encouraging young people's orientation to the world of work starting from middle school, through company professionals who suggest professional models and profiles that students can identify with, as well as field trips to experience the reality of business. This direction includes participation in various projects proposed by the ELIS consortium, with the aim of guiding and inspiring young people to enter STEM subjects and professions, combating high school drop-out rates and educational poverty and bringing labour supply and demand closer together, intercepting and integrating NEEETs (persons Not in Education, Employment or Training) into the world of work.

The internships offered to young people both during their studies and on leaving training represent a privileged entry point into the world of work and are an opportunity for training and acquisition of both technical and cross-functional skills.

The main partnership initiatives started up with a view to supporting employment and skills development were mainly conducted with technical institutes, business schools and universities.



Fincantieri was recognized for the sixth consecutive year by Universum as one of the "Most Attractive Employers" in Italy. The ranking, which identifies the most attractive companies for students and young professionals, placed Fincantieri among the top 50 in STEM subjects and among the top 100 in Business/Economics, confirming its leadership in its sector. In addition, in 2024, collaborations continued with recruitment start-ups, including Juniors, an online platform aimed at university students, founded by young entrepreneurs, which named Fincantieri among the Top 100 Most Attractive Companies in Italy for interest and engagement by GenZ candidates.

In order to attract and recruit young people with potential into the company, the Graduate Program, dedicated to the Administration, Finance and Control area and the Procurement & Supply Chain area, plays a strategic role. Based on project requirements, the Graduate Program is activated through an online selection process, a graduation activity and an in-person assessment, and is aimed at selecting the best undergraduates and recent graduates. The program offers them a national and international job rotation path that allows them to explore different business functions at the Group's various sites and supports them on an accelerated professional growth path. Finally, in order to position itself as one of the most attractive companies, especially with regard to industry professionals, Fincantieri guarantees a positive candidate experience, using a survey to assess the degree of candidate satisfaction during the various stages of the selection process.

Masters of the Sea

The Masters of the Sea project continued during the year, a major active labour policy initiative that aims to seek out, train and employ specialist workers directly in Fincantieri and is based on the concept of "craftsmanship" evolving into "intellectual craftsmanship". The Fincantieri Group is committed to investing in the professional future of young people through a free and paid training course to support them in acquiring the technical and specialist skills they need for immediate job placement in the shipbuilding segment. At the end of 2023, the selection phase was launched for the first 90 candidates who, following training and verification of the skills acquired, were hired by Fincantieri. During the second half of 2024, the second phase of the project was launched, which saw the organization of 8 training courses for an additional 110 resources, 52 of whom were hired at the end of 2024.

Mattei Plan

Also with a view to responding to the need to find skilled labour and, at the same time, to facilitate the better integration of foreign workers in the areas where the Group's production sites are located, Fincantieri has developed SEEF recruitment projects for its supply chain, taking advantage of the opportunities offered by Article 23 of the Consolidated Immigration Act and the Mattei Plan, for which it is part of the Steering Committee. Recruitment projects are distinguished by the provision, prior to workers' arrival in Italy, of vocational, civic and language training in their countries of origin. In particular, these are vocational training programs specifically designed for the shipbuilding sector, aimed at the acquisition of specific vocational skills (welders, carpenters, electricians) and civic and language training programs to foster and accelerate social integration in Italy. Workers are offered logistical support on arrival in Italy and for the first period of work to facilitate social integration. In particular, Fincantieri participated in the construction of the Italian Shipbuilding School in Ghana, with the cooperation of Confindustria Ato Adriatico. The first 15 trainees selected were recruited by the Montalone shipyard as pipeline assembly workers. A further 8 workers, forklift truck operators, will be employed by the company Marine Interiors Cabins in 2025, following training. The company also submitted a new project to the Ministry of Labour for the selection, training and recruitment of 20 ship welders from Tunisia, which was approved at the end of the year and will be developed through the first half of 2025.



Training

To ensure the skills needed to achieve the corporate objectives are maintained and that professional profiles are constantly updated, in recent years a broad and varied offer has been developed by stepping up use of **customized training programs** based on roles and experience gained.

In 2024, the Fincantieri Group invested euro 7.7 million in **training, coaching and mentoring** programs with the aim of enhancing technical, professional and managerial skills and supporting people throughout their career in the Company, stimulating continuous training, and activating upskilling and reskilling processes that enable employees to acquire new skills or update those they have already acquired in step with the times in a work environment that is constantly changing.

In 2024, new **e-learning platforms** were introduced offering a wide range of courses to strengthen technical, sustainability and digitalization skills as well as soft skills, promoting employee self-development and a corporate culture geared towards continuous training. The Group continuously invests in the development of training courses on health, safety at work and the environment, through the **Fincantieri Safety Academy**. Over 184,100 hours of training have been provided globally, 13% more than in 2023.

Training initiatives on diversity, inclusion and human rights management policies or procedures also continued in 2024, involving approximately 30% of the Group's employees.

The Group also provides continuous training and updates on legislative compliance and company procedures, and does not merely comply with legal obligations. In particular, in 2024, the Company was committed to developing and updating employee skills in the areas of Legislative Decree 231/2001, anti-corruption, cyber security, personal data protection and risk management.

It should be noted that the wide range of training courses on offer has contributed to an increase in the attraction and retention of young resources in the Company. These indicators are constantly monitored to assess the effectiveness of the actions implemented.

As part of the corporate training offered, the role of the **Corporate University**, Fincantieri's in-house management training school, is strategic. Training is given by leading business schools and Group managers and consists of technical managerial training courses aimed at increasing employees' skills at various stages of their career development path, as well as presenting management with the most actual scenarios and orientations in business management. In 2024, the Corporate University was enriched with the Procurement Academy, a training program dedicated to professionals in the "procurement" professional family that, through an engaging and innovative learning experience, aims to strengthen the role of procurement as a strategic lever to create value and promote sustainable growth. In 2024, more than 30,000 hours of training were provided and more than 900 people were involved.

The main categories of training delivered during 2024 include:

- **Leadership and managerial development:** initiatives aimed at enhancing leadership and people management skills, fostering the development of a human-centric leadership model and spreading the culture of continuous feedback, at all levels.
- **Technical and specialized training:** courses dedicated to updating technical skills and the adoption of innovative tools, which are essential for maintaining high standards of quality and competitiveness.
- **Sustainability training:** programs designed to make employees aware of sustainability principles and provide them with the necessary tools to integrate them into different corporate processes, contributing to ESG objectives.
- **Digital training:** courses that aim, on the one hand, to develop digital skills within the Company and, on the other, to build a mindset of continuous innovation, with the aim of supporting the organization in the digitalization of processes and the adoption of innovative technologies.

Fincantieri organized **offsite team building** initiatives to promote cooperation, improve communication and create a shared team identity. A dedicated program was offered to the management team with the aim of strengthening cohesion and cross-communication and ensuring the implementation of the Business Plan. This was followed by further team building and team coaching programs involving the different organizational levels of the Group's main business areas.

Development

The training activities and the evaluation and development processes carried out during 2024, with the related evidence, were the basis on which to carry out **people review** activities, a fundamental management tool for enhancing human capital and defining **professional growth paths and succession plans** for key positions. These are updated on an annual basis in order to ensure business continuity, competitiveness and sustainability in the long term and to identify any new talent to be brought in as "successors".

People development activities also enable **"high potential"** people to be identified, namely resources with greater potential and usefulness in the Company, in which to invest using growth paths, job rotation, national and international mobility actions, training actions, coaching and mentoring paths, so that in the future they can play key roles in driving the business.

Not to be forgotten in this context is the **Talent Onboard project**, which involves young resources with the aim of fueling the pipeline of talent from which the Group's future leadership will be drawn. In 2024, the Group extended the Talent Onboard development program to the Italian subsidiaries and the VARD group. In 2024, the initiative involved 78 participants, an increase of 122% compared to previous entries, with a significant female participation of 44%. Since its inaugural edition, the Talent Onboard project has reached a total of 253 participants, 30% of whom are women, confirming its strategic role in promoting the growth and development of human resources, with a focus on inclusion and the enhancement of gender diversity. For the entire duration of the project (24 months), the resources are supervised by a mentor, i.e. a fellow executive with significant technical and management experience, who supports them on their growth path, and participate in managerial training paths and leadership training and peer coaching experiences. Overall, the project looks to 2025 in line with the Sustainability Plan target.





The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Environmental Information	Social Information	Information on Governance	Fincantieri Group Consolidated Financial Statements

Work-life balance

In response to the risks, impacts and opportunities related to increasing employees well-being and a better work-life balance, the Group is investing in various initiatives and an appropriate welfare model, in line with applicable regulations and the Group's Human Rights Policy.

The welfare model has a positive impact on well-being for people and responds to the evolutionary processes of the job market and the company. The recent results of the Group survey highlighted employees' appreciation of the initiatives implemented to improve the living conditions and well-being of workers and their families. The welfare tools are aimed at all Fincantieri S.p.A. employees and workers from Italian subsidiaries and/or associated companies and have a multi-year duration that varies based on the type of agreement concluded.

The main work-life balance initiatives are listed below:

- Smart working:** aimed at improving the corporate climate and enhancing individual autonomy and responsibility while also promoting the alignment of individual objectives with the Group's common and strategic objectives. The new smart working agreement was widely adopted, involving about 65% of the eligible population. The smart working agreement has also been implemented by the Italian subsidiaries.
- Additional paid leave:** to facilitate placement of children in the first year of creches and nursery schools, for the care of disabled children up to the age of 12, and for the care of elderly parents aged 75 or over when they are hospitalized and/or discharged from care institutions.
- Services, counseling and psychological assistance** (with guarantee of anonymity) for those who are victims of gender-based violence in the workplace, as well as a coaching and counselling course called "Mum: work in progress" with the aim of supporting future and new mothers. With a view to improving the work-life balance of caregivers, in 2024, a People Caring service was activated for all Fincantieri Group's Italian subsidiaries, aimed at improving the work-life balance of **caregivers** with the introduction of new tools to support them and lighten the load of caring for elderly, frail or non self-sufficient family members.
- Company crèches:** an initiative that fits into the broader context of welfare measures aimed at fostering the birth rate. The first Company crèche was built within the headquarters of the Merchant Ships Division in Trieste. In 2024, the crèche was attended by 38 children. Implementation of the program continued with the construction of a facility in the Montalbano shipyard at the former Albergo Operai.
- Solidarity Leave:** initiative where workers may voluntarily give up, free of charge, their accrued rest and vacation time to colleagues who need to provide constant care for young children, seriously ill children and victims of gender-based violence. This opportunity, which is useful when dealing with delicate situations and needs of a personal and family nature, also intends to promote a system of mutual support, creating a sense of collective responsibility in the construction of a positive and supportive company climate.
- Social bonus:** is paid annually and exclusively in welfare services and any unused bonus amounts are automatically allocated to the individual employee's supplementary pension fund. Employees who decide to use it in this direction receive a 10% increase in value. In 2024, 40% of the overall Performance Bonus allocated was converted into welfare services. Utilization of company welfare is supported by a website through which employees can access a wide range of goods and services, such as: school expenses and textbooks; assistance to family members; sports activities, well-being, travel, etc.; supplementary pension and health program, which supplement the measures already defined in the National Collective Bargaining Agreement (CCNL) and the company supplementary labour agreement; repayments on mortgages, nursery schools, season tickets for public transport, etc.
- Fringe benefits:** the Company has always promptly updated this value, which, for the year 2024, has been raised to euro 1,000 recognizing, for all employees, the possibility of also using this value for reimbursing household water, electricity and natural gas utilities for the cost of renting a first home or for interest on the mortgage for a first home. The threshold was further raised to euro 2,000 for employees with children only.

In the United States, a reimbursement program for employee assistance expenses was recently introduced, again to support employees. The company also offers health services through on-site clinics and health courses. In Norway, Romania and Vietnam, the company provides all permanent employees with medical care, in-house catering services and life insurance and remote working is allowed.

Labour relations, contracts, agreements and remuneration

Trade union relations

In response to the risks, impacts and opportunities due to the inadequate application of existing labour regulations in particular with regard to working hours and pay, and maintaining a constant dialogue with workers' representatives, favouring collective bargaining, the Group is implementing a series of initiatives, in line with the Group Policy on Human Rights, the Code of Conduct and the Health and Safety Policy.

The industrial relations model of Fincantieri S.p.A. has evolved in a participatory direction and this direction has been strongly reinforced by the supplementary agreement signed with the Trade Unions at a national level on October 27th, 2022. The Fincantieri Group companies Cetena S.p.A., Isotta Fraschini Motori S.p.A. and Orizzonte Sistemi Naval S.p.A. are also signatories of the aforementioned agreement and are therefore recipients of the industrial relations model and the other issues regulated therein.

The agreement with national and international trade unions makes it possible to strengthen the protection of employees' rights, mitigating the risks related to poor enforcement of labour regulations and relations with trade union representatives. It also helps to prevent disruptions to production due to industrial action and improves the Company's reputation through constant dialogue with institutions and social partners.

The agreement focuses on issues of participation, sustainability, welfare, work-life balance, training, safety, diversity and inclusion, all topics of increasing sensitivity in the context of corporate life. These were also relevant during the double materiality analysis, where the context analysis performed took into account the needs of the own workforce.

Here information on trade union relations can be found in paragraph "5.1.2 Processes for engaging with own workers and workers' representatives about impact"

Contracts

The Fincantieri Group is committed to respecting and applying the legislation of the countries in which it operates regarding collective agreements, collective bargaining and freedom of association.

Within the framework of collective bargaining, as already described in the actions for work-life balance, the Group includes welfare measures to promote employee well-being and work-life balance. Such measures include, for example, smart working agreements with assistance for parents and workers with health needs, company crèche programmes, specific services for caregivers, and schemes such as the solidarity holiday scheme, which allows days off to be transferred to colleagues who need assistance with caring responsibilities.

In addition to protecting workers' rights and strengthening labour relations, company welfare is also a strategic element for the Company's attractiveness to new talent and to ensure staff retention.

The national collective bargaining agreement in Norway guarantees a minimum wage level and the possibility of an early retirement scheme. Moreover, in Vietnam, employees are involved in collective bargaining agreements every three years. The Trade Union Executive Committee ensures engagement and uses the results to inform company policy.

In the United States, the Fincantieri Marine Group workforce is covered by a collective bargaining agreement and although blue collar workers are not required to be trade union members, they must follow the parameters set by the collective agreement, which define working conditions and remuneration.



Remuneration

The remuneration of employees (blue collar and white collar) is defined on the basis of the relevant labour market and the provisions of the collective bargaining agreements and supplementary labour agreements and consists of a fixed component and a variable component.

Also in 2024, the Supplementary Agreement included the **Sustainability Award**. The Bonus, linked to five sustainability indicators, referring to energy consumption, waste withdrawal, waste produced and emissions of volatile organic compounds, is aimed at all white and blue collar employees of Fincantieri S.p.A., Cetena, Isotta Fraschini Motori and Orizzonte Sistemi Naval.

Fincantieri Marine Group also regulates employee remuneration according to national laws on wage parity and transparency, with salaries and bonuses defined for each position. Employees are subject to national regulations, collective bargaining agreements or federal and state laws.

Actions related to the Sustainability Plan targets achieved in 2024

In order to spread the culture of sustainability and at the same time build staff loyalty, the Group has defined specific targets in the **2023-2027 Sustainability Plan**, highlighting their strategic value (for a complete view of the targets related to the Fincantieri Group's own workforce, see paragraph S1.5. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities). Below is the action implemented during 2024 to achieve the targets set for this reporting year:

- With regard to the assignment of sustainability objectives as part of the **corporate variable remuneration (MBO) system**, 100% of the resources of Fincantieri's Italian companies subject to MBO were assigned a sustainability objective in 2024, exceeding the target of 25% of personnel set for 2024. The MBO objectives cover the social, environmental and governance spheres. With a weight ranging from 15% up to a maximum of 20%.

WARD also adopts a variable remuneration system for senior executives and middle managers, based on management by objectives (MBO) and including ESG targets for 2024, such as environmental management, occupational health and safety and supply chain sustainability.

In addition, each company belongs to the health Fund for the sector in which it operates. In particular, the companies in the steelworking sector belong to the of the Health Fund called MetaSalute, with a supplementary health care plan for employees and dependent family members, also covered free of charge. Adhesion to the contract Fund is supplemented by additional coverage with the same provider as the National Fund, guaranteeing additional health care services. Pensioners are also guaranteed the opportunity to continue to make use of the supplementary health care benefits with a contribution paid for by them.

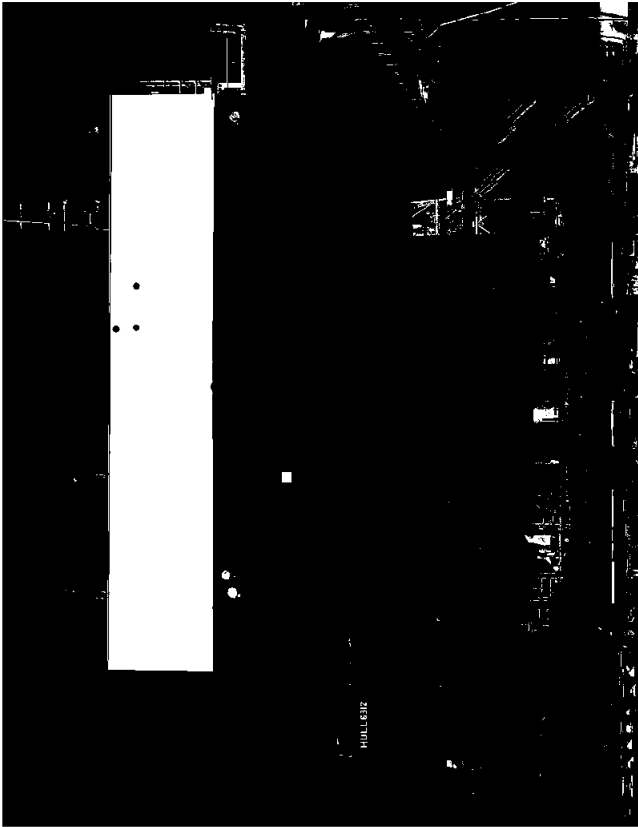
In line with the provisions of the new supplementary labour agreement of October 27th, 2022, which covers the employees of Fincantieri S.p.A., Cetena, Isotta Fraschini Motori e Orizzonte Sistemi Naval, an agreement was signed with the trade unions at national level on June 20th, 2023 to establish special insurance coverage, with costs to be borne by the Company, in order to guarantee welfare benefits aimed at recognising treatment in cases of loss of self-sufficiency, so-called Long-term Care, and permanent disability from non-occupational illness and injuries in order to protect workers from serious and dramatic impacts on their personal lives. In addition, employees were given the option of supplementing their Long-term Care insurance coverage, at their own expense, with the option to extend it to family members.

Confidentiality and protection of personal data

In response to the risks, impacts and opportunities related to the confidentiality and protection of personal data Fincantieri, with a view to fully implementing the principles set out to protect personal data by the applicable regulation, has implemented a personal data protection system. The founding principles on which the personal data protection system adopted by Fincantieri S.p.A. is based are expressly contained in the **Policy on General Principles of the Personal Data Protection System** (Privacy Policy). With this in mind, in addition to the dissemination of privacy statements to the data subjects and instructions to personnel authorized to process personal data, a verification and control of the main data processing operations was carried out, as well as training for employees of the Parent Company that was also extended to the Italian subsidiaries. The personal data protection system was laid out in detail in a specific Personal Data Protection System Manual and by operational procedures that identify certain processes that are especially critical such as management of data breaches and management of requests from data subjects asserting their rights.

Fincantieri S.p.A., as the Controller (i.e. the legal entity that determines the purposes and means of the personal data processing) has appointed its own Data Protection Officer (DPO), an internal control figure, a point of reference for the Controller and a contact person for the Supervisory Authority and stakeholders, who reports directly to the Board of Directors.

During 2024, the DPO, in continuation with the previous year, supported Fincantieri S.p.A. in the planned review and updating of the Company's Personal Data Protection System and has provided advice and training in the field of data protection to corporate departments, responding to around one hundred and fifty requests for advice. Moreover, in full compliance with the regulations and internal procedures, Fincantieri S.p.A. has promptly responded to the requests from data subjects exercising their rights.





Metrics and targets

S1.5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Below is the detail of the objectives included in the 2023-2027 Sustainability Plan related to the directions Inclusion-Protection, Inclusion and Development of People and Communities, and Integrity-Industrial Excellence.

In setting the targets, the Group considered:

- the commitments contained within the specific policies;
- the main global socio-economic trends it will face in the short, medium and long term, such as the focus on people, inclusion, the fight against inequality and economic, social and cultural change;
- the results of benchmarking analysis against industry requirements and the latest regulatory updates;
- the priorities defined by the United Nations in the 2030 Agenda for Sustainable Development;
- the results of surveys such as the Employee Engagement survey and requests from employees or their representatives received by the functions concerned through, for example, meetings, workshops.

Accordingly Fincantieri has defined clear and measurable targets. The table shows the targets related to management of its own workforce and their progress. All targets set for 2024 were achieved. The scope of the targets, unless otherwise specified in the notes, is Group-wide. The baseline is the first year where the information or quantitative data was reported. For quantitative data, the trend has been calculated relative to the baseline.



Inclusion - Protection, inclusion and development of people and communities

Reference Policy	Objective*	2021	2022	2023	2024	2024 Target	2025 Target	2026 Target	2027 Target
	Percentage of new resources included in the "Talent" acceleration program ¹	114	-	+53% ²	+122%	-	+40%	-	-
	Improvement of the Employee Engagement rate ³ (percentage point increase over the 2022 value)	-	72%	+3pp	+6pp	-	-	+5pp	-
Policy on Human Rights Code of Conduct	Develop diversity and inclusion initiatives (number of initiatives)	-	-	2 projects ⁴ (parenting and disability)	✓	2 projects ⁵ (multiculturalism and disability)	2 projects (multiculturalism and intergenerationality)	1 project (parenting/caregivers)	-
Anti-Harassment Policy	Strengthen gender equality	-	-	UNI Par125 Gender Equality Certification ⁶ Extension of gender pay gap analysis	✓	1 training program for women 100% reduction of the weighted gender pay gap	2 counselling and psychological assistance projects for women victims of gender-based violence	-	-
	Percentage of middle manager women	15.0%	16.1%	16.1%	16.8%	-	+3pp	-	+5pp
Policy on Human Rights Code of Conduct	Percentage of white collar women (white collar and middle managers)	22.0%	22.3%	22.6%	23.2%	-	+2pp	-	+4pp
	Development of the company crèche service (number of crèches developed during the year) ⁷	-	1	1	-	-	2	-	-

* The target refers to the entire Fincantieri Group.
1 Awarded by the Italian Government.
2 Awarded at young high-potential resources working on a professional career development path.
3 Employee engagement rate calculated on the basis of the results of the annual survey.
4 Employee engagement rate to measure the degree of belonging, satisfaction and motivation. It was calculated on the basis of the results of the annual survey.
5 Employee engagement rate to measure the degree of belonging, satisfaction and motivation. It was calculated on the basis of the results of the annual survey.
6 Parameter: Fincantieri S.p.A. and subsidiary companies for the multicultural project, and at Group level for the project on disability.
7 Parameter: Fincantieri S.p.A.

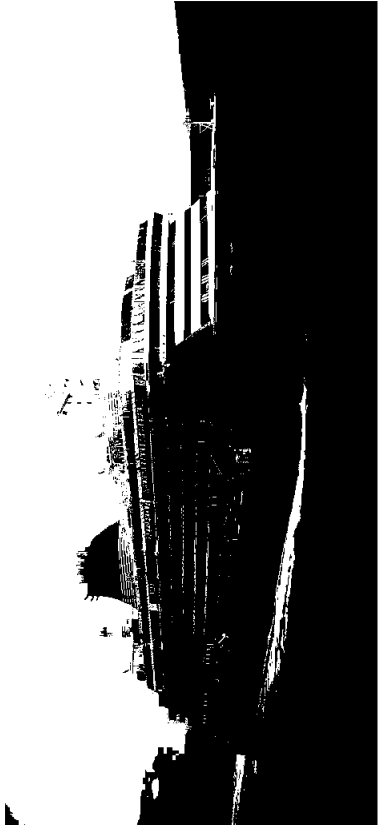


The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Environmental Information	Social Information	Information on Governance

Integrity - Industrial Excellence

Reference Policy	Objective*	2021	2022	2023	2024	2024 Target	2025 Target	2026 Target	2027 Target
Health and Safety at Work, Environment and Energy Policy	Containment of the frequency rate for work-related injuries ¹	-	8.1	6.6	5.2	<7.5	<7.5	<7.5	<7.5
	Containment of the severity index ²	-	0.3	0.2	0.19	≤0.2	≤0.2	≤0.2	≤0.2
	Conducting work-related stress risk analysis of Italian shipyards and subsidiaries	-	-	-	✓	100%	-	-	-
Policy on Human Rights	Support tools to improve ergonomics and reduce workloads	-	-	-	✓	1 feasibility study	-	-	Implementation of tools ³
	Supporting inspection activities through robotized systems	-	-	-	✓	Early Achievement of 2025 Target	3 prototypes	-	Implementation of tools ⁴
	Increase to the Result Bonus and Management Objective Plan (white collar and blue collar) ⁵	-	-	-	✓	Attribution of to at least 25% of the staff with access to the variable reward system ⁷	-	-	-
Code of Conduct	Assignment of sustainability objectives within the corporate variable reward system	-	-	-	✓	100%	-	-	-
	Attribution of sustainability objectives to the top management of foreign subsidiaries	-	-	-	✓	100%	-	-	-
	Alignment of the Travel Security program with the ISO 31030 guideline to further ensure the safety of travelling employees	-	-	-	✓	Travel Risk Policy and update of procedures ⁸	TRM model gap analysis referring to the VARD group perimeter and alignment road map ¹⁰	Start of the gap analysis process TRM model referring to the VARD group perimeter and drafting of an alignment road map ¹¹	
Travel Risk Management Policy	Alignment of the Travel Security program with the ISO 31030 guideline to further ensure the safety of travelling employees	-	-	-	✓	Travel Risk Management (TRM) operational model ⁹	-	-	-
		-	-	-	✓	Travel Risk Management (TRM) operational model ⁹	-	-	-
		-	-	-	✓	Travel Risk Management (TRM) operational model ⁹	-	-	-

For the definition, approval, and monitoring of objectives and targets, please refer to "ENR 2 SRM-1 Strategy, business model, and value chain"



* The target refers to the entire Fincantieri Group.
1 Scope achieved (no. of days lost due to work-related injuries/losses) - 1,000,000.
2 Severity index (no. of days lost due to injuries/losses) - 1,000.
3 Progress: Fincantieri S.p.A.
4 Progress: Fincantieri S.p.A.
5 Progress: Fincantieri S.p.A.
6 Progress: Fincantieri S.p.A.
7 Progress: Fincantieri S.p.A.
8 Progress: Fincantieri S.p.A.
9 Progress: Fincantieri S.p.A.
10 Progress: Fincantieri S.p.A.
11 Progress: Fincantieri S.p.A.



S1-6 – Characteristics of the undertaking's employees

As of 31 December 2024, the Fincantieri Group's own workforce consisted of 22,588 people, with an increase compared to 2023 mainly due to the increase in headcount recorded in Vietnam, Norway and Italy. In the US during 2024, there was a contraction in the headcount mainly due to a reduction in hiring compared to a stable number of terminations.

Employee by gender			
Gender	2024	2023	Change 2024/2023
Male	19,164	18,080	6.0%
Female	3,422	3,132	9.3%
Other*	0	3	-100%
Not disclosed	2	-	-
Total employees	22,588	21,215	6.5%

* Gender as specified by the employees themselves.
The data refer to the entire Fincantieri Group and are also available in the Headcount section of the Annual Report.
All data in the table refer to the headcount as of 31 December of the reference year, accurately gathered through the Group's data collection system. The coverage is 100%, based on actual data rather than estimates.

At Group level, a total of 3,914 resources were recruited in 2024, of which 1,685 (43%) were under 30 years of age and 629 (16%) were women. The increase in recruitment compared to the previous year is mainly attributable to hiring by the Parent Company and Italian subsidiaries, as well as Norway and Romania due to increased order backlog.
30.1% of the open positions were filled by internal candidates (internal hires).

Employee by country*			
Country	2024	2023	Change 2024/2023
Italy*	11,897	11,112	7.1%
Romania*	4,575	4,376	4.5%
United States*	2,281	2,314	-1.4%
Norway**	1,440	1,262	14.1%
Vietnam**	1,378	1,136	21.3%
Other	1,017	1,015	0.2%
Total employees	22,588	21,215	6.5%

The data refer to the entire Fincantieri Group and are also available in the Headcount section of the Annual Report.
* Countries where the share of employees is less than 1% of the Group's total workforce. Nevertheless, Fincantieri has chosen to disclose them for transparency.
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All data in the table refer to the headcount as of 31 December of the reference year, accurately gathered through the Group's data collection system. The coverage is 100%, based on actual data rather than estimates.

Employee by contract type, broken down by gender									
	2024				2023				Change 2024/2023
	Female	Male	Other*	n.d.	Total	Female	Male	Other*	Total
Number of employees	3,422	19,164	0	2	22,588	3,132	18,080	3	21,215
Number of permanent employees	3,265	17,718	0	2	20,985	3,031	16,981	3	20,015
Number of temporary employees	157	1,444	0	0	1,601	101	1,096	0	1,197
Number of non-guaranteed hours employees	0	2	0	0	2	0	3	0	3
Number of full-time employees	3,198	19,070	0	2	22,270	2,916	17,993	3	20,912
Number of part-time employees	224	92	0	0	316	216	84	0	300

* Gender as specified by the employees themselves.
The data refer to the entire Fincantieri Group and are also available in the Headcount section of the Annual Report.
All data in the table refer to the headcount as of 31 December of the reference year, accurately gathered through the Group's data collection system. The coverage is 100%, based on actual data rather than estimates.

Employee by contract type, broken down by country									
	2024				2023				Total
	Italy	Romania	United States	Norway	Vietnam	Other			
Number of employees	11,897	4,575	2,281	1,440	1,378	1,017			22,588
Number of permanent employees	11,814	3,851	2,281	1,387	767	885			20,985
Number of temporary employees	83	724	0	53	611	130			1,601
Number of non-guaranteed hours employees	0	0	0	0	0	2			2
Number of full-time employees	11,663	4,566	2,277	1,390	1,378	996			22,270
Number of part-time employees	234	9	4	50	0	19			316

The data refer to the entire Fincantieri Group and are also available in the Headcount section of the Annual Report.
* Countries where the share of employees is less than 1% of the Group's total workforce. Nevertheless, Fincantieri has chosen to disclose them for transparency.
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All data in the table refer to the headcount as of 31 December of the reference year, accurately gathered through the Group's data collection system. The coverage is 100%, based on actual data rather than estimates.



Employee by contract type, broken down by country

	2023					Total
	Italy	Romania	United States	Norway	Vietnam	
Number of employees	11,112	4,376	2,314	1,262	1,136	21,215
Number of permanent employees	11,030	3,913	2,313	1,243	619	20,015
Number of temporary employees	82	463	1	19	517	1,197
Number of non-guaranteed employees	0	0	0	0	0	3
Number of full-time employees	10,895	4,367	2,311	1,208	1,136	20,912
Number of part-time employees	217	9	3	54	0	300

The data refer to the entire Fincantieri Group.
All data in the table refer to the headcount as of 31 December of the reference year, accurately gathered through the Group's data collection system. The coverage is 100%, based on actual data rather than estimates.

As shown in the figures, most of the employees are on permanent contracts. The increase in temporary employees in Romania is due to the intensification of the production process, which required more labour.

The total number of employees who left the company during 2024 was 2,684 and the employee turnover rate in the same period was 11.9%. Employee turnover is calculated using as numerator the number of employees who left the company during the year due to dismissal, resignation, retirement or death in service, and as denominator the number of employees at the end of the reporting period.

S1-7 – Characteristics of non-employee workers in the undertaking's own workforce

Non-employees

	2024	2023	Change 2024/2023
Temporary/agency workers	1,653	1,537	7.5%
Interns/trainees	182	162	12.3%
Other external collaborators	752	740	1.6%
Total	2,587	2,439	6.1%

The data refer to the entire Fincantieri Group and include temporary agency workers, interns, trainees, and other external collaborators.
The figures in the table represent the headcount as of December 31 of the reporting year, accurately gathered through the Group's data collection system. Coverage is 100% and refers exclusively on actual data, not estimates.

S1-8 – Collective bargaining coverage and social dialogue

The Group is committed to maintaining effective and mutually beneficial industrial relations and to complying with local laws and the terms and conditions of collective bargaining agreements, including the rights of employees to exercise freedom of association and collective bargaining.
Metrics subject to phase-in for non-EEA countries were not reported.
Employees are guaranteed freedom of association throughout the Group. In 2024, 46% of employees are registered with Trade Unions. In all the countries where the Group operates there are contracts or agreements that regulate the employment relationship.
For all actions aimed at managing negative impacts and reducing risks related to collective bargaining and relations with trade union representatives, please refer to paragraph SJL-2 Processes for engaging with own workers and workers' representatives about impacts.
All employees of Fincantieri Group companies based in the EEA are covered by collective bargaining agreements.

Collective Bargaining Coverage

Coverage Rate
Employees – EEA (for countries with >50 empl. repre- Workplace representation (EEA only) (for countries senting >10% total empl.) with >50 empl. representing >10% total empl.)

0-19%	
20-39%	Italy
40-59%	Norway
60-79%	Romania
80-100%	Italy Norway Romania

S1-9 – Diversity metrics

At Fincantieri, promoting gender diversity means ensuring equal opportunities, supporting the development of female empowerment, combating all forms of violence against women and valuing parenting as a shared path of growth and awareness.
Below are the figures on the presence of women, which show how some of the initiatives undertaken as part of the everyDEI project have contributed to the increase of women in the Company.

Employees number and percentage by gender

	2024	%	2023	%	2022	%	2021	%
Male	19,164	84.8%	18,080	85.2%	17,762	85.4%	17,803	85.7%
Female	3,422	15.1%	3,132	14.8%	3,027	14.6%	2,971	14.3%
Other*	0	0.0%	3	0.0%	3	0%	0	0%
Not disclosed	2	0.0%	-	-	-	-	-	-
Total	22,588	100%	21,215	100%	20,792	100%	20,774	100%

* Gender as specified by the employees themselves.
The data refer to the entire Fincantieri Group.
The figures in the table represent the headcount as of December 31 of the reporting year, accurately gathered through the Group's data collection system. Coverage is 100% and refers exclusively on actual data, not estimates.

© European Economic Area (EEA).



Women employees by category

	2024	2023	Change 2024/2023	2022	2021
Senior Managers	53	42	26.2%	35	30
Middle Managers	233	208	12.0%	197	171
White collar employees	2,484	2,247	10.5%	2,146	2,095
Blue collar employees	652	635	2.7%	649	675
Total	3,422	3,132	9.3%	3,027	2,971

The data refer to the entire Fincantieri Group.
All data in the table refer to the number of persons at the end of the period (31 December of the reference year) accurately collected through the collection systems implemented by the Group. The coverage is 100% and uses real data, not estimates.

Percentage of women by category relative to the total per category

	2024	2023	2022	2021
Senior Managers	10.6%	9.2%	7.7%	6.9%
Middle Managers	16.8%	16.1%	16.1%	15.0%
White collar employees	24.1%	23.5%	23.1%	22.9%
Blue collar employees	6.3%	6.4%	6.5%	6.7%
Total	15.1%	14.8%	14.6%	14.3%

The data refer to the entire Fincantieri Group.
All data in the table refer to the number of persons at the end of the period (31 December of the reference year) accurately collected through the collection systems implemented by the Group. The coverage is 100% and uses real data, not estimates.

Number of employees in Top management*

	2024
Women	3
% of Top management	15.8%
Men	16
% of Top management	84.2%
Other**	0
% of Top management	0%
Not disclosed	0
% of Top management	0%
Total	19

* Top Management refers to the number of Executives with Strategic Responsibilities and other Key Executives, as disclosed in the 2024 Report on the policy regarding remuneration and fees paid.
** Other refers to persons who are not part of the Top Management, as disclosed in the 2024 Report on the policy regarding remuneration and fees paid.
The coverage is 100% and uses real data, not estimates.

Employees by age group

	2024	2023
Under 30 years old	3,470	2,878
30-50 years old	11,179	10,994
Over 50 years old	7,939	7,343

The data refer to the entire Fincantieri Group.
All data in the table refer to the number of persons at the end of the period (31 December of the reference year) accurately collected through the collection systems implemented by the Group. The coverage is 100% and uses real data, not estimates.

S1-10 – Adequate wages

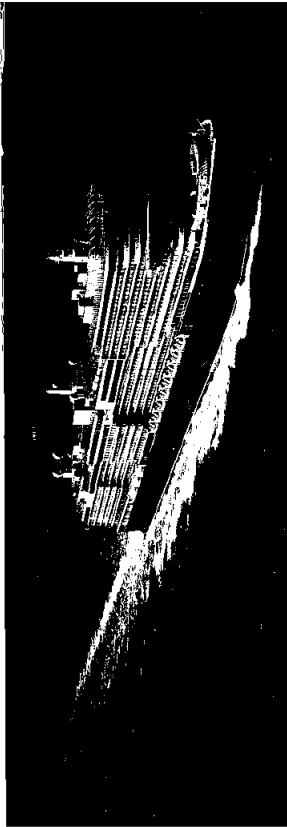
Fincantieri guarantees adequate wages, identified by taking as parameters the national salary provided for by local legislation, minimum wages if any, and the provisions of collective bargaining agreements and supplementary company agreements. This remuneration is split into a fixed and a variable component, ensuring fairness and competitiveness in the work environment.
Fincantieri ensures that all employees receive an adequate wage, defined in accordance with local legislation and national collective bargaining agreements (CCNL).

S1-11 – Social protection

Social protection is a key element in ensuring the well-being of Group employees, through measures to protect their safety, health and economic stability, while promoting a fair and inclusive working environment.
The metrics have not been disclosed, as they are currently subject to a phase-in period.

S1-12 – Persons with disabilities

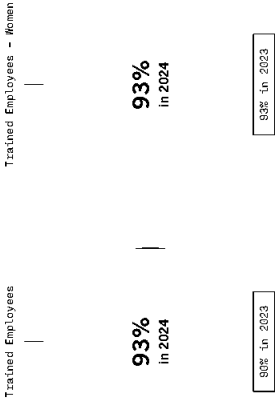
Regardless of individual characteristics, everyone brings a wealth of valuable experience and values. To take full advantage of this richness, it is crucial to create an inclusive and inclusive environment that views other people's challenges as opportunities for growth at both a personal and collective level. For this reason, the Group is constantly striving to create an inclusive environment for persons with disabilities, both visible and invisible.
Currently, Fincantieri has **549 people**, or 2.4%, with disabilities among its employees, whose skills and talents enrich the company.





S1-13 – Training and skills development metrics

Training is guaranteed to all Group employees on the basis of equal opportunities without distinction of contract, job level, grading or organizational position.



Training	2024	2023	Change 2024/2023
Average hours of training per capita*	26.5	37.2	-28.9%
Average hours of training per capita* - men	26.6	37.3	-28.8%
Average hours of training per capita* - women	26.6	36.4	-29.6%
Average hours of training per capita* - senior managers	15.2	38.6	-60.6%
Average hours of training per capita* - middle managers	22.2	28.8	-22.7%
Average training hours per capita* - white collar employee	19.5	38.5	-49.5%
Average hours of training per capita* - blue collar employee	34.6	37.0	-6.6%

* The per capita hours were calculated by dividing the total hours provided to the entire workforce (SSE.004) by the number of employees. The data refer to the entire Fincantieri Group. Coverage is 100% and refers exclusively to actual data, not estimates.

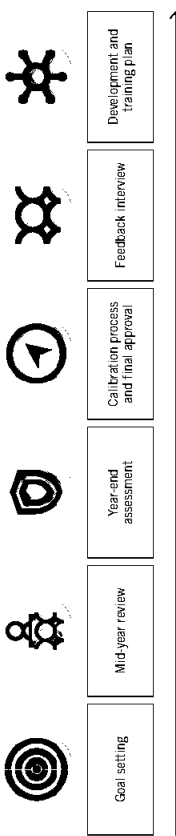
The decline in per capita training hours is largely due to the non-renewal in 2024 of the training plan launched in 2023 to support the green and digital transition. That initiative had significantly increased the number of hours provided to employees in Italy, particularly in technical areas. In its absence, a reduction in average training hours was observed across all employee categories, with the most notable decreases among executives and white-collar employees.

Appraisal processes

Appraisal processes are a key tool for promoting professional growth and well-being for people within the organization, enhancing skills and promoting a corporate culture based on meritocracy. Fincantieri's model is based on a combination of periodic appraisals and continuous feedback moments, which foster constant dialogue between workers and managers and the development of genuine relationships.

- Performance appraisal:** the Performance Management model, shared at a global level, evaluates two complementary drivers: individual goals (WHAT) and behaviours (HOW), which are linked to the skills in the Excellence Map; the skills model for the Group. Meritocratic policies are linked to the Performance Management process, aimed at recognizing and enhancing the results achieved, as well as the professional growth paths of employees. The use of clear and objective parameters in performance appraisal ensures fairness in the definition of meritocratic interventions and career opportunities, elements that support the creation of a dynamic and motivating work environment, ensuring an alignment between individual goals and the Company's strategic objectives.

Performance appraisal



Employees included in performance appraisal and career development processes

	Women			Men			Other*			Non disclosed			Total		
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Percentage of employees who participated in regular performance and career development reviews	84.9%	86.0%	85.3%	84.3%	-	100%	-	100%	-	100%	-	85.3%	84.6%		

* Under as specified by the employees themselves. The data refer to the entire Fincantieri Group. Coverage is 100% and refers exclusively to actual data, not estimates.

The percentage of evaluated employees exceeds 90% considering only those employees eligible for the evaluation process at the end of the year, thus excluding maternity leave, new hires (less than 6 months of service), long-term illnesses and resignations.

- 360° assessment:** a development tool that provides a comprehensive view of the skills and typical behaviours of people managers. This process allows the integration of self-evaluation with hetero-evaluation, identifying strengths and areas for improvement through the combination of the different perspectives.
- Potential appraisal:** an assessment activity that focuses on the person in a forward-looking way, regardless of the role held, with the aim of supporting, on the one hand, the Company in defining growth paths and succession plans and, on the other, the employees by highlighting strengths, areas for improvement and motivational levers.



S1-14 – Health and safety metrics

The protection of workers' health and safety, along with the continuous improvement of the working environment, has always been a core value for the Group. These principles form the foundation of the Group's policies, which regard safety as a key strategic driver for the Company's growth and development.

At Group level and in each individual site, the trend in injury data and rates for employees and the workers of contractors is constantly monitored and subject, in various ways, to periodic reporting to the various levels of responsibility and to Top Management. The individual events that have led to an injury, as well as near misses, are the subject of detailed technical investigations and their dynamics are analysed in order to deduce the causes and identify possible corrective measures. The majority of injuries consist of falls or impacts against fixed parts, mainly concerning the injured person's lower limbs and hands.

Occupational health and safety performance of own workforce

	2024	2023	Change 2024/2023
Frequency rate (injury rate) (LTIFR)	5.17	6.56	-21.2%
Severity index (LTSR)	0.19	0.18	4.6%
Number of recordable work-related accidents	209	245	-14.7%
of which work-related fatalities	0	0	-
of which, woman's recordable work-related accidents	9	12	-25.0%
Number of fatalities as a result of work-related ill health	0	-	-

The data refer to the entire Finanstert Group.
The figures in the table represent the headcount as of December 31 of the reporting year, administratively gathered through the Group's data collection system. Coverage to 100% and rates based on actual data and personnel working in the reporting year.
The frequency rate (injury rate) was calculated as: (no. of work-related injuries/hours worked) * 1,000,000 and was evaluated as the Last Time Index Frequency Rate (LTIFR), i.e. considering the sum of injuries at work with at least one lost working day.
The severity index (LTSR) was calculated as: (no. of work-related injuries/hours worked) * 1,000,000 and was evaluated as the Last Time Index Severity Rate (LTSR), i.e. considering the number of days of absence due to injury, starting from the first day after the injury.
In 2024, the number of days lost to work-related accidents at the Group level, is 7,484 days.

Occupational health and safety performance of non-employee workers

	2024	2023	Change 2024/2023
Frequency rate (injury rate) (LTIFR)	7.01	9.35	-25.0%
Number of recordable work-related accidents	434	563	-22.9%
of which work-related fatalities	0	1	-100%
Number of fatalities as a result of work-related ill health	-	-	-

The data refer to the entire Finanstert Group.
The figures in the table represent the headcount as of December 31 of the reporting year, administratively gathered through the Group's data collection system. Coverage to 100% and rates based on actual data and personnel working in the reporting year.
The frequency rate (injury rate) was calculated as: (no. of work-related injuries/hours worked) * 1,000,000 and was evaluated as the Last Time Index Frequency Rate (LTIFR), i.e. considering the sum of injuries at work with at least one lost working day.

In 2024, 89% of the Group's workers are covered by a health and safety management system based on legal requirements and/or recognized standards or guidelines.
With regard to deaths caused by work-related illnesses, there were no cases recorded during the reporting year.
In 2024, 229 cases of work-related diseases were recorded at Group level.

S1-15 – Work-life balance metrics

The Group is committed to implementing initiatives to balance workers' private and professional lives. The metrics have not been disclosed, as they are currently subject to a phase-in period.

S1-16 – Remuneration metrics (pay gap and total compensation)

The remuneration of employees (blue collar and white collar) is defined based on the relevant labour market and the provisions of the collective bargaining agreements and supplementary labour agreements and consists of a fixed component and a variable component.

The fixed component remunerates the role and, specifically, the responsibilities assigned to each employee, taking account of, among other things, the level of experience, the quality of the contribution that each employee brings to the attainment of the business results, as well as the level of excellence with respect to the duties assigned.

The variable component is linked to predetermined and measurable Group and individual performance objectives and remunerates, according to the different structures, the results achieved in the short and long term.

In terms of remuneration, gender parity is an indispensable element in company management. The wages and salaries are consistently determined based on identical assumptions and on uniform assessment criteria. The data on the ratio between the remuneration (global basis) of women compared to that of men are provided below. The gender pay gap is determined on the basis of the overall gross remuneration for male and female employees.

The calculation subtracts the average gross hourly remuneration of female employees from that of male employees; it then divides the result by the average gross hourly remuneration of men and presents it in percentage terms. The gender pay gap at Group level was 8%.

Gender pay gap by occupational category

	Senior managers	Middle managers	White collar employees	Blue collar employees
Gender pay gap	-12%	-1%	-11%	-1%

The data refer to the entire Finanstert Group.
The figures in the table represent the headcount as of December 31 of the reporting year, administratively gathered through the Group's data collection system. Coverage to 100% and rates based on actual data and personnel working in the reporting year.
The frequency rate (injury rate) was calculated as: (no. of work-related injuries/hours worked) * 1,000,000 and was evaluated as the Last Time Index Frequency Rate (LTIFR), i.e. considering the sum of injuries at work with at least one lost working day.

The ratio of total remuneration of the Chief Executive Officer compared to the median employees of the Group is 65.6. The total pay ratio is determined by dividing the total annual remuneration of the highest paid employee (in this case, the Chief Executive Officer) by the median remuneration of employees within the Group.

To calculate the median remuneration, all legal entities were asked to provide a complete dataset including total compensation, consisting of gross salary and variable compensation.



S1-17 – Incidents, complaints and severe human rights impacts

Fincantieri monitors reports of alleged human rights violations through the **whistleblowing system**. The system allows for the collection and management of reports of violations or significant issues, ensuring an appropriate response and monitoring of impacts on human rights and other corporate issues.

For more detail on the whistleblowing system, see the paragraph "24-3 Prevention and detection of corruption and bribery".

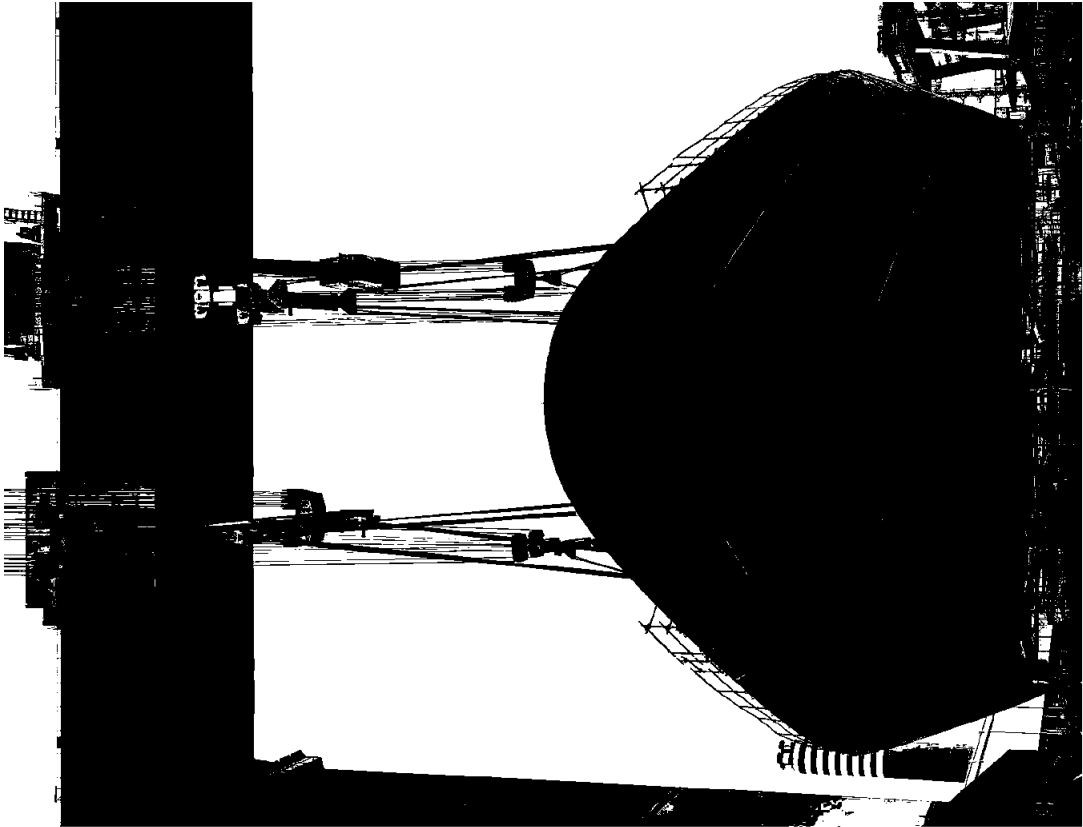
At Group level, **15 reports of alleged human rights violations** were received in 2024, as indicated by the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises.

Of these, 12 reports concerned incidents of discrimination and harassment, three of which were investigated, three filed without action and six led to disciplinary action.

The other three relate to: 1 report regarding freedom of association and collective bargaining under investigation and 2 reports of violations of health and safety regulations. Of the latter, one was investigated and did not lead to any subsequent disciplinary action, and one was not investigated because the fact was already known to and focused on by the Company.

No fines and penalties or compensation for damages were reported during the reference period.

The Group also reports cases of legal action received during the reporting period concerning serious human rights violations. In 2024, there were no reported cases of serious human rights incidents at Group level.



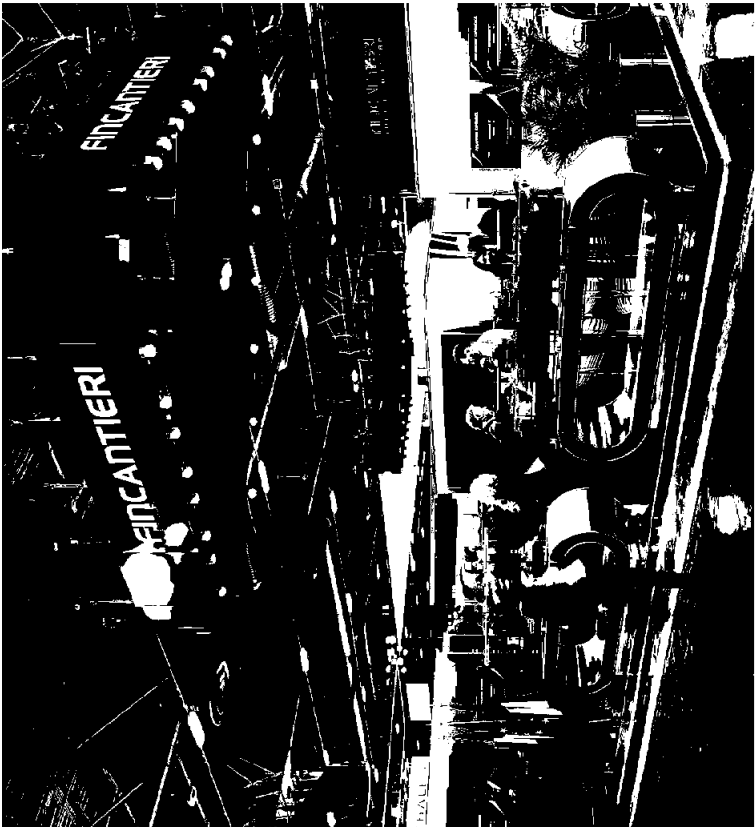


S2 – Workers in the value chain

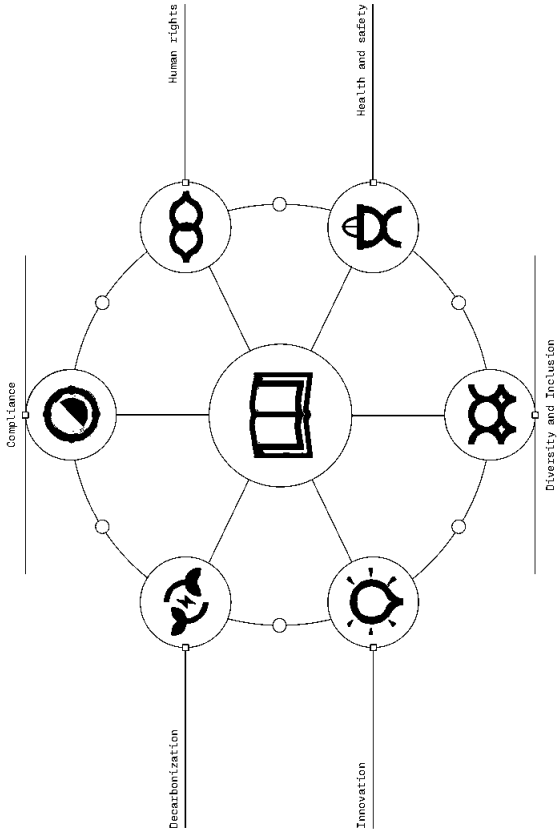
Fincantieri recognizes that workers throughout the value chain are critical to the success and integrity of the Group's operations. Through targeted policies and responsible practices, the Group is committed to promoting fair, safe and inclusive working conditions and supporting the well-being of the workers of its suppliers and co-laborators.

Strategy

Fincantieri's vision for the supply chain is to promote a growth path based on innovation and sustainability, driving change and encouraging a new level of cooperation with its partners. This approach is based on sharing the values contained both in the Supplier Code of Ethics and in the new Suppliers' Identity, created at Fincantieri's 2023 Supplier Summit.



Supply chain



- **Human rights:** dignity and equality for all, ban on child labour and forced labour, fair wages and a work-life balance.
- **Health and safety:** risk reduction, zero accidents and a safety culture.
- **Diversity and Inclusion:** respect for differences, teamwork and a focus on people.
- **Compliance:** quality, on-time delivery and compliance with regulations and standards.
- **Decarbonization:** energy efficiency, development of new green technologies and the Net Zero objective.
- **Innovation:** co-creation, sharing new ideas and exploring new opportunities.

With Suppliers, Identity, the Group also aims to go beyond the boundaries of the organization and extend its Diversity, Equity and Inclusion model to all partners in order to create a distinctive identity for the supply chain. Fincantieri expects those working for the Group to treat everyone with fairness, respect and dignity and to ensure equal opportunities. This commitment not only helps define a distinctive identity for the entire supply chain, but also reflects Fincantieri Group's inclusive and people-focused vision, which sees diversity as an essential value for collective success.



The Fincantieri Group	Group Report on operations				Consolidated Sustainability Statement				Fincantieri Group Consolidated Financial Statements			
	General Information				Environmental Information				Social Information			
									Information on Governance			

SBM-2 –
Interests and views
of stakeholders

Fincantieri has considered the opinions of workers throughout the value chain, i.e. third-party manufacturers and suppliers operating at Group sites, in defining corporate strategies, in accordance with the ESRS 2 disclosure requirements.

In 2024, in particular, the company monitored the opinions and interests of these stakeholders, including the issue of human rights, through the Sustainability Survey. In addition, various stakeholder engagement events were organized during the year. The results of the surveys and events serve to understand their point of view and needs and to define new strategic directions, objectives and targets to meet these expectations. Group decisions, consequently, can also affect workers in the value chain with regard to respect for human rights.

For more information on the involvement of workers in the value chain, please refer to paragraphs: "ESRS 2 SBM-2 Interests and views of stakeholders" and "SBM-2 Processes for engaging with value chain workers about impacts". For the analysis on human rights for workers in the value chain, please refer to paragraph "ESRS 2 SDW-4 Statement on due diligence".

SBM-3 –
Material impacts, risks and
opportunities and their
interaction with strategy and
business model

The Fincantieri Group, through its double materiality analysis process, has identified the impacts, risks and opportunities related to workers in the supply chain³, highlighting the crucial importance of ensuring ethical and safe working conditions throughout the supply chain. This approach makes it possible to assess both the actual and potential impacts of company activities on workers' rights and well-being, as well as the financial and reputational implications of responsibly managing relations with suppliers. The prevention of human rights violations, adherence to national and international regulations, and the continuous improvement of operational standards are strategic factors for the sustainability and resilience of the value chain, helping to strengthen stakeholder trust and the long-term competitiveness of the Group.

In order to identify and prevent any negative impacts, manage risks and pursue opportunities relating to employees of ancillary companies working within shipyards and production facilities, Fincantieri S.p.A. has designated offices, within the HR Real Estate department, which have the role of monitoring workers in the supply chain with regard to both the regularity of pay, contributions and insurance, and the protection of occupational health and safety.

In particular, this monitoring makes use of dedicated procedures and processes that also contractually bind counterparties to comply with their obligations.

Any critical issues encountered are brought to the attention of another collegial body, the Supplier Observatory, which will assess with all the functions concerned the actions necessary to mitigate the risk.

For more details on the areas considered for the double materiality analysis, see paragraph "ESRS 2 IPO-1 Description of the process to identify and assess material impacts, risks and opportunities". For more information on the value chain, please refer to paragraph "ESRS 2 SBM-1 Strategy, business model and value chain".

Below are the impacts, risks and opportunities related to workers in the value chain identified as material.

Impacts

For the Fincantieri Group, the supply chain plays a strategic role. The Group is committed to reducing any negative impact by actively managing its make-or-buy procurement, also through qualification processes. The aim is to promote the principles of sustainability also within its own supply chain, by raising supplier awareness of human rights, environmental and social issues. Adopting an integrated production model facilitates the dissemination of good practices across the production ecosystem. In particular, a global supply chain across the Group to potential negative impacts related to human rights violations due to poor control, which if left unmanaged could become systemic. To this end, the Group has equipped itself with a Supplier Code of Ethics that defines the values and principles of conduct to which suppliers must adhere, implemented robust qualification and audit programs, and developed a human rights due diligence project that includes the supply chain. For Fincantieri, responsible supply chain management is of strategic importance to us to ensure the high quality of its products and services, increase customer satisfaction and help safeguard or enhance our reputation.

Moreover, in an IT environment increasingly exposed to breaches, the integrity of corporate digital data and the protection of sensitive information of all internal and external stakeholders is an essential element for the respect and protection of information on the value chain. Fincantieri endeavours to ensure that computer systems and data are protected as far as possible by preventing network breaches and data corruption, through cyber security plans and systems.

Risk

The Fincantieri Group considers the risk of unavailability of external skilled labour to be material for its continuity and operational efficiency. Fincantieri mitigates this risk through collaboration with training institutes and specific training programs, supporting the acquisition of technical and specialist skills useful in the shipbuilding segment and reducing costs and inefficiencies.

In addition to the context analysis carried out as part of the double materiality assessment, the Company monitors supply chain impacts through processes and procedures, which allow the Company to better define those involved in its own operations and in the value chain, including personnel from foreign countries.

It should be noted that Fincantieri did not identify any relevant risks on child labour and forced labour in the value chain during the double materiality analysis. However, to prevent any possibility of risks, Fincantieri has nevertheless developed a project on Human Rights Due Diligence.

For more information, see paragraph "ESRS 2 SDW-4 Statement on due diligence".

Non-compliance with national and international data protection regulations represents a significant legal and reputational risk for the Company. Inadequate handling of sensitive data can lead to severe penalties and undermine the trust of stakeholders throughout the value chain. Similarly, non-compliance with cyber security regulations exposes the company to vulnerabilities such as cyber attacks and loss of sensitive data. Fincantieri promotes the use of effective preventive measures, including advanced protection systems and continuous staff training, to ensure the security of company infrastructure and data protection.

Opportunities

Fostering dialogue with suppliers through periodic meetings to share information, including on sustainability, allows the Group to enhance the environmental and social responsibility of the value chain, involving suppliers in health and safety conditions in the workplace, representing an opportunity, as it decreases exposure to reputational damage and increases the resilience of the value chain, ensuring a safe working environment for external companies not only preventive accidents, but also improves efficiency and continuity of production, strengthening the trust of workers and stakeholders.

At the same time, reliable cyber security management reduces the costs of potential breaches and operational disruptions. By investing in advanced protection and monitoring solutions, Fincantieri minimizes the risk of data breaches, ensuring continuity of operations and the protection of sensitive information.

³ The Group has included value chain workers in the impact analysis in line with ESRS-2 - General disclosures.



The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Environmental Information	Social Information	Information on Governance
Fincantieri Group Consolidated Financial Statements					

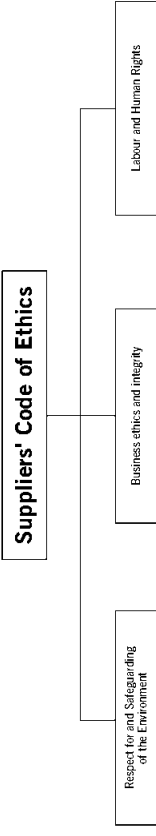
Impact, risk and opportunity management

S2.1 – Policies related to value chain workers

Supplier Code of Ethics

In order to fulfil its commitment to promoting a responsible and sustainable supply chain, respecting human rights, the Group has adopted the Supplier Code of Ethics. The document, approved by the Board of Directors of Fincantieri S.p.A., defines the values and principles of conduct that suppliers in the supply chain must refer to and adopt, in order to pursue development that integrates competitiveness, environmental sustainability and social responsibility, capable of establishing a long-term partnership based on integrity, honesty and mutual transparency. Responsibility for implementing the Policy remains with the Parent Company.

The Code is based on three fundamental pillars:



The section on **Safeguarding and respecting the environment** covers topics such as ensuring environmental compliance, adherence to laws and regulations, minimizing environmental impact in terms of prevention, organization and integrally sustainable design.

The business **Ethics and Integrity** section refers to anticorruption, the rules relating to conflict of interest, compliance with anti-trust and anti-money laundering laws, ensuring compliance with prior bookkeeping, ensuring confidentiality, data protection and confidentiality, and commitment to ethical sourcing (no minerals from conflict zones).

The **Labour and Human Rights** section calls for respect for fundamental commitments: protection of health and safety in the workplace, respecting diversity and equal opportunities, combating forced labour and child labour, guaranteeing adequate wages and salaries, benefits and working hours, and protecting freedom of association.

The Code was defined on the basis of the principles set out in the International Labour Organization (ILO) Conventions, the Universal Declaration on Human Rights, the Organisation for Economic Cooperation and Development (OECD) Guiding Principles, and the Ten Principles of the United Nations Global Compact.

It defines the Guidelines and behaviour that suppliers must adopt in order to pursue development that integrates competitiveness, environmental sustainability and social responsibility. The main objective of the document is to develop a responsible and sustainable supply chain built on long-term partnerships based on integrity, honesty and mutual respect. The preparation of the Code involved internal stakeholders who, to the extent of their competence, contributed to the content and represented the interests of external stakeholders they liaise with. Furthermore, the document was widely shared with suppliers before being adopted, through various communication and awareness-raising initiatives.

Suppliers and contractors are required to share the Code with their employees, subsidiaries, collaborators and subcontractors, to monitor their compliance and promptly report, through the whistleblowing system, any alleged or actual violations not only of the Supplier Code of Ethics, but also of the Organizational Management and Control Model pursuant to Legislative Decree No. 231/2001, or of any other contractual agreement with the Company, including violations committed by any employee, consultant, partner, agent or other representative acting in the name of and/or on behalf of the supplier or Fincantieri S.p.A.

Observance of the Supplier Code of Ethics is one of the conditions contained in all purchase contracts, and any breach of it may entail a request for corrective measure to remedy the non-compliance in question or, depending on the seriousness of the facts identified, to take any further precautionary measures required to protect the interests of the company and all parties involved. The Group implements a rigorous supplier performance evaluation and monitoring process based on the assessment of economic, technical, reputational, social and environmental aspects to ensure compliance with ethical standards.

Policy Conflict Minerals

The Policy Conflict Minerals, approved by the Parent Company Chief Executive Officer, aims to discourage the use of any minerals mined, refined or traded under conditions of armed conflict and human rights violations, mainly in the People's Republic of Congo but also in any conflict-affected or high-risk area. Responsibility for implementing the Policy remains with the Parent Company.

The Policy must be implemented in relations with all suppliers who, in turn, undertake to share the principles contained therein with their employees, subsidiaries, collaborators and subcontractors, with a view to making a valuable contribution to its dissemination and effective implementation. Its adoption is required of all suppliers with reference to the Product Compliance Statement - Section CM, Regulation (EU) 2017/821 of 17 May 2017, supplemented by Delegated Regulation (EU) 2020/1588 of 25 June 2020. The principles pursued by Fincantieri are based on the responsible management of "conflict minerals" through:

- strict compliance with the relevant international and national legal provisions and standards;
- the protection of workers, the environment, safeguarding the interests of shareholders, employees, customers, trade and financial partners, the local communities and groups, creating value for all stakeholders;
- the promotion of awareness for the employees and suppliers involved through training and/or information;
- supervision of the procurement process to ensure responsible management of the supply chain, in full compliance with the duty of due diligence by all interested parties;
- meeting stakeholders' expectations for value creation and promoting a sustainable supply chain.

The definition of the Policy saw input from internal stakeholders involved in the management and monitoring process, incorporating contributions received from external stakeholders.

To ensure transparency and involvement, Fincantieri uses a number of communication channels, both internal and external, to promote the dissemination of the Policy.

Policy on Human Rights

The Group promotes the protection of human rights throughout the value chain and has recently updated and shared its Human Rights Policy.

Fincantieri's commitment to human rights focuses on: child labour, forced labour, modern slavery and human trafficking, freedom of association and collective bargaining, decent working conditions, health and safety in the workplace, right to privacy rights of local communities, protection of the environment from biodiversity, diversity inclusion and gender equality.

For more details on the Group's policy and approach to human rights, please refer to paragraphs: "S1-1 Policies related to own workforce" "SBS 2 SDW-4 Statement on due diligence"



S2.2 – Processes for engaging with value chain workers about impacts

Fincantieri is aware of the importance of the supply chain and the need to coordinate a broad supply chain, creating long-term partnerships. Fincantieri's commitment for the supply chain and its workers is to promote a growth path based on innovation and sustainability, driving change and encouraging a new level of cooperation with its partners. The Group believes that close cooperation with the supply chain and its workers is essential in order to achieve high levels of quality in the finished product and in the entire production process. With a view to establishing a stable and long-lasting relationship, based on transparency and cooperation, Fincantieri is actively committed to promoting dialogue with its suppliers and their workers through periodic meetings to share information, including on sustainability.

During 2024, Fincantieri's Group Procurement and Supply Chain department continued its engagement with suppliers, significantly increasing both the type of events and the number of partners involved. For more information regarding the involvement of workers in Fincantieri's value chain and the procedures for this involvement, see paragraph G1-2. Management of relationships with suppliers.

S2.3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns

The Fincantieri Group has implemented a process to identify, assess and manage risks, with actions aimed at mitigating negative impacts on workers in the value chain, such as possible human rights violations or breaches of personal and sensitive information.

For Fincantieri, business integrity and the ethical aspects of fairness and professionalism tied to it are a constant guideline. Fincantieri has therefore implemented various channels to intercept possible impacts on workers in the value chain and remedy them, recognizing the supplier base as an asset of the entire company. This is why a **stringent qualification and performance monitoring process** has been developed for strategic suppliers, based on the evaluation of economic, technical, reputational, social and environmental aspects, including the protection of human rights, by the relevant corporate bodies, to ensure compliance with and observance of Fincantieri standards.

For all new suppliers, prominence is given to issues related to **safety, the environment and protection of labour rights**, with a specific focus on **ethical and reputational aspects of suppliers**, during both the qualification and the monitoring phases.

In addition, for all suppliers operating in Fincantieri's Italian production units, it is periodically verified that the contractual minimum is consistent with the relevant National Collective Bargaining Agreement (CCNL), while for foreign companies, workers must be guaranteed at least the minimum levels of working and employment conditions laid down in the collective bargaining agreements in force in the place where they work.

As part of the **supplier monitoring system**, Fincantieri uses a continuous performance evaluation system (balanced scorecard) is used in which all the relevant company functions take part, in such a way as to guarantee that the required standards are met over time. The evaluations cover several aspects, including health and safety.

As part of the **supplier audit process**, a risk-based verification model inspired by international best practices is adopted that employs innovative technological tools and multidimensional risk indicators scientifically validated by universities and research centres.

For cases considered to be at higher risk in the ethical and reputational sphere, the model also provides for the use of **enhanced due diligence** extended also to the beneficial owners, in order to ensure that the supply chain leans towards more extensive compliance in relation to rights of workers in the value chain.

In order to remedy the negative impacts identified, several initiatives were implemented, which are described in the following paragraph S2.4. Taking action on material impacts on value chain workers and approaches to managing material risks and pursuing material opportunities related to value chain workers and effectiveness of those actions.

One extremely important body is the **Supplier Observatory**, which ensures constant monitoring and makes decisions on how to manage any critical issues that emerged during the supplier management process. This Observatory assesses critical suppliers through close monitoring of the problems encountered and make the consequent decisions, which may consist of identifying targeted improvement plans or, where necessary, defining when and how to phase out the supplier. Monitoring is implemented through continuous cooperation with the entities involved in the process and following the reports received from them.

During 2024, 256 suppliers were managed by the Observatory of Fincantieri S.p.A., with the following results:

- 56 suppliers overcame the critical concerns originally identified;
- 28 suppliers were included in phase-out plans, 14 of which due to ethical and reputational problems; No supplier was removed due to human rights violations;
- 172 suppliers are currently being monitored under improvement plans.

In line with Fincantieri's policy, all stakeholders are required to promptly report any violations of the law, the Supplier Code of Ethics or other policies, the Organizational Model or any contractual agreement with Fincantieri. In this respect, **two alternative whistleblowing channels** are provided: an online platform within the ethics and governance section of the corporate website or the traditional sending by ordinary mail for the attention of the Supervisory Body. The Group's main Italian and foreign subsidiaries have set up similar whistleblowing systems. Sending via the platform can be done with or without registration, in both cases, the channel is suitable to ensure the confidentiality of the sources and information coming into its possession, without prejudice to legal obligations. The Supplier undertakes not to take any retaliatory or discriminatory action against any personnel who have reported in good faith events that are deemed unlawful or in conflict with the Company's ethical principles. Fincantieri is committed to handling reports by investigating the motivation and, in the event of a truthful and well-founded report, takes measures to remedy the negative impact. Whistleblowing reports are constantly monitored.

During 2024, there were no reports of potential human rights violations for employees in the value chain.

For more information on the whistleblowing channel, see paragraph "G1-3 Prevention and detection of corruption and bribery"



S2.4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action

Financieri is committed to ensuring that its practices do not cause or contribute to negative impacts on workers in the value chain. It is therefore committed to developing a sustainable supplier management process through the following activities: qualification, monitoring, evaluation, audits and involvement of suppliers and their workers.

Financieri's production model, structured to operate as an integrated system that makes use of both in-house and external skills, technologies and production capacities, requires the broad participation of the resources involved and the sharing of common values, conduct and goals. Financieri, as a large company operating at the international level, has a responsibility to monitor and manage the social and environmental impacts of its activities and supply chains, particularly on workers in the value chain. Among the most relevant impacts revealed by the double materiality analysis is the possible violation of human rights within the supply chain due to inadequate controls. To address this, monitoring takes place through ESG assessment and structured audits, aimed at preventing, mitigating and correcting any negative impacts, as well as enhancing positive impacts on workers within its value chain.

The effectiveness of the actions taken is constantly monitored by means of specific performance indicators such as, for example, the number of reports, the number of audits that recorded non-compliance, the number of suppliers with an ESG rating below expectations. The Group is also committed to monitoring the effectiveness of its actions and to targeting its own programs and initiatives after monitoring.

ESG Assessment and Audit

In 2024, the **ESG assessment program** involving suppliers in the value chain continued. The program runs for four years and aims to ensure that suppliers' sustainable performance is measured through the assignment of an ESG score. The definition of specific improvement plans and the setting up of initiatives to reward virtuous suppliers. Suppliers are assigned a score according to a recognized industry standard, thus ensuring the **objectivity and independence** of the assessment.

A supplier's ESG assessment is based on the supply categories and is awarded following the completion of a specific questionnaire that is located on the Suppli(Hi) platform and is accessed by the supplier via the e-NGAGE portal.

Also, with a view to protecting human rights, the Group is committed to promoting a **'Conflict-free'** supply chain. By including the principles of the Policy for responsible supply chain management in contracts with suppliers, the extraction of minerals to the configuration of the scope of supply through a specific clause, Fincantieri reinforces its commitment to transparent and sustainable management.

With the aim of improving understanding of conflict minerals and related risks, synchronous training was provided to technical staff in July 2024. The training is part of the larger project to revise the Product Compliance procedure and related processes, together with the clauses to be included in bids and orders. At the same time, the Group has planned information measures for the next two years to make suppliers aware of the standards and requirements.

For critical and strategic suppliers, identified through an in-depth risk analysis, monitoring measures will be implemented over the next two years to ensure the traceability of raw materials and minerals, verifying their origin and taking corrective actions in the event of non-compliance. This approach, supported by continuous collaboration between the Group and its partners, aims to consolidate a sustainable and responsible supply chain, in line with corporate objectives and global sustainability principles.

Actions related to the Sustainability Plan targets achieved in 2024

Regarding the commitment to the creation of socio-economic conditions for the respect of human rights throughout the value chain, the Group has defined specific targets in the **2023-27 Sustainability Plan**, highlighting their strategic value for a complete view of the Incaniter Group's value chain. These targets, please refer to paragraph S2-5, are related to managing material impacts, advancing positive impacts, and managing material risks and opportunities.

- In 2024, Fincantieri integrated a **conflict minerals clause**¹ into its 'Product Compliance Conditions'. Specifically, by signing Appendix 3 'Product Compliance', the supplier/contractor declares that the supply of ores or metals containing tin, tantalum and niobium, tungsten or gold (3TGs), is derived exclusively from certified 'conflict-free' smelters or refineries.

Regular checks are carried out each year at strategic suppliers by means of audits of various kinds, both in the areas of sustainability and quality control and monitoring, to ensure constant control. Above all, as shown by the materiality analysis, the control of human rights and the safeguarding of Fincantieri's entire value chain are important elements for the Group to focus on. The ESG audit activity includes a preliminary annual planning phase that follows a structured risk-based methodological approach, in which a series of risk factors for the three aspects of sustainability (geographical location, reference product sector and strategic importance for the business) are taken into account.

In order to group suppliers into clusters and then determine the scope of audits to conduct, with a specific approach to prioritization, several assessment steps are carried out, from risk assessment to relevance assessment.

Actions related to the Sustainability Plan targets achieved in 2024

Regarding the commitment to the creation of socio-economic conditions for the respect of human rights throughout the value chain, the Group has defined specific targets in the **2023-2027 Sustainability Plan**, highlighting their strategic value for a complete view of the Fincantieri Group's value chain targets. please refer to paragraph 32-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities.

- In 2024, Fincantieri conducted **85** in-person sustainability inspections, far exceeding the target for the year. In order to ensure maximum transparency and avoid conflicts of interest, the audits were conducted with the support of independent professionals. The scope of the audits is Group-wide excluding US subsidiaries.

⁴ This refers to raw materials or minerals – tin, tantalum, tungsten and gold ('3TGs') – from high-risk areas or areas affected by armed conflicts, the trade of which can finance armed groups, fuel forced labour and other human rights violations and support money laundering.



Promotion of equal treatment and opportunities and working conditions

Fincantieri has launched a series of initiatives aimed at consolidating the relationship with the workers of third parties operating within the production facilities through the definition of long-term partnerships that can encourage the continued presence of these workers on the territory, thus also meeting the expectations expressed by institutional stakeholders. Also with a view to the unavailability of external skilled labour to meet production needs, Fincantieri develops activities to mediate this potential risk.

- Fincantieri, in order to support the supply chain in its constant search for skilled labour, implemented the **Market Plan**, developing recruiting projects for non-EU personnel with vocational training and civic and language training courses in their countries of origin. In this context, following the success of the initiative launched with China in 2024, Fincantieri is working on a similar project with Tunisia, which will lead in June 2025 to the recruitment of carpenters and welders selected and trained in their country, who will be placed with supply contracts in Fincantieri's supply chain (ancillary) companies.
- On the issue of inclusion, the Fincantieri Foundation has already launched **Italian language** courses in the Montefalcone and Sestri Ponente shipyards in cooperation with the Dante Alighieri Association, designed to foster the cultural integration and social solidarity of foreign workers employed in the Group's shipyards.
- For foreign workers in ancillary companies, a **physical cultural mediation office** was opened in Sestri in 2024. In addition to the one already opened in Muggiano) and, at the end of the year, a virtual one for the Montefalcone and Marghera shipyards (Step2Connect). The aim is to create a direct link to foster their social integration, supporting them not only in the work context, but also outside the shipyard. Substantial investments for the benefit of the people working at the production sites also continue, with positive spin-offs for the regions.

The stabilization of companies and the reduction of worker turnover can in fact allow local authorities to improve the planning of infrastructure and social services, as well as result in a more effective management of integration policies. However, proving the effectiveness of this action can be complex, as its impact extends indirectly to several business areas. For example, in the area of health and safety, better language skills can facilitate foreign employees' understanding of procedures, contributing to a safer working environment.

With a view to continuous improvement, development and consolidation of its supplier base, Fincantieri considers it strategic to further increase its control over the supply chain through a certification process called **ASSECO** that allows companies to certify their contributory, regulatory and economic compliance in the management of relationships with employees. For this objective, Fincantieri has launched a Pilot Project involving 40 leading companies in the supply chain. Fincantieri and the Fondazione Studi dell'Ordine Nazionale dei Consulenti del Lavoro (National Association of Labour Consultants) have signed an important Memorandum of Understanding for the application of ASSECO certification. This project aims to further strengthen corporate social responsibility by allowing companies in the supply chain to certify compliance with applicable regulations.

Information and awareness-raising activities

During the year, several initiatives in the areas of sustainability, cyber security and finance were organized through the Supply Chain Partnership program, dedicated to raising awareness and providing information to suppliers and their staff.

For more information on the Partnership program, see paragraph "isi-2 Management of relationships with suppliers"

Sustainability audits. 85 in 2024, are conducted using a proven checklist of the 3 ESG aspects (Environment, Social and Governance). Among others, the checklist includes the verification of environmental, energy, health and safety management systems and the organizational model, compliance with human rights and HSE provisions, checking of the framework pursuant to Legislative Decree 231/2001, the management of chemical products with reference to European Regulation 1907/2006 (REACH) and other sector regulations), as well as the verification of compliance with the indications conveyed through Fincantieri's Supplier Code of Ethics. For each of the visits conducted in 2024, Fincantieri received, analysed and evaluated a detailed report with each aspect identified in the visit, the checklist with associated partner performance on the three ESG aspects and an observation/non-conformity form shared with the supplier. In all areas investigated, no critical issues were found. With reference to the reports shared with suppliers through the observation/non-conformity form), the evaluation process is complemented by an activity of continuous support for the supplier to manage a path of improvement of ESG performance according to the Group's criteria.

In particular, on the basis of the observations reported by the independent auditors - understood as findings of the visit that indicate to the assessed organization opportunities for improvement or areas to be strengthened - 72 improvement plans have been implemented, the progress of which is monitored periodically through an ongoing dialogue with the suppliers involved.

Finally, specific non-conformities were found in 7 suppliers visited, on which Fincantieri took an immediate and decisive approach, demanding their immediate resolution. Specifically, 3 cases have already been resolved during the year, with closure certified through formal documentation, for the remaining 4, ad hoc recovery plans have been developed, committing the suppliers involved to comply no later than the first half of 2025.

It should be noted that none of the non-conformities concerned the violation of human rights. Should these plans not be fulfilled, other actions will be considered, including the possible adoption of a gradual phase-out of the suppliers concerned, through the involvement of the Supplier Observatory.

The audit program for suppliers and their growth through dedicated improvement plans is based on an economic allocation by Fincantieri of approximately euro 100,000 per year. During the year, no audits fell short of expectations overall, as all non-conformities are or will be managed with a mitigation plan.

Due Diligence

In line with an approach to business not limited to compliance with regulations in force in the countries where the Group operates, but proactively oriented towards the protection of human rights in recent years Fincantieri has strengthened its diligence process. This process is based on the application of the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the Corporate Sustainability Due Diligence Directive. As part of this process, the analysis of negative impacts, specific to human rights, enabled the identification of areas of impact by involving workers from external companies at some production sites both in Italy and in other countries during dedicated site visits.

Actions related to the Sustainability Plan targets achieved in 2024

With regard to the protection of human rights, the Group has defined specific targets in the **2023-2027 Sustainability Plan**, reflecting their strategic value (for a complete view of the targets related to workers in the Fincantieri Group value chain, see paragraph S2-5. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities). Below are the actions implemented during 2024, to achieve the targets set for this reporting year:

- During 2024, the **human rights due diligence** project continued with the definition of the monitoring plan to create a data collection structure and a system for analysing and reporting information with reference to human rights identified as salient. The plan includes the identification of proactive indicators, designed to anticipate potential critical issues and enable the definition of targeted and effective interventions. These initiatives are expected to be implemented during 2025 through the involvement of internal and supply chain stakeholders.



Metrics and targets

S2.5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The targets included in the 2023-2027 Sustainability Plan are detailed below, in consideration of the strategic guidelines Protection, Inclusion and Development of People and Communities and Industrial Excellence. In setting the targets, the Group took into account:

- the commitments contained within the specific policies;
- the main global socio-economic trends that it will face in the short, medium and long term, such as the focus on human resources and growing inequalities and awareness of the strategic importance of the supply chain, the results of benchmarking analysis against industry requirements and the latest regulatory updates;
- the priorities defined by the United Nations in the 2030 Agenda for Sustainable Development;
- feedback received from suppliers and their workers during workshops, webinars and roadshows.

Based on the above, Fincantieri has defined clear and measurable targets. The table shows the targets related to the management of workers in the value chain and their progress. All targets set for 2024 were achieved. The scope of the targets, unless otherwise specified in the notes, is Group-wide. The baseline is the first year where the information or quantitative data was reported.

Inclusion - Protection, inclusion and development of people and communities

Reference Policy	Objective*	2021	2022	2023	2024	2025 Target	2026 Target	2027 Target
Supplier Code of Ethics	Annual ¹ second party audits of suppliers or priority strategic interest to the Group on respect for human rights, health and safety and the environment (number of audits) ²	-	-	49	✓ 85	40	40	40
	Identifying and assessing potential risks and impacts related to respect of human rights on Italian and European production sites	-	-	-	✓	Implementation of a plan of targeted interventions following due diligence	Monitoring compliance through the formalization of the monitoring and maintenance plan	-

* The targets refer to the entire Fincantieri Group.
✓ Target achieved
1 The targets are calculated on the basis of the number of audits performed by the Group.
2 Strategic suppliers are those included in the Register, excluding those designated as monitored by the customer.
3 The target is to conduct at least 40 audits per year.

Integrity - Industrial Excellence

Reference Policy	Objective*	2021	2022	2023	2024	2025 Target	2026 Target	2027 Target
Supplier Code of Ethics	Managing of "conflict minerals" along supply chain	-	-	Policy on the management of "conflict minerals"	✓	Implementation of contractual tools	Extension to relevant subsidiaries with reference to the EU Regulation 2017/821	Monitoring of relevant product groups

* The targets refer to the entire Fincantieri Group.
✓ Target achieved
1 The targets are calculated on the basis of the number of audits performed by the Group.
2 Strategic suppliers are those included in the Register, excluding those designated as monitored by the customer.
3 The target is to conduct at least 40 audits per year.



The Group's suppliers are constantly aligned with the Company's strategic objectives through the various events and dedicated opportunities in which progress against the Business Plan and future scenarios are shared. In addition, a constant channel of communication is always kept open through which they can propose improvement initiatives, specific topics to address and support needs.

For the definition, approval, and monitoring of objectives and targets, please refer to paragraph "ESG & SBM-1 Strategy, business model, and value chain"



The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Fincantieri Group Consolidated Financial Statements
		General Information	Environmental Information
		Social Information	Information on Governance

ESRS S3 — Affected Communities

Fincantieri is committed to creating benefits for the communities in which it operates, ensuring respect for rights, fostering economic and social development and cultivating a constant and constructive dialogue with stakeholders.

Strategy

Fincantieri's commitment to communities is expressed in the definition of policies that guide initiatives aimed at promoting and developing the territory, in the constant dialogue with local bodies and their representatives, and in the definition of sustainability objectives that directly or indirectly promote their well-being, as in the case of initiatives aimed at reducing the environmental impact of processes and products. Moreover, the very presence of the Group in the territory generates positive spillovers, particularly through the satellite businesses generated. In fact, thanks to the purchases and work that Fincantieri commissions from many local small and medium enterprises, the Group encourages and incubates employment and social growth in the area, for workers and their families, acting as a driver for the entire supply chain, multiplied by the related supply chains. In addition, as head of the supply chain, Fincantieri contributes to the cultural as well as professional development of the supply chain by integrating it into its own model, which is marked by ESG values and parameters.

SBM-2 – Interests and views of stakeholders

Fincantieri has consistently treated the opinions of the communities where it operates as co-directions in defining its corporate strategies. In 2024, in particular, the company monitored the opinions and interests of these stakeholders, including the issue of human rights, through the Sustainability Survey. The results of the surveys serve to understand their point of view and needs and to define new strategic directions, objectives and targets to meet these expectations.

For more information on the Sustainability Survey please refer to paragraph "ESRS 2 SBM-2 Interests and views of stakeholders".
For more information on the human rights analysis carried out on communities please refer to paragraph "ESRS 2 GOV-2 Statement on due diligence".

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

The Fincantieri Group, through its double materiality analysis process, has identified the impacts, risks and opportunities related to communities affected by the activities carried out by the Group.⁵ These include the local communities located near the Group's sites and shipyards. The initiatives promoted by Fincantieri aim to generate positive spillovers for communities along the value chain, particularly where there is a local supply network.

Fincantieri's 'double materiality analysis, on the other hand, did not reveal any significant risks concerning community relations. Should any negative impacts emerge, Fincantieri will devise an approach to identify and mitigate them more effectively, providing a higher level of protection and accountability to local communities.

In the double materiality context analysis, Fincantieri identified the communities most exposed to potential impacts, taking into account their socio-economic characteristics and vulnerabilities. Particular attention is paid to the most fragile or vulnerable groups, such as persons with disabilities and foreign workers, in order to ensure inclusion, protection and adequate support.

For more details on the considerations taken into account for the double materiality analysis, see paragraph "ESRS 2 IPO-1 Description of the process to identify and assess material impacts, risks and opportunities".

Below are the impacts, risks and opportunities identified as material from the double materiality analysis.

Impacts

Fincantieri's production activities generate positive impacts on local communities, fostering their economic development. However, they can also lead to negative impacts, including disruption for the population, social and environmental repercussions and aspects related to working conditions.

A negative impact is related to the increased disruption that may result from the performance of production activities. When conducting plant restructuring, the Group evaluates possible actions to limit the disruption associated with production activities, taking into account the needs and requests received from communities, in order to improve their well-being.

Another negative impact is related to potential tensions and reputational damage that may arise in the event of failure to listen to local needs on social and environmental issues, also in relation to the end-use of the Group's products. This is why Fincantieri conducts a constant dialogue with communities and their representatives and implements specific initiatives for their benefit. Furthermore, it is committed to reducing the environmental impact of its production processes and products. Through its presence in the territory, it ensures development in economic and employment terms, thanks to investments in infrastructure, services and professional orientation and development programs.

Finally, Fincantieri oversees respect for the human rights of communities and prevents any negative impact on them, including from the activities of its suppliers. With this in mind, Fincantieri implements due diligence policies and works with responsible partners to promote compliance with ethical and social standards throughout the value chain. These impacts are closely linked to the opportunities that emerged from the materiality analysis, reported below.

Opportunities

For Fincantieri, the economic development of the affected communities is an opportunity to consolidate its role with them and build solid relationships. Its presence in the area generates significant benefits in terms of employment. The Group's commitment to employment is proactive, and takes the form of vocational training initiatives for shipbuilding skills development, aimed mainly at young people, thus avoiding the NEET (Not Engaged in Education, Employment or Training) effect.

Further opportunities arise from proactive listening to the needs of communities, which also takes place as part of the synergies Fincantieri develops with local institutions. In this way, the Group is able to proactively identify the needs of the region, preventing disputes from occurring. This approach not only strengthens the link between the company and the territory, but also increases the resilience and sustainability of company activities, helping to ensure an environment conducive to long-term success.

⁵ The Group has included in the Impact Analysis the affected communities for the Group's activities in line with ESRS 2 - General disclosure.



Impact, risk and opportunity management

S3-1 – Policies related to affected communities

One of the areas of intervention through which Fincantieri manages impacts and enhances opportunities for local communities is represented by the commitments formalized in company policies, particularly in the Policy on Initiatives for Communities and Territories. In parallel, the protection of human rights, enshrined in the Human Rights Policy, oversees the protection of the rights of the communities where the Group operates.

Policy on Initiatives for Communities and Territories

Fincantieri has defined the guiding principles for the management of relationships with local communities in its Policy on Fincantieri Initiatives for Communities and Territories, formalizing its commitment to engage in dialogue with them and support them through social, cultural, educational and training initiatives. In addition, the Group is committed to working with governments, national and international associations to adopt policies and strategies that aim to achieve a healthy, resilient and sustainable society for all people.

In particular, the Policy reflects Fincantieri's community management strategy through actions aimed at fostering employment, integration and the economic growth of local communities, strengthening the Group's identity, supporting research, promoting the protection of artistic and cultural heritage and the development of innovative skills. In line with the directions defined in the Policy, Fincantieri is also committed to effectively contributing to the achievement of specific Sustainable Development Goals (SDGs) of the United Nations Agenda 2030.

In this context, the Group designs and supports educational and training programs, through which it fosters the transfer of knowledge and the skills development needed to promote the social development of communities and meet the needs of the labour market, thus contributing to the creation of new jobs and local economic growth.

In terms of its scope of application, the Policy applies to Fincantieri S.p.A. and has been shared with all Group subsidiaries. The Parent Company is responsible for the implementation of the Policy. It is communicated to all employees and made available to all stakeholders on the company intranet and the official website. Furthermore, in order to promote the continuous improvement of its initiatives in favour of the community, the Policy is reviewed periodically, in the light of significant changes related to the needs of the community, considerations arising from discussions with its stakeholders, and the results of performance measurements related to its activities. The Policy is approved by the Board of Directors of Fincantieri S.p.A.

Policy on Human Rights

The Group also promotes the protection of human rights in local communities in the countries where it operates, consistent with its Policy on Human Rights – Commitment for the respect of Human Rights and Diversity.

For more details on the Human Rights Policy and Management, please refer to paragraphs: "S3-1 Policies related to own workforce" "ESRS 2 GOV-3 Statement on due diligence"

It should be noted that Fincantieri has not reported any instances of non-compliance with international regulations and guidelines involving affected communities.

S3-2 – Processes for engaging with affected communities about impacts

The Fincantieri Group recognizes the importance of integrating the perspectives of local communities into business decisions, taking their opinions and interests into account, in order to best serve the interests of both parties, with a view to mitigating negative impacts and generating positive impacts and opportunities. The approach with the communities takes place through a structured and continuous dialogue with central institutions (government, parliament and public administration) and local institutions, and through active participation in national and international associations, representing the needs of the communities involved. Involvement is also aimed at communities that might be considered more vulnerable or marginalized due to disability or background. This approach includes the implementation of targeted projects and economic development activities, with the aim of generating shared value and mitigating any negative impacts. The engagement process is carried out in several stages, starting from the initial consultation for mapping of needs and potential impacts, to the periodic evaluation of the results and measures taken. The frequency of engagement is defined according to the materiality of the interventions and expected impacts, ensuring continuity of dialogue. Engagement can take place directly between the company and the institutions, through working parties, consultations or dedicated meetings. Following specific events and initiatives, feedback is always sought from the stakeholders involved to gather their opinions. The issue of relations with local communities is managed at Parent Company level through the Central and Local Government Relations Function, which works in close contact with public administrations, associations and committees in order to channel requests from and to the territories. Furthermore, in the area of institutional affairs

management, the Corporate National Institutional Affairs Department, the European Union Office in the Brussels Office and the Defence and International Institutional Affairs Department manage relations with national, European and international institutions.

More information on institutional activities and lobbying can be found in paragraph "S3-3 Political Influence and Lobbying Activities"

To ensure the effectiveness of community engagement, Fincantieri constantly monitors the results of engagement activities through analysis of identified needs, the impact of implemented solutions and stakeholder feedback. Finally, for the most vulnerable groups, the Group has launched further initiatives, which will be described below, due to the special attention they require.





S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns

To address and remedy negative impacts on communities, the Group focuses on management of relationships with them and with the institutions, as described in section S3-2 Processes for engaging with affected communities about impacts. The constant and structured dialogue with the territories in fact proactively consults the affected communities about impacts affecting them, anticipating potential critical issues. It also develops in a reactive manner, collecting instances and reports from communities, in order to intervene with remedial measures appropriate to the negative impacts generated by Fincantieri. Instances intercepted as part of this dialogue are forwarded to the corporate departments responsible for managing the specific impact, so that remedial measures can be taken to address the negative impacts the Group has caused or contributed to. The measures implemented are then evaluated through the monitoring of specific indicators or through feedback received from the affected communities.

In addition, the company has set up a **whistleblowing** management system, accessible through a dedicated IT platform and compliant with whistleblower protection regulations. This system allows affected communities and third parties to report possible violations, supporting transparency and respect for rights.

In 2024, there were no reported serious issues or incidents related to human rights impacts on communities.

For more information on the whistleblowing system, see paragraph "G3-3 Prevention and detection of corruption and bribery"

S3-4 – Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

The double materiality analysis identified impacts and opportunities for local communities. Impacts include economic benefits, but also possible disruptions, including those related to environmental and social issues, such as human rights. As previously reported, Fincantieri oversees impacts and risks through the definition of corporate policies, constant dialogue with communities and their representatives, and the pursuit of social and environmental sustainability objectives. In this context, the Group adopts an integrated approach that includes risk assessment, continuous monitoring and stakeholder engagement.

In particular, the policies of reference are the Human Rights Policy - Commitment to Respect for Human Rights and Diversity and the Policy on Fincantieri Group Initiatives for Communities and Territories, already discussed in paragraph S3-1 Policies related to affected communities. As part of the processes concerning the former, specific due diligence on human rights was conducted, including possible impacts on local communities. As for the Group Initiatives Policy, on the other hand, it establishes that all community initiatives can only be implemented following a prior assessment of the local context, needs and requirements. This analytical process is based on the rigorous application of existing procedures, and includes an examination of the concrete feasibility of making the contribution, a study of the primary local interests in relation to the company's presence, an analysis of the proposing entity and a projection of the potential expected benefits. These actions are regularly monitored to assess their effectiveness and to ensure that the Group's operations and those of its value chain meet high standards of ethical responsibility.

For more details on the Human Rights Policy and the approach to human rights, refer to paragraphs: "G3-3 Policies related to own workforce" "ESRS 2 GOU-4 Statement on due diligence"

A further area of focus is dialogue with local communities and their representatives, described in paragraphs S3-2 Processes for engaging with affected communities about impacts and S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns. Fincantieri, therefore, works with local authorities and other stakeholders to strengthen community rights, also interacting through meetings, relevant roundtables, and institutional interventions as also described in paragraph G1-5 Political influence and lobbying activities.

In addition, an indirect contribution to managing negative impacts is made by the Group's environmental initiatives, also formalized in the 2023-2027 Sustainability Plan and aimed at reducing the impact of production processes and products. These activities are described in detail in chapter E1 - Climate change. These initiatives are in addition to those identified under the Plan's sustainability objective aimed specifically at local communities, described in paragraph S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. Finally, in 2024 Fincantieri, in managing impacts and opportunities, developed a series of initiatives that follow some of the guiding principles of the Policy on Initiatives for Communities and Territories. In particular, they pursue the following purposes: Promoting employment and integration also through the promotion of educational and training programs, Strengthening the Group's identity and sense of belonging both towards employees and the communities themselves, Supporting the most vulnerable, Climate change and environmental impacts.

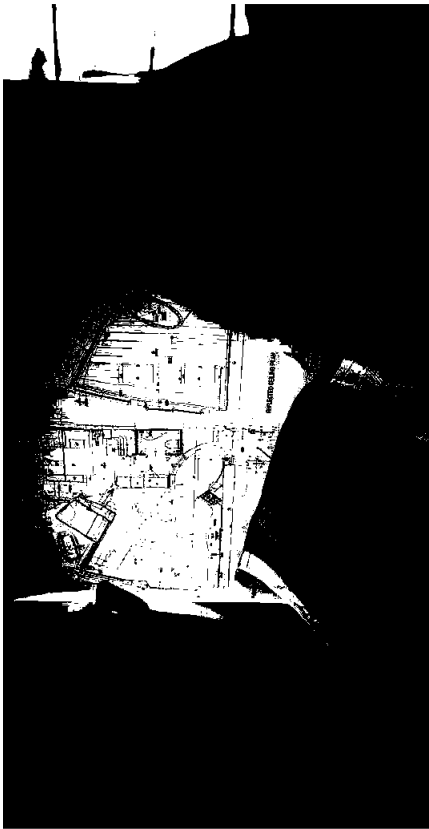
Fostering employment and integration, also by promoting educational and training programs:

- In Italy, Fincantieri works with the **ELIS Consortium**, with which it contributes to community economic development by creating new jobs and with the spread of skills required by the market. The Consortium has a network involving more than 120 members including large companies, SMEs, universities and public and private bodies. Thanks to this partnership, Fincantieri supports projects aimed at encouraging the orientation of young people into the world of work, combating the NEET phenomenon (young people neither studying nor working) and responding to the shortage of technical skills. In addition, the company actively promotes STEM disciplines, combating gender stereotypes and encouraging training in strategic areas. Synergy with schools, ITS, universities and business schools makes it possible to develop professional skills in line with market needs, contributing to economic growth and the creation of new employment opportunities in the regions where it operates. This action is monitored, evaluating its implementation.
- The Fincantieri Foundation launched the **NAVIGARE INSIEME** project to foster the cultural and professional inclusion of foreign employees in the Morfacone and Sestri Ponente shipyards by offering Italian language courses in cooperation with the Dante Alighieri Association. The initiative aims to reduce social hardship and contribute to a more cohesive working environment and local community. This action is monitored, evaluating its implementation.





- Strengthening the Group's identity and sense of belonging with employees and with communities:**
- With a view to greater integration with the communities and strengthening ties with the territories in which it operates, Fincantieri promotes **cultural and sports activities**, thus contributing to local economic development, including Barcolana, Genova Cultura, Fondazione Marconi, and Italian Blue Growth. These initiatives foster partnerships with public and private entities, investment and growth in the local business fabric, underlining Fincantieri's commitment to sustainable growth in the communities in which it operates. This action is monitored, evaluating participation in this activity.
- Supporting the vulnerable individuals:**
- Support for and promotion of solidarity initiatives to benefit the most disadvantaged represents the Group's commitment to social responsibility, as well as strengthening its ties to the areas where it operates based on shared values. Fincantieri supports the **WOW - Wheels on Waves - Around The World project**, promoted by Difesa Servizi and the Ministry of Defence, as part of its social commitment and connection with local communities. The three-year initiative (2023-2025) includes a round-the-world voyage on the accessible catamaran **"Lo Spirito di Stella"**, led by disabled skipper Andrea Stella, to raise awareness on the removal of architectural barriers and promote the inclusion of persons with disabilities. The journey will take in more than 80 ports, spreading a message of accessibility and solidarity.
 - Fincantieri, through its Naval Vessels Division, has installed a new power unit on **Nave Italia**, the world's largest operational brig, under an agreement with the **Tender to Nave Italia ETS Foundation**. Since 2007, this ship has been hosting educational and inclusive projects to break down prejudices about disability and social hardship, promoting solidarity, cooperation and team spirit. The crew consists of Italian Navy personnel.



Climate change and environmental impacts:

- Fincantieri's production processes and the operation of the ship product, the latter outside Fincantieri's control, can generate negative impacts on the environment, and therefore on communities. The Group undertakes specific actions to reduce these impacts. For further information on these actions see paragraphs E1-3 Actions and resources in relation to climate change policies and E2-2 Actions and resources related to pollution.
- The work of the **Venice World Sustainability Capital Foundation (WVMS)**, of which Fincantieri is a member and co-founder, promotes a sustainable development model that can serve as an example. Established under the patronage of the Italian government, the Foundation collaborates with local authorities, cultural and academic institutions as well as leading companies in their respective markets. Its activities focus on crucial thematic areas for the sustainable development of the lagoon city, with the intention of stimulating synergies between the various actors involved. Fincantieri, with its know-how and specialist skills, as well as its established presence in the area, intends to contribute in particular to the issues of transition to decarbonization and infrastructure maintenance for the protection of the lagoon ecosystem. In 2024, Fincantieri took an active part in the setting up of the exhibition **"WATERPROOF VENEZIA: A tale in images"**, set from 30 May to 6 October 2024, at the Venice Arsenal, an original conceptual installation that demonstrated, with the help of Artificial Intelligence algorithms, a set of projects promoted by the Members of the Venice World Sustainability Capital Foundation to make the city more sustainable.

Among the initiatives focused on communities is the **Respect for Future Project**. Aimed at employee workers and contractors, its objective is to spread good social practices, based on respecting and recognizing the dignity of others, and to raise awareness of **gender-based violence**. This project produces direct positive spillovers for the communities in which the recipients live. After the launch event, held in 2023, the awareness-raising process focused on the shipyards and production facilities of Fincantieri and its Italian subsidiaries with the organization of roadshows open to both direct employees and staff of ancillary companies. The aim of the roadshows is to lay the groundwork for a culture that recognizes, prevents and eliminates all forms of violence and to strengthen a sense of shared responsibility reaffirming the importance of a more respectful and inclusive future, built through the active participation of the whole community. During 2024, 6 out of a total of 11 planned stops were organized at the sites in Ancona, Castelfranco di Stabia, Riva Trigoso and Muggiano and the production plants of the subsidiaries (Isotta Fraschini Motori in Bari and Marine Interiors Calurni in Pordenone), attended by over 2,800 people. The benefits of the initiatives affect the entire community as workers, both direct and company employees, are made aware of the culture of respect, both inside and outside the company.

In relation to actions taken, planned or underway to prevent or mitigate significant negative impacts on affected communities with respect to human rights, please refer to paragraph ESRS 2 GOV-4 Statement on due diligence.





Metrics and targets

S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Below is the detail of the objectives included in the 2023-2027 Sustainability Plan, related to the Inclusion - Protection, inclusion and development of individuals and communities objective.

In setting the targets, the Group took into account:

- the commitments contained within the specific policies;
- the main global socio-economic trends it will face in the short, medium and long term, such as the focus on people, inclusion, the fight against inequality and economic, social and cultural change;
- the results of benchmarking analysis against industry requirements and the latest regulatory updates;
- the priorities defined by the United Nations in the 2030 Agenda for Sustainable Development;
- community demands received by the functions concerned through, for example, meetings, workshops.

Based on the above, Fincantieri has defined clear and measurable targets. The table shows the targets related to community relations and their progress. The scope of the targets, unless otherwise specified in the notes, is Group-wide. The baseline is the first year where the information or quantitative data was reported.

Inclusion - Protection, inclusion and development of people and communities

Reference Policy	Objective*	2021	2022	2023	2024	2024 Target	2025	2026	2027
Policy on initiatives of the Fincantieri Group for the Community and Territory	Development of 2 educational and social inclusion projects especially for disadvantaged groups and those at risk of exclusion (number of projects)	-	-	1	-	-	1	-	-

* The targets refer to the entire Fincantieri Group.

Top management was involved in the definition of all targets. In addition, community-related targets, due to their nature or subject matter, were defined with the involvement of affected communities and in cooperation with governments, institutions, associations and NGOs.

For the definition, approval, and monitoring of objectives and targets, please refer to paragraph "ESRS 2 SM-1 Strategy, business model, and value chain"





The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Environmental Information	Social Information	Information on Governance

ESRS S4 – Consumers and end-users

The context of Fincantieri's customers and end-users varies by product and sector, but shares a constant focus on technological innovation and a growing commitment to sustainability. The Group's main area of activity is shipbuilding, where customers include both shipowners and government bodies, both Italian and foreign, including Ministries of Defence, Navies, Coastguard corps, and other government agencies in charge of oceanographic research activity.

Fincantieri also supplies mechanical, electronic and digital systems and components, as well as specialized services for the domestic market and for other shipbuilders and industrial operators in the civil, naval and offshore sectors. In the infrastructure segment, customers include public and private operators in the industrial and service sectors, with a focus on maritime and hospital areas. The growth of renewable energy has also led the Group to expand its portfolio to include companies in the Oil&Gas industry, offering specialized vessels for the construction and maintenance of offshore wind farms, submarine cable installation and advanced offshore units with remote control and low-emission propulsion.

Each segment requires advanced, safe and sustainable solutions that comply with environmental and safety regulations, as well as specialized technologies for complex operations. To meet these needs and consolidate its position in the market, the Group ensures the quality of its processes, the security of its products and services, including cyber security, and constantly invests in research and innovation.

Strategy

SBM-2 –
Interests and views
of stakeholders

The Group operates in segments characterized by a business-to-business model. In these situations, it operates in constant dialogue with the customer. In particular, through special listening channels, Fincantieri has identified the opinions and interests of customers, taking their views into account when defining new strategic courses of action, objectives and targets. Fincantieri places customer satisfaction at the centre of its strategy, working with a structured and organic approach to meet customer expectations and strengthen customer loyalty. Listening and gathering information from the market is also a useful tool to intercept emerging trends or hidden customer needs. The main tools adopted in 2024 include the Sustainability Survey.

For further information on the Sustainability Survey, please refer to paragraph "ESRS 2 SBM-2 Interests and views of stakeholders"

SBM-3 –
Material impacts,
risks and opportunities
with strategy and
business model

The double materiality analysis identified impacts, risks and opportunities related to customers⁶. To manage these, Fincantieri focuses on three main areas of action.

- Production process and product quality:** guaranteeing process and product quality through management systems adhering to the best voluntary standards, such as ISO 9001, continuous adaptation to regulatory requirements and constant dialogue with customers during production activities.
- Product safety:** ensuring compliance with voluntary standards and regulations governing the industry. The focus on security also extends to the protection of IT systems, with investments aimed at strengthening cybersecurity. With regard to product safety, special attention has been paid to customers in the naval segment, as they are potentially exposed to greater risks, given the nature of the products and services sold to them.
- Innovation, research and development:** investing in research and development, establishing strategic partnerships and carefully monitoring technological development, especially in terms of efficiency and environmental sustainability.

In particular, the Group's vision of technological development in the short, medium and long term is defined by the **Innovation Strategy**. Each year, on the basis of this, the Innovation Department draws up the **Innovation Plan**, which defines and plans the macro-activities to be activated in order to achieve the objectives set by the Strategy, dividing the activities into five macro areas:

- **Energy Transition:** research and development of technologies and solutions to support the energy transition, including both energy efficiency solutions and the use of new fuels and energy generation systems.
- **Digital Services and Offering:** creation and implementation of innovative digital solutions, enabling new services, such as optimization of ship operation.
- **Operational Excellence:** optimization of operating processes, such as engineering, procurement and construction, using advanced technologies and digital solutions, such as automation and advanced robotics in "smart shipyards".
- **New Business Opportunities:** exploration and development of new business areas through technological innovation, such as in the underwater segment.
- **New Technologies:** exploration, adoption and integration of new technologies and solutions into products and/or corporate processes, such as the study of innovative materials, and research into generative artificial intelligence.

The strategic approach adopted allows impacts, risks and opportunities to be managed in line with the double materiality analysis, which assesses both the impact of company activities on customers and the influence of their needs and expectations on the Group.

For more details on the assessments made as part of the double materiality analysis, please refer to paragraph ESRS 2 IRO-1 Description of the process to identify and assess material impacts, risks and opportunities.

As far as the Group's main types of customers are concerned, these can be broken down into:

- **Cruise customers:** the customers who purchase cruise ships produced by Fincantieri S.p.A.'s Merchant Ships Division and VARD are the world's leading cruise operators, eager to maximize the value of their investments with ships with excellent economic and environmental performance. The customer portfolio has expanded considerably over the years, attracting most of the new brands that have entered the industry, including those from major hotel groups. This was possible thanks to the ability to design and build very different ships, with strong customization to match the requirements of the various cruise brands, the geographic area and the target market segment.
- **Naval customers:** the customers who purchase the products of the Naval Vessels Division of Fincantieri S.p.A., Fincantieri Marine Group and VARD are government entities, both Italian and foreign, including the Ministry of Defence, Navies, Coast Guards and other Government Entities responsible, for example, for conducting oceanographic research. In its approach to the market, the Group considers promoting European defence partnerships and agreements with other non-EU players to be essential.
- **Ferry customers:** ferries designed and built by Fincantieri are intended for private and public clients, both Italian and foreign, operating mainly in the Mediterranean, the North and the Baltic Sea; the vessels offered meet the most demanding requirements in this sector in terms of innovation, technology, low environmental impact (LNG and hybrid vessels), energy saving and diversification.
- **Equipment, Systems and Services and Infrastructure customers:** the Group offers its mechanical, electronic and digital systems and components and services in the marine field to the domestic captive market and to other shipbuilders and industrial operators active in the civil, naval and offshore sectors. Customers in the infrastructure sector are public and private operators in the industrial and service sectors, in particular in the maritime and hospital segments.
- **Offshore and Specialized vessels customers:** given the strong growth of the renewable energy sector, the Group has expanded its customer portfolio, historically made up of companies providing logistical support and services for the construction and operation of offshore facilities for the Oil&Gas industry, by developing innovative products for operators involved in the offshore wind power supply chain. VARD's product range also meets the needs of companies requiring specialized equipment suitable for the construction and maintenance of offshore wind farms, undersea cable installation and state-of-the-art offshore vessels with remote control and green propulsion.

As for end-users, the double materiality analysis did not reveal any categories of entities that could be exposed to significant risks in connection with the use of Group products.

The main impacts, risks and opportunities related to customer relationship management are outlined below.

⁶ The Group included assumptions and uses in the impact analysis in line with ESRS 2 - General disclosures.



The Fincantieri Group	Group Report on operations				Consolidated Sustainability Statement				Fincantieri Group Consolidated Financial Statements			
	General Information				Environmental Information				Social Information			
									Information on Governance			

Impacts

The double materiality analysis identified both positive and negative impacts related to customer satisfaction management, product safety and quality, and the protection of IT systems.

Customer satisfaction is the core of the Group's interest and it is pursued by constantly involving the customer at the execution stage. In the continuous monitoring of quality and through the offer of innovative products. The Group's objective is to create relationships of trust with customers, by activating channels to listen to their needs and expectations and avoid creating negative impacts from any dissatisfaction. Listening and gathering market information is also a useful communication channel to capture emerging trends or hidden customer needs.

Equally important to the Group is ensuring process quality. In fact, the shipbuilding sector is characterized by a high degree of technical complexity, and mismanagement of processes can potentially undermine the quality of the final product, causing damage to customers. With this in mind, the Group adopts a structured system for the control and continuous improvement of production activities, with a model of widespread and shared responsibility.

The Group pays attention to product efficiency and safety, complying with voluntary standards and industry regulations to protect customers and end-users. This approach results in the application of stringent protocols and the continuous search for innovative solutions to further raise safety standards.

Special attention is then paid to the management of orders, by implementing advanced management systems. In order to meet delivery deadlines, thus preserving customer confidence. Delayed delivery of the ship product can cause significant economic damage to shipowners. At the same time, the strengthening of control activities can contribute to the achievement of high quality standards.

In addition, the Group devotes the same attention to cyber security as it does to production processes and customer engagement, progressively strengthening it in response to the increasing complexity and frequency of cyber attacks against companies of national and international strategic importance. This scenario makes it necessary to constantly adapt corporate defences and processes to safeguard IT assets.



Risks

For the Group, cyber security, data protection, and the management of contractual relations represent risks for Fincantieri, with potential impacts on business continuity and corporate reputation.

In this regard, the double materiality analysis showed that for the Group, cyber security and data protection issues represent both potential negative impacts and risks. The focus on cyber security has progressively intensified in response to the increasing complexity and frequency of cyber attacks against companies of national and international strategic importance, making it necessary to constantly adapt corporate defences and processes to safeguard IT assets. Protecting the integrity and confidentiality of data and information has become a pillar of the corporate digital strategy. The Group endeavours to ensure the protection of IT systems and data, avoiding the risks and impacts of network breaches, corruption of data or sensitive processes, through prevention, detection and action against potential cyber attacks that could damage the Group's business continuity and reputation. Moreover, non-compliance with national and international regulations on cyber security and data protection could expose the Group to sanctions, reputational damage and operational problems, making continuous monitoring of compliance and adaptation of company policies to regulatory developments essential.

With regard to contractual relations, the Group devotes the utmost attention to managing relations with customers right from the outset when commercial assistance agreements are concluded, also in order to prevent any reputational risks.

Opportunities

Technological innovation, digitalization and cyber security are important aspects of Fincantieri's strategic positioning.

Technological excellence, together with product, service and process innovation are the Group's distinguishing features, enabling it to strengthen its competitiveness and to operate in complex, high-impact markets. Fincantieri is constantly researching new technologies to prevent or reduce any negative impacts of its products, also using digitalization and artificial intelligence to develop an innovative industry capable of developing more efficient and sustainable solutions. Anticipating regulatory requirements, as well as customer and competitor expectations allows the Group to keep its reputation high, boost customer loyalty and retain its position as a market leader. Investments in research and innovation are also a strategic element in strengthening the company's presence in segments where it is consolidating its position, with a particular focus on the growing offshore wind power market.

Remaining in the technological sphere, the development of new technologies such as smart devices, Internet of Things (IoT) and artificial intelligence enable greater connectivity between products, making maritime transport safer and more efficient. This development, together with the constant focus on high quality and safety standards and improved production processes that anticipate regulatory requirements, increases customer and end-user satisfaction, with positive consequences for the company's reputation.

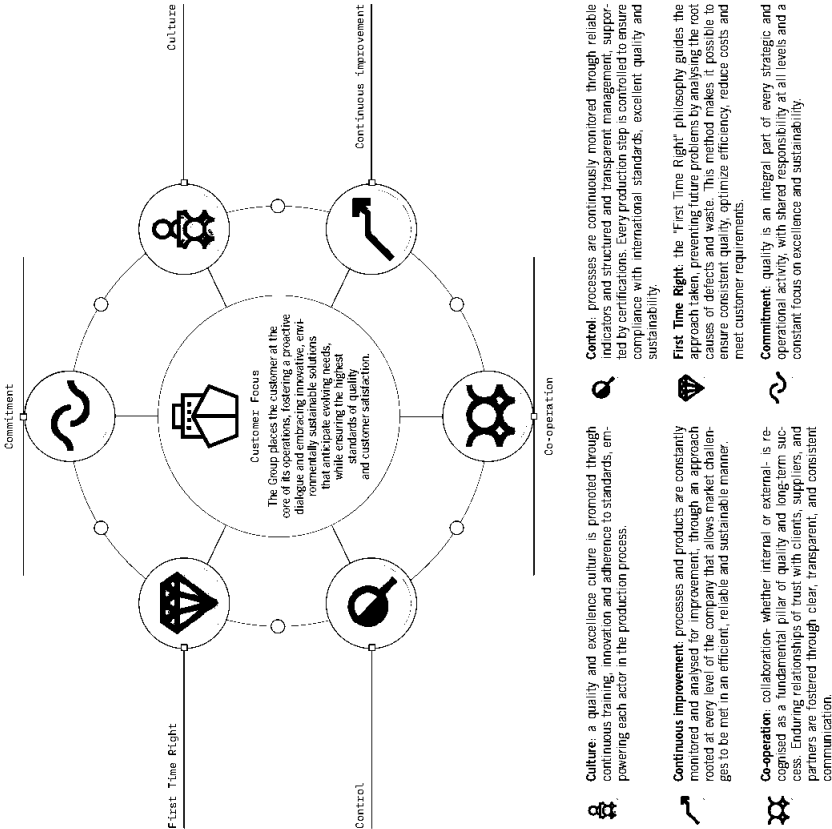
Digitalization poses significant challenges for the development of reliable and efficient network infrastructures capable of ensuring cyber security. The Group therefore pays particular attention to modelling cyber attack risks and related countermeasures. As a result, it ensures the protection of its systems and, consequently, business continuity, maintaining the trust of customers and stakeholders. The same attention to cyber security is adopted in the development of products and services, responding to the needs of a market characterized by increasingly autonomous navigation systems.



Impact, risk and opportunity management

S4.1 – Policies related to consumers and end-users	Fincantieri's lines of action to ensure customer satisfaction and loyalty – in particular production process and product quality, as well as innovation, research and development – are supported by specific company policies. Furthermore, specific policies define the principles the Group adopts to protect the security of information and personal data. The policies described below cover the activities performed by Fincantieri in each business segment, and are therefore drafted for the benefit of all types of customers.
Innovation Policy	The Group bases its corporate strategy and culture on innovation in each of its business areas, defining through its Innovation Policy the actions that enable it to maintain a leadership position in this field. The Policy, approved by the Chief Executive Officer of the Parent Company, is based on principles that guide both technological innovation in terms of products and improvements in the efficiency and effectiveness of internal processes. Responsibility for its implementation remains with the Parent Company, which has consulted with the relevant internal stakeholders for its preparation. Fincantieri's commitment to innovation translates into objectives focused on: • developing new solutions to consolidate the Group's competitive positioning and strengthen its core business; • identifying and adopting innovations that bring added value to customers and improve the well-being of the stakeholders involved; • keeping the Group at the forefront of research into new technologies and fostering the creation of new business opportunities based on technological breakthroughs. The Policy applies to the entire Group and is made available to all employees via the company intranet and to all stakeholders on the website, thus ensuring easy and immediate access to information. <i>For more details on the Implementation of the Innovation Policy, please refer to paragraph "S4-3 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of these actions"</i>
Quality Policy	Fincantieri has implemented a quality management system to ensure the reliability of production processes and their output. The guiding principles of this system are contained in the Quality Policy. Commitment to Excellence. In particular, the Policy defines corporate values, conforms to ISO 9001 and is inspired by the defence-specific standard AS9100/EN9100, which is the European equivalent of ISO 9001 for aerospace, space and defence organizations. Its development took into account the interests and expectations of the main stakeholders, internally involving the heads of the quality functions of the Group's divisions and subsidiaries, as well as the corporate Sustainability and Health & Safety departments. External stakeholders included certification bodies, among others. The Policy applies to Fincantieri S.p.A. and the Group's direct and indirect subsidiaries based in Italy and in other countries, constituting a concrete and constant commitment for all their employees. The document is made available through various channels, such as the corporate intranet and the official website. Responsibility for the implementation, monitoring and control of the Quality Policy lies with the Quality and Performance Improvement department and is approved by the Board of Directors. <i>More details on the Implementation of the quality management system are provided in paragraph "S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns"</i>

The 7 principles of the Quality Policy - Continuous commitment to excellence





The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Environmental Information	Social Information	Information on Governance	Fincantieri Group Consolidated Financial Statements

Data protection and information security

With a view to full implementation of the principles laid down to protect personal data, and for the protection of consumers and/or end-users as a whole, Fincantieri adopts a personal data protection System.

The principles on which it is based are expressly set forth in the **General Principles of the Personal Data Protection System Policy** (Privacy Policy), approved by the Chief Executive Officer of Fincantieri S.p.A., application of which is the responsibility of the Data Protection Officer (DPO).

With this Policy, the Group undertakes to establish and maintain over time a control model aimed at protecting the personal data collected and processed as part of the processes inherent to the activities of Fincantieri S.p.A. in compliance with the General Data Protection Regulation (GDPR) and the relevant national legislation (Privacy Code, i.e. Legislative Decree 196/2003 as amended by Legislative Decree 101/2018), promoting the development of a pervasive privacy culture at Group level.

For more details on the Privacy Policy, please refer to paragraph "G1-1 Corporate culture and Business conduct policies"

S4-2 – Processes for engaging with consumers and end-users about impacts

Constant customer involvement is one of the Group's areas of action, with a view to consolidating and improving its market position. Operating in sectors characterized by a business-to-business model and a limited number of customers, Fincantieri is able to maintain a constant dialogue with its stakeholders. This direct relationship fosters open discussion and makes it possible to anticipate the specific needs of the customer, integrating customer demands into the corporate strategies while proactively managing impacts. Involvement is ensured by the different corporate functions and figures that engage with customers within the various activities and phases of the production process where opportunities for dialogue are generated.

In particular, the Group uses several tools to ensure dialogue:

- Quality Management System:** through its quality management system, Fincantieri stipulates at a procedural level the obligation for the project manager to maintain a constant dialogue with the customer at every project stage, both proactively and by responding to the customer's requests for communication. Similarly, feedback from business partners and other interested parties is collected on an ongoing basis, both throughout the production process and in the after-sales phase. The effectiveness of communication is also ensured through the analysis of data from surveys, interviews and direct assessments. Finally, in order to maintain constant contact with customers, Fincantieri participates in working groups, and holds one-to-one, video and tele-conferences.
- Direct dialogue and participation in industry events:** the Group also engages with customers through round-tables, one-to-one meetings, videoconferences and teleconferences, as well as trade exhibitions. The latter, in fact, represent an important opportunity to interact with customers and suppliers, including potential ones, strengthening the brand's presence in core markets.
- Customer Satisfaction Index (CSI):** Fincantieri has developed a specific Group model for measuring the level of customer satisfaction, the Customer Satisfaction Index. The evaluation is carried out after six months of operation of the ship by issuing a questionnaire directly to the customer.
- After-sales services:** Fincantieri maintains a constant and continuous dialogue with customers, even after the delivery of the ship, offering a warranty service with on-board support to handle any initial problems. Service continues throughout the life of the ship with scheduled preventive maintenance and continuous updating of technical documentation. In addition, with the Follow-on Training service, it supports the crew with turnover of personnel, keeping skills up-to-date.

S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Fincantieri's most significant potential negative impacts are those related to delivery delays and failure to achieve high quality standards.

In order to prevent such impacts, Fincantieri engages in constant dialogue with its customers through different channels, as described in the previous section. In addition to gathering customer requests and expectations, this dialogue enables the company to identify any reports or concerns they may have, thus ensuring that the company can take timely remedial action to address any negative impacts.

To prevent or remediate potential negative impacts, Fincantieri also adopts quality control and monitoring processes, which form an integral part of its Quality Management System, described in more detail in the next section. These processes guide the operating structures in the correct application of the rules for the design, construction and testing of the product, for all orders, highlighting any critical issues arising during the work. During the design and execution of complex products and systems, deviations from standards, changes to drawings and errors by the Group enable deviations to be detected. These are recorded and tracked by in-house facilities, customer inspection staff and classification bodies or, if revealed after delivery, by customer service units during the warranty period. The quantitative and qualitative analysis of the events recorded enables project review mechanisms to be activated, fostering continuous improvement and preventing the same errors from recurring in subsequent projects. To support this process, a closing booklet with the main lessons learned is prepared and shared among all operational sites to promote corrective actions and optimizations. Quality indicators are regularly monitored at division and production level, with a differentiated approach: for shipbuilding (cruise ships, naval vessels, mega-yachts) the analysis is by order and construction, while in the plant and component segments a view by production process is adopted.

Another potential negative impact is the breach of confidentiality, integrity and availability of corporate data due to unauthorized disclosure and mishandling of personal and sensitive information. To prevent this impact, the Fincantieri Group has intensified the development of cyber security, internalising specialist skills in this area, and strengthening cyber resilience. In this context, the Group Cyber Security function defines and implements cyber security measures, monitors the Fincantieri perimeter and reacts promptly if security is compromised.

Moreover, to ensure the protection and security of customers' personal data, Fincantieri has adopted a personal data protection System, defined by a specific Manual, which is divided into operating procedures that regulate critical aspects, including the management of personal data breaches. In this context, the Group also guarantees its customers and all stakeholders the ability to lodge complaints in the event of privacy violations. In accordance with the applicable regulations on data protection, testament to the proper handling of this issue, no complaints were received during 2024 concerning breaches of customer privacy. In addition, Fincantieri S.p.A. has appointed its own Data Protection Officer (DPO), who is responsible for supporting the Company and its employees in complying with privacy obligations by monitoring compliance with relevant regulations and company policies. The DPO provides opinions on privacy impact assessments (DPIA), and acts as a point of contact with the supervisory authority on data processing issues.

As in the previous year, in 2024, the DPO supported Fincantieri S.p.A. with the planned review and updating of the Personal Data Protection System and has provided advice and training in the field of data protection to corporate departments.

Finally, as a further way to express concerns, customers can report possible violations via the whistleblowing channel.

For more information on whistleblowing, see paragraph "G1-3 Prevention and detection of corruption and bribery"



S4.4 –
Taking action
on material impacts
on consumers and
end-users, and approaches
to managing material risks
and pursuing material
opportunities related to
consumers and end-users,
and effectiveness
of those actions

Process
and product quality

As shown by the double materiality analysis, customer satisfaction management, product quality and safety, and information system protection generate both positive and negative impacts. On the one hand, there are risks related to the management of contractual relations, with possible repercussions on business continuity and corporate reputation. On the other hand, there are opportunities offered by technological innovation and digitalization. In addition, cyber security is confirmed as a crucial aspect, both as a risk and as a strategic lever for development.

To manage these impacts, risks and opportunities, the Group has defined three main areas of action: improving the quality of processes and, consequently, of products; constant investment in innovation, research and development; and the adoption of advanced solutions for ship safety, including cyber protection. The actions described below represent the Group's DNA and are closely linked to its strategic vision. They are prolonged over time as characteristics that allow the company to maintain its market position.

In order to ensure the achievement of high quality levels, the Group has implemented a **Quality Management System** in accordance with the ISO 9001 standard, which allows it to continuously monitor and improve processes, products and services, thus guaranteeing customers high standards, increased reliability and a constantly improved experience and satisfaction. Currently, **ISO 9001 certification covers 100% of Italian construction sites and 95% of shipyards at Group level**. The system assigns responsibility for quality to each process owner, ensuring wide-reaching control at every stage, from order acquisition to design and procurement, through to product realization or service delivery.

In addition, for some specific production processes, such as welding of the hull or the manufacture of special structures for infrastructure and civil works, three Italian shipyards (Castellammare di Stabia, Palermo and Sestri Ponente) hold ISO 3834-2 and EN 1090-1 certifications.

In addition to the system certifications mentioned, the subsidiary Fincantieri Marine Interiors, in charge of the design, fitting and delivery of "turnkey" cabins, has achieved the **MED B product certification** and **MED D process certification** issued by RINA certification body. The certificates attest compliance with the European Directive 2014/30/EC Fire Protection requirements for Marine Equipment Directive. Lastly, both Fincantieri S.p.A. and its subsidiaries Fincantieri Infrastrutture S.p.A., Fincantieri Interiors S.p.A., Fincantieri Infrastructure Social S.p.A., Fincantieri Infrastrutture Opere Maritime S.p.A., Fincantieri SI S.p.A., Oceana S.p.A. and SOF S.p.A., hold the SOL certification, attesting to qualification for the execution of public works.

Even after delivery of the ship, Fincantieri offers a warranty service with on-board support to handle any initial problems. Services continue throughout the life of the ship with scheduled preventive maintenance and continuous updating of technical documentation.

Site, process and product
digitalization using
information technology
solutions

To take advantage of opportunities related to the efficiency of production processes, in parallel with the maintenance of management systems, the Group invests in the development of advanced information technology solutions. The 2023-2027 Business Plan places a strong emphasis on the digital and technological transition, identifying several strategic initiatives to **digitalize shipyards, processes and the ship product**. These measures bring indirect and direct benefits to customers: indirectly, process optimization and reduced error margin help minimise delays and inaccuracies in orders. Directly, the ship digitalization ensures a state-of-the-art product, technologically advanced and more intuitive in its handling.

Within the scope of the development and management of Information and Communication Technology (ICT) services, Fincantieri ensures high standards of quality and security, also thanks to the ISO 9001 and ISO 27001 certifications obtained. Since 2017, to safeguard the company's digital assets, industrial know-how and the Group's competitiveness.

Actions related to the Sustainability Plan targets achieved in 2024

The Group defined specific targets in the **2023-2027 Sustainability Plan** related to the digitalization of internal processes and collaborations with third parties, and the introduction of innovative analytics and process mining solutions for process optimization, highlighting their strategic value (for a complete view of the targets related to Fincantieri Group's customers, please refer to paragraph S4.5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities).

Below are the actions implemented during 2024 to achieve the targets set for this reporting year:

- With regard to the **digitalization of internal processes** and collaborations:
 - Implementation activities were completed for the digitalization and centralisation of paper processes related to the documentation of suppliers' work progress (stage of completion) and management of ancillary company access for Fincantieri S.p.A. This initiative enables a reduction in the number of paper printouts of about 1.1 million per year for the same workload under normal conditions.
 - A new solution was introduced for managing the transport of materials in and out of the Group's sites*, with the coordination of several logistic providers and the adoption of the slot booking approach. In addition, experimentation was carried out with algorithms based on High Performance Computing or Quantum Computing for the optimization of intra-group transport and inventory, with a view to generating a direct benefit on emissions.
 - Fincantieri Marinette Marine (FMM) adopted the SAP ERP for the core modules, in line with the group ERP model. In advance of the target deadline of 2025, the same implementation was also extended to the remaining companies in the Interiors Cluster.
- Introduction of innovative analytics solutions and process mining** for process optimization:
 - Wave 2 of the project to create an enterprise data platform, integrated with master systems (e.g. SAP, Inspection Call) and enhanced by AI and machine learning services, was completed to provide insights into areas of lower efficiency. In particular, 25 use cases were developed in the following areas: optimization of technical and design processes; improvement of productivity and operational efficiency through IoT data; strengthening of control and reliability of production processes; optimization of procurement management and supply chains. In addition to the 25 planned use cases, further projects were developed in response to specific business needs.
 - The integration of the subsidiary VARD (Norway, Romania) into the Fincantieri reporting system was completed, extending the analytics tools to Group companies adopting the same processes. This initiative enables more efficient data management and improved analytical capabilities at a global level.



The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Environmental Information	Social Information	Information on Governance	Fincantieri Group Consolidated Financial Statements

Innovation, research and development

To make the most of opportunities in terms of competitiveness and profitability and to meet and anticipate customer demands, the Group has adopted a second line of action focused on innovation, research and development.

Fincantieri operates in sectors characterized by strong technological development, in particular for specialized vessels and offshore wind power. Therefore, it constantly invests in research and development, and regularly monitors emerging trends by activating a system of technology scouting and monitoring of innovation ecosystems, fostering collaboration with external stakeholders and the spillover of innovative technologies, including from other sectors.

At the operational level, the Innovation Plan described in paragraph S4-SMB.3...Material impacts, risks and opportunities and their interaction with strategy and business model took the form of an extensive Research and Innovation (R&I) Program, which in 2024 saw the implementation of more than 150 projects, financed both through its own resources and through the use of European, national and regional support programs for R&I actions. Several projects are carried out in collaboration with universities and research institutes, through the allocation of specific assignments or the funding of PhD fellowships, research grants, or tenured and temporary positions in partner universities. The projects can be traced back to the areas identified in the Innovation Plan described in the strategy for this chapter, and the Group constantly monitors their progress, weighing their effectiveness. Once a research project is completed, its possible application in the business context is evaluated.

Actions related to the Sustainability Plan targets achieved in 2024

The Group defined a specific target in the 2023-2027 Sustainability Plan relating to the promotion of research projects in collaboration with research institutes/universities for the development of new energy efficiency or emission reduction solutions, highlighting the strategic value of innovation (for a complete view of the targets relating to the Fincantieri Group's customers, please refer to paragraph S4-S5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities).

Below are the actions implemented during 2024 to achieve the targets set for this reporting year:

- As part of the goal to complete four research projects by 2030, the **SEABAT project** was launched in 2024, aimed at improving the energy efficiency of the shipping sector and reducing pollutant emissions. The project focuses on the optimization of electrical storage systems (lithium batteries), with the aim of reducing their cost and improving their performance. In addition, through its subsidiaries Fincantieri S.p.A. and Vard Electro, the Group continued development activities within specific work packages of the SEABAT project, in particular on the following topics: modular and scalable battery system design, performance test of full battery system, and roadmap for type approval.

The nature of the collaborations and the main initiatives are detailed below.

Main collaborations

Fincantieri participates in the sector's main research and development initiatives, attaching equal importance to local, national and international collaborations.

At the national level, it actively participates in the initiatives promoted under the National Recovery and Resilience Plan (PNRR), aimed at stimulating technology transfer between the various national stakeholders. Such initiatives include:

- the National Research Centre in High Performance Computing, Big Data and Quantum Computing (HCSC);
- the National Centre for Sustainable Mobility (MOST);
- the Territorial Innovation Ecosystem Robotics and AI for Socio-economic Empowerment (RAISE).

Fincantieri is also a member of several industry associations and initiatives, including:

- the Italian Hydrogen and Fuel Cells Association (H2IT);
- the Italian Association for Industrial Research (AIIR);
- the Federation of Italian Companies for Aerospace;
- the START4.0 and Meditech Competence Centres for the promotion of new industry 4.0 solutions in the infrastructure and engineering sectors respectively.

The Group's partnerships are often supported by the **Centro per gli studi di Tecnica Navale – CETENA**, which, thanks to its experience in research and consultancy in the naval and maritime field, represents the cornerstone of the Group's main pre-competitive research and engineering initiatives.

Participation in IPCEI projects

Among the most important research and development projects in 2024 are the IPCEI (Important Project of Common European Interest) initiatives, particularly those related to energy transition.

Fincantieri is among the 35 European companies participating in the first IPCEI on hydrogen, which, in July 2022, obtained the European Commission's authorization for funding through the State Aid scheme provided for IPCEI's and which was launched during 2023. The aim of the project, called **"Wave 2 the Future"**, part of the IPCEI H2Y2Tech initiative, is to contribute to the decarbonization of the economy by promoting the replacement of fossil fuels with hydrogen for ship generation. In particular, starting with green hydrogen production technology, the aim is to create a hydrogen ecosystem which involves all sectors, from transport to distribution and the technology for deployment and end-users, which are fundamental for the development of a market. This objective would be unattainable without the support of the instrument of the Important Project of Common European Interest.

Furthermore, in December 2023, Fincantieri was one of 19 European companies directly participating in the IPCEI Next Generation Cloud Infrastructure and Services (IPCEI CIS), which will launch an equal number of highly innovative projects in the area of cloud-edge continuum technologies. The objective of Fincantieri's project **"Connect 2 the Future"**, started at the beginning of 2024, is the digitalization of the shipbuilding segment, both on board ship and in shipyards, through the implementation of advanced digital suites to manage ship and shipyard activities in the Edges-Cloud system, with a focus on the development of the European Cloud and Infrastructure system functionalities (PCEI CIS). IPCEI CIS aims to create an integrated European digital ecosystem.

Product safety and information

To generate positive impacts and mitigate risks for customers in relation to ship safety, including cyber protection, Fincantieri's third line of action is focused on this issue. The Group works to design and produce ships that are safe and compliant with industry standards and regulations, creating value for customers and end-users, and to prevent the risk of cyber attacks on both ships and Fincantieri assets, thus protecting customers from potential direct and indirect damage.

With this in mind, the Group participates directly in the development of international maritime safety regulations, working with flag administrations, classification societies, industry associations, shipowners and research institutions. This approach allows the Group to anticipate regulatory developments, developing innovative and competitive solutions. In addition, the company is an accredited interlocutor at the IMO, the international body responsible for directives on shipping safety and environmental protection. Of these, the most important is **SOLAS** (Safety of Life At Sea), which defines international standards for safeguarding human life at sea, with a focus on preparing personnel to deal with emergencies.

As far as the production process is concerned, every **cruise ship** built by Fincantieri is provided with a class certificate, which is issued following verification of compliance with the regulations of the classification bodies. This certificate attests that the design, construction and maintenance of the ship are carried out with a view to minimizing risks to human life, the environment and property. The equipment and appliances on board comply with strict manufacturer's standards as well as national and international regulations.

As far as **naval vessels** are concerned, security is addressed from the perspectives of defence against external threats (cyberability) and maritime security and containment of pollutant emissions into water and air. On the one hand, several software packages have been developed to assist ships in the level of susceptibility and survivability. With regard to the second perspective, the Group has also developed the **Green Ship** compliance with the specific regulations for naval vessels, made up by classification societies, which guarantee that ships are designed, built and maintained in such a way as to minimize risks to life, the environment and goods.

Fincantieri is also developing several innovative projects to improve the performance and safety of its ships, among which the following are of particular interest:

- the **CAPS** project (2023-2024), which focuses on the calculation of the ship's pressure signature;
- the project to develop an energy model for **dynamic thermal simulation** (2023-2025), which aims to optimize energy efficiency and comfort on board through BIM models and simplified simulations;
- the **MFMS** project (2024-2026), which aims to develop new methods of structural robustness analysis of ships;
- The **VULNERA3** project (2023-2025) aims to develop new methods of structural robustness analysis;
- Finally, the **FED** project (2021-2024) deals with the industrialization of an innovative exhaust gas diffusion system.



The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Fincantieri Group Consolidated Financial Statements
		General Information	Information on Governance
		Environmental Information	Social Information

Cyber security

A further element of naval security is protection against cyber risks. This mainly meets the needs of customers in the naval segment as they are by their nature potentially exposed to the risk of hacking and cyber attacks.

Due to the technological development and increasing digitalization of naval platforms, a structured approach to cyber security becomes necessary to counter increasingly sophisticated threats that could compromise the integrity and operability of vessels. In this scenario, Fincantieri adopts advanced strategies to ensure the digital security of its ships, addressing the challenges with innovative and tailor-made solutions.

Naval platforms built by Fincantieri, integrating a wide range of heterogeneous digital systems (CBS - Computer Based Systems) and sometimes interconnected with the outside world, can be vulnerable to modern and sophisticated forms of attack. These threats, perpetrated by highly organized actors and/or groups, may have opportunistic ends (such as digital extortion), or be part of strategies aimed at gaining geopolitical advantage. In this context, the Company, as Design Authority of the on-board electronic architecture of the vessels it produces, plays a key role in the design of tailor-made solutions capable of guaranteeing the resilience of ships throughout their entire life cycle. This approach extends from the design and production of the vessels, according to the "cyber security-by-design" paradigm, to the provision of dedicated after-sales services.

During 2024, several initiatives were taken at the institutional level to strengthen cyber security.

Among these, of particular note is the project launched at the end of 2023 in response to the Italian Navy's request to increase the cyber defence capabilities of PPA-class units. A dedicated seven-month project was thus conducted.

The process started with an initial cyber attack simulation conducted on board the PPA5 unit in December 2023, continuing in 2024 with a security assessment activity aimed at testing the resilience of specific on-board systems and formulating mitigation measures for the critical issues encountered. In order to direct a subsequent discussion with the manufacturers of the systems examined.

As part of the same project, a training session was organized for Navy shipboard operators in the area of cybersecurity, aimed at preventing, recognizing and managing potential cyber attacks on naval platforms. The initiative attracted considerable interest, involving around two thousand participants, both in person and via remote connection. As a next step, a cyber attack simulation was planned for the shipboard operators as part of the broader Italian-French naval exercise "Mare Aperto", held on board the aircraft carrier "Nave Cavour". The initiative was attended by the Italian and French Navy Chiefs of Staff.

The interest aroused by these activities led to the realization of a second cyber attack simulation in October, demonstrating the versatility of the teams involved in conducting different scenarios.

Furthermore, in December 2024, the installation of a cyber monitoring solution in the first FREMM unit of the Italian Navy was completed, the first of 10 FREMM vessels. At the same time, a project proposal is being finalized to extend the capabilities of this technology to the other 10 units of the Naval Law program.

Actions related to the Sustainability Plan targets achieved in 2024

The Group has defined in its 2023-2027 Sustainability Plan targets to raise awareness and training among its employees and top management on cyber risks, and to increase the level of control over the cyber risk exposure of the product supply chain for a complete view of the targets related to the Fincantieri Group's customers, please refer to paragraph S4.5. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities.

Below are the actions implemented during 2024 to achieve the targets set for this reporting year:

- In relation to the objective of **awareness-raising and training** of the company population and top management:
 - Four phishing awareness campaigns were conducted for employees of Fincantieri S.p.A., which were subsequently extended to all users of the companies within the Italian scope, going far beyond the scope originally planned. In particular, one campaign was specifically targeted at top management, simulating a fraud attempt, while the others focused on theft of credentials, involving around 8,000 users each.
 - For VARD Group, the first phishing awareness campaign was launched, accompanied by monthly meetings dedicated to sharing and monitoring plans for cyber security awareness activities;
 - An induction session dedicated to top management was organized, which also provided a strategic opportunity to discuss the strengthening of Fincantieri's cyber defences.
- In line with the objective of increasing the level of control over the **cyber risk exposure of the supply chain**, a cyber maturity assessment plan of suppliers was initiated. At an operational level, during 2024, the questionnaire used for these audits was integrated into the supplier survey platform adopted by Fincantieri, allowing the Vendor Due Diligence cyber procedure to be launched. This activity was first carried out on an experimental basis on 20 suppliers and was later extended to approximately 7,000 users. To date, 464 suppliers have been surveyed, including 65 representing 90% of the cruise business cyber-critical systems, in line with the ACS UR E26 standard.

As part of the awareness and digitalization initiatives described above, the Group incurred more than euro 4 million in operating expenditure, which forms part of the various projects developed by Fincantieri in the area of information technology and cybersecurity.

In 2024, the value of Research and Development costs charged to the profit and loss account for various reasons amounted to approximately euro 22 million and also included the projects described above, which amount to over euro 11 million.

8 Please note that the BDO figure refers to the coverage of the types of critical systems considered in the analysis and not to the absolute number of exposures or systems. The engagement of the sample analysed kept the representativeness with respect to critical systems exposed to the greatest degree.

Metrics and targets

SD-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Below is the detail of the objectives included in the 2023-2027 Sustainability Plan, in consideration of the direction for development Innovation - Innovative and Technological development for energy and digital transition, setting the targets, the Group took into account:

- the commitments contained within the specific policies;
- the results of benchmark analyses, with a focus on key industry challenges and future customer expectations;
- the priorities and the latest regulatory updates;
- the priorities defined by the United Nations in the 2030 Agenda for Sustainable Development;
- the feedback gathered within the different channels of dialogue with customers.

Based on the above, Fincantieri has defined clear and measurable targets. The table shows the objectives for dealing with customer and end-user issues. All targets set for 2024 were achieved. The scope of the targets, unless otherwise specified in the notes, is Group-wide. The baseline is the first year where the information or quantitative data was reported.

Innovation - Innovative and Technological development for energy and digital transition

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Introduction of innovative analytics and process mining solutions that provide insights for process optimization	Process mining solution introduced	Creation of a corporate database (Data Platform), activation of AI/machine learning services for 25 use cases	Extension of analytics tools to: Fincantieri, Marnette Marine (FMM), M.I.S.p.A., Fincantieri Bay Ship (FBS) and remaining companies in the Interior's Hub
	Created a corporate data-base (Data Platform), activated AI/machine learning services for 10 priority use cases for 10 priority use cases (8 CFO, 2 Supply Chain)	✓	
Centralize the cyber security management and monitoring through a uniform service delivery model	objective achieved in advance	✓	Integration of incident response processes for participating subsidiaries
	Setting up of the architecture	-	
Privacy Policy	3 phishing awareness campaigns for employees (white collar, middle managers and senior managers) ⁴	2 phishing awareness campaigns for employees (white collar, middle managers and senior managers) ¹⁰	Unified incident monitoring of the subsidiaries using the service
	Held various induction sessions for top management (including the Board of Directors) ⁸	1 induction session for top management (including the Board of Directors) ⁷	
Increasing the level of control over the cyber risk exposure of the product supply chain ⁶	✓	Activation of an audit plan on cyber risk exposure to a pool of 20 suppliers, representative of 50% of the critical systems of the cruise sector ²	-



For the definition, approval, and monitoring of objectives and targets, please refer to paragraph "ESRS & SBM-1 Strategy, business model, and value chain"

¹ The targets refer to the entire Fincantieri Group.
² Figure achieved
³ GDP: Coordination of Production
⁴ Fincantieri S.p.A.
⁵ Fincantieri S.p.A.
⁶ Fincantieri S.p.A.
⁷ Fincantieri S.p.A.
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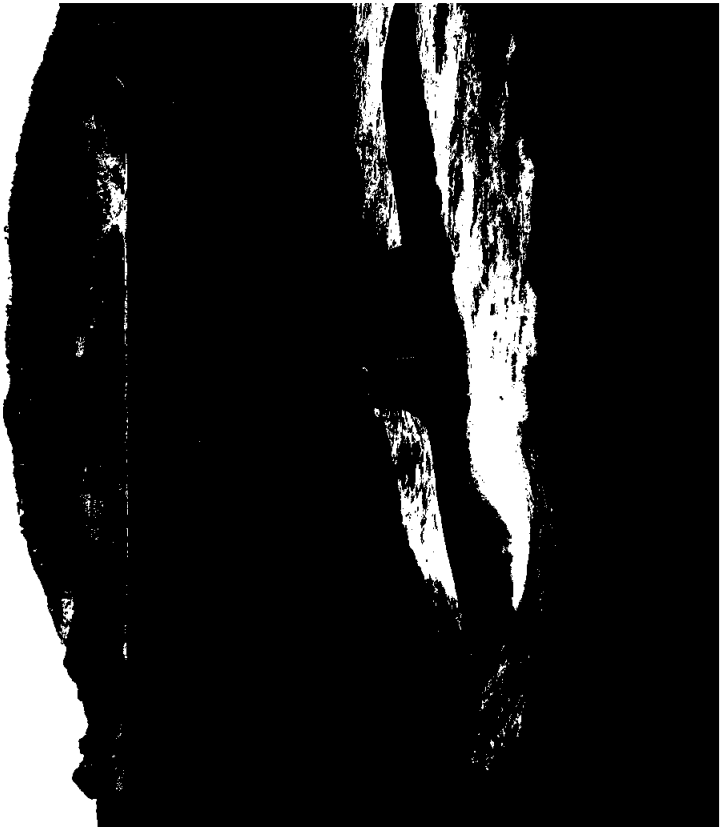
Information on Governance

ESRS G1 – Business conduct

Governance

GOV.1 – The role of the administrative, management and supervisory bodies

Information on the composition and the role of the administrative, management and supervisory bodies is detailed in paragraph ESRS 2 GOV-1. The role of the administrative, management and supervisory bodies



Impact, risk and opportunity management

IRO.1 – Description of the processes to identify and assess material impacts, risks and opportunities

By conducting a double materiality analysis, the Fincantieri Group identified the impacts, risks and opportunities related to its business conduct. Through a careful assessment of the Company's internal and external dynamics, a clear picture of the challenges and opportunities for Fincantieri was outlined. Based on this analysis, the Group strengthened its strategy and updated its policies on business conduct.

In order to correctly identify impacts, risks and opportunities, Fincantieri analysed its business activities, the different geographic areas in which it operates and market developments.

The procedures for carrying out the double materiality analysis, and more details on it, are set out in the paragraph ESRS 2 SGM-3. Material impacts, risks and opportunities and their interaction with strategy with strategy and business model and ESRS 2 IRO-1. Description of the process to identify and assess material impacts, risks and opportunities.

Below are the impacts, risks and opportunities identified through the analysis and related to the Company's conduct.

Impacts

Unlawful conduct such as tax evasion, pursuit of private interests or other improper actions by Fincantieri or those acting on its behalf may cause significant negative impacts. Therefore, the Company operates within a framework of fair competition, inspired by principles of honesty, fairness and good faith, respecting the interests of shareholders, employees, customers, trade and financial partners, and the local communities within which it operates. Acting with integrity is one of the five core values on which the company bases its identity, and enables it to preserve its reputation and corporate image. This commitment is also enshrined in its Code of Conduct and supported by additional company policies.

The Company also reinforces its commitment to the principles of ethics, integrity and transparency through cooperation between countries and international partnerships in the maritime sector. Fincantieri promotes a culture of sustainability throughout its value chain, both using contractual instruments and through engagement and training initiatives, thus contributing to the sustainable development of the industry.

Moreover, decreased investment in research and innovation and lack of industrial collaboration with other companies, research institutes or government agencies could generate negative impacts, limiting the sustainable progress of the sector. To prevent this impact, the Group is committed to continuous investment in new projects and technologies, and to the ongoing pursuit of partnerships with universities and research centres, in order to accelerate the adoption of sustainable technologies.

Unlawful processing of personal and corporate information could cause significant negative impacts both economically and in terms of reputation. For this reason, the company pays the utmost attention to the protection of personal data and company information. Through the adoption of a management system for data protection and IT solutions, including cyber security solutions, the Company is committed to ensuring a high level of protection, benefiting both internal and external stakeholders.



The Fincantieri Group	Group Report on operations				Consolidated Sustainability Statement				Fincantieri Group Consolidated Financial Statements			
	General Information				Environmental Information				Social Information			

Risks

Fincantieri has adopted an organizational, management and control model pursuant to Legislative Decree No. 231/2001 to prevent the commission of predicate offences committed, including in other countries, in its interest or to its advantage, by persons in positions involving representation, administration or management of the Company, as well as by persons subject to the direction or supervision of one of those persons. The inadequacy of the Model could have a significant negative impact on the Fincantieri Group's economic situation, assets and finances. To ensure its effectiveness and adaptation to regulatory developments, the Model is subject to constant updates.

To avoid fines or disqualifying sanctions, as well as reputational damage, with possible negative effects on its economic activity, assets and finances, the Group is committed to preventing any form of corruption. This commitment is enshrined in its Code of Conduct and is set out in various company procedures and documents, such as the Anti-corruption Policy, the Management of Relationships with the Public Administration, the Procedure on Donations, Grants, Sponsorships, Gifts and Hospitality, and the Procedures for the Management of Conflicts of Interest and Whistleblowing. These documents are made available to employees and third parties in order to promote a firm condemnation of corruption. These company procedures and documents are an integral part of Fincantieri's Prevention of Corruption Management System, which has been certified in accordance with ISO 37001 since 2020. This system ensures the application of the Policy, identification of risks, assignment of responsibilities, adoption of preventive measures and compliance with laws.

The Group is also committed to the protection of personal data. That is why it has adopted a data protection management model, thus avoiding the risk of sanctions. At the same time, company data and information security is ensured by constantly adapting the company's defences and processes for safeguarding IT assets. Following its inclusion in the national cyber security perimeter, the Parent Company implemented a set of organizational, technical and procedural initiatives to ensure full compliance with the requirements of the national regulatory framework. Although the Group adopts strict cyber security protocols and policies, it may face cyber threats and other threats to the security of its IT infrastructure or the security of its own trade secrets or those of its customers. The Group may face unlawful attempts to gain access to its IT system, including coordinated attacks by groups of hackers, which may result in the loss of or damage to intellectual property, the extraction or alteration of information or the interruption of production processes, including possible malfunctions in the security measures taken to protect information, with consequent negative effects on the Group's economic situation, assets and finances.

Controlling the supply chain is a key element in ensuring proper business conduct, reducing risks that could compromise company integrity, reputation and production. Inadequate supply chain management can in fact generate negative economic and reputational impacts, especially when combined with critical supplier-related issues. For this reason, the Group adopts a sustainable supply chain model, aimed at spreading its values and principles and monitoring suppliers also from an environmental, social and governance perspective. In this context, particular attention is paid to the prevention of risks such as conflicts of interest in procurement relationships, lack of integrity on the part of suppliers and the presence of suppliers on relevant sanctions lists.

Opportunities

The ongoing interest in sustainability issues from all stakeholders has led, increasing investment by the Group in environmental, social and governance (ESG) issues. Industrial sustainability is a key element of the Group's strategy and is one of the five pillars of the Business Plan. The Group's ESG directions are outlined in the Sustainability Plan.

The Group is aware of the importance of implementing an appropriate sustainability strategy, aligned with the expectations of stakeholders, who are increasingly sensitive to ESG issues, and the importance of maintaining specific sustainability rating agency scores, thereby increasing credibility. Meeting investors' expectations and fulfilling the criteria for access to finance allows the Group to increase not only its credibility but also its profitability.

For this reason, constant dialogue with investors, analysts and rating agencies through reliable, transparent and timely communication on significant activities and events is of utmost importance. This is also designed to preserve and increase the market's trust in the Company as well as to promote sustainable development. With this in mind, Fincantieri has for years adopted and implemented activities aimed at fostering dialogue between Top Management, shareholders and all stakeholders involved through a wide range of communication channels, including, by way of example, teleconferences and videoconferences with analysts and investors, and participation in institutional events.

G1.1 – Business conduct policies and corporate culture

The Group is convinced that lasting success can only be achieved through responsible and ethical management of its business. All operations are conducted in compliance with laws, internal regulations and professional ethical principles. To ensure compliance with these standards, specific policies and guidelines have been developed to direct the Group's activities.

Code of Conduct

Everyone who works for Fincantieri, without exception or distinction, is committed to observing and ensuring the observance of the company's Code of Conduct, which, for the smooth functioning, reliability and reputation of the Group, requires full compliance with the law, with international conventions, including the 1997 OECD Convention on Combating Bribery in Business, and in strict accordance with the rights enshrined in the United Nations Universal Declaration of Human Rights.

The Code of Conduct requires that operations take place in a context of fair competition, with honesty, integrity, fairness and good faith, respecting the legitimate interests of stakeholders, shareholders, employees, customers, trade and financial partners, and the local communities within which the Group operates. The Code also states that confidential information may not be used, communicated or disclosed without specific authorization. Throughout its Code of Conduct, Fincantieri requires that all actions and activities carried out or implemented by Group companies shall be lawful, open to verification, compliant with rules, procedures and regulations and based on correct and complete information. Directors, employees and all those working within the Group and for the Group are required to be familiar with the Code, to actively contribute to its implementation and to report any shortcomings and non-compliance. Subsidiaries, both Italian and foreign, are required to adapt and comply with the rules of "corporate ethics" enshrined in the Code laid down by the Parent Company, and to integrate, where necessary, the values and principles related to their specific sphere of operations within their own internal regulations (for example, through an addendum).

Furthermore, Fincantieri is committed, through the adoption of the Supplier Code of Ethics, to defending and enhancing human rights, by protecting all those who work within the Company and promoting the sharing and observance of principles and rules for sustainable action, involving business partners, suppliers and contractors and all other entities forming part of the entire supply chain.

Fincantieri is committed to encouraging the spread and understanding of the Code of Conduct among its employees and all those who have business relations with Fincantieri, and monitors compliance with the Code, ensuring the transparency of existing operations and conduct, and providing suitable tools for information, prevention and control. The Code of Conduct is published on the company intranet to which all employees have access and is available on the institutional website to all stakeholders. The Code is also delivered to new employees during the onboarding phase, is made available by posting it on company notice boards and is referred to in the compulsory training pursuant to Legislative Decree 231 (activated for new employees and updated every three years), provided to executives, middle managers, employees and trainees. Similar channels for communication and training/awareness-raising are adopted by the Subsidiaries.

Verification of the implementation of the Code of Conduct and its application is the responsibility of the Parent Company and Company management, who may also make proposals to supplement or amend its contents.



Anti-corruption Policy

Given the extensive geographic context in which the Group operates, the Company has adopted a number of internal regulatory instruments aimed at identifying and applying a global anti-corruption policy that defines the expectations for conducting business operations in strict compliance with the best international standards on anti-corruption legislation, including laws ratifying international conventions such as the United Nations Convention against Corruption (2003).

The Group's commitment to anti-corruption - established in primis by the Code of Conduct - is reflected in a series of corporate documents that are its existing means to combat corruption. The first of these documents is the **Anti-corruption Policy**, signed by the Chief Executive Officer. Responsibility for its implementation lies with the Parent Company. The Policy is addressed to members of the corporate bodies of Group companies, all employees, partners and third parties in business relationships with the Group. Fincantieri recommends that all Group companies, both in Italy and abroad, adopt procedures in accordance with its policies, in compliance with local regulations. In particular, US subsidiaries have developed and adopted compliant policies ("Ethics and compliance policy") with specific reference to the US and specific anticorruption legislation (US Foreign Corrupt Practices Act and Anti-Kickback Act of 1986).

The primary objective of Fincantieri's Anti-corruption Policy is to emphasise the Group's commitment to the fight against corruption in all of its forms and to zero tolerance for this phenomenon through constant reinforcement of the degree of integrity and transparency in internal conduct able to positively influence the Company's reputation in the areas where it works, while respecting the legitimate interests of shareholders, employees, customers, trade and financial partners, local communities and groups where it operates.

Fincantieri's Anti-corruption Policy sets out the prohibited conduct, the general principles of conduct and the main control and prevention measures with reference to sensitive areas based on the risk of direct and indirect corruption or bribery, in favour of public and private entities, perpetrated by anyone and in any way.

The Policy is delivered to employees at the time of their recruitment, with signature certifying the receipt and the commitment to become familiar with and observe the relevant rules, and to third parties when contracts are stipulated. The Company encourages the reporting in good faith or on the basis of a reasonable belief of attempted, presumed and actual acts of corruption, as well as of any violation of applicable anti-corruption regulations, the Policy or internal anti-corruption regulatory instruments, through the reporting platform and other internal channels provided, which recipients are made aware of through communications, internal regulatory tools and the Company's official website. The confidentiality of sources and information coming into its possession is ensured, without prejudice to legal obligations.

Violation of the law or internal procedures, including the provisions of the Anti-corruption Policy, is subject to the application of the disciplinary system adopted by the Company as part of the Organizational, Management and Control Model pursuant to Legislative Decree 231/2001. The system of sanctions is designed to stop unlawful conduct from being perpetrated or attempted, and to apply contractual penalties and remedies, including contract termination and claims for damages.

In order to raise awareness and knowledge of issues relating to the prevention of corruption, the Group develops training and information for employees in relation to the risk profile associated with the function or activity with reference to: i) corruption offences; ii) the corruption risks to which they might be subject; iii) the criminal and administrative liabilities of individuals and the company; iv) the actions to be taken to prevent and avoid corrupt acts; v) the implications and potential consequences of corrupt acts; vi) the methods and channels to be used for reporting/whistleblowing.

Both internal and external stakeholders were involved in defining the Policy. The former included the main company departments, the Chief Executive Officer and the Chairman of the Board of Directors. With regard to external stakeholders, the Policy was shared with the ISO 37001 certification body.

For information on mechanisms for reporting violations of the Code of Ethics, please refer to paragraph 61.3 Prevention and detection of corruption and bribery.

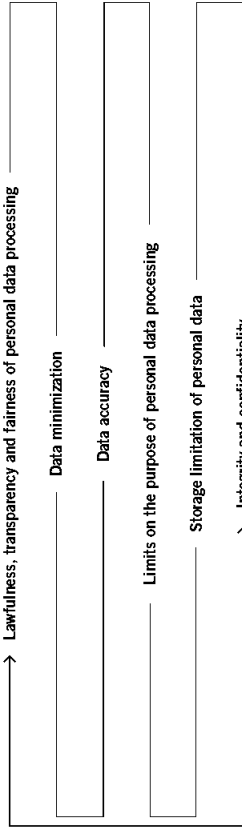
Policy General Principles of the Personal Data Protection System

Fincantieri, with a view to the full implementation of data protection principles, adopts a Personal Data Protection System that involves both employees from its own workforce and value chain workers. The Policy General Principles of the Personal Data Protection System (**Privacy Policy**) is essential to mitigate critical risks, such as breaches of confidentiality, non-compliance with national and international data protection regulations, and other threats. At the same time, it makes it possible to strengthen the security and protection of information through the development of specific systems, reducing operating costs and ensuring the trust of stakeholders. In addition, the focus on cyber security opens up new business opportunities, responding to the growing demand for security in digitalized systems.

The principles on which it is based are expressly set out in the Privacy Policy, approved by the Chief Executive Officer of Fincantieri S.p.A. The Data Protection Officer (DPO) is the person responsible for the implementation of the Policy, and supports the Company and its employees in complying with privacy obligations.

With this Policy, Fincantieri S.p.A. undertakes to establish and maintain over time a control model aimed at protecting the personal data collected and processed as part of the processes inherent to its activities, in compliance with the General Data Protection Regulation (GDPR) and the relevant national legislation (Privacy Code, i.e. Legislative Decree 196/2003 as amended by Legislative Decree 101/2018). It is also committed to promoting the development of a pervasive privacy culture at Group level. With this in mind, in addition to the dissemination of privacy statements to the data subjects and instructions to authorized personnel for the processing of personal data, a verification and control activity was carried out on the main data processing operations was carried out as well as a training program for employees of the Parent Company, also extended to the Italian subsidiaries.

Principles of Fincantieri's Privacy Policy



With regard to companies in other countries, Fincantieri Marine Group adopts policies for privacy protection and data security, in compliance with industry regulations. The information, communication and technology and Human Resource departments of the Yard group work together to implement policies that comply with the GDPR. The group introduced a Privacy Policy for employees, available in English on the intranet and as an annex to the employment contract, reinforcing the commitment to a sustainable corporate culture.



The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Fincantieri Group Consolidated Financial Statements
		General Information	Environmental Information
			Social Information
			Information on Governance

Policy for managing dialogue with shareholders and other relevant stakeholders

In order to regulate procedures for dialogue and discussion with shareholders and other relevant stakeholders, Fincantieri has adopted the Policy for managing dialogue with shareholders and other relevant stakeholders, approved by the Board of Directors of Fincantieri S.p.A. The Policy governs relations and encourages constant, ongoing and transparent dialogue between the Company and its stakeholders, with a view to fostering the medium/long-term creation of value and sustainable development.

It is subject to revision should events or changes, inside or outside the Company, make it necessary, appropriate or, in any case desirable to ensure that it is up-to-date with respect to any changes in the laws and regulations applicable from time to time, the best implementation practices found in the financial markets, and with respect to the development of the Company's structure.

The scope of application of the Policy is limited to matters falling within the competence of the Board of Directors of Fincantieri, also through its Committees, which directly or indirectly relate to the position of the persons involved and which mainly concern:

- corporate objectives and policies;
- corporate governance issues;
- social and environmental sustainability.

Activities aimed at the creation and strategic management of a transparent and two-way information flow between Fincantieri and the financial community are overseen by the Investor Relations Function.

The Policy is made available to employees on the company intranet and is available on the official website for all stakeholders.

Tax Strategy Policy

Fincantieri, in adherence to the principles enshrined in the Group Code of Conduct, intends to responsibly manage taxes due and collected on behalf of the relevant tax authorities, to ensure the Group's reputation and sustainability over time, considering that, through taxes, the Group contributes to the needs and well-being of society as a whole.

To this end, the Tax Strategy Policy defines specific rules for tax management. In particular, Fincantieri undertakes to correctly and promptly determine and pay taxes due, in compliance with the tax regulations, and to control tax risk, preventing violations or abuses of the tax system, with potential financial and reputational consequences. The Policy's principles of conduct are based on values of honesty and integrity, respect for tax rules, and a transparent and cooperative relationship with the tax authorities, ensuring a full understanding of the facts underlying the application of tax rules. Taxation is managed according to the strategic indications of the Board of Directors, which reserves the right to review their application and is duly informed on the most complex and important tax issues. Fincantieri, with a view to strengthening its Internal Control and Risk Management System (ICRMS), is evaluating the implementation of a tax risk control system (Tax Control Framework) in line with OECD guidelines, starting from the Parent Company and subsequently extending it to the most important companies.

Taxation is overseen by a dedicated central department, which ensures the correct fulfilment of tax obligations and supports company functions in ordinary and extraordinary transactions.

The Tax Strategy Policy is prepared by Fincantieri S.p.A. in its capacity as Parent Company, and is approved by its Board of Directors, which is ultimately responsible for its application and dissemination, with a corporate culture based on its deriving values, as well as the supervision of the tax risk control system, which matches the guidelines defined in the Tax Strategy Policy.

G1.2 – Management of relationships with suppliers

The supply chain is a key element of the Group's production process; the item "Materials, services and other costs" or 76.7% of operating revenue. Given the importance of the supply chain, the Group is promoting a path of supply chain growth based on innovation and sustainability, driving change and fostering a new level of collaboration with partners. Underlying this approach are the Group's shared values contained in both the Supplier Code of Ethics and the new Suppliers Identity.

Working with suppliers is considered essential to ensure high standards of quality, innovation and performance. The Company's policy is based on the principles of loyalty, integrity and fairness. In line with the General Terms and Conditions of Purchase, Fincantieri stipulates that payments to suppliers will be made 30 days after delivery of the goods, net of certain specific categories for which different conditions may apply.

The management of relationships with suppliers is fundamental for Fincantieri and consists of several steps to ensure safety and accountability. Fincantieri has developed a system to manage the supply chain in a sustainable way. This system includes:

- respecting and sharing policies;
- supplier management processes: qualification, monitoring, assessment and audits;
- supplier engagement.

This last aspect involves the development of awareness-raising and information initiatives, offering webinars and discussion forums to support and strengthen the partnership with suppliers.

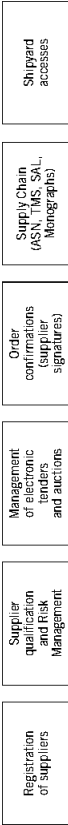
For further information on supplier monitoring, please see paragraph "Key Processes for engaging with value chain workers about impacts" in the Sustainability Report and paragraph "Key Processes for engaging with value chain workers about impacts" in the Sustainability Report. Fincantieri also has specific approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of these actions"

9 See the consolidated statement of comprehensive income in the Fincantieri Group Consolidated Financial Statements.



e-NGAGE

During the year, action was taken to strengthen e-NGAGE, the vendor communication portal supporting suppliers and third parties interested in exchanging information in a secure and controlled manner. e-NGAGE currently covers all major phases of the procurement and supply chain cycle from supplier registration to qualification, e-tendering, logistics and monitoring of stage of completion of works, site inputs, performance evaluation and engineering documentation.



e-NGAGE has enabled the Group Register of Suppliers and the sharing of approaches and criteria for supplier inclusion defined by the Parent Company. Fincantieri's digitalization process, which will continue in the coming years, aims to facilitate communication with all suppliers and increase compliance and efficiency in purchasing processes, the supply chain and access to production sites. If a supplier wants to apply to be on the Register, they must first register on the portal and complete a questionnaire, which contains questions with specific weights that will determine the qualification outcome. The process is overseen by a qualification team that brings together the different corporate departments involved in the process (purchasing, quality, finance, HR, security, etc.). The supplier qualification process produces a positive outcome when the evaluation requirements are assessed as satisfactory by the team, which expresses its opinion on the areas of the questionnaire and on the mandatory annexes, including on:

- the adequacy of the corporate body;
- the specific expertise of employees;
- compliance with international quality, health, safety and environmental standards;
- the specific technical requirements and references;
- the requirements of economic and financial soundness;
- the security requirements and ethical and reputational aspects.

Qualification

1,000

Strategic suppliers in the register

Development and efficiency of the supply chain start immediately at the supplier selection phase in order to guarantee impartiality and equal opportunities for all the parties involved. Management and the continuous improvement of a pool of trusted and innovative suppliers is essential in order to achieve the goals that the Group has set itself in economic and sustainability terms. The supplier base is recognised as a significant asset of the entire company, and as such it should be valued and protected. This is why Fincantieri has developed a stringent qualification and performance monitoring process for strategic suppliers, based on the evaluation of economic, technical, reputational, social and environmental aspects by the relevant corporate bodies, so as to ensure compliance with and observance of Fincantieri standards.

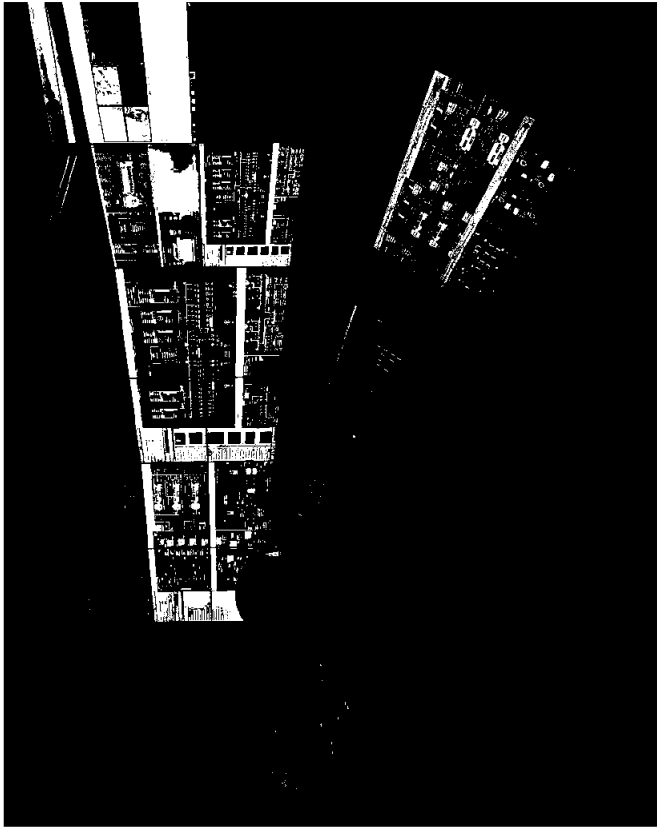
Integrity in the supply chain

As part of the supplier audit process, a risk-based verification model inspired by international best practices is adopted that employs innovative technological tools and multidimensional risk indicators scientifically validated by universities and research centres.

For cases considered to be at higher risk in the ethical and reputational sphere, the model also provides for the use of enhanced due diligence extended also to the beneficial owners, in order to ensure that the supply chain leans towards more extensive compliance with regard to anti-money laundering, countering the financing of terrorism and international sanctions as well as the highest standards for preventing and containing corrupt phenomena, as set out in the Company's Anti-corruption Policy.

To make oversight active and effective, the maintenance of these requirements is verified and renewed every time there is a significant change in the relationship with the supplier.

In this regard, the Group is alert and vigilant to any possible interference of a criminal nature, which could even potentially undermine the integrity of its supply chain during the awarding of contracts, in investments and in the operation of production activities. For this reason Fincantieri has established stronger cooperation with the Ministry of the Interior and with the competent local Prefectures, stipulating Legality and Transparency Protocols, which since 2017 have merged into a **National Framework Tender Protocol** which aims to promote a culture of legality that is pervasive and extends to the Company's supply chain.





ESG assessment

2024 saw the continuation of the supplier ESG assessment program started in 2023, involving Group suppliers from different countries. The program runs for four years and aims to ensure that suppliers' sustainable performance is measured through the assignment of an ESG score, define specific improvement plans and set up reward initiatives for various suppliers. The scope of assessment is Group level (excluding US subsidiaries) and the second ESG assessment coverage target set for the year was significantly exceeded. The model on which the assessment is based, which is integrated in the e-NGAGE platform, was built using criteria defined by a working group from different companies in the industry and reported in the ESG Supply Chain Guideline. It follows that suppliers are assigned a score according to a recognized industry standard, thus ensuring the objectivity and independence of the assessment. A supplier's ESG assessment is based on the supply categories and is awarded following the completion of a specific questionnaire that is located on the Supp/Hi platform and is assessed by the supplier via the e-NGAGE portal. The ESG score is calculated separately for each of the three pillars and is based on a score scale ranging from A (highest rating) to E (lowest rating). The environmental section is assessed by considering the environmental management system, energy efficiency, pollution and waste management, etc. the social section considers elements such as equal opportunities, human rights, working conditions, health and safety management system, etc. the governance section assesses ethical aspects, responsible information management and sustainable procurement management.

The score gives insight into the strengths and areas for improvement in sustainability in order to be able to meet the challenges that regulations and stakeholders require in this field. Finally, the presence of an ESG badge with a synthetic score is an important element for sharing the assessment with all potential stakeholders (lenders, customers, communities, etc.). The ESG assessment model is updated periodically by updating the reference guidelines and/or holding specific meetings of the working group, of which Fincantieri is an active member.

Actions related to the Sustainability Plan targets achieved in 2024

In order to spread the sustainable supply chain culture and also ensure the protection of human rights, the Group has defined specific targets in the 2023-2027 Sustainability Plan, reflecting their strategic view for a complete view of the targets related to workers in the Fincantieri Group value chain, see paragraph S2-5, targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities).

Below are the actions implemented during 2024 to achieve the targets set for this reporting year:

- In 2024, 760 strategic suppliers were subjected to an ESG assessment¹⁸ out of a total of 1,000, corresponding to coverage of 76% compared to the target of 50% for the year in the Sustainability Plan. The scope of assessment is Group level (excluding US subsidiaries). In the coming years, activities will continue in line with the Sustainability Plan, which envisages coverage of 1,000 strategic suppliers with assessments in 2025.
- In addition, an ESG assessment, accompanied by a Gap Analysis, was completed in 2024 on those suppliers that were assessed using the Sustainability Questionnaire.

Information and awareness-raising activities

In addition to the above activities, in order to reduce the possible risks of business interruption and loss of reputation due to an unmanaged supply chain, the Fincantieri Group implemented various actions in 2024 to engage in dialogue with its suppliers, with periodic meetings to share information, including on sustainability.

Actions related to the Sustainability Plan targets achieved in 2024

With regard to supplier awareness of ESG issues, the Group has defined specific targets in the 2023-2027 Sustainability Plan, reflecting their strategic value for a complete view of the targets related to workers in the Fincantieri Group value chain, see paragraph S2-5, targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities).

Below are the actions implemented during 2024 to achieve the targets set for this reporting year:

Webinars:

- "Leading towards sustainable supply chains", with the aim of informing suppliers of the regulatory updates with the most significant impact and understanding the key challenges to address together. The session focused both on specific information support for CSRD adoption and impact, and on sharing priorities for actions to be addressed and managed as part of the ESG journey launched during the meeting.
- "Cyber Resilience in Fincantieri's Supply Chain" completed the first PartnerShip series of webinars, which started with a session on supply chain finance. During the webinar, an update on key regulatory trends was provided, where suppliers were informed of Fincantieri's strategy and approach, and industry testimony was also brought in to share some current practices.

The webinar program proved to be of great interest to suppliers, as demonstrated by the very positive feedback received and the involvement of over 400 participants.

Roadshow:

The roadshow was held at the Palermo shipyard, where ESG issues were discussed.

The event was a unique opportunity to involve local actors in the path chosen for supply chain, from political institutions to other local actors, providing an opportunity to highlight specific issues for the region and the local community. During the meeting, the corporate strategic guidelines were shared with ancillary suppliers and the shipyard's existing (and future) initiatives and programs highlighted.

Suppliers Summit - "Charting New Waters"

Annual summit involving the Top Management of the Group's main strategic suppliers and important institutional stakeholders. The event was an opportunity to give an update on the Business Plan, talk about the future and recognize the value of "Made in Italy" and SMEs, as well as the digital and sustainable evolution undertaken by the company and its supply chain.

The day after the event a protocol was signed by Fincantieri and Simet, which aims to promote cooperation in support of companies in the supply chain, and in particular their domestic and international competitiveness, through the stimulation of new investments in line with Fincantieri's industrial objectives. In total, the event was attended by more than 300 companies from the supply chain.

In addition to the above initiatives, an event was organized in partnership with SACE, a session dedicated to financial solutions for the supply chain, designed to support the growth and financial strength of companies in the supply chain. Numerous solutions were proposed, including ESG-linked solutions, such as reverse factoring agreements that are linked to the ESG scores obtained from the Group's assessment program on its e-NGAGE portal and can enable suppliers to obtain favourable economic terms.

Numerous other initiatives were organized during the year, in particular related to access to credit for the supply chain in specific Italian regions. In the Liguria area, for example, awareness raising and credit guidance initiatives were conducted to facilitate SMEs' access to funds available at both European and national levels to finance the ESG and digital transition. More than 270 companies were involved in this activity. In Friuli sessions were organized in cooperation with the Friuli-Venezia Giulia regional finance company, for interaction and to introduce a series of financial opportunities and solutions for companies in the region. In this case, about ten companies were involved, with whom dedicated meetings were held.

These and other initiatives come under the umbrella of PartnerShip, which has seen strong development and consolidation during 2024. PartnerShip is the program dedicated to Fincantieri's supply chain established at Fincantieri's first Supplier Summit - "Let's turn Collaboration into Innovation" held in 2023.

The idea of PartnerShip is to provide a solid framework of initiatives, tools and opportunities for discussion with suppliers to continue to strengthen the sustainable development path for the supply chain and create an ecosystem that generates value for all.

PartnerShip is aimed at the Group's strategic suppliers and its aims include:

- Empowering - strengthening partners to promote a common growth path;
- Sharing - sharing knowledge and best practices to extract value;
- Guiding - leading the ESG&digital transition.

¹⁸ This means suppliers in the registers, net of suppliers referenced and opened by the customer.



Various positive impacts are expected from the PartnerShip program and the resulting initiatives in terms of:

- increased awareness and preparedness on ESG issues;
- improved company growth and competitiveness;
- risk management and an overall improvement in the level of sustainable performance;
- sharing of best practices and knowledge spillover along the supply chain;
- strengthening and improving supply chain resilience;
- stronger and more synergistic business relationships.

The initiatives implemented by Fincantieri are always accompanied by monitoring of both the companies involved and the results of feedback received through the surveys carried out during the activity, in order to constantly take into account the level of satisfaction, needs and suggestions from the supply chain.

The Group Procurement and Supply Chain function is responsible for the program.

Following the above process, the PartnerShip supply chain program was recognized as best practice and won a place in the **SDGs Leaders Awards**.

Below are the details of the objectives included in the 2023-2027 Sustainability Plan, based on the Industrial Excellence strategic guideline.

In setting the targets, the Group took into account:

- the commitments contained within the specific policies;
- the main global socio-economic trends it will face in the short, medium and long term;
- the results of benchmarking analysis against industry requirements and the latest regulatory updates;
- the priorities defined by the United Nations in the 2030 Agenda for Sustainable Development;
- feedback received from suppliers and their workers during workshops, webinars and roadshows.

Based on the above, Fincantieri has defined clear and measurable targets. The table shows the targets related to management of its own workforce and their progress. All targets set for 2024 were achieved. The scope of the targets, unless otherwise specified in the notes, is Group-wide. The baseline is the first year where the information or quantitative data was reported.

Integrity - Industrial Excellence

Reference Policy	Objective*	2021	2022	2023	2024	2024 target	2025 target	2026 target	2027 target
	Attribution of ESG scores to strategic qualified suppliers ¹ (percentage of suppliers given a score) ²	-	-	32.4%	√ 76%	50%	100%	-	-
Supplier Code of Ethics	Development of a Sustainable Supply Chain in order to integrate sustainability criteria into the supplier qualification system and to ensure adequate risk control ³	-	-	-	√	ESG assessment and gap analysis on the evaluated sample	Extension of ESG supplier scoring system to European subsidiaries ⁴	Reward mechanisms linked to ESG assessment	-
Code of Conduct	Organization of at least one engagement session on ESG issues per year with strategic suppliers (number of sessions) ⁵	-	-	1	√ 4	1	1	1	1

For the definitions, approach, and monitoring of objectives and targets, please refer to paragraph "ESGs & UN-1 Strategy, business model, and value chain"

* The targets refer to the entire Fincantieri Group.
√ Target achieved
¹ First means suppliers in the department, net of suppliers referenced and engaged by the customer.
² Percentage of suppliers with a score of 1 or 2.
³ Percentage of suppliers with a score of 1 or 2.
⁴ Percentage of suppliers with a score of 1 or 2.
⁵ Percentage of suppliers with a score of 1 or 2.



G1.3 – Prevention and detection of corruption and bribery

Fincantieri has adopted an **organizational, management and control Model** pursuant to Legislative Decree 231/2001 (Organizational Model). The Model consists of a general part, in which the principles, functions and essential components of the Organizational Model are illustrated, and a special part, in which the activities at risk of crime, the principles of conduct and the control procedures are identified for each type of crime deemed relevant. The Organizational, Management and Control Model, together with the corporate regulatory framework, is subject to a process of continuous updating to adapt it to organizational and legislative changes, ensuring an effective response to potential risks of crimes being committed.

To align with the requirements of Legislative Decree 231/2001, the Model is required to meet the following needs:

- identify the activities where crimes may be committed;
- provide for specific protocols to plan the shaping and implementation of the Entity's decisions in relation to the crimes to be prevented;
- identify appropriate ways of managing financial resources to prevent crimes being committed;
- meet disclosure obligations with respect to the body in charge of monitoring the operation of and compliance with the models;
- introduce an appropriate disciplinary system to sanction non-compliance with the measures indicated in the model.

Since 2020, Fincantieri S.p.A. has held **ISO 37001 certification** for its Management Systems for the Prevention of Corruption. This is an essential step which underscores the organization's commitment and unwavering attention to the issues involved in business ethics and rejection of all forms of corruption. The **Anti-corruption Management System** implemented by Fincantieri guarantees:

- implementation of the Group Anti-corruption Policy;
- identification, analysis and assessment of the corruption risks to which the Company is potentially subject;
- assignment of adequate responsibilities and execution of appropriate controls of the processes sensitive to the risk of corruption;
- adoption of the measures aimed at preventing and facing possible corruptive situations;
- meeting requirements set by the applicable legislation on the subject of Prevention of Corruption.

With reference to its subsidiaries, as indicated by ISO 37001, Fincantieri monitors their implementation of operating practices that comply with the group's anti-corruption policy and conducts audits to ensure that the policies are uniformly followed.

At an organizational level, the Group Compliance, Anti-corruption and Model 231 department is responsible for assessing the anti-corruption system, reporting to the Chairman, the Chief Executive Officer, the Control and Risk Committee and the Board of Directors. Every year, the Chief Executive Officer and the Group Compliance, Anti-corruption and Model 231 department reviews the anti-corruption prevention and management system, submitting the result, including opportunities for continuous improvement and any need for changes to the system itself, to the Board of Directors, which expresses its opinion on the suitability, adequacy and effectiveness of the system to prevent and manage the corruption risks to which the Company is exposed.

The Supervisory Body of Fincantieri S.p.A. plays a special role. Its activities call for the periodic collection of confidential information in order to identify potentially risky conduct with reference to corruption with respect to both Italian and foreign Public Administrations, and to private parties.

The composition of the Supervisory Body is designed to ensure autonomy and independence. This requirement is ensured by its positioning within the organizational structure as a staff unit and in as high a position as possible, with "reporting" to the company's highest top management body, the Board of Directors as a whole.

The Organizational, Management and Control Model, according to Legislative Decree No. 231/2001 and the corporate regulatory framework, are subject to a continuous updating process in order to adapt them to the organizational and legal changes and to adequately respond to the possible risk of committing crimes.

At the subsidiary level, Fincantieri Infrastructure, Fincantieri Infrastructure Opere Maritime, FINSO, SOF and Fincantieri Nextech are also ISO 37001 certified.

As regards training on anti-corruption policies and procedures, the following mandatory e-learning courses were delivered at the Parent Company in 2024:

- **Legislative Decree 231/2001** – general part, aims to disseminate and share at all levels the measures put in place by Fincantieri to prevent offences from being committed by persons that might bind the Company.
- **Legislative Decree 231/2001** – special part, analyses the topic introduced by Legislative Decree 231 of 2001 in terms of liability of entities and companies.
- Fincantieri's **anti-corruption management system**, aimed at raising awareness of the anti-corruption system adopted by Fincantieri to manage the prevention of corruption.
- **Specific training on Fincantieri's anti-corruption system**, the training program aims to explore the contents of the Company's Anti-corruption Management System, through an in-depth examination of i) corruption risks, ii) practical cases of corruption, iii) disciplinary system iv) the 'Donations, grants, sponsorships, gifts and hospitality' procedures, v) Corruption indicators, vi) Management of instances of non-compliance, vii) Training and available resources.

In order to spread awareness and raise awareness of risks, measures and tools to combat corruption, 231/2001 and anti-corruption courses are delivered to all Fincantieri S.p.A. employees following recruitment and every three years.

Specific training is provided for all internal personnel at risk of corruption, which includes senior management and personnel with delegated powers and power of attorney.

For employees of Italian subsidiaries, training activities in the area of anti-corruption and prevention of offences related to Decree 231/01 are carried out through e-learning courses or through specific meetings organised by their supervisory bodies.

The **Board of Directors** receives an annual report from the Supervisory Body and the Group Compliance, Anti-corruption and Model 231 department on its activities, including specific training whenever a new Board is appointed. The last anti-corruption training was provided to Board members in 2022.

Number of employees trained on anti-corruption

	Senior manager		Middle manager		White collar employees		Blue collar employees		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Total	228	222	594	657	3,546	5,130	3,480	231	7,848	6,240
% of total employees per category	46%	49%	43%	51%	34%	54%	34%	2%	35%	29%

The data refers to the entire Fincantieri Group.

During 2024, a training program was implemented and extended to workers in videoconference format, mainly in the Parent Company production units. The courses were conducted in the local language of the countries where the companies involved in the training were based.



The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Environmental Information	Social Information	Information on Governance	Fincantieri Group Consolidated Financial Statements

Metrics and targets

Whistleblowing system

Since 2009, the Company has adopted a system for reporting infringements ("whistleblowing"), defined in the Organizational Model and in the Prevention of Corruption management system, certified ISO 37001, which allows employees and third parties to report problems relating to non-compliance with the provisions of the Code of Conduct, the Organizational Model, the Anti-corruption Policy, the Supplier Code of Ethics, the Human Rights Policy and other Policies and company procedures adopted by Fincantieri or with legal regulations.

The system adopted meets the requirements of Law No. 179/2017 "Provisions for the protection of the authors of reports of crimes or irregularities of which they have become aware in the context of a public or private employment relationship" and of Legislative Decree 24/2023 concerning the protection of people who report infringements of EU and national law. In fact, Fincantieri ensures the confidentiality of sources and information coming into its possession, without prejudice to legal obligations. Furthermore, the Company does not engage in retaliatory actions (disciplinary sanctions, demotion, suspension or dismissal) nor does it discriminate in any way in the workplace against Company personnel who have carried out actions in good faith aimed at reporting events or situations relating to compliance with the Code of Conduct, the Organizational Model, the Anti-corruption Policy, the Supplier Code of Ethics, company procedures or in any case with legal regulations. The same protection is extended to facilitators (those who provide assistance to the whistleblower), to persons in the same work context as the whistleblower and linked by a stable emotional or family tie, to work colleagues who have a habitual and current relationship with the whistleblower, to entities owned by the whistleblower or in which he/she works, as well as to entities operating in the same work context as the whistleblower and to all persons identified in Article 3 of Legislative Decree 24/2023.

These safeguards are referred to both in the Rules for the application of disciplinary sanctions (Sanctions for top management, executives and employees) and in the Model 231.

The Supervisory Body and the Anti-corruption function receive and evaluate reports on alleged violations of corporate and anti-corruption regulations. Following analysis, they may initiate in-depth investigations, forward the report to the competent functions or file it as requiring no further action, giving reasons for the decision. If necessary, they may interview the whistleblower and the person alleged to have committed the violation and conduct investigations. The IT platform allows monitoring of the status of the whistleblowing report and anonymous dialogue.

If the checks carried out by the Supervisory Body and the Anti-corruption function reveal a breach of the rules of conduct and of relevant policies and procedures, they report the disciplinary offence to the Company for appropriate decisions. If violations are confirmed, the offence is reported to the Company for appropriate action. Annually, a report on the relevant activities is submitted to the Board of Directors and the Board of Statutory Auditors.

Information on the whistleblowing system and the protection of whistleblowers from retaliation is set out in the Organizational, Management and Control Model, which is distributed to all employees and made available to all third parties working with the Company. Both the website and the company intranet provide a link to the IT platform for making reports; specific training is also provided to all employees on the operation of the Company's whistleblowing system.

In line with the Parent Company and the Italian companies, the foreign subsidiaries also have a whistleblowing system.

G1.4 – Incidents of corruption or bribery

The Fincantieri Group has adopted strict measures to strengthen its Anti-corruption Policy in order to prevent unlawful conduct and ensure compliance with national and international regulations.

During 2024, Fincantieri S.p.A. launched/finalized various initiatives:

- Fincantieri started an activity to strengthen and standardize contract clauses on ethical safeguards and anti-corruption commitments to be applied in relationships with customers, suppliers, partners and in the various types of agreements/contracts, with the aim of ensuring minimum safeguards applicable to the various counterparties under Italian and foreign law by the Parent Company and its Italian and foreign subsidiaries. Pending the completion of the activities, expected in 2025, the Group Compliance, Anti-corruption and Model 231 department provides advisory support on the subject to Group departments and companies.
- During 2024, the Company revised or issued several procedures relating to sensitive processes due to the risk of corruption, and the Group Compliance, Anti-Corruption and Model 231 department contributed to this improvement process by focusing on the presence and adequacy of anti-corruption measures and/or appropriate reinforcements. In particular, the following are highlighted: i) a strengthening of controls within the process for payments to third parties with reference to the types of payments with the highest risk (e.g. urgent payments); ii) strengthening of the dissemination of the FC Group anti-corruption policy to the beneficiaries of Donations and Sponsorships; iii) strengthening of controls over inspections, regulating the process of Public Administration (PA) attendance during inspections; iv) formalization of the Litigation management process, with particular reference to the assignment and monitoring of appointments of external lawyers; v) improved tracking of the personnel selection process; vi) strengthening of compliance controls over the assignment of commercial assistance appointments; vii) review of the policy for the management of relationships with the Public Administration, adding to the scope of application and principles of conduct to be referred to the Whistleblowing reporting system; the Company has aligned its procedure and disclosures with the regulatory requirements introduced by Legislative Decree 24/2023, requiring the same adjustment from the Group's Italian subsidiaries.
- Updating of the course content, aligning it to the latest version of the Model, including the regulatory requirements introduced by Legislative Decree 24/2023, delivery of the updated course, on a mandatory basis and in e-learning mode, started in 2024 for new employees and will continue in 2025 as part of the three-year training call for executives, middle managers and white collar employees.

In 2024 Fincantieri S.p.A., in its capacity as Parent Company, launched a project to streamline and optimize processes and controls at the Group level, by defining guidelines for strategy and coordination which all Group companies must adhere to by means of a formal resolution of their respective Boards of Directors. This includes the revision of the Anti-corruption Policy and the issue of the "Anti-corruption" and "Compliance in relation to corporate administrative liability" Management Guidelines, as well as the related Global Procedures, aimed at strengthening and optimizing anti-corruption controls at Group level.

During 2024, the Fincantieri Group received three reports of potential corrupt acts, two of which are still under investigation. In 2024, **no confirmed cases of corruption were reported** as a result of audit activities. There were no convictions or fines imposed for violating the laws against corruption or bribery.



G1-5 – Political influence and lobbying activities

The Fincantieri Group's position on sustainable growth and the appropriate balance between market and territorial needs makes the Corporate National Institutional Affairs Department and the Corporate Defence Institutional Affairs Department responsible for and promoters of cooperation between the various institutional levels, combining the Company's industrial mission with its economic and social mission.

The Group aims at institutional dialogue through continuous engagement with central institutions, such as Government, Parliament and Public Administration, with Military Institutions, Defence Bodies and International Bodies in the naval field, and with local institutions, in order to represent company interests and promote shared socio-economic development projects in the interests of the wider community. Institutional activities are essential to the coordination and development of relationships with all national and international administrations, including the subsidiaries and investee companies. Based on any changes in the political and regulatory environment, it is constantly updated in order to better tailor the strategy to the relevant institutional environment.

Based on a corporate institutional strategy designed to achieve the objectives of the Business Plan, taking into account the evolution of the political, institutional, domestic and international scenario, each year the corporate structures in charge of institutional relations propose to the Chief Executive Officer for approval a Strategic Plan for the activities under their respective areas of responsibility, in which they identify the strategic objectives, plan the actions to be undertaken, define the targets and the verification and monitoring tools valid for the Group and the subsidiaries and investee companies. Based on any changes in the political and regulatory environment, it is constantly updated in order to better tailor the strategy to the relevant institutional environment.

With an approach based on constructive dialogue and securing a benefit for all parties involved, both national and local, the Fincantieri Group believes it is important to provide information on its operations and their social and economic impact. Active participation in national and international associations serves the interests of the sector and is also essential due to opportunities that arise from associative dialogue in terms of proposals and solutions, both for the area of competence and for sustainability.

Group relations at the European level are similarly ensured by the European Union Office based in Brussels. Activities involve strengthening the structured dialogue with the relevant institutional stakeholders and the representation of the company's interests both within associations and at European bodies (in particular at the European Commission, the Council of the European Union, the European Parliament and the European Defence Agency) with the aim of creating value for the Company.

Thanks to its constant dialogue with institutional partners, Fincantieri is a well-established stakeholder at the European institutions and participates in the definition of European policies of interest to the Company through specific contributions at the various stages of regulatory drafting.

In fact, the topics on the European political agenda impact the directions for development of the Business Plan, considering, moreover, that the rules and aid of the Italian institutions derive from the European authorization and regulatory framework to which they relate and benefit from the financing procedures authorized and governed by the European Union. These include the decarbonization, sustainability and competitiveness strategies of the European Green Deal and digitalization and innovation. Initiatives relating to international trade and the resilience of the European industry, the opportunities related to the energy transition, green finance, sustainable corporate governance and due diligence, research and innovation programs, and European common security and defence issues.

As part of its institutional relations strategies, the Fincantieri Group evaluates the need to make use of specialist agencies and consultancy firms in the field of public affairs. This partnership, after communication to the competent structures for institutional relations at the European and international level, represents a strategic support for the Group's activities.

Particularly in North American markets (USA and Canada), where the use of such companies is an established practice, the strategic advice and operational support provided is of fundamental importance.

The main activities carried out by these agencies consist of:

Advocacy:

- Development of advocacy strategies: definition of strategic plans to promote the Group's interests, identifying targets, key messages and effective tactics.
- Organization of awareness-raising campaigns: running of campaigns to inform the public and influence the debate on issues relevant to the Group.
- Creation of strategic coalitions: building alliances with other organizations and interest groups to strengthen the Group's influence.

Lobbying:

- Qualified representation of interests: representation of the Group's interests to political decision-makers, supported by arguments and solid data.
- Information and persuasion activities: provision of accurate and relevant information to political decision-makers, with the aim of promoting decisions in line with the interests of the Group.
- Active participation in public consultations: participation in parliamentary consultations and hearings, submitting proposals and observations.

In short, these agencies act as qualified intermediaries between the Fincantieri Group and public institutions, providing essential expertise and resources to effectively and transparently influence public policy.

In line with the company's commitment and ambition in these areas, in 2024 Fincantieri confirmed its commitment to chair the maritime segment of the Renewable and Low-Carbon Fuels Value Chain Industrial Alliance launched by the European Commission. Within this framework, several initiatives were organized to promote the work of the Alliance at the national and international level, the launch of the relevant pipeline of industrial projects, and the organization of activities to facilitate business "matchmaking". The Alliance aims to promote the availability and use of this type of fuel for the entire maritime sector, contributing actively to the decarbonization of this important ecosystem and to the 2030 and 2050 emissions reduction targets.

Fincantieri also plays a leadership role in the context of the EU Defence industry, an activity further reinforced by its chairmanship of SEA Naval, the European shipbuilding forum that also aims to make sustainability contributions to the development of the green energy and security sectors. In 2024, Fincantieri actively contributed to the drafting of the SEA Naval White Paper on Underwater, particularly focused on the protection of critical underwater and energy infrastructures.

Participation in various institutional round tables and expert groups also took place, dedicated, among other objectives, to the extension of circular economy policies to the naval sector by contributing to the activities of the expert group (Project Circle) "Sustainable Ecodesign" within the Incubation Forum for Circular Economy in European Defence promoted by the European Defence Agency.

Also relevant is the contribution to participation in European collaborative Defence programs and the dialogue with the diplomatic and national Defence section at NATO.

The department's activities also involved supporting the identification of European programs and funding opportunities relating to the civil and naval sectors in liaison with the relevant corporate departments and functions and the Group's subsidiaries.

All activities at EU level are carried out in accordance with the requirements of the European Transparency Register which includes Fincantieri with number 095079912436-63.

During the 2024 year, the Group made a direct financial contribution to a political party operating in the United States. The amount of this donation is below the euro 10,000 threshold.

It should be noted that one member of the Board of Directors has held a control role comparable to their current role at three public administration entities. Similarly, a member of the Board of Statutory Auditors served as auditor at a public service entity.



G1-6 –
Payment practices

The development of a responsible and sustainable supply chain is part of a broader corporate vision that actively enhances and protects social and environmental responsibility, fully integrating them into the strategic guidelines. Fincantieri acts as leader and group cluster for a large number of Small and Medium Enterprises (SMEs). A network of highly specialized SMEs in different macro-sectors that, thanks to the Group, have access to large and valuable projects, allowing them to interact with a global market from which they would otherwise be excluded due to their small size. This relationship is particularly well-established in Italy, and is also promoted in other countries. In line with the Group's ethical principles, integrity and transparency, adherence to contract obligations and payment schedules is an absolute must.

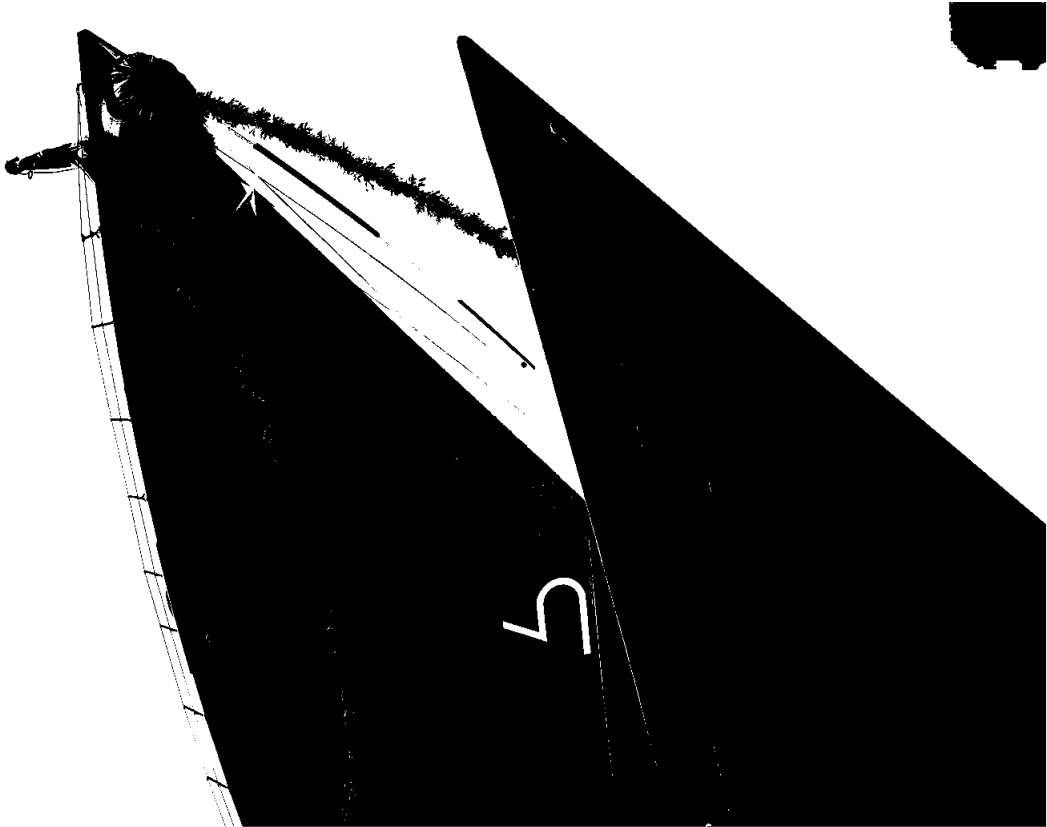
Fincantieri does not have a formal policy on late payments, but adopts clear and well-defined procedures for managing payments to suppliers.

The general purchasing conditions provide for payments to suppliers mainly from 60 up to 90 days following performance of the activity, but specific agreements can be reached with individual counterparties.

In this regard, in order to ensure easier access to credit for its suppliers and given the importance of the supply chain to the shipbuilding industry, the Parent Company has entered into factoring agreements with leading financial institutions, typically in the technical form of **reverse factoring**, which suppliers are invited to adhere to. Based on these agreements, the supplier has the discretionary option to sell receivables due from the Parent Company or some of its subsidiaries to a finance company and receive the amount owed before the due date. In addition, the supplier has the option to grant further extensions up to a maximum of 365 days, agreed with the supplier, beyond the due date shown on the invoice. For the purpose of calculating average payment days for suppliers participating in reverse factoring, payment is deemed to have taken place at the moment of debt recognition, given the collection mechanisms described above.

Overall, payments to suppliers are made within 63 days of the contractual start date of the payment term. The percentage of payments aligned with standard payment terms is 82%. These figures relate to all payment transactions made to third-party suppliers in 2024 and do not differ significantly between SMEs and large companies. The above KPIs are calculated in a weighted manner based on the invoice amount.

Considering 95% of the total payments made in 2024, 90% of invoices were settled within 15 days of the due date. Some invoices may be paid after the original due date, in particular due to specific verification activities on services received. It should be noted that, as at the date of this document, there are 29 legal proceedings with suppliers who, as part of ongoing disputes, also complain about alleged delays in the payment of contested sums in relation to disputed supplies.





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The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Fincantieri Group Consolidated Financial Statements
		General Information	Environmental Information
		Social Information	Information on Governance

Certification of the Consolidated Sustainability Statement pursuant to the provisions of art. 154-bis, paragraph 5-ter of Legislative Decree 58/1998 (Italy's Consolidated Law on Finance)

1. The undersigned Pierroberto Foligero, in his capacity as Chief Executive Officer, and Felice Bonavolontà, in his capacity as Manager Responsible for Preparing Financial Reports of Fincantieri S.p.A. ("Fincantieri") represent, pursuant to art. 154-bis, paragraph 5-ter, of Legislative Decree No. 58 of 24 February 1998, that the 2024 Consolidated Sustainability Statement pursuant to Legislative Decree 125/2024 included in the Report on Operations has been prepared:
- a. in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 25 June 2013 and Legislative Decree No. 125 of 6 September 2024;
 - b. with the specifications adopted in accordance with article 8, paragraph 4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

24 March 2025

CHIEF EXECUTIVE OFFICER
Pierroberto Foligero

MANAGER RESPONSIBLE
FOR PREPARING
FINANCIAL REPORTS
Felice Bonavolontà



373



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INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT
ON THE CONSOLIDATED SUSTAINABILITY STATEMENT
PURSUANT TO ARTICLE 14-BIS OF LEGISLATIVE DECREE NO. 39 OF JANUARY 27, 2010

To the Shareholders of
Fincantieri S.p.A.

Conclusion

Pursuant to art. 8 and 18, paragraph 1 of Legislative Decree no. 125 of September 6, 2024 (hereinafter also the "Decree"), we have carried out a limited assurance engagement on the consolidated sustainability statement of the Fincantieri S.p.A. and its subsidiaries (hereinafter also "Fincantieri Group" or "Group") for the year ended on December 31, 2024, prepared pursuant to Art. 4 of the Decree, included in the specific section of the management report.

Based on the work performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of Fincantieri Group for the year ended on December 31, 2024 is not prepared, in all material respects, in accordance with the reporting principles adopted by the European Commission pursuant to the Directive (EU) 2013/34/EU (European Sustainability Reporting Standards, hereinafter also "ESRS");
- the information included in paragraph "Taxonomy - Disclosure pursuant to Article 8 of Regulation (EU) 2020/852" of the consolidated sustainability statement is not prepared, in all material respects, in accordance with art. 8 of Regulation (EU) No. 852 of June 18, 2020 (hereinafter also the "Taxonomy Regulation").

Basis for conclusion

We conducted the limited assurance engagement in accordance with the assurance standard of the sustainability report - "*Principio di Attestazione della Rendicontazione di Sostenibilità - SSAR (Italia)*". The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent for, a reasonable assurance engagement. Consequently, the level of assurance that would have been obtained had we performed a reasonable assurance engagement, would have been obtained had we performed a reasonable assurance engagement. Our responsibilities pursuant to that standard are further described in the paragraph "Auditor's responsibilities for the limited assurance of the consolidated sustainability statement of this report".

We are independent in accordance with the independence and other ethical requirements applicable under Italian law to the limited assurance engagement of the consolidated sustainability statement.

Autore del Rapporto: Deloitte & Touche S.p.A. (Deloitte Italia) - Società per Azioni, iscritta al Registro delle Imprese di Roma, n. 00000000960. Deloitte & Touche S.p.A. è una società a partecipazione paritetica tra Deloitte Touche Tohmatsu Limited (DTTL), società con sede in Inghilterra, e Deloitte & Touche S.p.A. (DTT), società con sede in Italia. DTTL è un'entità di diritto privato, non soggetta a diritto di bilancio, che opera in Italia attraverso la propria rete di società di diritto privato, tra cui Deloitte & Touche S.p.A. (DTT). DTTL e DTT sono membri della rete globale di società di diritto privato, che opera in Italia attraverso la propria rete di società di diritto privato, tra cui Deloitte & Touche S.p.A. (DTT). DTTL e DTT sono membri della rete globale di società di diritto privato, che opera in Italia attraverso la propria rete di società di diritto privato, tra cui Deloitte & Touche S.p.A. (DTT).

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Our firm applies International Standard on Quality Management (ISQM Italia) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

The comparative information presented in the consolidated sustainability statement has not been verified.

Responsibility of the Directors and the Board of Statutory Auditors of Fincantieri S.p.A. for the consolidated sustainability statement

The Directors are responsible for developing and implementing the procedures performed to identify the information reported in the consolidated sustainability statement in accordance with the ESRS (hereinafter the "double materiality assessment process") and for disclosing this process in the paragraph "IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities" of the consolidated sustainability statement.

The Directors are also responsible for the preparation of the consolidated sustainability statement, which includes the information identified as part of the double materiality assessment process, in accordance with the requirements of Art. 4 of the Decree, including:

- compliance with ESRS;
- compliance of the information included in the paragraph "Taxonomy - Disclosure pursuant to Article 8 of Regulation (EU) 2020/852" with art. 8 of the Taxonomy Regulation.

Such responsibility involves designing, implementing and maintaining, within the terms established by the law, such internal control that the Directors determine necessary to enable the preparation of the consolidated sustainability statement in accordance with the requirements of the art. 4 of the Decree that is free from material misstatements, whether due to fraud or error. Furthermore, the abovementioned responsibility involves the selection and application of appropriate methods in elaborating information and making assumptions and estimates about specific sustainability information that are reasonable in the circumstances.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.



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3

Inherent limitations in the preparation of the consolidated sustainability statement

In reporting forward-looking information in accordance with ESRS, the Directors are required to prepare the forward-looking information on the basis of assumptions, as described in the consolidated sustainability statement, regarding events that may occur in the future and possible future actions of the Group. Due to the inherent uncertainty regarding any future event, including whether these events will take place and their extent and timing, the variances between actual outcomes and forward-looking information could be significant.

The information regarding Scope 3 emissions is subject to greater inherent limitations compared to those related to Scope 1 and 2 emissions. This is due to the lower availability and relative accuracy of the data used to define the information on Scope 3 emissions, both quantitative and qualitative, in relation to the value chain.

Auditor's responsibilities for the limited assurance of the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatements, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, could influence the decisions of users taken on the basis of consolidated sustainability statement.

As part of the limited assurance engagement in accordance with the *Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia)*, we exercise professional judgment and maintain professional skepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify and assess the disclosure where a material misstatement is likely to arise, either due to fraud or error;
- designing and performing procedures to verify disclosures in the sustainability statement where material misstatements are likely to arise. The risk of not detecting a material misstatement due to fraud is higher than the risk of not identifying a material misstatement due to error, as fraud may involve collusion, falsifications, intentional omissions, misrepresentations, or the override of internal control;
- the direction, supervision and performance of the limited assurance engagement of the consolidated sustainability statement. We remain solely responsible for the conclusion on the consolidated sustainability statement.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence as the basis for expressing our conclusion.

4

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The procedures performed on the consolidated sustainability statement are based on our professional judgement and included inquiries, primarily with the personnel of the Group responsible for the preparation of information included in the consolidated sustainability statement, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we performed the following main procedures partly in a preliminary phase before year end and then in a final phase up to the date of issuance of this report:

- understanding the business model, the Group's strategies and the context in which the Group operates with reference to sustainability matters;
- understanding the processes underlying the generation, collection, and management of qualitative and quantitative information included in the consolidated sustainability statement, including an analysis of the reporting perimeter;
- understanding the process carried out by the Group for the identification and evaluation of material impacts, risks and opportunities, based on the principle of double materiality, with reference to sustainability matters;
- identification of the information where a risk of material misstatement is likely to arise, taking into considerations, among others, risk factors related to the generation and collection of the information, to the existence of estimates and to the complexity of the relevant calculation methods, as well as qualitative and quantitative factors related to the nature of such information;
- design and performance of procedures, based on the professional judgment of the auditor of the consolidated sustainability report, to respond to identified risks of material misstatement, also with the support of Deloitte network specialists, in particular with reference to specific environmental information;
- understanding of the process set up by the Group to identify eligible economic activities and determine their aligned nature according to the requirements of the Taxonomy Regulation, and verifying the related information included in the consolidated sustainability statement;
- comparison of the information reported in the consolidated sustainability statement with the information included in the consolidated financial statements pursuant to the applicable financial reporting framework, or with the accounting data used for the preparation of the financial statements, or with the management data having an accounting nature;



The Financier Group	Group Report on operations	Consolidated Sustainability Statement	Financier Group Consolidated Financial Statements

General Information	Environmental Information	Social Information	Information on Governance

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5

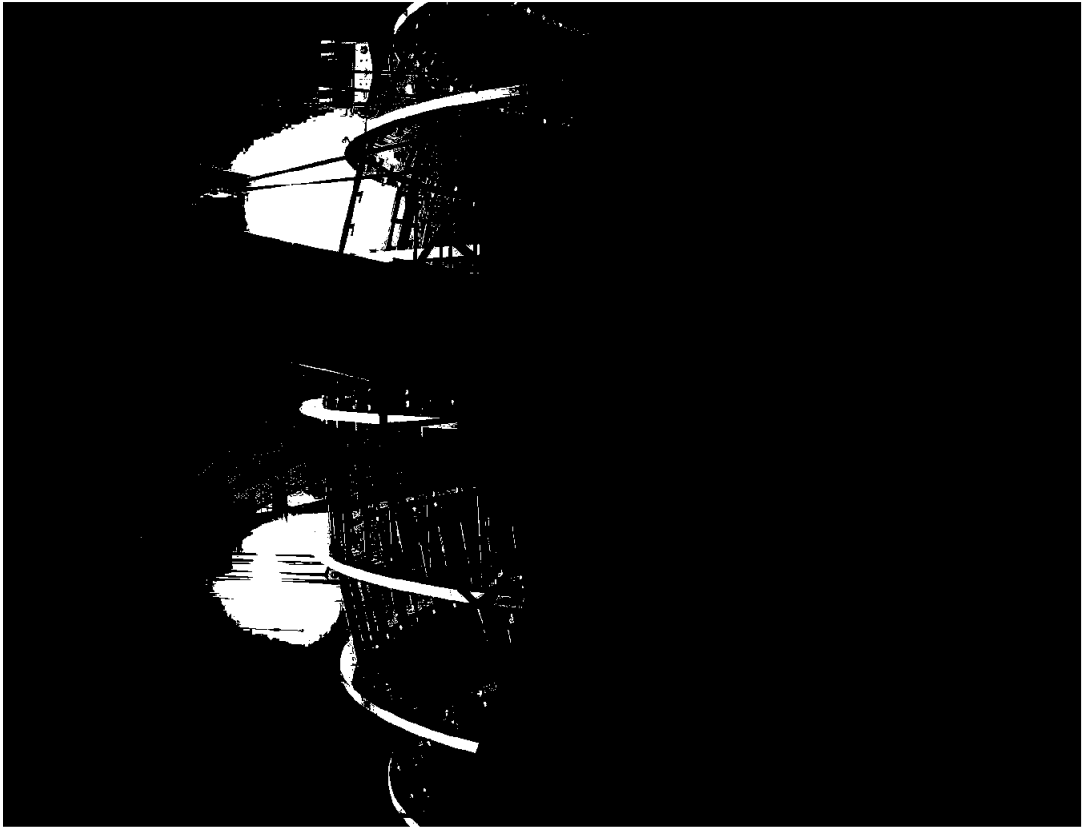
- verification of the structure and presentation of the information included in the consolidated sustainability statement in accordance with ESRS, including the information related to the materiality assessment process;
- obtaining the representation letter.

DELOITTE & TOUCHE S.p.A.

Signed by
Barbara Moscardi
Partner

Udine, Italy
April 8, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.





Fincantieri Group Consolidated Financial Statements	Group Consolidated Financial Statements	Group Report on operations	The Fincantieri Group
Fincantieri Group Consolidated Financial Statements			



Fincantieri Group Consolidated Financial Statements	384
Consolidated statement of financial position	386
Consolidated statement of comprehensive income	387
Consolidated statement of changes in equity	388
Consolidated statement of cash flows	389
Notes to the Consolidated Financial Statements	390
Note 1 - Form, contents and other general information	392
Note 2 - Scope and basis of consolidation	395
Note 3 - Accounting standards	400
Note 4 - Financial risk management	413
Note 5 - Sensitivity Analysis	423
Note 6 - Intangible assets	424
Note 7 - Rights of use	428
Note 8 - Property, plant and equipment	429
Note 9 - Investments accounted for using the equity method and other investments	431
Note 10 - Non-current financial assets	436
Note 11 - Other non-current assets	437
Note 12 - Deferred tax assets and liabilities	438
Note 13 - Inventories and advances	440
Note 14 - Contract assets	441
Note 15 - Trade receivables and other current assets	442
Note 16 - Income tax assets	444
Note 17 - Current financial assets	445
Note 18 - Cash and cash equivalents	445
Report on operations	446
Report on the consolidated financial statements	447
Report by the independent auditors	448
Appendix 1 - Companies included in the scope of consolidation	449
Certification of the Consolidated Financial Statements	501
Report by the independent auditors	505



Fincantieri Group Consolidated Financial Statements	
Group Report on operations	
The Financial Group	
Fincantieri Group Consolidated Financial Statements	384



Consolidated Statement of Comprehensive Income

(euro) (BIB)	Note	2024	2023	of which related parties Note 33	of which related parties Note 33
Operating revenue	28	7 950 731	228 426	7 447 567	365 140
Other revenue and income	28	177 608	14 459	203 180	15 450
Materials, services and other costs	29	(6 255 945)	(249 844)	(5 963 622)	(209 178)
Personnel costs	29	(1 371 094)			
Depreciation, amortization and impairment	29	(257 802)		(235 960)	
Utilizations	29	(37 082)		(132 151)	
Financial income	30	142 741	672	102 980	1 482
Financial expenses	30	(320 678)	(6 662)	(271 167)	(3 066)
Income/(expense) from investments	31	(722)		1 988	
Share of profit/(loss) of investments accounted for using the equity method	31	7 641		2 222	
PROFIT/(LOSS) FOR THE YEAR BEFORE TAXES		35 798		(63 951)	
Income taxes	32	(8 421)		10 840	
NET PROFIT/(LOSS) FROM CONTINUING OPERATIONS		27 377		(53 111)	
Net profit/(losses) from discontinued operations	36				
PROFIT/(LOSS) FOR THE YEAR (A)		27 377		(53 111)	
Attributable to owners of the Parent Company from continuing operations		32 833		(52 830)	
Attributable to non-controlling interests from continuing operations		(5 456)		(281)	
Net basic earnings/(loss) per share (euro)	33	0.13717		(0.03114)	
Net diluted earnings/(loss) per share (euro)	33	0.13557		(0.03073)	
Net basic earnings/(loss) per share from continuing operations (euro)	33	0.13717		(0.03114)	
Net diluted earnings/(loss) per share from continuing operations (euro)	33	0.13557		(0.03073)	
Other comprehensive income/(losses), net of tax					
Gains/(losses) from remeasurement of employee defined benefit plans	19-21	580		(1 239)	
Total gains/(losses) that will not be reclassified to profit/(loss) for the year, net of tax	19	580		(1 239)	
- attributable to non-controlling interests		(1)		3	
Effective portion of gains/(losses) on cash flow hedging instruments	4-19	(10 639)		(89 258)	
Gains/(losses) arising from changes in the OCI for the year of investments accounted for using the equity method	9	-		-	
Gains/(losses) arising from fair value assessment of securities and bonds at fair value on the statement of comprehensive income subsidiaries' financial statements	19	(8 198)		(5 769)	
Total gains/(losses) that may be reclassified to Profit/(Loss) for the year, net of tax	19	(18 117)		(95 077)	
- attributable to non-controlling interests		303		(143)	
Total Other comprehensive income/(losses), net of tax (B)	19	(17 537)		(96 316)	
- attributable to non-controlling interests		302		(140)	
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR (A) + (B)		9 840		(149 427)	
Attributable to owners of the Parent Company		14 994		(149 086)	
Attributable to non-controlling interests		(5 154)		(421)	

Consolidated Statement of Financial Position

(euro) (BIB)	Note	31.12.2024	31.12.2023	of which related parties Note 33	of which related parties Note 33
ASSETS					
NON-CURRENT ASSETS					
Intangible assets	6	571 468	474 440		
Rights of use	7	123 982	124 865		
Property, plant and equipment	8	1 714 681	1 683 784		
Investments accounted for using the equity method	9	42 096	33 459		
Other investments	9	26 984	26 161		
Financial assets	10	108 234	684 173	760	18 293
Other activities	11	98 711	741	67 038	696
Deferred tax assets	12	248 181	231 390		
Total non-current assets		2 994 307	3 325 310		
CURRENT ASSETS					
Inventories and advances	13	903 542	48 875	801 073	45 664
Contract Assets	14	3 377 306	2 497 790		
Trade receivables and other assets	15	1 035 999	156 816	1 149 878	122 167
Income tax assets	16	41 621	34 102		
Financial assets	17	585 051	945	92 124	16 161
Cash and cash equivalents	18	684 458	757 273		
Total current assets		6 627 977	5 332 240		
Assets held for sale and discontinued operations	36	124	52 496		
TOTAL ASSETS		9 562 408	8 710 046		
EQUITY AND LIABILITIES					
EQUITY	19				
Attributable to owners of the Parent Company					
Share Capital		878 288	862 981		
Reserves and retained earnings		(28 825)	(429 861)		
Total Equity attributable to owners of the Group		849 463	433 120		
Attributable to non-controlling interests		(4 354)	1 041		
Total Equity		845 109	434 161		
NON-CURRENT LIABILITIES					
Provisions for risks and charges	20	292 922	404 717		
Employee benefits	21	53 570	54 346		
Financial liabilities	22	1 694 286	9 170	1 779 405	4 228
Other liabilities	23	81 269	70 282		
Deferred tax liabilities	12	40 387	72 321		
Total non-current liabilities		2 162 434	2 381 071		
CURRENT LIABILITIES					
Provisions for risks and charges	20	122 347	99 347		
Employee benefits	21	79	49		
Contract liabilities	24	2 010 881	1 599 078		
Trade payables and other current liabilities	25	3 570 862	91 096	2 871 749	138 850
Income tax liabilities	26	30 446	18 227		
Financial liabilities	27	820 260	161 543	1 306 364	55 514
Total current liabilities		6 554 865	5 894 814		
Liabilities directly associated with Assets classified as held for sale and discontinued operations		-	-		
TOTAL EQUITY AND LIABILITIES		9 562 408	8 710 046		



Consolidated Statement of Cash Flows

(euro/€B)		Note	31.12.2024	31.12.2023
GROSS CASH FLOWS FROM OPERATING ACTIVITIES				
Changes to working capital				
- inventories and advances			(98,566)	56,462
- contract assets and liabilities			(946,595)	493,654
- trade receivables			128,611	3,459
- other current assets and liabilities			99,435	116,345
- other non-current assets and liabilities			(10,382)	(18,387)
- trade payables			579,325	(213,437)
CASH FLOWS FROM WORKING CAPITAL			730,093	948,054
Dividends paid		(200)	(1,200)	(1,200)
Interest income received			51,683	29,089
Interest expense paid			(236,638)	(203,564)
Income taxes (paid)/collected			(33,931)	(59,614)
Utilization of provisions for risks and charges and for employee benefits		20-21	(66,278)	(77,113)
NET CASH FLOWS FROM OPERATING ACTIVITIES			444,729	636,732
- of which related parties			(85,674)	(35,623)
Investments in:				
- intangible assets		6	(103,966)	(55,300)
- property, plant and equipment		8	(159,959)	(203,030)
- equity investments		9	(677)	(3,706)
- cash acquired/(paid) following change in scope of consolidation			(48,470)	765
Disposals of:				
- intangible assets		6	2,320	2,879
- property, plant and equipment		8	1,468	2,338
- equity investments		9	161	7,403
- assets held for sale		9	50,062	-
- change in other current financial receivables		33	(19,989)	139,248
Change in medium/long-term financial receivables:				
- disbursements		33	(6,661)	-
- repayments		33	45,444	2,949
CASH FLOWS FROM INVESTING ACTIVITIES			(240,467)	(106,456)
- of which related parties			33,173	8,740
Change in medium/long-term financial payables:				
- disbursements		33	305,185	1,096,421
- repayments		33	(196,882)	(127,861)
Change in current bank loans and credit facilities:				
- disbursements		33	1,362,954	2,143,409
- repayments		33	(2,380,326)	(3,523,381)
Change in current bonds/commercial papers				
- disbursements		33	1,002,000	495,500
- repayments		33	(888,000)	(430,200)
Change in non-current bonds:				
- disbursements		33	50,000	-
- repayments		33	-	-
Repayment of financial liabilities for leasing		33	(29,173)	(24,985)
Change in other current financial payables		33	113,045	45,657
Acquisition of non-controlling interests in subsidiaries		33	(137)	-
Net capital contributions by non-controlling interests		33	80	1,503
Share capital increase		33	388,873	-
Purchase of treasury shares		33	-	(5,700)
CASH FLOWS FROM FINANCING ACTIVITIES			(272,381)	(329,637)
- of which related parties			110,871	112,709
NET CASH FLOWS FOR THE YEAR			(68,119)	200,639
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR		18	757,273	564,576
Effect of exchange rate changes on cash and cash equivalents			(4,696)	(7,942)
CASH AND CASH EQUIVALENTS AT THE END OF YEAR		18	684,458	757,273

Consolidated Statement of Changes in Equity

(euro/€B)	Note	Share Capital	Reserve, retained earnings and gain/ (losses)	Equity attributable to owners of the Parent	Equity attributable to non-controlling interests	TOTAL
01.01.2023	19	862,981	(277,486)	585,495	1,408	586,903
Business combinations		-	-	-	1,515	1,515
Share Capital increase		-	-	-	-	-
Share Capital increase - non-controlling interests		1,503	1,503	1,503	-	1,503
Acquisition of non-controlling interests		(71)	(71)	(71)	71	-
Dividend distribution		-	-	-	(1,200)	(1,200)
Reserve for long-term incentive plan		-	(2,563)	(2,563)	-	(2,563)
Reserve for purchase of treasury shares		-	(3,873)	(3,873)	-	(3,873)
Put option exercised on non-controlling interests		-	1,412	1,412	(1,412)	-
Put option recognition on non-controlling interests		-	-	-	-	-
Other changes/roundings		-	223	223	-	223
Total transactions with owners		-	(3,369)	(3,369)	54	(3,315)
Net Profit/(Loss) for the year		-	(52,830)	(52,830)	(281)	(53,111)
OCI for the year		-	(96,176)	(96,176)	(140)	(96,316)
Total comprehensive income for the year		-	(149,006)	(149,006)	(421)	(149,427)
31.12.2023	19	862,981	(429,861)	433,120	1,041	434,161
Business combinations		-	-	-	-	-
Share Capital increase		15,307	378,087	393,394	80	393,474
Share Capital increase - non-controlling interests		-	-	-	-	-
Acquisition of non-controlling interests		(31)	(31)	(31)	(106)	(137)
Dividend distribution		-	-	-	(200)	(200)
Reserve for long-term incentive plan		-	5,595	5,595	-	5,595
Reserve for purchase of treasury shares		-	2,373	2,373	-	2,373
Put option exercised on non-controlling interests		-	-	-	-	-
Put option recognition on non-controlling interests		-	-	-	-	-
Other changes/roundings		-	18	18	(15)	3
Total transactions with owners		15,307	386,042	401,349	(241)	401,108
Net Profit/(Loss) for the year		-	32,833	32,833	(5,456)	27,377
OCI for the year		-	(17,839)	(17,839)	302	(17,537)
Total comprehensive income for the year		-	14,994	14,994	(3,154)	9,840
31.12.2024	19	878,288	(28,825)	849,463	(4,354)	845,109



The Financial Group	Group report or separate report	Consolidated Financial Statements
Notes to the Consolidated Financial Statements		
Note 1 - Form, contents and other general information	390	
Note 2 - Scope and basis of consolidation	392	
Note 3 - Accounting standards	395	
Note 4 - Financial risk management	400	
Note 5 - Sustainability Analysis	403	
Note 6 - Intangible assets	423	
Note 7 - Rights of use	424	
Note 8 - Property, plant and equipment	428	
Note 9 - Investments accounted for using the equity method and other investments	429	
Note 10 - Non-current financial assets	431	
Note 11 - Other non-current assets	436	
Note 12 - Deferred tax assets and liabilities	437	
Note 13 - Inventories and advances	438	
Note 14 - Contract assets	440	
Note 15 - Trade receivables and other current assets	441	
Note 16 - Income tax assets	442	
Note 17 - Current financial assets	444	
Note 18 - Cash and cash equivalents	445	
Note 19 - Equity		446
Note 20 - Provisions for risks and charges		449
Note 21 - Employee benefits		451
Note 22 - Non-current financial liabilities		452
Note 23 - Other non-current liability		456
Note 24 - Contract liabilities		456
Note 25 - Trade payables and other current liabilities		457
Note 26 - Income tax liabilities		458
Note 27 - Current financial liabilities		458
Note 28 - Revenue and income		460
Note 29 - Operating costs		461
Note 30 - Financial income and expenses		464
Note 31 - Income and expense from investments		465
Note 32 - Income taxes		
Note 33 - Other information		
Note 34 - Cash flows from operating activities		
Note 35 - Segment information		
Note 36 - Assets held for sale		
Note 37 - Acquisition		
Note 37 - Events after 31 December 2024		
Appendix 1 - Companies included in the scope of consolidation		496



Note 1 - Form, contents and other general information

The Parent Company

Fincantieri S.p.A. (hereinafter "Fincantieri" or the "Company" or the "Parent Company" and, together with its subsidiaries, the "Group" or the "Fincantieri Group") is a public limited company with its registered offices in via Genova no. 1, Trieste (Italy), and is listed on the Euronext Milan market, organized and managed by Borsa Italiana S.p.A.

As at 31 December 2024, 71.30% of the Company's Share Capital, amounting to euro 878,288,065.70, was held by QDP Equity S.p.A.; the remainder was distributed between private investors (none of whom held significant interests of 3% or above) and treasury shares (of around 0.13% of shares representing the Share Capital of the Parent Company). It should be noted that 100% of the Share Capital of QDP Equity S.p.A. is owned by Cassa di Risparmio di Venezia S.p.A. (hereinafter also referred to as "CRV"), 82.77% of whose Share Capital is in turn owned by Italy's Ministry of Economy and Finance.

Furthermore, QDP, with registered offices in Via Goto 4, Rome, prepares the Consolidated Financial Statements of the group to which the Company belongs, which are available on the website www.qdp.it in the "QDP Group" section.

Principal industrial activities of the Group

The Group operates through the following three segments:

- **Shipbuilding**, includes the Cruise Ships, Defence Vessels and Ship Interiors business areas;
- **Offshore and Specialized Vessels**, encompassing the design and construction of high-end offshore support vessels for offshore wind farms and the Oil & Gas industry, specialized ships such as cable-laying vessels and ferries, unmanned vessels, offering innovative products with reduced environmental impact;
- **Equipment, Systems and Infrastructure**, includes the following business areas: i) Electronics and Digital Products Cluster¹, which focuses on advanced technological solutions, from the design and integration of complex systems (system integration) to telecommunications and critical infrastructure, ii) Mechanical Systems and Components Cluster², i.e., integration of mechanical components and power electronics in naval and onshore applications and iii) Infrastructure Cluster, which includes the design, construction and installation of steel structures for large-scale projects as well as the production and construction of maritime works and the supply of technology and facility management for the health segment, industry and the service sector.

It should be noted that, following a reorganization at the beginning of the year, the activities of the Yard Electro group, included in the Mechanical Systems and Components Cluster until 31 December 2023, were reallocated to the Electronics and Digital Products Cluster. Comparative figures as at 31 December 2023, appropriately reclassified, are shown below as restated values.

It should also be noted that as from February 2024, the newly acquired company Remazel Engineering S.p.A. is consolidated within the Mechanical Systems and Components Cluster.

Basis Of Preparation

The Consolidated Financial Statements of the Fincantieri Group have been prepared in compliance with IFRS, meaning all the "International Financial Reporting Standards", all the "International Accounting Standards" ("IAS") and all the interpretations of the "International Financial Reporting Interpretations Committee" (IFRIC), previously known as the "Standing Interpretations Committee" ("SIC"), which, as at the reporting date of the Consolidated Financial Statements, had been endorsed by the European Union in accordance with the procedure laid down in Regulation (EC) no. 1606/2002 of the European Parliament and European Council dated 19 July 2002, and in compliance with Legislative Decree 38/2005 and Consob Communication no. 6064/2003 dated 28 July 2006 concerning disclosures.

The statutory audit of the Consolidated Financial Statements is the responsibility of Deloitte & Touche S.p.A., the firm appointed to perform the statutory audit of the separate financial statements of the Parent Company and the Group's main subsidiaries.

The present Consolidated Financial Statements at 31 December 2024 were approved by the Company's Board of Directors on 24 March 2025.

The IFRSs have been consistently applied to all the accounting periods presented in the current document.

The Consolidated Financial Statements have been prepared on a going concern basis, since the Directors have verified that there are no financial, operating or other types of indicators that might cast significant doubt upon the Group's ability to meet its obligations in the foreseeable future and particularly within the 12 months from the end of the reporting period based on expected cash flows available at the date the financial statements are approved. In particular, it should be noted that the Group's financial capacity at 31 December 2024 makes it possible for the Group to support the financial requirements expected over the next 12 months.

1 At 31 December 2023 named Electronics Cluster.
2 At 31 December 2023 named Mechanical Cluster.

The Consolidated Financial Statements have been prepared under the historical cost convention, except for those financial assets and financial liabilities for which fair value measurement is compulsory.

Accounting standards, amendments and interpretations applicable to financial statements for the year ended 31 December 2024

A brief overview of the accounting standards, amendments and interpretations applicable to financial statements as at and for the year ended 31 December 2024 is provided below. The list excludes those standards, amendments and interpretations concerning matters not applicable to the Group.

- **Accounting standards, amendments and interpretations applicable with effect from 1 January 2024**
On 22 September 2022, the IASB published the amendment titled "Amendments to IFRS 16: Leases, Lease Liability in a Sale and Leaseback". The amendments to IFRS 16 concern how a company should recognize, measure, present in the financial statements and disclose information about leases, i.e. how the lessee and seller subsequently accounts for sale and leaseback transactions.
- **Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current – Deferral of Effective Date**, and on 31 October 2022 "Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants". These changes aim to clarify how to classify debts and other short-term or long-term liabilities. The amendments also improve the information that an entity must provide when its right to defer settlement of a liability for at least twelve months is subject to compliance with specific parameters (i.e. covenants).
- **Amendments to IAS 7 Statement of Cash Flows and IAS 7 Financial Instruments: Disclosures. Supplier Finance Arrangements**. It requires an entity to provide additional disclosures about reverse factoring arrangements that enable users of financial statements to evaluate how financial arrangements with suppliers may affect the entity's liabilities and cash flows and to understand the effect of those arrangements on the entity's exposure to liquidity risk. This additional information is set out in Note 4 – Financial Risk Management, in the section on liquidity risk.
- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates. Lack of Exchangeability**, published by the IASB on 15 August 2023, was approved. The amendment clarifies when one currency cannot be converted into another, how to estimate the exchange rate, and the disclosures to be made in the notes to the financial statements. The amendment will enter into force on 1 January 2026. The amendments will enter into force on 1 January 2025 but early adoption is permitted; however, the Group has not taken up this option. To date, no significant impact is expected from the application of these amendments.

Accounting standards, amendments and interpretations not yet adopted but for which only application is permitted
On 12 November 2024, the amendment titled "Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates. Lack of Exchangeability" published by the IASB on 15 August 2023, was approved. The amendment clarifies when one currency cannot be converted into another, how to estimate the exchange rate, and the disclosures to be made in the notes to the financial statements. The amendment will enter into force on 1 January 2026. The amendments will enter into force on 1 January 2025 but early adoption is permitted; however, the Group has not taken up this option. To date, no significant impact is expected from the application of these amendments.

Accounting standards, amendments and IFRS interpretations not yet approved by the European Union
At the date of this document, the relevant bodies of the European Union have not yet concluded the ratification process necessary for the adoption of the amendments and standards described below.

- On 9 April 2024, the IASB published IFRS 18 titled "Presentation and Disclosure in Financial Statements". The new standard will replace IAS 1 "Presentation of Financial Statements for financial statement presentation" as the primary source of requirements in IFRS for presenting financial statements. IFRS 18 introduces new requirements for presenting statements of profit or loss, including specified totals and subtotals. It also requires an entity to report on management-defined performance indicators and includes new requirements for aggregation and disaggregation of financial information. The principle will enter into force on 1 January 2027, with early application permitted.
- On 9 May 2024, the IASB published IFRS 19 titled "Subsidiaries without public accountability. Disclosures". The new standard will allow non-publicly accountable subsidiaries that are controlled by a parent company that prepares consolidated financial statements for public use under IFRSs to elect to apply the reduced disclosure requirements of IFRS 19, while continuing to apply the recognition, measurement and presentation requirements of other IFRSs. The principle will enter into force on 1 January 2027, with early application permitted.
- On 30 May 2024, the IASB published an amendment titled "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)". The document clarifies a number of problematic issues that have arisen from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary when ESG objectives (e.g. green bonds) are met. The amendment will take effect from accounting periods beginning on or after 1 January 2026 with earlier application permitted.
- On 18 July 2024, the IASB published Annual Improvements Volume 11, which include amendments to several IFRS standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7) aimed at improving consistency and providing clarification. The amendments will take effect from accounting periods beginning on or after 1 January 2026 with earlier application permitted.
- On 18 December 2024, the IASB published the amendment titled "Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7", which introduces clarifications on the application



Note 2 - Scope and basis of consolidation

Scope of consolidation

Appendix 1 presents a list of the companies included in the scope of consolidation, including information about the nature of their business, location of their registered offices, the countries in which they operate, amount of Share Capital, the interests held and the companies which hold them.

- During 2024, the following companies were incorporated and included in the scope of consolidation:
- on 15 February 2024, Fincantieri S.p.A. incorporated the joint venture 4TB21 S.c.a.r.l. in which it holds 51% of the share capital. The company, based in Trieste, has as its object the complete unitary execution of the framework agreement for the Tokamak Complex Contract – TB21;
 - on 19 March 2024, Fincantieri Infrastructure Opere Maritime S.p.A. incorporated the subsidiary Or-tona FM - Società Consortile a Responsabilità Limitata in which it holds 80% of the share capital. The company, based in Rome, has as its object the design and execution of works related to the works con-tract called Porto di Ortona on behalf of the Port System Authority of the Central Adriatic Sea;
 - on 10 May 2024, the subsidiary Fincantieri Infrastructure Opere Maritime S.p.A. incorporated the joint venture TCM S.c.a.r.l. in which it holds 41.56% of the share capital. The company, based in Rome, has as its object the design and execution of the offshore portoon at the Port of Venice;
 - on 14 May 2024, the subsidiaries Fincantieri Infrastructure Opere Maritime S.p.A. (61%) and Fin-cantieri Infrastructure Social S.p.A. (49%) incorporated the company INFRA.BAS.MAR. S.c.a.r.l. with registered offices in Rome. The company's object is the design and execution of infrastructure works at the Messina, Augusta and Cagliari naval bases;
 - on 15 May 2024, Fincantieri S.p.A. incorporated the associate VBF Nautica S.r.l. in which it holds 12.9% of the share capital. The company, based in Genoa, has as its object the design, research, development, production and marketing of digital and innovative IT products and services with high technological value in the marine, maritime and port sectors;
 - on 15 May 2024, Fincantieri S.p.A. incorporated Fincantieri Arabia for Naval Services LLC in which it holds 100% of the share capital. The company, based in Riyadh, has as its object activities in naval and other shipbuilding, consulting and management services;
 - on 22 May 2024, the subsidiary Fincantieri Infrastructure Opere Maritime S.p.A. incorporated the joint venture Consorzio Ravenna Diga Offshore S.c.a.r.l. in which it holds 31.5% of the share capital. The company, based in Genoa, has as its object the construction of hydraulic works;
 - on 25 July 2024, the subsidiary Fincantieri Infrastructure Opere Maritime S.p.A. incorporated the company Opere Maritime Tunnel Subportuale - Società Consortile a Responsabilità Limitata in which it holds 70% of the share capital. The company, based in Rome, has as its object the execution of the sea works of the preparatory works for the Genoa sub-port tunnel, lot A;
 - on 26 September 2024, the subsidiary Fincantieri Infrastructure S.p.A. incorporated the associate CA 51 S.c.a.r.l. in which it holds 13.526% of the share capital. The company, based in Bari, has as its object the unitary execution, in whole or in part, of the works referred to in the project "S.S. 291 "Della Nurra" - Construction works for Lot 1 from Alghero to Olmedo at the roadside of the Rutas Junction (completion of the Alghero-Sassari link) and Lot 4 between the Olmedo Junction and Alghero-Fertilia airport (slip road to the airport)" and the provision of environmental services during construction.
- During 2024, the following extraordinary transactions were recorded:
- on 15 February 2024, Fincantieri S.p.A. acquired 100% of the shares of Remazel Engineering S.p.A. The company has as its object engineering, procurement and production activities in the offshore sec-tor, with a focus on oil & gas, offshore wind and subsea, crane engineering and production activities, gas turbine production activities and after-sales service activities for all business lines. Following this acquisition, the equity investment in the Italian company Remac S.r.l., a 49% associate, and the fo-reign equity investments in Remazel Asia Co. Ltd. - Remazel Shanghai Trading Co. Ltd. and Remazel Serviços de sistema Oleo & Gas LTDA, wholly-owned subsidiaries, entered the scope of consolidation;
 - on 23 April 2024, the company Vard Design AS acquired additional shares in the company Vard Design Luburnia Ltd., a 75.50% subsidiary (51% at 31 December 2023);
 - on 2 October 2024, the company Vard Shipyards Romania SA sold all the shares of the company Vard International Services S.r.l. (wholly-owned subsidiary at 31 December 2023), which therefore exited the scope of consolidation.

With reference to changes in investments in associates valued using the equity method, it should be noted that during the year the subsidiary Vard Group AS sold the shares held in the associates Island Offshore XII Ship AS, Island Diligence AS and Brevik Technology AS. In addition, the subsidiary Seamus AS sold all shares held in the company Castor Drilling Solution AS.

Furthermore, during the year, the companies Pergenova S.p.A., Fincantieri Australia Pty Ltd., Flytop S.r.l., C.S.I. Consorzio Stabile Impianti S.r.l. and Credence Offshore Pte Ltd. were wound up.

The Consolidated Financial Statements at 31 December 2024 have not been affected by any significant transactions or unusual events except as reported in the Notes to the Consolidated Financial Statements.





Basis of consolidation

Subsidiaries

The Consolidated Financial Statements incorporate the financial statements of all entities (subsidiaries) controlled by the Group.

The Group controls an entity (including structured entities) when it is exposed, or has rights, to variable returns from its involvement with this entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are included in the Consolidated Financial Statements from the date that control is obtained until the date control ceases. Costs incurred during the acquisition process are expensed in the year incurred.

Assets and liabilities, revenue and expenses arising from transactions between companies included in the scope of consolidation are eliminated in full; also eliminated are profits and losses arising from intragroup transfers of fixed assets, profits and losses arising on the intragroup sale of assets that are still in inventory of the purchasing company, impairment losses and impairment reversals relating to investments in consolidated companies and intragroup dividends. The portion of capital and reserves attributable to non-controlling interests in consolidated subsidiaries and the portion of profit or loss for the year attributable to non-controlling interests are identified separately within the financial statements. Losses attributable to non-controlling interests that exceed the non-controlling interest in an investee's capital are allocated to equity attributable to non-controlling interests.

Changes in a parent's ownership interest in a subsidiary that do not result in acquisition/loss of control are accounted for as equity transactions. The difference between the price paid and the share of equity acquired is recorded against equity attributable to the Group, as gains/losses arising on the sale of shares non-controlling interests.

If the Group loses control of a subsidiary, it recalculates the fair value of any investment retained in the former subsidiary at the date control is lost, recognizing any difference in profit or loss as gains/losses for the year attributable to the parent. This value will also correspond to the remaining investment's initial carrying amount classified as an investment in an associate or joint venture or as a financial asset. Lastly, the Group will account for all amounts previously recognized in other components of the statement of comprehensive income for that subsidiary, in the same way as if the parent had disposed of the related assets or liabilities directly. This may result in a reclassification of such gains or losses from equity to gains/losses for the year.

Appropriate adjustments are made to the financial statements of subsidiaries to ensure conformity with the Group's accounting policies.

The reporting date of subsidiary companies is aligned with that of the Parent Company, where this is not the case, subsidiaries prepare specific financial statements for use by the Parent Company.

Associates

Associates are those entities over which the Group has significant influence, which is usually presumed to exist when it holds between 20% and 50% of the entity's voting rights. Investments in associates are initially recognized at cost and subsequently accounted for using the equity method described below.

The carrying amount of these investments reflects the Group's share of the associate's equity, adjusted, if necessary, to reflect the application of IFRSs, as well as the higher values attributed to assets and liabilities and any goodwill identified on acquisition. Appropriate adjustments are made to the financial statements or investments accounted for using the equity method to ensure conformity with the Group's accounting policies.

Profits or losses attributable to the Group are accounted for from the date on which the significant influence begins and until the date on which the significant influence ceases. If, as a result of losses, an associate valued using the equity method reports negative net equity, the carrying value of the investment is reduced to zero and the Group recognizes a liability for the additional losses in a special provision only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate; changes in the equity of companies accounted for using the equity method that are not represented in profit or loss are recognized directly as an adjustment to equity reserves.

Unrealized profits and losses arising from transactions between associates accounted for using the equity method and the Parent Company or its subsidiaries are eliminated to the extent of the Group's interest held in the associate; unrealized losses are eliminated unless they represent an impairment loss.

Joint arrangements

The Group applies IFRS 11 to classify investments in joint arrangements, distinguishing them between joint operations and joint ventures according to the contractual rights and obligations of each investor. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement, while a joint venture is a joint

arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Interests in joint ventures are accounted for using the equity method, while in the case of joint operations, each party to the joint operation recognizes the specific assets to which it is entitled and the specific liabilities for which it has obligations, including its share of any assets and liabilities held/incurred jointly, and its share of the revenue and expenses under the terms of the joint arrangement.

Appropriate adjustments are made to the financial statements of joint ventures to ensure conformity with the Group's accounting policies.

Translation of the financial statements of foreign operations

The financial statements of subsidiaries and associates are prepared in their "functional currency", being the currency of the primary economic environment in which they operate. For consolidation purposes, the financial statements of each foreign company are translated into Euro, which is the Group's functional currency and the presentation currency for its Consolidated Financial Statements.

The criteria for translating the financial statements of companies expressed in a currency other than the Euro are as follows:

- assets and liabilities are translated using the closing exchange rate at the year-end reporting date;
- revenues and expenses are translated using the average exchange rate for the reporting period/year;
- the "currency translation reserve" reports the differences arising on the income statement's translation at an average rate as opposed to a closing rate, as well as the differences arising on the translation of opening equity at a different rate to that applied to closing equity;
- goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated initially at the acquisition date exchange rate and subsequently adjusted to the closing exchange rate.

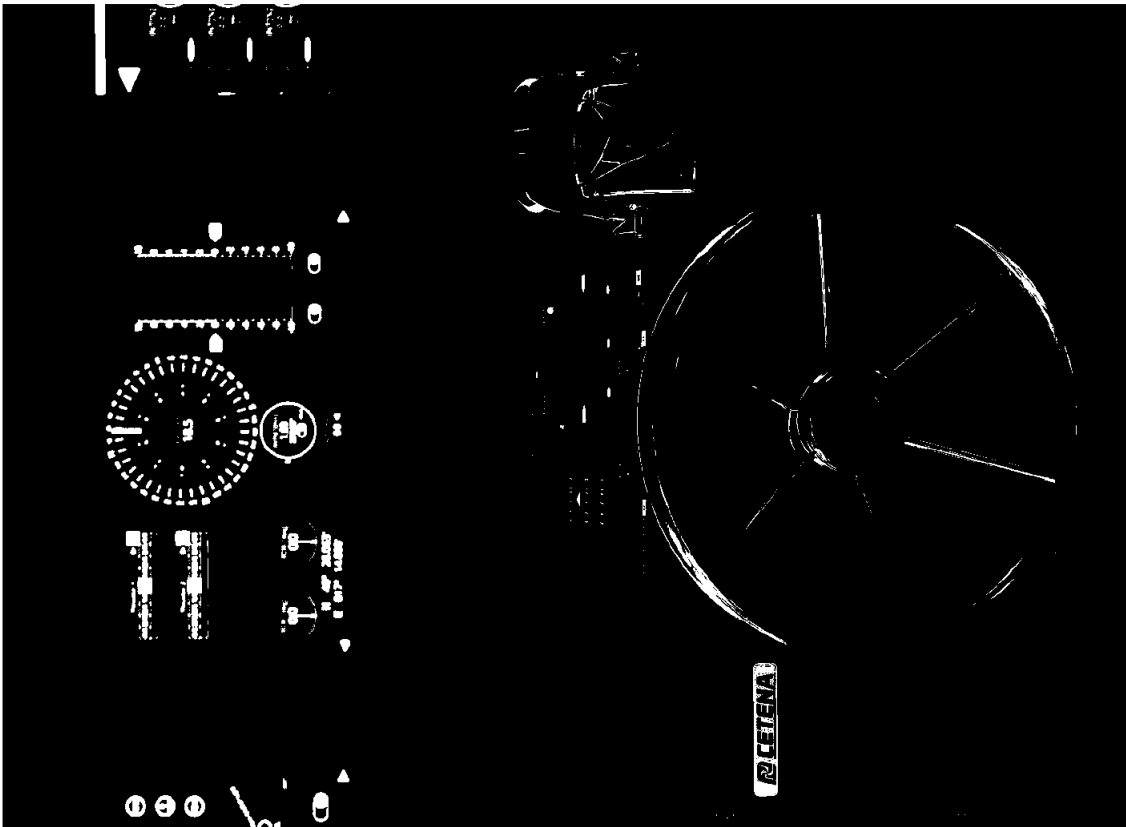
The main exchange rates used to translate the financial statements of Group companies with a "functional currency" other than the Euro are as follows:

	2024			2023		
	12-month average	Closing rate at 31 Dec	12-month average	Closing rate at 31 Dec	12-month average	Closing rate at 31 Dec
US Dollar (USD)	1.0824	1.0389	1.0813	1.1105		
Australian Dollar (AUD)	1.6397	1.6772	1.6288	1.6263		
UAE Dirham (AED)	3.975	3.8154	3.971	4.0581		
Canadian Dollar (CAD)	1.4821	1.4948	1.4595	1.4642		
Brazilian Real (BRL)	5.8283	6.4253	5.401	5.3618		
Norwegian Krone (NOK)	11.629	11.795	11.4248	11.2405		
Indian Rupee (INR)	90.5563	88.9335	89.3001	91.4045		
New Romanian Leu (RON)	4.9746	4.9743	4.9467	4.9756		
Chinese Yuan (CNY)	7.7875	7.5833	7.66	7.8509		

Business combinations

Business combinations under which the acquirer obtains control of the acquiree are accounted for in accordance with the provisions of IFRS 3 - Business combinations, using the acquisition method. The cost of acquisition is represented by the acquisition-date fair value of the assets acquired, the liabilities assumed, and equity instruments issued. The identifiable assets acquired, and liabilities and contingent liabilities, assumed are recognized at their acquisition-date fair values, except for deferred tax assets and liabilities, assets and liabilities for employee benefits and assets held for sale, which are recognized in accordance with the applicable accounting standards for these items. The difference between the cost of acquisition and the fair value of the assets and liabilities acquired is recognized, if positive, under intangible assets as goodwill or, if negative, after reassessing the correct measurement of the fair values of the assets and liabilities acquired and the cost of acquisition, it is recognized directly in profit or loss as income. Acquisition-related costs are accounted for as expenses in the period incurred.

The cost of acquisition includes contingent consideration, recognized at its acquisition-date fair value. Subsequent changes in fair value are recognized in profit or loss statement or other statement of comprehensive income if the contingent consideration is a financial asset or liability. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for directly in equity. If, in a business combination, control is achieved in stages, the Group remeasures its previously held equity interest in the



acquiree at its acquisition-date fair value and recognizes the resulting gain or loss in profit or loss. Acquisitions of non-controlling interests in entities which are already controlled by the acquirer or disposals of non-controlling interests that do not involve a loss of control are treated as equity transactions; therefore, any difference between the cost of acquisition/disposal and the related share of equity acquired/sold is accounted for as an adjustment to the Group's equity.

When controlling interests of less than 100% are acquired, only the portion of goodwill attributable to the Parent Company is recognized. The value of non-controlling equity interests is determined in proportion to the non-controlling interest in the acquiree's net identifiable assets. Acquisition-related costs are recognized in profit or loss on the date the services are received.

In the event that Call and Put options are granted on non-controlling interests, if the Group has already acquired the right to obtain the risks/benefits associated with the non-controlling interests, the capital and reserves attributable to non-controlling interests will not be recognized in the Consolidated Financial Statements and the Group will account for the transaction as if it had already acquired control over the aforementioned non-controlling interests subject to options (early acquisition method). A financial liability equal to the present value of the exercise price of the option will also be recognized. If, on the other hand, the non-controlling interests have retained the current right to obtain the risks/benefits associated with the non-controlling interests, the capital and reserves attributable to non-controlling interests will continue to be recognized at the value of their share of the net assets acquired and the financial liability will be recognized as an adjustment to group equity (joint ownership method). In any case, subsequent changes in the fair value of the financial liability will be recognized in profit or loss. If such options are negotiated separately from the acquisition of control with non-controlling interests or subsequent to the acquisition of control and still give rise to the acquisition of the non-controlling interests, then the transaction will be accounted for as an equity transaction, i.e. as an adjustment to Group equity, because it is not a transaction that qualifies as a business combination.

Under the early acquisition method, if the option is exercised, the financial liability will be settled by payment of the exercise price equal to its fair value at the date of exercise. If the option is not exercised, the Group will have effectively sold the related non-controlling interest without loss of control at a price equal to the value of the financial liability and the difference with respect to the carrying value of the non-controlling interest will be accounted for as an equity transaction, i.e. as an adjustment to group equity.

In the joint interest method, if the option is exercised, there will be an increase in the shareholding of the subsidiary with the consequent elimination of the non-controlling interests with a balancing entry in group equity, while the financial liability will be extinguished at its carrying amount equal to fair value. If the option is not exercised, the financial liability will be reclassified to the same equity component as at initial recognition.

National tax consolidation

Since 2013, Fincantieri S.p.A., together with its subsidiaries Isotta Fraschini Motori S.p.A., Fincantieri Infrastrutture Social S.p.A. and Fincantieri Oil & Gas S.p.A., has been subject to the tax regime governed by art. 117 et seq. of Presidential Decree 91/71/1986, namely National Tax Consolidation, headed up by Cassa Depositi e Prestiti S.p.A. The National Tax Consolidation agreement was renewed in 2022 for another three years until year 2024.



Note 3 – Accounting standards

Material accounting policy information

1. Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance, that are controllable and able to generate future economic benefits. Such assets are carried at purchase cost and/or internal production cost, including expenses directly attributable to preparing assets for their intended use, less accumulated amortization and any accumulated impairment losses. Any borrowing costs incurred during and for the development of an intangible asset are capitalized as part of the asset's cost. Assets qualifying as "assets acquired in a business combination" are recognized separately only if their fair value can be measured reliably. Intangible assets are amortized unless they have an indefinite useful life. Amortization commences when the asset is available for use and is allocated on a systematic basis over its useful life. The criteria used to identify and determine any impairment losses for intangible assets can be found in section 4 below.

1.1 Goodwill

Goodwill is not amortized but is tested annually for impairment, or whenever specific events or changed circumstances indicate that it might be impaired. It is not permitted to reverse a previously recognized impairment loss. After initial recognition, goodwill is carried at cost less any accumulated impairment losses.

On loss of control of a subsidiary, the gain or loss on disposal takes into account the residual value of previously recognized goodwill.

1.2 Concessions, licenses, trademarks and similar rights

Concessions, licenses and similar rights, acquired in a business combination, are recognized at their acquisition-date fair values and systematically amortized over the shorter of their expected period of use and the length of the right's ownership.

Trademarks are considered to have an indefinite useful life and so are not amortized, but are tested annually for impairment, or whenever specific events or changed circumstances indicate that they might be impaired.

1.3 Client relationships and order backlog

Client contract relationships and order backlog are recognized only if acquired in a business combination.

Client relationships are amortized over the expected life of such relationships (10-20 years).

The order backlog represents the expected residual value of orders existing at the acquisition date. This value is amortized on a straight-line basis over expected useful life.

1.4 Research and development costs

Expenditure on research is recognized through profit or loss when it is incurred. Expenditure on developing new products and processes is capitalized and recognized as an intangible asset only if all the following conditions are satisfied:

- the development project is clearly identified and the related costs are identifiable and can be measured reliably;
- the technical feasibility of the project can be demonstrated;
- the intention to complete the project and sell the intangible assets generated can be demonstrated;
- a potential market exists for the intangible asset or, if it is used internally, the asset is of demonstrable utility;
- adequate technical and financial resources are available to complete the project.

Capitalized development costs are amortized over the period the expected future revenues from the project will arise. Useful life varies depending on the project and ranges from 5 to 10 years.

1.5 Industrial patents and intellectual property rights

Amortization of industrial patents and intellectual property rights is calculated on a straight-line basis so as to allocate the cost incurred for acquiring the rights over their estimated useful life or the term of the related contracts, if shorter. Amortization begins when the acquired rights become effective. The cost of software licenses is amortized on a straight-line basis over 3 years.

1.6 Incremental costs to obtain contracts and fulfil contracts

The incremental costs to obtain the contract are the costs an entity incurs to obtain the contract with the customer that it would not have incurred if it had not obtained the contract (for example, a sales commission). As permitted by IFRS 15, these costs can be capitalized if they are expected to be recovered.

Costs to perform the contract are capitalized only if they meet all the following conditions: i) they are directly related to the contract or to a planned contract, which the company can specifically identify; ii) they allow the company to dispose of new or increased resources to be used to perform (or continue to perform) the contractual obligations; iii) they are expected to be recovered.

The asset recognized from the capitalization of the incremental costs to obtain contracts and to fulfil contracts is amortized systematically and in a manner corresponding to the transfer to the customer of the goods or services to which the asset relates.

2. Rights of use

The accounting standard IFRS 16 "Leases" defines a standard form for recognising leasing contracts, eliminating the distinction between operating and financial leases, and providing for the recognition of an asset for the right to use the good and a liability for the lease. A contract is, or contains, a lease if, in return for consideration, it gives the right to control the use of a specified asset for a period of time.

Assets for the right to use leased assets are initially valued at cost, and subsequently depreciated over the term of the lease contract defined during the analysis, taking into account any extension or termination options that can reasonably be exercised. The cost of right to use assets includes the initially recognized value of the lease liability, the initial direct costs incurred, the estimate of any restoration costs to be incurred at the end of the contract and the advance payments relating to the lease made at the date of first transition net of any lease incentives received.

The related liabilities for leased assets are initially measured at the present value of the payments due for the fixed lease payments to be made at the date of signing the lease agreement and for the exercise price of the purchase option and redemption option if reasonably exercisable, discounted using the interest rate implicit in the lease, if determinable, or the marginal lending rate at the date. Liabilities for leased assets are subsequently increased by the interest that accrues on these liabilities and decreased in correlation with the lease payments. Liabilities for leased assets are in any case restated to take account of changes in the payments due for the lease, adjusting the right of use asset for the same value. However, if the carrying amount of the asset underlying the right of use is zero and there is a further reduction in the valuation of the lease liability that difference is recognized in profit or loss.

In the event of changes in the lease agreement, these changes are accounted for as a separate lease when rights of use are added to one or more underlying assets and the lease consideration increases by an amount that reflects the separate price for the increase in the asset leased. In relation to changes that are not accounted for as a separate lease, the lease liability is restated by discounting the lease payments due using a revised discount rate, based on the new lease term. These adjustments to liabilities are accounted for by making a corresponding change in the asset underlying the right of use, recording any gain or loss relating to the partial or total termination of the contract in the income statement.

No rights of use assets are recognized in relation to: i) short-term leases; ii) leases where the underlying asset is of low value. Payments due for these types of lease contracts are recognized as operating costs on a straight-line basis.

The income statement recognizes, under operating costs, depreciation of right of use assets and, in the financial section, the interest payable accrued on the lease liability, if not capitalized. The income statement also includes: i) instalments relating to short-term leases of modest value, as allowed by IFRS 16 in a simplified manner; and ii) variable lease instalments, not included in the determination of the lease liability (e.g. instalments based on the use of the leased asset).

3. Property, plant and equipment

Items of property, plant and equipment are stated at their historical purchase or production cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to preparing the assets for their intended use, as well as any costs of dismantling and removing the assets which will be incurred as a result of contractual obligations to restore assets to their original condition. Any borrowing costs incurred during and for the development of an item of property, plant and equipment are capitalized as part of the asset's cost.

Assets under concession are stated at cost, including estimated disposal and removal costs, arising as a consequence of contractual obligations to restore an asset to its original condition, less accumulated depreciation calculated over the shorter of the asset's estimated useful life and the term of the individual concessions, net of disposal and removal costs.

Expenditure incurred after acquiring an asset and the cost of replacing certain parts is capitalized only if such expenditure increases the asset's future economic benefits. Routine repair and maintenance costs are recognized through profit or loss in the period incurred. If the costs of replacing certain parts of an asset are capitalized, the residual value of the parts replaced is charged through profit or loss.



Depreciation is charged on a straight-line basis so as to depreciate assets over their useful lives. If a depreciable asset consists of separately identifiable parts, whose useful lives differ significantly from other parts of that asset, each part is depreciated separately in accordance with the component approach. The Group has estimated the following useful lives for its various categories of property, plant and equipment:

CATEGORIES	USEFUL LIFE (years)
Industrial plant, machinery and equipment:	
- Industrial buildings and dry docks	33 – 47
- Plant and machinery	7 – 25
- Equipment	4 – 12
Assets under concession	Useful life or term of concession, if shorter
Leasehold improvements	Useful life or term of lease, if shorter
Other assets	4 – 33

Land is not depreciated. The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at least at every year-end.

The criteria used to identify and determine any impairment losses for property, plant and equipment can be found in section 4 below.

4. Impairment of non-financial assets

Tangible and intangible assets are reviewed at the year-end reporting date to identify any indication of impairment. If any such indication exists, the recoverable amount of such assets is estimated and if this is lower than the carrying amount, the difference is recognized in profit or loss as an impairment loss. Intangible assets with indefinite useful lives, such as goodwill, are not amortized but are tested annually for impairment, or more often, whenever there are signs that such assets might be impaired.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use, defined as the present value of the future cash flows expected to be derived from that asset. If an asset does not generate cash flows that are largely independent of the cash flows from other assets, its value in use is determined with reference to the cash-generating unit to which the asset belongs. When calculating an asset's value in use, its expected cash flows are discounted using a discount rate reflecting current market assessments of the time value of money for the period of investment and risks specific to that asset. Value in use is determined, net of tax, using a post-tax discount rate, since this method produces broadly similar values to those obtained by discounting pre-tax cash flows at a pre-tax discount rate. An impairment loss is recognized in profit or loss when an asset's carrying amount is higher than its recoverable amount. If the reasons for an impairment loss cease to exist, it may be reversed in whole or in part through profit or loss, except in the case of goodwill, whose impairment can never be reversed. If an impairment loss is reversed, the asset's new carrying amount may not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized in the past.

5. Other investments

Investments in companies other than subsidiaries, associates and joint ventures (generally where the interest is less than 20%) are classified as 'financial assets carried at fair value, which normally corresponds, during first inclusion, to the amount of the operation inclusive of the transaction costs directly attributed to it. Subsequent changes in fair value are recognized in profit or loss (FVTPL) or, if the option envisaged by the standard is exercised, in the Statement of comprehensive income (FVOCI) under the item "FVOCI reserve".

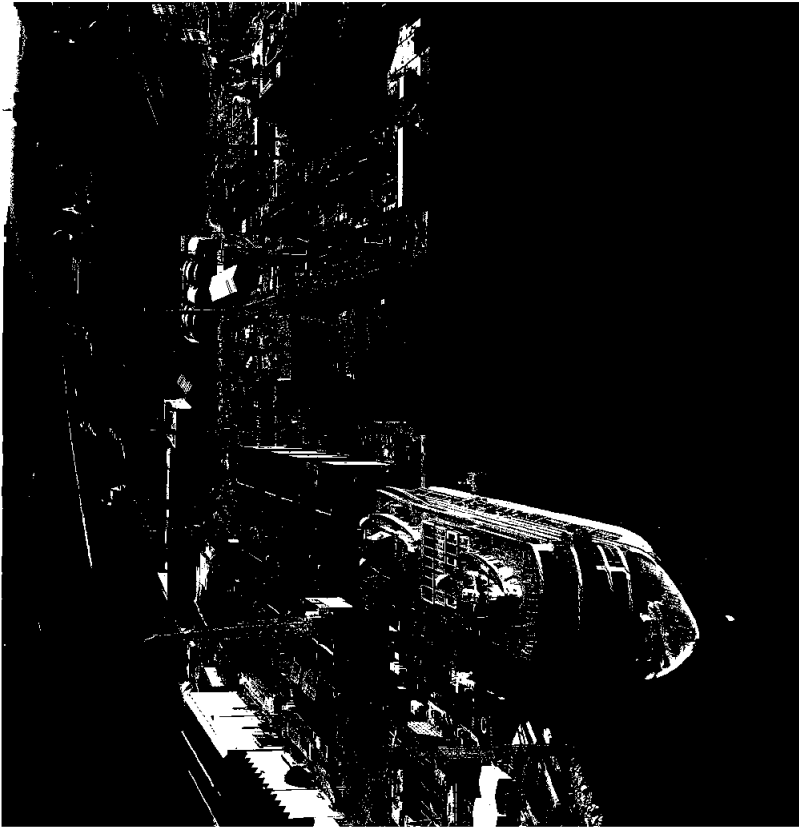
For investments valued at FVOCI, impairment losses are not recorded in comprehensive income, neither are the accumulated profits or losses if the investment is sold, only the dividends distributed by the investee company are recorded in Comprehensive income when:

- the Group's right to receive the dividend matures;
- it is probable that the economic benefits arising from the dividend will flow to the Group;
- the amount of the dividend can be reliably measured.

6. Inventories and advances

Inventories are recorded at the lower of purchase or production cost and net realizable value, defined as the estimated selling price in the ordinary course of business less selling costs. The cost of inventories of raw materials and consumables and finished products and goods is determined using the weighted average cost method. The cost of production includes raw materials, direct labor costs and other costs of production allocated on the basis of normal operating capacity. Financial expenses are not included in the value of inventories.

Slow-moving and obsolete inventories are suitably written down to align their value with the net realizable amount.





7. Contract assets/liabilities

The Contract assets and liabilities are recognized depending on the method for transferring control of the good or service to the customer. If control is transferred gradually as the good is built, or the service is rendered, the assets are recognized with reference to the value of the agreed contractual consideration plus any grants available under specific legal regulations which have reasonably accrued at the period-end reporting date. In accordance with the cost-to-cost method, taking into account the stage of completion of the contract and any expected risks, where, instead, control is transferred upon final delivery of the goods or completed provision of all the services promised, the assets are recognized at the purchase cost.

If two or more contracts are concluded at the same time (or almost at the same time) with the same customer (or related parties of the customer), they are recorded as a single contract when they meet one or more of the following criteria: i) they were negotiated together for a single business purpose; ii) the contract prices are inter-dependent; or iii) the goods or services promised in the contract represent a single obligation to the customer.

A contract is recognized as a single asset when it identifies a single contractual obligation, i.e. if the promise is to transfer one single good/service to the customer or a series of goods/services that are substantially the same are transferred to the customer over a period of time using the same methods. If different contractual obligations are identified in the contract, these are recognized as separate assets arising from the same contract with the customer. Contract changes are recognized as a new contract if those changes include new separate goods or services and the price of the contract change represents the stand-alone selling price charged for the additional goods and services, otherwise the additional asset is accounted for as a single contract together with the original contract. In particular, if the original contract i) provides for the construction of an additional asset at the option of the client or ii) may be amended to include the construction of an additional asset and in both cases the price is closely interrelated to the original contract, the construction of the additional asset is treated as a combined part of the original contract.

The stage of completion is measured by calculating the proportion that contract costs incurred for work performed to the reporting date bear to the estimated total costs for each contract.

Contract assets are reported as the costs incurred plus profit margins recognized to date, net of the related liabilities, i.e. the progress billings issued. The calculation is performed on a contract-by-contract basis. If the difference arising under this calculation is positive, it is classified as an asset under "Contract assets", while if it is negative, the difference is classified as a liability under "Contract liabilities".

If it is expected that the completion of a contract may give rise to a loss at the gross margin level, this is recognized in full in the year in which it becomes reasonably foreseeable. The value of the provision, equal to the amount of the expected losses, is shown in the provisions for risks and charges as "provision for onerous contracts". Provisions and utilization of this provision for onerous contracts are included in Operating revenue under the heading "Changes in Contract assets and liabilities".

Ship orders are closed for accounting purposes three months after a vessel's delivery. In the case of vessels for Government defense forces (naval vessels), the delivery date is the issue date of the acceptance report, if issued later.



8. Financial liabilities

Financial liabilities, inclusive of financial payables, trade payables, other payables and other liabilities, other than derivatives, are initially recognized at fair value and then measured at amortized cost, less repayments of principal already made.

Payables and other liabilities are classified as current liabilities, unless the Group has a contractual right to extinguish its obligations more than twelve months from the Annual Report. Financial liabilities are derecognized when they are extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires.

For derivative liabilities, please refer to paragraph 9.5.

8.1 Reverse factoring

In order to ensure easier access to credit for its suppliers and given the importance of the supply chain to the shipbuilding industry, the Parent Company has entered into factoring agreements with leading financial institutions, typically in the technical form of reverse factoring, which suppliers are invited to adhere to. Based on these agreements, the supplier has the discretionary option to sell receivables due from the Parent Company or some of its subsidiaries to a finance company and receive the amount owed before the due date; in addition, the supplier also has the option to agree with the Parent Company to extend the due date beyond that shown in the invoice. Such further extensions can be either interest-bearing or non-interest bearing. In consideration of the fact that the object of the obligation corresponds to the supply of goods and services used in the normal operating cycle and that the sale of the receivable is agreed with the supplier, the Group has decided to classify payables referring to reverse factoring transactions in the item "Trade payables and other current liabilities", providing further details on these transactions in Notes 4 and 25.

9. Financial assets

The Group classifies financial assets according to the categories identified by IFRS 9:

- financial assets measured at amortized cost;
- assets measured at fair value through OCI for the year (FVOCI);
- assets measured at fair value through profit or loss for the year (FVTPL).

9.1 Financial assets measured at amortized cost

Financial assets are classified in this category if both of the following conditions are met: i) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and ii) the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. These mainly concern trade receivables and loans. Except for trade receivables, which do not contain a significant financial component, other receivables and loans are initially recognized at fair value on the financial statements. Trade receivables which do not contain a significant financial component are recognized at the price defined for that transaction (determined as per IFRS 15 Revenue from contracts with customers). The assets belonging to this category are subsequently measured at amortized cost using the effective interest rate. Provision for impairment for these receivables is determined using a forward-looking approach with a three-step model: 1) recognition of expected credit losses that have had no increase in credit risk in the first 12 months since initial recognition of the asset; 2) recognition of lifetime expected credit losses at the moment the credit risk increased significantly since initial recognition of the asset; interest revenue is calculated on gross carrying amount; 3) recognition of further lifetime expected credit losses at the moment in which the loss occurred; interest revenue is calculated on the net carrying amount (the amortized cost) is reviewed because the internal rate of return changes since the trigger event affects cash flows).

9.2 Financial assets measured at fair value through other Statement of comprehensive income (FVOCI)

Financial assets are classified in this category if both of the following conditions are met: i) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and ii) the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. This category also includes equity instruments (investments in companies in which the Group exerts neither control nor considerable influence) for which the Group applies the option permitted by this standard to measure these instruments at fair value with an effect on overall profitability (see section 4 above).

These assets are initially recognized at fair value; in subsequent measurements, the value calculated during recognition is updated again and any changes in fair value are recognized in the OCI for the year. Any impairment losses, interest income and gains or losses from exchange rate differences are recorded in profit and loss.

9.3 Financial assets measured at fair value through profit or loss (FVTPL)

All financial assets that do not meet the conditions, in terms of business model or cash flow characteristics, for measurement at amortized cost or at fair value with impact on the Statement of comprehensive income are classified in this category. These are mainly derivatives; this category includes listed and unlisted equity instruments that Group has not irrevocably decided to classify as FVOCI at initial recognition or during transaction. The assets falling under this category are classified among current and non-current assets depending



on their maturity and reported at fair value at the moment of their initial recognition. During subsequent measurement, the profits and losses arising from the fair value measurements are recorded in the consolidated income statement for the period in which they were recognized.

9.4 Impairment on financial assets measured at amortized cost

Impairment of financial assets measured at amortized cost is calculated on the basis of an expected credit loss model. According to this model, financial assets are classified as at Stage 1, Stage 2 or Stage 3 depending on their level of credit worthiness since initial recognition.

In particular:

- Stage 1: includes i) newly acquired receivables, ii) receivables that have not had a significant worsening of the credit risk since the initial recognition date and iii) receivables with low credit risk;
- Stage 2: includes receivables that, while not non-performing, have had a significant worsening of the credit risk since the initial recognition date;
- Stage 3: includes non-performing receivables.

For receivables belonging to Stage 1, impairments are equal to the expected credit loss calculated over a period of up to one year. For receivables belonging to Stages 2 or 3, impairments are equal to the expected credit loss calculated over the entire duration of the exposure.

The criteria for determining impairment losses on receivables are based on discounting the expected cash flows for the principal and the interest. To calculate the current value of flows, the essential elements are those identifying the estimated receipts, the related receipt dates and the discounting rate to be applied. In particular, the loss is the difference between the recognition value and the current value of the estimated cash flows, discounted at the original interest rate of the financial asset.

These assets are classified as current assets, except for the portion falling due after more than 12 months, which is included in non-current assets.

9.5 Derivatives

The derivatives used by the Fincantieri Group are intended to hedge its exposure to currency risk primarily on sale contracts and, to a lesser extent, on procurement contracts denominated in currencies other than the functional currencies, and its exposure to interest rate risk on loans and to price risk relating to certain commodities.

Derivative instruments are initially recognized at fair value on the derivative contract's inception date. Following initial recognition, changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognized as an operating or financial component of the profit/loss for the year according to the nature of the instrument. If derivative instruments do qualify for hedge accounting, any subsequent changes in their fair value are treated in accordance with the specific rules of the IFRS 9 set out below. For each derivative financial instrument designated as a hedging instrument, the Group must formally document the relationship between hedging instruments and hedged items, as well as its risk management objectives, hedging strategy and verifying hedge effectiveness. The effectiveness of each hedge must be assessed, both at hedge inception and on an ongoing basis. A hedging transaction is usually regarded as highly "effective" if, at inception and during its life, the change in the hedged item's fair value, in the case of fair value hedges, and in the expected future cash flows, in the case of cash flow hedges, substantially offsets the change in fair value of the hedging instrument.

Changes in the fair value of derivative assets or liabilities that qualify as fair value hedges are recognized in profit or loss, along with any changes in the fair value of the hedged item.

In the case of cash flow hedges intended to offset the cash flow risks relating to a highly probable forecast transaction at the year-end reporting date, fair value changes after initial recognition in the effective portion of the derivative hedging instrument are recognized in "Other comprehensive income" and included in a separate equity reserve. Amounts recognized through other comprehensive income are reclassified from equity to profit or loss, among the operating items, in the same period that the hedged forecast cash flows affect profit or loss. If the hedge is not perfectly effective, the fair value change in the ineffective portion of the hedging instrument is immediately recognized in profit or loss. If, during the life of a derivative hedging instrument, the expected transaction for which hedging was made is no longer expected to occur, the portion of the "reserves" relating to this instrument is immediately reclassified to profit or loss for the financial year. Conversely, if the derivative instrument is sold or no longer qualifies as an effective hedge, the portion of the "reserves" representing changes in the instrument's fair value recognized up until then through other comprehensive income remains separately in equity until the hedged forecast transaction occurs, at which point it is reclassified to profit or loss. The fair value of financial instruments quoted on public markets is determined with reference to quoted prices at the end of the period. The fair value of unquoted instruments is measured with reference to financial valuation techniques. In particular, the fair value of interest rate swaps is measured by discounting the expected future cash flows, while the fair value





The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Fincantieri Group Consolidated Financial Statements
10. Grants from government and other public entities	Government grants are recognized in the financial statements when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. 10.1. Capital grants Government grants related to property, plant and equipment are classified as deferred revenue under "Other non-current liabilities". This deferred revenue is then recognized as income through profit or loss on a straight-line basis over the useful life of the asset for which the grant was received. 10.2. Operating grants Grants other than those related to capital grants are credited to profit or loss as "Other revenue and income". Cash and cash equivalents include cash on hand, current accounts, demand deposits with banks and other highly liquid short-term investments that are readily convertible into cash and which are subject to an insignificant risk of change in value. Post-employment benefits are defined on the basis of formal and informal arrangements which, depending on their characteristics, are classified as "defined contribution" plans and "defined benefit" plans. In defined contribution plans, the employer's obligation is limited to the payment of contributions to the State or to a trust or separate legal entity (fund) and is determined on the basis of the contributions due. Liabilities for defined benefit plans, net of any plan assets, are determined using actuarial assumptions and are recognized on an accrual basis over the period of employment needed to obtain the benefits. Defined benefit plans include the employee severance benefit, payable to employees of the Group's Italian companies under article 2120 of the Italian Civil Code, that accrued before the reform of this benefit in 2007. The amount recognized in the financial statements is calculated on an actuarial basis using the projected unit credit method. The discount rate used by this method to calculate the present value of the defined benefit obligation reflects the market yield on bonds with the same maturity as that expected for the obligation. The calculation relates to the employee severance benefit already accrued for past service and, in the case of Italian subsidiaries with less than 50 employees, incorporates assumptions concerning wage levels. Further to the reform of employee severance benefit under Italian Law 296 dated 27 December 2006, the actuarial assumptions no longer need to consider wage levels for Italian subsidiaries with more than 50 employees. Any actuarial gains and losses are recorded in the "Valuation reserves" forming part of equity and immediately recognized in the Statement of comprehensive income. For Italian employee severance benefits that have accrued after 1 January 2007 (which are treated like defined contribution plans), the employer's obligation is limited to the payment of contributions to the State or to a trust or separate legal entity (fund) and is determined on the basis of the contributions due. There is no additional financial liability for the Company to pay additional amounts.		In the amount of a provision due to the effect of the time value of money is recognized in the income statement under "Financial expenses". Provisions for credit risk for financial guarantees issued subject to the valuation rules of IFRS 9 are also included in the item under consideration. Contingent liabilities, meaning those relating to obligations that are only possible, are not recognized but are disclosed in the section of the notes to the financial statements reporting commitments and risks. Revenue from contracts with customers are recognized based on the time control of the goods and/or services is transferred to the customer. If control is transferred gradually as the good is built or the service is rendered, revenues are recognized over time, i.e. as the activities gradually progress. If, however, control is not transferred gradually as the good is built or the service rendered, revenues are recognized at a point in time, i.e. at the moment of final delivery of the good or completion of service provision. The Group has chosen to measure the percentage of completion of the contracts over time using the cost-to-cost method. When it is probable that total lifetime contract costs will exceed total lifetime contract revenue, the expected loss is immediately recognized as an expense in the income statement. Revenue earned up to the reporting date from contracts denominated in a currency other than the functional currency is translated into the functional currency at the year-end reporting date. i) the hedged exchange rate (if currency risk has been hedged - see Section 9.5 above) or ii) in the absence of hedging transactions, the actual exchange rate used for the part of the contract already billed and the period-end rate for the part still to be billed. Retentions or other amounts which can be contractually reclaimed by clients are not recognized until any post-delivery obligations have been fully satisfied. Dividends received from investee companies not consolidated on a line-by-line basis and with the equity method, are recognized in profit or loss when: - the Group's right to receive the dividend matures; - it is probable that the economic benefits arising from the dividend will flow to the Group; - the amount of the dividend can be reliably measured. Financial income and expenses are recognized in profit or loss in the year in which they accrue. Financial expenses include the interests on the extension which are recognised based on the use of reverse factoring agreements. Cash flows related to dividends and interest income and expense are reported in the statement of cash flows under cash flows from operating activities. Income taxes represent the sum of current and deferred income taxes. Current income taxes are calculated on taxable profit for the year, using tax rates that apply on the reporting date. Deferred income taxes are income taxes that are expected to be paid or recovered on temporary differences between the carrying amount of assets and liabilities and their tax bases. Deferred tax liabilities are usually recognized for all taxable temporary differences, while deferred tax assets, including those for carry forward tax losses, are recognized to the extent it is probable that taxable profit will be available against which the temporary differences can be recovered. No deferred tax liabilities are recognized for temporary differences relating to Goodwill. Deferred tax liabilities are recognized on taxable temporary differences relating to investments in subsidiaries, associates and joint ventures, except in cases when both the following conditions apply: i) the Group is able to control the timing of the reversal of such temporary differences and ii) the temporary differences are unlikely to reverse in the foreseeable future. Deferred income taxes are determined using tax rates that are expected to apply to the year when the related differences are realized or settled. Current and deferred income taxes are recognized in profit or loss with the exception of taxes relating to items which are directly debited or credited to equity, in which case the tax effect is also recognized directly in equity. Deferred tax assets and liabilities are offset if, and only if, income tax is levied by the same tax authority, there is a legally enforceable right of offset and the outstanding net balance is expected to be settled. Taxes not related to income (levies), such as property tax, are reported in "Other costs". Cash flows related to income tax are shown in the statement of cash flows under cash flows from operating activities.
11. Cash and cash equivalents			
12. Employee benefits			
13. Share-based incentive plans			
14. Provisions for risks and charges			



17. Earnings per share

17.1 Basic earnings per share

Basic earnings per ordinary share are calculated by dividing profit attributable to owners of the Parent Company by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares.

17.2 Diluted earnings per share

Diluted earnings per ordinary share are calculated by dividing profit attributable to owners of the Parent Company by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares, and adjusting to take account of the number of potential shares that could be issued.

18. Treasury shares

Treasury shares are recognized as a reduction of Equity. The original cost of the treasury shares and the income arising from sale at a later date are shown as movements in Equity.

19. Subjective accounting estimates and judgements

Preparation of financial statements requires management to apply accounting policies and principles that, in some circumstances, are based on difficult, subjective estimates with judgements based on past experience and assumptions deemed to be reasonable and realistic under the related circumstances. The application of these critical accounting estimates and assumptions affects the amounts reported in the financial statements, namely the Consolidated statement of financial position, the Statement of comprehensive income, the Statement of changes in equity and the Statement of cash flows, and in the accompanying disclosures. The ultimate amount of items derived using such estimates and assumptions could differ from that reported in the financial statements because of the inherently uncertain nature of the assumptions and conditions on which the estimates were based.

Below is a brief description of the items, with regard to the Fincantieri Group's sectors of business, most affected by the use of estimates and judgements and for which a change in the underlying assumptions could have a material impact on the consolidated financial results.

19.1 Revenue recognition for contracts with clients

Construction contracts for large, long-term orders, such as a ship or those relating to infrastructure which constitute the business purpose of some companies in the Group, are dated well before product completion, sometimes even a long time before. Moreover, these projects are inherently highly complex.

The margins expected to be achieved upon the entire project's completion are recognized in profit or loss according to the stage of contract completion. Accordingly, correct recognition of contract assets and margins relating to work in progress requires management to estimate correctly the revenues and costs of completion, including incremental costs, as well as delays, additional costs and penalties that could reduce the expected margin.

In particular, the contract prices taken into account for revenue recognition purposes may include additional consideration, which may be requested for greater expenses incurred (and/or to be incurred) as a result of unforeseeable causes or events attributable to the client, for greater work performed (and/or to be performed) or for variations to works not yet formalized in agreed additions. The determination of additional considerations is, by its very nature, subject to a certain degree of uncertainty both as to the amounts that will be paid by the client and as to the timing of collection, which usually depends on the outcome of negotiations between the parties or decisions by judicial bodies.

This type of contractual consideration is governed by IFRS 15 and brought under the heading of "Contract Modifications". According to the accounting standard, a contract modification exists if it is approved by both contracting parties in writing, by oral agreement or through business practice in the industry. A contract modification may also exist where there is a dispute as to the subject matter and/or the contractual consideration. In this case, it is first necessary to assess whether rights to consideration are contractually provided for and generate an enforceable right. Subsequently, the recognition of such additional "variable" consideration may only take place to the extent that it is highly probable that when the associated uncertainty is subsequently resolved, there will be no significant downward adjustment of the amount of accumulated revenues recognized.

For the purpose of these evaluations, all relevant aspects and circumstances are taken into account, including the terms of the contract itself, commercial and negotiating practices in the industry or other supporting evidence including technical/legal evaluations, also considering documentation produced by other bodies (Arbitration Boards, Dispute Adjudication Boards, etc).

In support of such estimates, management also uses a system of contract risk management and analysis to monitor and quantify the risks relating to these contracts. The amounts recognized in the financial statements represent management's best estimate using these systems and procedures and based on the information available at the reporting date.

3 IFRS 15, 32 and IFRS 58-60-67
4 IFRS 15 para. 56-58

19.2 Provisions for risks and charges

The Group recognizes provisions for legal and tax risks and outstanding litigation where a negative outcome is considered probable. The recognized value of the provisions relating to such risks represents management's best estimate at the current date. This estimate takes the available information into account and is derived by adopting assumptions that depend on factors that may change over time.

19.3 Deferred tax assets

Deferred tax assets are accounted for on the basis of expectations of their recoverability by the legal entities in which they accrue, including on the basis of forecasts of positive taxable income in future years, and taking into account, where applicable, the possibility of transferring certain tax benefits to companies participating in the forms of tax consolidation. The assessment of future taxable profit for the purposes of recognizing deferred tax assets depends on factors that can change over time and so have a material impact on the recoverability of deferred tax assets.

19.4 Impairment of assets

The Group's tangible and intangible assets are subject to impairment testing when events occur that indicate that their carrying value may not be recoverable, and at least annually in the case of assets with an indefinite life.

The impairment loss is determined by comparing an asset's carrying amount with its recoverable amount, defined as the higher of the asset's fair value less costs to sell and its value in use, determined by discounting the expected future cash flows expected to be derived from the asset net of costs to sell. The expected cash flows are quantified using information available at the time of the estimate on the basis of subjective assessments of future variables (prices, costs, rates of growth in demand, production profiles) and are discounted using a rate that takes into account the risks specific to the asset concerned.

Goodwill and other intangible assets with indefinite useful lives are not amortized; the recoverability of their carrying amount is reviewed at least annually and whenever there is an indication that the asset may be impaired. Goodwill is tested for impairment at the lowest level (cash-generating unit or "CGU") within the entity at which management assesses, directly or indirectly, the return on the investment that includes such goodwill. When the carrying amount of the cash-generating unit, including the attributed goodwill, is higher than its recoverable amount, the difference is an impairment loss that is charged first against the value of goodwill until fully absorbed; any impairment not absorbed by goodwill is allocated pro-rata to the carrying amount of the other assets in the cash-generating unit.

19.5 Business combinations

The recognition of Business Combinations involves allocating to the acquired company's assets and liabilities the difference between the purchase price and the net book value of the net assets acquired. The difference is allocated by first recognizing the identified assets and liabilities at their fair value. The unallocated portion is recognized as goodwill if positive, and if negative, it is taken to profit or loss. Management uses available information for the purposes of the allocation process and, in the case of the most significant Business Combinations, external valuations.

19.6 Medium/long-term share-based incentive plans

For medium/long-term share-based incentive plans, the estimate of the number of rights that will mature until expiry is updated at the end of each period. The change in the estimate is reflected in the adjustment of the specially created Equity reserve for incentive plans, against "Personnel costs".

19.7 Subsequent events

In accordance with the provisions of IAS 10 Events after the Reporting Period, the Group analyses business events occurring after the reporting date, in order to verify whether they should be used to adjust the amounts recognized in the financial statements, or to reflect elements that had not been previously recognized.

19.8 Macroeconomic scenario

The year 2024 saw a moderate recovery in the global macroeconomic scenario, the continuing slowdown in inflation and the transition of the main central banks from a restrictive to an expansive monetary policy, though the start of a cycle of interest rate reductions which, although down from 2023 levels, at the end of the year stood at levels still higher than the average of recent years.

However, the geopolitical context remains highly unstable, influenced by tensions in the Middle East and the Russian-Ukrainian conflict. Moreover, the new economic and trade policy of the United States, characterized by increased tariffs and greater protection of domestic industry, has introduced further elements of uncertainty and tension in international relations.

These factors pose a significant risk to global stability, with potential implications for the world economy. In this context, which is characterized by high uncertainty and which is monitored constantly by the Group, the trend in interest rates and inflation was not considered an indicator of impairment.



Note 4 - Financial risk management

The Group also continues to implement price risk mitigation policies on the purchase of key raw materials (particularly copper, gas, energy and marine fuel), as well as supplier diversification.

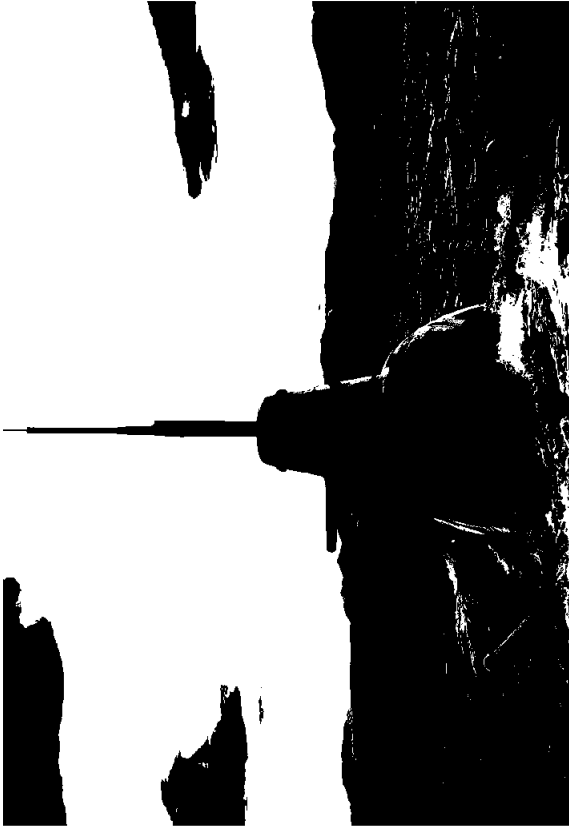
Similarly, the interest rate risk management strategy implemented through the negotiation of derivative financial instruments (interest rate swaps), made it possible to contain the economic-financial impact of rising interest rates recorded during recent years. As a result of the strategy described, more than 90% of the financial debt at the end of 2024 benefited from a fixed rate.

19.9 Impacts of climate risk

As more fully described in the section "Sustainability Statement" in the Group's Report on Operations included in the 2024 Consolidated Financial Statements, the Group has adopted Enterprise Risk Management processes and systems, aimed at assessing exposure to risks and defining actions to mitigate them, integrating sustainability risks and climate risks and considering both physical risks and those related to transition.

The possible impacts of climate risks and the mitigation actions defined by the Group, as identified following the above process, have been considered in preparing the financial statements. In this regard, no significant financial impacts were identified by the main estimation processes during the year under review. With specific reference to the estimate of the recoverable amount of non-financial assets, the plans used for the impairment tests performed take into account the assumptions developed by management on the issue of climate change, consistent with the strategic initiatives included in the Group's recently approved Business Plan and Sustainability Plan.

Although no significant medium-term impacts on the Group's operations have been identified in these documents, Management closely monitors the development of climate risks and possible effects on estimation processes for the purpose of preparing the financial statements. Furthermore, the strategies outlined in the aforementioned forecast documents reflect the directions for development in line with the expected developments in response to transition risks, with the aim of seizing market opportunities. Finally, acute physical risks with potential direct impacts on the Company's production sites are mitigated through existing insurance coverage, the adequacy of which is also constantly monitored.



The main financial risks to which the Group is exposed are credit risk, liquidity risk and market risk (in particular currency, interest rate and commodity price risk).

The management of these financial risks is coordinated by the Parent Company, which decides, in close collaboration with its Operating units, whether and how to hedge these risks.

Credit risk

The Fincantieri Group's receivables essentially comprise amounts owed by private shipowners, generally for shipbuilding projects, by the Italian Government, both for grants receivable and for supplies to the country's military services and by the US Navy, for shipbuilding contracts.

The Fincantieri Group carries out checks on the financial stability of its customers, including through information obtained from the main credit risk assessment agencies, and constantly monitors counterparty risk, also during the construction phase of orders, reporting any critical cases to top management and assessing the action to be taken depending on the specific case. The Group also maintains a constant dialogue with its customers, undertaking initiatives to support them where deemed essential for the maintenance or growth of the order book.

The Fincantieri Group's customers often make use of credit arrangements to finalize the placement of orders, which are guaranteed by the national Export Credit Agency. This method of financing allows the Fincantieri Group to be certain that the client will have the funds to meet its contractual obligations during construction and upon delivery of the ships; moreover, in the recent past, the support of the Export Credit Agencies has allowed shipowners to obtain the necessary flexibility to meet their commitments to shipyards even in situations of systemic crisis (for example the "debt holiday" initiative during the COVID-19 pandemic).

With reference to the credit risk, it should also be noted that during the execution of the contract, the Group keeps the ship at its shipyards and the contracts provide for the possibility for Fincantieri, in the event of default by the shipowner, to retain the ship and the advances received. The ship under construction represents in fact a guarantee until the delivery date when payment is made, which is, moreover, often guaranteed, as mentioned, by export credit agencies. In the case of any agreements with shipowners that deviate from what has already been represented, albeit in the presence of appropriate guarantees, the Group monitors the counterparty risk, reporting to top management in order to assess any actions to be taken and to reflect any accounting impacts.

The provision for onerous contracts is set aside when the contract is acquired or when the costs expected to be incurred are updated and it becomes apparent that the costs necessary to complete the contract exceed the contractual revenues of the contract. The financial statements include the provision for onerous contracts among the provisions for risks and charges.

The following tables provide a breakdown by risk class of the exposure as at 31 December 2024 and 2023 based on the nominal value of receivables before any provision for impairment losses of receivables.



31.12.2024							
(euro/GBP)	Note	Net yet due	0 – 1 month	1 – 4 months	4 – 12 months	Beyond 1 year	Provision for impairment of receivables
Trade receivables:							
- from public entities	15	9,366	957	2,070	2,075	6,363	20,831
- indirectly from public entities*	15	24,328	2,809		5,926	14,997	48,060
- from private shipowners	15	285,167	107,804	47,761	53,158	81,733	(63,019)
- from associates and joint ventures	15	48,183	1,522	1,173	15,457	23,480	89,815
TOTAL TRADE RECEIVABLES		367,044	113,092	51,004	76,616	126,573	734,329
Other receivables:							
- from associates	11					741	741
- for government grants	11-15	101,938			2,120		104,058
- from others	11-15	154,252	5	433	312	28,316	(25,814)
- from controlling companies (tax consolidation)	15	31,625					31,625
- from related parties	15						-
- for income and indirect taxes	15-16	121,675	22		629	894	(1,216)
TOTAL OTHER RECEIVABLES		409,490	27	433	3,061	29,951	(27,030)
CONTRACT ASSETS	14	3,377,306	-	-	-	-	-
Financial receivables:							
- from associates and joint ventures	10-17	827			360		1,187
- other	10-17	688,383			1,252	37	(51,771)
TOTAL CURRENT FINANCIAL ASSETS		689,210	-	-	1,612	37	(51,771)
Advances, prepayments and accrued income							106,080
TOTAL		4,843,050	113,119	51,437	81,289	156,561	(141,820)

* These are receivables due from customers that manage work commissioned by public entities, which are therefore the effective debtors.

31.12.2023							
(euro/GBP)	Note	Net yet due	0 – 1 month	1 – 4 months	4 – 12 months	Beyond 1 year	Provision for impairment of receivables
Trade receivables:							
- from public entities	15	867	348	133	71	7,093	8,512
- indirectly from public entities*	15	12,714	8,300	7,040	5,573	8,935	42,562
- from private shipowners	15	430,292	64,322	82,102	31,506	96,731	(58,777)
- from associates and joint ventures	15	18,365	7,108	3,826	4,685	35,786	69,770
TOTAL TRADE RECEIVABLES		462,238	80,078	93,101	41,835	148,545	825,797
Other receivables:							
- from associates	11				696		696
- for government grants	11-15	103,776	28			56	103,860
- from others	11-15	128,419	2,452		130	26,286	(24,333)
- from controlling companies (tax consolidation)	15	35,228					35,228
- from related parties	15						-
- for income and indirect taxes	15-16	96,636	1,867	181	102	2,132	(1,216)
TOTAL OTHER RECEIVABLES		364,059	4,347	181	928	28,474	(25,549)
CONTRACT ASSETS	14	2,497,790	-	-	-	-	-
Financial receivables:							
- from associates and joint ventures	10-17	32,783					32,783
- other	10-17	699,826	19				(51,858)
TOTAL CURRENT FINANCIAL ASSETS		732,609	19	-	-	-	(51,858)
Advances, prepayments and accrued income							161,900
TOTAL		4,056,696	84,444	93,282	42,763	177,019	(136,184)

* These are receivables due from customers that manage work commissioned by public entities, which are therefore the effective debtors.



Liquidity risk

Liquidity risk is associated with the Group's inability to repay its current financial and commercial liabilities or to meet unforeseen cash requirements, related to lower or higher than expected cash receipts or disbursements. In 2024, the Group recorded a negative Net financial position, presented in accordance with ESMA recommendations, of euro 1,281 million (negative for euro 2,271 million in 2023).

The main debt items are loans outstanding with credit institutions, current bank debt and commercial paper related to the trend in working capital and other current financial payables.

The Group can count on a solid financial capacity with sufficient liquidity and credit facilities that are adequately diversified in terms of duration, counterparty and technical form to meet its current financial requirements.

The Net financial position cited above does not include Payables to suppliers for reverse factoring; these refer to agreements aimed at guaranteeing easier access to credit for the Group's suppliers and are based on contractual structures in which the supplier has the discretionary option to sell receivables due from the Group to a finance company and receive the amount owed before the due date. In addition, the supplier also has the option to agree with the Group to extend the due date beyond that shown in the invoice.

Payables to suppliers for reverse factoring at 31 December 2024 amount to euro 650 million and represent the value of invoices assigned by suppliers and formally recognized as liquid and collectable by the Group and subject to deferment at the year-end reporting date on the basis of further extensions granted by suppliers with respect to the normal contractual payment terms.

The active agreements apply to all suppliers of the Parent Company and some subsidiaries and provide for generally uniform terms and conditions. The only dissimilar condition is the maximum total deferment, which can be up to a maximum of 365 days, whereas the existing payment terms with suppliers provide for extensions of between 0 and 90 days. The following table shows the main time bands of further extensions, together with the corresponding balance of payables for reverse factoring:

Additional days of extension	Payables for reverse factoring at 31/12/2024	% of total
Less than 215	43,780	7%
Between 215 and 245	46,113	7%
Between 245 and 275	70,447	11%
Between 275 and 305	267,089	41%
Between 305 and 335	152,006	23%
Between 335 and 365	70,645	11%
TOTAL	650,081	100%
of which collected by the supplier	619,636	95%

The Group, based on its liquidity needs and in line with its financial planning, has the option to make the relevant payments in advance of the maximum contractually agreed extension period. In this regard, the additional extensions that the Group actually benefited from during the year fall within a range of 0 to 270 additional days.

The liquidity risk associated with reverse factoring is considered to be low in view of: i) the contractual agreements, which provide that, if one or more agreements are terminated, they must, by formal agreement between the parties, continue to operate for the contracts in place at that date. Therefore, in addition to not being able to request immediate payment of the deferred amounts, the institutions will also have to keep the existing contractual relationships with the suppliers in force until natural expiry; ii) the diversification achieved with the involvement of 10 different operators and with a concentration not exceeding 32% of the total payables for reverse factoring at a given date.

The following tables show the contractual maturities of trade payables and financial liabilities, other than derivatives, calculated before interest which, depending on the loan or form of finance, may be at a fixed or floating rate. Regarding the existence of covenant clauses included in the loan agreements, refer to Notes 22 and 27.

(euro/BBE)	31.12.2024					Contractual cash flows	Carrying amount
	Notes	On demand	Within 1 Year	Between 1 and 5 years	Beyond 5 years		
Liabilities included among "Current and non-current financial liabilities" *							
Financing and loans**	22-27	148,050	303,264	1,484,315	86,542	2,022,171	1,849,203
BIS loans	27	1,252	3,804			5,056	5,056
Bond and commercial papers	27	261,888	55,664			317,552	310,000
Financial payables for leasing IFRS 16	22-27	768	31,057	71,600	50,269	153,694	128,555
Other financial liabilities	22-27	1,280	37,983	3,575	77	42,915	42,896
Liabilities included among "Trade payables and other current liabilities"							
Payables to suppliers	25	668,583	1,742,311	12,494	245	2,423,633	2,422,064
Payables to suppliers, for reverse factoring	25		650,081			650,081	650,081
Indirect tax payables	25	7,290	23,108			30,398	30,396
Other payables	25	30,080	481,595	2,918	4,715	519,308	517,898
Advances, prepayments and accrued income	25						69,287
Income tax liabilities							
Income tax liabilities	26	6,320	24,513			30,833	30,446
TOTAL		862,371	3,557,052	1,634,370	141,848	6,195,641	6,055,882

31.12.2023							
	Notes	On demand	Within 1 Year	Between 1 and 5 years	Beyond 5 years	Contractual cash flows	Carrying amount
Liabilities included among "Current and non-current financial liabilities" *							
Financing and loans**	22-27	15,471	877,062	1,663,926	101,797	2,658,256	2,467,345
BIS loans	27		1,101	2,915		4,016	4,016
Bond and commercial papers	27		146,000			146,000	146,000
Financial payables for leasing IFRS 16	22-27	867	24,466	75,532	47,591	148,456	130,517
Other financial liabilities	22-27	554	174,381	5,004	160	180,299	176,438
Liabilities included among "Trade payables and other current liabilities"							
Payables to suppliers	25	389,424	1,553,024	36,863	57	1,979,368	1,978,811
Payables to suppliers for reverse factoring	25		493,263			493,263	493,263
Indirect tax payables	25	5,994	6,997	70		13,061	13,061
Other payables	25	30,622	387,784	1,384	5,093	424,883	418,951
Advances, prepayments and accrued income	25						55,292
Income tax liabilities							
Income tax liabilities	26	3,474	14,753			18,227	18,227
TOTAL		446,406	3,679,031	1,785,694	154,698	6,065,829	5,901,921

* Does not include derivative liabilities. For which, reference should be made to the section "Fair value of derivatives".

** This item includes revolving cash advances payable, bank credit facilities payable on demand and construction loans.



Market risk

The financial risks affecting the Group specifically involve the risk that the fair value or future cash flows of assets/liabilities may fluctuate due to changes in the exchange rate of currencies in which the Group's commercial or financial transactions are denominated, due to changes in market interest rates or to changes in raw materials prices.

In pursuing its corporate objectives, the Group does not intend to take on financial risks. If this is not possible, such risks are assumed only if they relate to the Group's core business and their impact can be neutralized where possible) through hedging instruments.

Apart from using financial instruments, currency risk can be hedged by entering into loan agreements in the same currency as the sale contract, or cash balances can be established in the same currency as supply contracts.

Raw materials price risk

The risk that changes in the price of raw materials will impact the Group's production costs. This risk may arise, for example, as a result of catastrophic events affecting the supply chain, as a result of changes in customs policies or international import/export agreements or as a result of monetary or structural imbalances between supply and demand.

In order to prevent and protect against the impact of raw materials price changes on production costs, there is a continuous review of risk exposure by monitoring price trends and implementing commercial (steel, gas and electricity) or financial (copper, diesel and LNG) hedging policies, where necessary and possible. The Group takes into consideration predictable increases in the components of contract costs when determining the offer price and evaluates the possibility of sharing risk with customers. At the time of signing the contract, fixed-price purchase options will already have been defined for some of the vessel's principal components. In addition, monitoring of the market and Authority resolutions on electricity and gas continues.

Currency risk

Exposure to currency risk arises when commercial contracts are denominated in foreign currencies and when goods and materials are purchased in currencies other than the functional currency. Currency risk is managed using forward contracts or currency options, which are arranged according to the expected timing of foreign currency cash flows and outflows, where possible, payments and receipts in the same currency are matched.

Currency risk management seeks to hedge all of the Group's foreign currency inflows, but only the largest foreign currency outflows.

Currency risk was mitigated through the use of the hedging instruments mentioned above. Please refer to Note 5 for the sensitivity analysis.

Interest rate risk

- Interest rate risk is defined as follows:
 - uncertainty in the cash flows relating to the Group's assets and liabilities because of fluctuations in interest rates; this risk is mitigated using cash flow hedging instruments;
 - fluctuations in the fair value of the Group's assets and liabilities because of changes in market interest rates; this risk is mitigated using fair value hedging instruments.

Floating-rate assets and liabilities are exposed to the first of these risks, while fixed-rate assets and liabilities are exposed to the second risk.

As at 31 December 2024, there were derivative financial instruments in place to hedge interest rate risk for a total notional amount of euro 3,560 million.

At the end of 2024, more than 90% of the debts on which financial expenses accrue were either fixed-rate or hedged by derivatives. This is expected to average over 80% during the period 25-27.

Refer to Note 22 for an analysis of the fixed-rate and variable-rate loans and to Note 5 for the sensitivity analysis of the impact of a potential generalized variation in interest rates.

Capital management

The objective of the Financier Group is to create value for Shareholders and to support future development by maintaining an adequate level of capitalization that allows it to access external sources of financing at acceptable rates.

Fair value of derivatives

Other current and non-current financial assets and Other current and non-current financial liabilities include the fair value measurements of derivative financial instruments, as presented in the following table. All the derivatives in Cash Flow Hedge and Fair Value Hedge have been checked to see that they meet the effectiveness requirements laid down by the IFRS 9 accounting standard and, if a component of ineffectiveness is found, it is recorded in profit or loss.

	31.12.2024		
	Positive fair value	Notional amount	Negative fair value
CASH FLOW HEDGING DERIVATIVES			
Interest rate swaps			
Forward contracts	19	1,349	70
Other			238
			17,419
FAIR VALUE HEDGING DERIVATIVES			
Forward contracts	36,719	1,072,679	35,564
			1,678,899
HEDGING DERIVATIVES WHICH DO NOT QUALIFY FOR HEDGE ACCOUNTING			
Forward contracts	8,089	170,321	28,119
			1,093,360
Futures	3,242	68,017	
31.12.2023			
	Positive fair value	Notional amount	Negative fair value
CASH FLOW HEDGING DERIVATIVES			
Interest rate swap	29,942	913,125	77,219
			3,050,000
Forward contracts			28
			4,081
FAIR VALUE HEDGING DERIVATIVES			
Forward contracts	32,601	1,206,207	45,465
			1,372,916
HEDGING DERIVATIVES WHICH DO NOT QUALIFY FOR HEDGE ACCOUNTING			
Forward contracts	12,320	592,526	11,911
			268,975
Futures	1,891	67,456	

With reference to cash flow hedging derivatives, the change in the fair value of the hedged items is perfectly offset by the change in the value of the hedging instruments and therefore no ineffective portion has been recognized.

Hedged items are recorded under the following headings in the Group balance sheet: Non-current financial assets (Note 10), Contract assets (Note 14), Current financial assets (Note 17), Non-current financial liabilities (Note 22), Contract liabilities (Note 24) and Current financial liabilities (Note 27).

The balance and movements of the cash flow hedge reserve in the year are shown in the table to this Note.

The fair value hedging instruments cover changes in the fair value of hedged firm commitments included in Other current and non-current assets/liabilities shown in Note 11, 15, 23 and 25.

The following tables provide an analysis of the maturity of derivative contracts. The amount included in these tables represents undiscounted future cash flows, which refers to just the intrinsic value.



	31.12.2024		
	Within 1 year	Between 1 and 5 years	Beyond 5 years
CURRENCY RISK MANAGEMENT			
Outflow	4,362,524	1,065,938	5,428,462
Inflow	4,315,729	1,074,095	5,389,824
INTEREST RATE RISK MANAGEMENT			
Outflow	21,926	49,866	71,792
Inflow	4,035	1,179	5,214
RAW MATERIALS PRICE RISK MANAGEMENT			
Outflow	36,427	43,006	79,433
Inflow	38,961	43,713	82,674
INFLATION RISK MANAGEMENT			
Outflow		17,419	17,419
Inflow		17,182	17,182
	31.12.2023		
	Within 1 year	Between 1 and 5 years	Beyond 5 years
CURRENCY RISK MANAGEMENT			
Outflow	2,115,782	1,599,218	3,715,000
Inflow	2,093,593	1,601,343	3,694,936
INTEREST RATE RISK MANAGEMENT			
Outflow	861	76,358	77,219
Inflow	26,204	3,738	29,942
RAW MATERIALS PRICE RISK MANAGEMENT			
Outflow	63,790	40,570	104,360
Inflow	65,252	40,999	106,251

The fair value of derivative financial instruments has been calculated considering market parameters at the year-end reporting date and using widely accepted measurement techniques. In particular, the fair value of forward contracts has been calculated with reference to reporting date exchange rates and interest rates for the different currencies.

Movements in the cash flow hedge reserve and impact of derivative instruments on profit or loss

The following table presents movements in the cash flow hedge reserve and the effect of derivative instruments on profit or loss:

(euro/000)	Equity			Profit or loss
	Gross	Income taxes	Net	
01.01.2023	64,336	(15,195)	49,141	(224)
Change in fair value	(52,366)	12,229	(40,137)	
Utilizations	(64,336)	15,195	(49,141)	49,141
Other income/(expenses) for risk hedging				(52,230)
Financial income/(expenses) relating to trading derivatives and time-value component of hedging derivatives				47,751
31.12.2023	(52,366)	12,229	(40,137)	44,662
Change in fair value	(66,879)	16,096	(50,783)	
Utilizations	52,366	(12,229)	40,137	(40,137)
Other income/(expenses) for risk hedging				47,025
Financial income/(expenses) relating to trading derivatives and time-value component of hedging derivatives				(939)
31.12.2024	(66,879)	16,096	(50,783)	5,949

Financial assets and liabilities by category

The following table analyses financial assets and liabilities by category together with their fair value (FRS 13) at the year-end reporting date:

(euro/000)	31.12.2024			
	A	B	C	D
Investments measured at fair value	4,528	22,456		26,984
Derivative financial assets	49,880			49,880
Other financial assets		643,405		643,405
Other non-current assets		98,711		98,711
Trade receivables and other current assets		1,035,998		1,035,998
Cash and cash equivalents		684,458		684,458
Derivative financial liabilities	(94,978)	(66,649)		(161,627)
Other financial liabilities	(9,313)			(9,313)
Other non-current liabilities		(2,343,506)		(2,343,506)
Trade payables and other current liabilities		(79,969)		(79,969)
		(3,570,852)		(3,570,852)

(euro/000)	31.12.2023			
	A	B	C	D
Investments measured at fair value	4,533	21,625		26,158
Derivative financial assets	50,520	29,942		80,462
Other financial assets		669,631		669,631
Other non-current assets		67,038		67,038
Trade receivables and other current assets		1,149,879		1,149,879
Cash and cash equivalents		757,272		757,272
Derivative financial liabilities	(66,738)	(77,246)		(143,984)
Other financial liabilities	(9,393)			(9,393)
Other non-current liabilities		(2,932,392)		(2,941,785)
Trade payables and other current liabilities		(68,982)		(68,982)
		(2,871,749)		(2,871,749)

A - Financial assets and liabilities at fair value through profits or loss.
B - Financial assets and liabilities at fair value through equity (including hedging derivatives).
C - Financial assets and liabilities measured at amortized cost.
D - Financial liabilities derived at amortized cost.



Note 5 - Sensitivity analysis

Fair value measurement

The following tables show the financial instruments that are measured at fair value at 31 December 2024 and 2023, according to their level in the fair value hierarchy

	31.12.2024			
	Fair value Level 1	Fair value Level 2	Fair value Level 3	Total
Assets				
Financial assets at fair value through profit or loss				
Equity instruments	4,315		213	4,528
Financial assets at fair value through the statement of comprehensive income				
Equity instruments	1,737		20,719	22,456
Hedging derivatives		49,880		49,880
TOTAL ASSETS	6,052	49,880	20,932	76,864
Liabilities				
Financial liabilities at fair value through profit or loss				
Hedging derivatives		161,627		161,627
TOTAL LIABILITIES	-	161,627	9,313	170,940
	31.12.2023			
	Fair value Level 1	Fair value Level 2	Fair value Level 3	Total
Assets				
Financial assets at fair value through profit or loss				
Equity instruments	4,315		218	4,533
Financial assets at fair value through the statement of comprehensive income				
Equity instruments	1,056		20,569	21,625
Hedging derivatives		80,462		80,462
TOTAL ASSETS	5,371	80,462	20,787	106,620
Liabilities				
Financial liabilities at fair value through profit or loss				
Hedging derivatives		143,984		143,984
TOTAL LIABILITIES	-	143,984	9,393	153,377

Financial assets at fair value through profit or loss and the Statement of comprehensive income classified as Level 3 relate to equity investments measured at fair value calculated using valuation techniques whose inputs are not observable on the market. More information can be found in Note 9.

Currency risk
With regard to currency risk, the Group has performed a sensitivity analysis, both including and excluding the effect of hedging derivatives, in order to estimate the impact on pre-tax profit of a reasonable variance in the principal exchange rates to which the Group is most exposed against the functional currencies of the Parent Company and its subsidiaries (involving an appreciation/depreciation of the foreign currency against the functional one). The analysis looks at exposure to currency risk, as defined by IFRS 7, and therefore does not consider the effects arising from translation of financial statements of foreign companies with a functional currency other than the Euro. In addition, the analysis has not examined the effect of exchange rate fluctuations on the valuation of Contract assets and liabilities, because the latter does not qualify as a financial asset under the IAS 32 definition. The variances for individual cross-currencies have been measured against the average 6-month volatility observed in 2024 for individual exchange rates.

(euro/GBP)	31.12.2024			31.12.2023		
	Pre-tax effect on profit	Pre-tax effect on equity	Pre-tax effect on profit	Pre-tax effect on profit	Pre-tax effect on equity	Pre-tax effect on equity
USD vs EUR						
Including hedging derivatives						
Appreciation of the USD vs EUR	3	4	2	2	2	2
Depreciation of the USD vs EUR	(3)	(4)	(2)	(2)	(1)	(1)
Excluding hedging derivatives						
Appreciation of the USD vs EUR	59	59	40	40	40	40
Depreciation of the USD vs EUR	(52)	(52)	(35)	(35)	(35)	(35)
EUR vs NOK						
Including hedging derivatives						
Appreciation of the EUR vs NOK	(1)	(37)	(1)	(1)	(45)	(45)
Depreciation of the EUR vs NOK	1	44	1	1	55	55
Excluding hedging derivatives						
Appreciation of the EUR vs NOK	15	(22)	(14)	(58)		
Depreciation of the EUR vs NOK	(17)	26	17	71		
USD vs BRL						
Including hedging derivatives						
Appreciation of the USD vs BRL			(2)	(2)		
Depreciation of the USD vs BRL			2	2		
Excluding hedging derivatives						
Appreciation of the USD vs BRL	(6)	(6)	(9)	(9)		
Depreciation of the USD vs BRL	6	6	9	9		
Other currencies						
Including hedging derivatives						
Appreciation of other currencies	5	5	6	6		
Depreciation of other currencies	(5)	(5)	(6)	(6)		
Excluding hedging derivatives						
Appreciation of other currencies	7	7	8	8		
Depreciation of other currencies	(7)	(7)	(8)	(8)		

Interest rate risk
Similarly, a sensitivity analysis has also been performed to estimate the impact of a potential generalized variation of benchmark interest rates of +/- 100 basis points on an annualized basis. The estimated effects on profit or loss involve a positive impact of approximately euro 356 thousand in the event of a 1.00% increase in interest rates and a negative impact of euro 356 thousand in the event of a 1.00% reduction.



Note 6 - Intangible assets

Movements in this line item are as follows:

(EUR/€B)	Goodwill	Relationships in Backlog	Client relationships	Development costs	Industrial patents and property rights	Concessions, licenses and trademarks and similar rights	Contractual costs	Other intangibles	Assets under construction and suppliers	Total
- cost	261,064	252,786	224,324	235,287	53,935	108,887	24,603	85,563	1,246,449	
- accumulated amortization and impairment losses	(137,762)	(123,547)	(180,543)	(167,437)	(25,428)	(69,454)	(14,307)	(19,247)	(73,725)	
Net carrying amount at 01.01.2023	123,302	129,239	43,781	67,850	28,507	39,433	10,296	66,316	508,724	
Movements in 2023										
- change in the scope of consolidation	(1)		3	57	12					71
- additions			4,855	19,885	229		2,517	27,814	55,300	
- net disposals			(2)	(15)	(13)		(3)	(2,747)	(2,780)	
- reclassifications/ other	2	(1)	21,792	981	375			(23,259)	(110)	
- amortization		(13,298)	(18,311)	(22,192)	(3,021)	(14,378)	(2,508)		(73,708)	
- impairment losses										
- exchange rate differences	(7,170)	(4,453)	(105)	(163)	(846)		(165)	(155)	(13,057)	
Closing net carrying amount	116,133	111,487	52,013	66,403	25,243	25,055	10,137	67,969	474,440	
- cost	250,255	242,112	248,982	255,594	53,212	108,887	26,566	87,216	1,272,824	
- accumulated amortization and impairment losses	(134,122)	(130,625)	(195,969)	(189,191)	(27,969)	(83,832)	(16,429)	(19,247)	(798,384)	
Net carrying amount at 31.12.2023	116,133	111,487	52,013	66,403	25,243	25,055	10,137	67,969	474,440	
Movements in 2024										
- change in the scope of consolidation	45,059	31,742	4,458		42		4		81,305	
- additions			11,655	5,564	157	44,178	1,229	41,183	103,966	
- net disposals			(294)	(19)			(110)	(1,897)	(2,320)	
- reclassifications/ other	1	(2)	15,265	13,208	9,957		3	(38,249)	183	
- amortization		(20,216)	(25,121)	(22,396)	(4,146)	(15,287)	(2,891)		(91,057)	
- impairment losses			15,147					(4,469)	10,678	
- exchange rate differences	(4,888)	(2,157)	(186)	(91)	1,631		(220)	184	(5,727)	
Closing net carrying amount	156,305	120,854	71,937	62,669	32,884	53,946	8,152	64,721	571,468	
- cost	292,176	269,053	305,451	273,794	68,607	153,065	27,532	69,190	1,458,868	
- accumulated amortization and impairment losses	(135,871)	(148,199)	(233,514)	(211,125)	(35,723)	(99,119)	(19,380)	(4,469)	(887,400)	
Net carrying amount at 31.12.2024	156,305	120,854	71,937	62,669	32,884	53,946	8,152	64,721	571,468	

The change in the scope of consolidation relates to the acquisition of the Remazel group during the first quarter. More information can be found in Note 37.

Capital expenditure in 2024 amounted to euro 103,966 thousand (euro 55,300 thousand in 2023) and mainly related to:

- capitalization of the incremental costs of obtaining the contracts;
- the strengthening of the Group's digital transformation process mainly focused on: (i) expanding the scope of intervention within the production processes, extending solutions to the various work phases in line with the strategic guidelines defined in the Business Plan (e.g. digitalization of auxiliary processes, introduction of machine learning processes, first approach to the use of artificial intelligence solutions, digital twin, IoT, virtual reality) and (ii) the use of advanced analysis/reporting tools;
- the completion of the project to upgrade the IT environment through the implementation of a high-tech multi-cloud infrastructure;
- the development of information systems to: (i) support the Group's growing activities with particular reference to the upgrade of management systems and the standardization of management platforms and digital tools among the main subsidiaries and (ii) optimize process management with a focus on production;
- the continuous implementation of new cyber security tools.

As in previous years, capital expenditure in renewing the Group's ICT equipment continued.

During 2024, the Group also spent euro 175 million in research costs for various projects involving product and process innovations (euro 152 million in 2023) that do not qualify for capitalization but will allow the Group to retain its leadership of all high-tech market sectors for the foreseeable future.

Impairment losses/reversals include the reversal of impairment of development costs in relation to which new business opportunities have emerged that support their recoverability.

"Concessions, licenses, trademarks and similar rights" include euro 17,085 thousand for trademarks with indefinite useful lives, reflecting the expectation for their use and deriving from the acquisition of the US shipyards (namely Mar Inetta and Bay Shipbuilding); these trademarks have been allocated to the cash-generating unit (CGU) representing the American group acquired ("FMG"). These assets were subjected to an impairment test from which no need for impairment emerged. The results obtained have been subjected to sensitivity analysis for those assumptions, changes in which might reasonably cause the test results to change materially. This analysis showed that a negative change of 50 basis points in the WACC (see definition below) of the EBITDA margin used for terminal value calculation purposes would result in a total impairment of the brand.

The exchange rate differences mainly reflect movements in the period by the Norwegian krone and the US dollar against the euro.

"Goodwill" amounts to euro 156,305 thousand at 31 December 2024. The increase compared to 31 December 2023 is due, for euro 45,059 thousand, to the acquisition of the Remazel group. In this regard, it should be noted that the purchase price allocation has been accounted for definitively. More details can be found in Note 37. The remainder of the change refers to fluctuations in the Euro/Norwegian Krone exchange rate.

The recoverable amount of goodwill recognized is estimated, in accordance with IAS 36, using the unlevered version of the Discounted Cash Flow model whereby an asset's value in use is calculated on the basis of estimated future cash flows discounted at an appropriate rate. Cash flow projections beyond the explicit period are extrapolated according to the perpetuity growth method to determine terminal value; the growth rates used ("rate 1" are in line with those for the markets in which the individual CGUs operate.

For the purpose of the impairment test, the Group used the projections of future cash flows of the CGUs taken from the business plans prepared by each subsidiary in accordance with the strategic planning/budgeting process. In particular, starting from the business plans approved in 2022 and included in the Group's 2023-2027 Business Plan approved by the Board of Directors of Fincantieri S.p.A., the CGUs updated their estimates, either confirming the figures in the 2023-2027 Business Plan or updating it and extending the time horizon of their projections to 2023 for the purpose of preparing the impairment test. The 2025 Plan of the individual CGUs was updated with the 2025 budget prepared by the subsidiaries for the purpose of defining the 2025 Group budget approved by the Board of Directors of Fincantieri S.p.A.

The long-term growth rate, which is used to estimate cash flows beyond the stated forecast period, is determined in light of market data, and in particular using the average inflation expected over the reference period of the cash flows.

Expected future cash flows have been discounted using the WACC (Weighted Average Cost of Capital) for the individual sectors to which the CGUs refer and, if necessary, adjusted to take account of the risk premium/discount of the specific industry in which business is conducted. The WACC used for discounting purposes is a post-tax rate, in line with the relevant cash flows.



The table below shows the allocation of goodwill to the different CGUs, specifying for each one the criteria for determining the recoverable amount, the discount and growth rates used and the forecasting period reflected in the cash flows.

CGU (euro/€Bil.)	Goodwill 31.12.2023	Goodwill 31.12.2024	Recognition currency	Recoverable amount	WACC post-tax	g rate	Cash flow period
WARD Offshore and Specialized Vessels	51.804	49.705	NOK	Value in use	8.9%	2.0%	5 years
WARD Electro	52.862	50.074	NOK	Value in use	9.2%	2.0%	5 years
Remazel group	-	45.059	EUR	Value in use	9.8%	2.0%	5 years
Fincantieri NextTech group	11.467	11.467	EUR	Value in use	8.3%	2.0%	5 years
TOTAL	116.133	156.305					

Impairment tests have also made reference to the reporting-date carrying amounts of each CGU at the reporting date.

Ward Offshore and Specialized vessels CGU

The impairment test has shown that the CGU's recoverable amount exceeds its carrying amount, meaning that no impairment loss needs to be recognized.

The results obtained have been subjected to sensitivity analysis for those assumptions, changes in which might reasonably cause the test results to change materially. This has shown that if WACC were to increase or if growth rates (g rate) or EBITDA margins used in the terminal value calculation were to decrease by 100 basis points, the recoverable amounts thus determined would still be higher than the carrying amounts.

Ward Electro CGU

The impairment test has shown that the recoverable amount of the CGU exceeds its carrying amount, meaning that no impairment loss needs to be recognized.

The results obtained have been subjected to sensitivity analysis for those assumptions, changes in which might reasonably cause the test results to change materially. This has shown that if WACC were to increase or if growth rates (g rate) or EBITDA margins used in the terminal value calculation were to decrease by 100 basis points, the recoverable amounts would still be higher than the carrying amounts.

Remazel group CGU

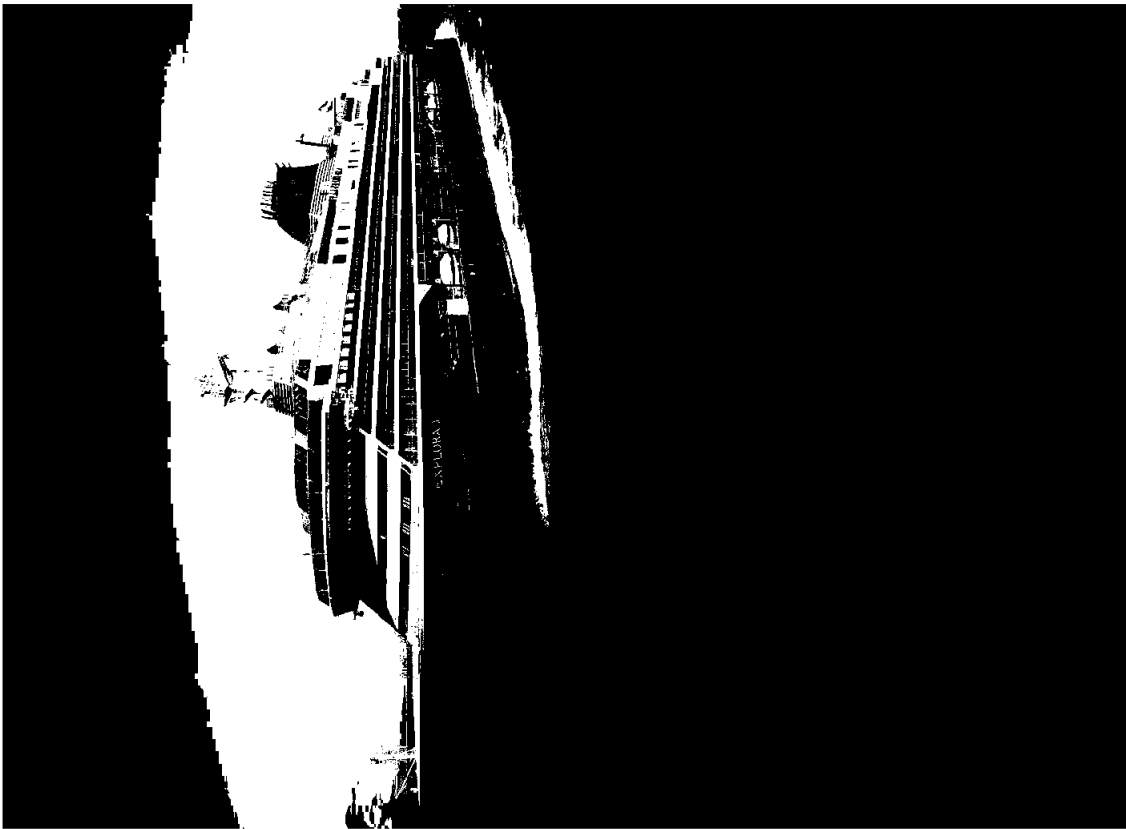
The impairment test has shown that the recoverable amount of the CGU exceeds its carrying amount, meaning that no impairment loss needs to be recognized.

The results obtained have been subjected to sensitivity analysis for those assumptions, changes in which might reasonably cause the test results to change materially. This has shown that if WACC were to increase or if growth rates (g rate) or EBITDA margins used in the terminal value calculation were to decrease by 100 basis points, the recoverable amounts would still be higher than the carrying amounts.

Fincantieri NextTech group CGU

The impairment test has shown that the recoverable amount of the CGU exceeds its carrying amount, meaning that no impairment loss needs to be recognized.

The results obtained have been subjected to sensitivity analysis for those assumptions, changes in which might reasonably cause the test results to change materially. This has shown that if WACC were to increase or if growth rates (g rate) or EBITDA margins used in the terminal value calculation were to decrease by 100 basis points, the recoverable amounts would still be higher than the carrying amounts.





Note 8 - Property, plant and equipment

Movements in this line item are as follows:

(euro/BBE)	Land and buildings	Industrial plant, machinery and equipment	Assets under construction	Leased equipment	Other assets	Assets under construction and supplies	Total
- cost	975,101	1,661,201	224,146	35,355	341,348	197,652	3,434,803
- accumulated amortization and impairment losses	(329,585)	(1,093,197)	(156,747)	(25,005)	(194,667)		(1,799,201)
Net carrying amount at 01.01.2023	645,516	568,004	67,399	10,350	146,681	197,652	1,635,602
Movements in 2023							
- change in the scope of consolidation	1,684	2,773			30		4,487
- additions	12,520	39,446	5,305	540	7,537		203,169
- net disposals	(664)	(2,300)	(77)	(320)	(717)		(5,695)
- other changes/reclassifications	44,650	46,562	2,973	652	6,897		(139)
- amortization	(27,833)	(83,593)	(7,851)	(1,436)	(17,338)		(138,051)
- impairment losses	(39)						(39)
- exchange rate differences	(7,264)	(2,356)		(1)	(1,406)		(15,552)
Closing net carrying amount	668,570	568,538	67,749	9,785	141,684	227,458	1,683,784
- cost	1,022,364	1,706,625	232,303	36,015	351,201		3,575,966
- accumulated amortization and impairment losses	(353,794)	(1,138,087)	(164,554)	(26,230)	(209,517)		(1,892,182)
Net carrying amount at 31.12.2023	668,570	568,538	67,749	9,785	141,684	227,458	1,683,784
Movements in 2024							
- change in the scope of consolidation	2,320	2,903		118	835		6,313
- additions	7,820	46,846	973	553	10,365		159,324
- net disposals	(120)	(1,247)		(218)	(46)		(3,462)
- other changes/reclassifications	29,283	149,678	2,968	668	21,794		678
- amortization	(28,257)	(91,614)	(9,251)	(1,767)	(18,756)		(149,645)
- impairment losses	(42)	(908)			(152)		(1,102)
- exchange rate differences	7,435	7,126	(1)	11	(75)		18,791
Closing net carrying amount	687,009	681,322	62,438	9,150	155,649	119,113	1,714,681
- cost	1,064,101	1,917,913	236,138	38,390	390,490		3,766,145
- accumulated amortization and impairment losses	(377,092)	(1,236,591)	(173,700)	(29,240)	(234,841)		(2,051,464)
Net carrying amount at 31.12.2024	687,009	681,322	62,438	9,150	155,649	119,113	1,714,681

The change in the scope of consolidation relates to the acquisition of the Remazel group during the first quarter. More details can be found in Note 34.

- Capital expenditure in 2024 has resulted in additions of euro 159,324 thousand, mainly related to:
 - at the Riva Trieste shipyard, the ongoing package of works for the highly automated plant engineering and the general reorganization of the prefabrication workshop, due to the increased production capacity of the shipyard and increased efficiency of construction activities for naval projects;
 - for the Sestri Ponente shipyard, the plant engineering works related to the extensive reconfiguration, which will allow the site to overcome the current size limitations for ships under construction;
 - the start of preparatory activities for the adjustment of production capacity at the Montiscone shipyard, in terms of operating areas and infrastructure, to cater for the expected development of work on the orders acquired during the year;
 - the continuous upgrading of plant and equipment standards at the Tulcea and Braila shipyards in Romania;

Note 7 - Rights of use

Movements in this line item are as follows:

(euro/BBE)	Buildings ROU	State concessions ROU	Transport and lifting vehicles ROU	Passenger cars ROU	Computer equipment ROU	Other ROU	Total
- cost	129,259	29,874	5,208	5,049	379	7,942	177,111
- accumulated amortization and impairment losses	(38,719)	(4,778)	(3,307)	(3,038)	(263)	(491)	(50,596)
Net carrying amount at 01.01.2023	90,540	25,096	1,901	2,011	116	7,451	127,115
Movements in 2023							
- change in the scope of consolidation							-
- increases	15,289	4,743	1,435	1,824	10	1,339	24,640
- decreases	(2,894)	(4)	(6)	(6)	(18)	-	(2,918)
- reclassifications/other	139	(126)		8	3	(2)	22
- amortization	(16,235)	(2,333)	(1,560)	(1,379)	(84)	(448)	(22,039)
- exchange rate differences	(1,795)	(66)	(33)	(33)	21	(82)	(1,955)
Closing net carrying amount	85,054	27,310	1,770	2,425	48	8,258	124,865
- cost	135,286	34,345	6,366	6,412	406	9,159	191,974
- accumulated amortization and impairment losses	(50,232)	(7,035)	(4,596)	(3,987)	(358)	(901)	(67,109)
Net carrying amount at 31.12.2023	85,054	27,310	1,770	2,425	48	8,258	124,865
Movements in 2024							
- change in the scope of consolidation	5,839			139			5,978
- increases	18,102	501	2,911	6,202	7	409	28,132
- decreases	(4,529)		(49)	(146)	(1)	(6,589)	(11,314)
- reclassifications/other	(63)	(2)	(3)	(1)		(2)	(71)
- amortization	(17,989)	(2,422)	(2,033)	(3,037)	(36)	(585)	(26,102)
- exchange rate differences	1,984	112		8	11	349	2,464
Closing net carrying amount	88,398	25,499	2,596	5,590	29	1,840	123,952
- cost	151,995	34,934	8,841	11,404	255	3,722	211,151
- accumulated amortization and impairment losses	(63,597)	(9,435)	(6,245)	(5,814)	(226)	(1,882)	(87,199)
Net carrying amount at 31.12.2024	88,398	25,499	2,596	5,590	29	1,840	123,952

The change in the scope of consolidation relates to the acquisition, in the first quarter, of the Remazel group. More information can be found in Note 34.

Increases in 2024, amounted to euro 28,132 thousand (euro 24,640 thousand in 2023) and mainly related to contracts signed by the Parent Company for euro 14,081 thousand, while the decreases of euro 11,314 thousand related to the early termination of contracts.

For the values of non-current and current financial liabilities deriving from the application of IFRS 16, reference should be made to Notes 22 and 27.



Note 9 - Investments accounted for using the equity method and other investments

These are analyzed as follows:

(euro/BtB)	Subsidiaries	Associates	Joint ventures	Total investments for using the equity method	Other companies carried at fair value through the statement of comprehensive income	Other companies carried at fair value through the statement of comprehensive income	Total investments	Total
01.01.2023	-	56,534	29,004	85,538	21,637	10,769	32,406	117,944
Business combinations								
Investments		78	3,000	3,078	50		50	3,128
Revaluations/(impairment) losses through profit or loss		(232)	2,454	2,222			-	2,222
Revaluations/(impairment) losses through equity					(50)		(50)	(50)
Disposals		(626)	(517)	(1,143)	(12)	(6,243)	(6,255)	(7,398)
Reclassifications/ Other		(50,382)	(1,467)	(51,849)		96	96	(51,753)
Exchange rate differences		(4,384)		(4,384)		(89)	(89)	(4,473)
31.12.2023	-	988	32,474	33,462	21,625	4,533	26,158	59,620
Business combinations								
Investments	385	74		459				459
Revaluations/(impairment) losses through profit or loss		814	58	872	5		5	877
Revaluations/(impairment) losses through equity	(45)	(197)	7,817	7,575			-	7,575
Disposals					720		720	720
Reclassifications/ Other	(155)			(155)	(50)		(50)	(205)
Exchange rate differences	(3)	(107)		(110)	156	1	157	47
31.12.2024	337	1,410	40,349	42,096	22,456	4,528	26,984	69,080

The item Change in the scope of consolidation amounts to euro 459 thousand and relates to: i) euro 74 thousand for the acquisition of the associate Remac S.r.l. and ii) euro 385 thousand for the acquisition of subsidiaries of the Remac group, which are accounted for using the equity method due to their insignificance. For further details, please refer to Note 2 Scope and basis of consolidation.

Investments made in 2024 totalled euro 877 thousand due to: i) the recapitalization to integrate the equity of the associate STARS Railway Systems; ii) the incorporation of the associate VBF Nautica S.r.l.; iii) the incorporation of the joint ventures 4TB21 Società Consortile a r.l., TCM S.c.a.r.l. and Consorzio Ravenna S.c.a.r.l. For further details, please refer to Note 2 Scope and basis of consolidation.

The item Revaluations/(impairment) losses through profit or loss, positive for euro 7,575 thousand, mainly derives from the positive net result realized during the year by the joint ventures Orizzonte Sistemi Navali S.p.A. and CSSC - Fincantieri Cruise Industry Development Ltd.

The item Revaluations/(impairment) losses through Equity, positive for euro 720 thousand, refers to the fair value measurement performed on the other non-controlling equity interests measured at fair value through a contra-entry in the statement of comprehensive income held in the company SFP Astaldi S.p.A. and Webuild S.p.A. The valuation resulted in the total revaluation of euro 720 thousand recognized in the OCI reserves of Fincantieri S.p.A.'s equity.

The item Reclassifications/Other mainly regards the reclassification of the company Nord Quest Toscana Energia S.r.l., previously 34% owned, among the Other companies measured at fair value in the statement of comprehensive income following the sale. In 2023, of part of the shares held by its parent company SOF S.p.A. The company is now 6.80% owned.

It should be noted that Other Investments (euro 26,984 thousand at 31 December 2024) include investments measured at fair value, calculated both on the basis of the related prices if quoted in active markets (Level 1), and on the basis of valuation techniques whose inputs are not observable on the market (Level 3).

- in the US shipyards of Marinette Marine and Bay Shipbuilding, completion of the major capital expenditure plan shared with the US Navy during the acquisition phase of the Constellation program;
- on the Jacksonville operating site (Fincantieri Marine Systems North America), capital expenditure to adapt its configuration and infrastructure, as well as production facilities, in order to ensure maintenance activities for the US Navy surface vessels, without neglecting the merchant ship repairs business segment;
- in the Vietnamese Vung Tau shipyard, the completion of the site expansion program aimed at increasing production capacity to strengthen the company's leadership position in the construction of SOVs, especially for offshore wind power;
- the continuation of Isotta Fraschini Motor's investments in the iFuture project, launched in 2020 with the aim of studying innovative solutions for the improvement and expansion of its product portfolio; this capital expenditure was accompanied by the launch of initiatives related to the "iFuture Hydrogen" program which will lead to the realization of two distinct hydrogen-powered products with maritime application: a family of combustion engines and a modular fuel cell platform. This investment program is also made possible thanks to funds from the Ministry of Enterprises and Made in Italy and the European IPCEI (Important Project of Common European Interest) Hy2Tech fund;
- research and experimentation initiatives to further increase efficiency and safety at work, over and above legal requirements, also through the introduction of advanced robotics solutions and remote control of shipyard operating processes; in this area, the most important initiatives concern: (i) the installation of new automated production lines based on Industry 4.0 principles, which envisage the use of sensors on the main machinery for the collection and subsequent processing of asset performance data; (ii) the development of prototype robotic welding solutions;
- the general process of continuous modernization and gradual replacement of poorly performing or obsolete assets with more advanced and efficient technological solutions in line with new operating requirements and the highest sustainability criteria;
- specific initiatives for energy efficiency in production infrastructure, equipment and buildings, with the possibility of monitoring, managing and thus reducing environmental impact at the Group level.

The value of the Property, plant and equipment of the indirect subsidiary Vard Promar has been tested for impairment, taking as its estimated recoverable amount the fair value less the costs to sell as identified in a report commissioned from an independent expert. The impairment test has shown that the recoverable amount of the assets exceeds their carrying amount, meaning that no impairment loss needs to be recognized.

The exchange rate differences mainly reflect movements in the year by the US dollar against the euro.

As at 31 December 2024, the amount of the Group's property, plant and machinery pledged as collateral against loans received was approximately euro 89 million (euro 110 million at the end of 2023).

Contractual commitments already given to third parties as of 31 December 2024 for capital expenditure not yet reflected in the financial statements amounted to approximately euro 46 million, of which euro 37 million for Property, plant and equipment and approximately euro 9 million for intangible assets.



Investments
at 31 December 2024

For more details on the value of investments as at 31 December 2024, see the tables below.

Investments in associates accounted for using the equity method			
Company name	Registered office	% owned	Carrying amount
VBF Nautica S.r.l.	Italy	12.9	473
Centro Servizi Navali S.p.A.	Italy	10.93	452
STARS Railway Systems	Italy	50	250
Bioteca S.c.a.r.l.	Italy	33.33	100
Dido S.r.l.	Italy	30	43
Ramac S.r.l.	Italy	49	29
Prelios Solution & Technologies S.r.l.	Italy	49	25
Cisar Costruzioni S.c.a.r.l.	Italy	30	7
N.O.T.E. Gestione S.c.a.r.l.	Italy	34	7
S.Ene.Ca.Gestioni S.c.a.r.l.	Italy	49	5
2F Per Vado S.c.a.r.l.	Italy	49	5
Energika S.c.a.r.l.	Italy	40	4
MC4COM - Mission Critical for communications S.c.a.r.l.	Italy	50	4
PerGenova Breakwater S.c.a.r.l.	Italy	25	3
Hospital Building Technologies S.c.a.r.l.	Italy	20	2
CA 51 S.c.a.r.l.	Italy	13.53	1
TOTAL investments in associates accounted for using the equity method			1,410

The investments held in these companies, which are consolidated using the equity method, are considered to indicative of significant influence based on the shareholder agreements signed with the other shareholders.

Investments in joint ventures accounted for using the equity method			
Company name	Registered office	% owned	Carrying amount
Orizzonte Sistemi Navali S.p.A.	Italy	51	19,982
CSSC - Fincantieri Cruise Industry Development Ltd.	Hong Kong	40	18,474
Naviris S.p.A.	Italy	50	1,904
Nuovo Santa Chiara Hospital S.c.a.r.l.	Italy	50	151
4TOC1 S.c.a.r.l.	Italy	80	80
4TB21 S.c.a.r.l.	Italy	51	51
4TB13 S.c.a.r.l.	Italy	55	28
4B3 S.c.a.r.l.	Italy	55	27
BUSBAR4F S.c.a.r.l.	Italy	60	24
FINMESA S.c.a.r.l.	Italy	50	10
Consorzio FS.B.	Italy	58.36	5
TOW S.c.a.r.l.	Italy	41.56	4
Consorzio Ravenna S.c.a.r.l.	Italy	31.5	3
Darsena Europa S.c.a.r.l.	Italy	26	3
ERSMA 2025 S.r.l.	Italy	20	2
Vimercate Salute Gestione S.c.a.r.l.	Italy	52.75	1
TOTAL investments in joint ventures accounted for using the equity method			40,349

The investments held in these companies, which are consolidated using the equity method, are considered jointly controlled based on the agreements entered into with the other shareholders.

Other investments in companies carried at fair value through the statement of comprehensive income			
Company name	Registered office	% owned	Carrying amount
Genova Industrie Navali S.p.A.	Italy	1.5	15,000
Asialdi S.p.A. SpP	Italy	2	4,029
Webuild S.p.A.	Italy	0.066	1,889
Vimercate Salute S.p.A.	Italy	5	454
S.Ene.Ca S.r.l.	Italy	5	355
Empoli Salute S.p.A.	Italy	5	200
Nord Quest Toscana Energia S.r.l.	Italy	6.8	156
Distretto Ligure delle Tecnologie Marine S.c.a.r.l.	Italy	13.7	115
SITF Distretto Tecnologico Ligure sui Sistemi Intelligenti Integrati S.c.p.a	Italy	12.8	76
MMRE ¹ FVG - Maritime Technology cluster FVG S.c.a.r.l.	Italy	12.37	65
Consorzio Ricerca Innovazione Tecnologica SiciliaTrasporti Navali S.c.a.r.l.	Italy	6.41	28
Consorzio Med4Tech - Mediterranean Competence - Centre 4. Innovation	Italy	5.71	25
Consorzio IMAST S.c.a.r.l.	Italy	3.24	22
DigiTagg S.p.A. (ex UIRNET S.p.A.)	Italy	0.88	10
EEIG Euroyards	Bruxelles	14.29	10
Summano Sanità S.p.A.	Italy	0.04	5
Consorzio MIB	Italy	1	3
International Business Science Company S.c.a.r.l.	Italy	22.22	2
Consorzio CONAI	Italy	1	1
Other intangibles	Italy		11
TOTAL other investments in companies carried at fair value through the statement of comprehensive income			22,456

Other investments in companies carried at fair value through profit and loss

Frullia S.p.A.	Italy	0.88	4,315
Other intangibles	Italy		213
	Romania		
	Norway		
TOTAL other investments in companies carried at fair value through profit and loss			4,528

¹ Percentage interest not shown, as consortium emblematic is subject to continuous change.
² The investment in Asialdi S.p.A. represents 0.285 of the shares and 0.035 for the Participating Financial Instruments.



Disclosures relating to investments in associates

With regard to investments in associates accounted for using the equity method, the following table reports the aggregate share of the profits and losses attributable to the Group for all associates that are not individually material.

(euro / 000)	
Profit/(loss) for the year	(176)
Other components of the statement of comprehensive income	
TOTAL OF THE STATEMENT OF COMPREHENSIVE INCOME	(176)

The accounting data for non-material associates have been prepared on the basis of the information made available by the investees.
At the reporting date, the Group has not undertaken commitments for financing relating to its investments in associates.



Disclosures relating to investments in joint ventures

The following tables present condensed economic-financial information for Orizzonte Sistemi Navali S.p.A., a joint venture that at 31 December 2024 is material to the Group. The figures shown reflect amounts reported in the company's financial statements as adjusted for the Group's accounting standards.

ORIZZONTE SISTEMI NAVALI S.P.A.	
(euro / 000)	
Balance sheet	31.12.2024
Current assets	188,334
of which cash and cash equivalents	68,934
Non-current assets	843
Current liabilities	(150,438)
of which current financial liabilities	
Non-current liabilities	(150)
of which non-current financial liabilities	
Statement of comprehensive income	
Revenue	456,045
Depreciation, amortization and impairment	(290)
Interest income and expenses	4,162
Income taxes	(2,322)
Profit/(loss) for the year	2,070
OCI for the year	
Total of the statement of comprehensive income	2,070
Reconciliation with carrying amount	
Equity	38,588
Interest @ 51 %	19,680
Other changes	(98)
Carrying amount	19,582

No dividends were received from Orizzonte Sistemi Navali S.p.A. during 2024.

With regard to the other investments in joint ventures accounted for using the equity method, the following table reports the aggregate share of the profits and losses attributable to the Group for all joint ventures that are not individually material.

(euro / 000)	
Profit/(loss) for the year	6,217
Other components of the statement of comprehensive income	
TOTAL OF THE STATEMENT OF COMPREHENSIVE INCOME	6,217

The accounting data for non-material joint ventures have been prepared on the basis of the information made available by the investees.
At the reporting date, the Group has not assumed commitments for financing relating to its investments in joint ventures.



Note 10 - Non-current financial assets

(euro/000)	31.12.2024	31.12.2023
Derivative assets	14,258	19,346
Other non-current financial receivables	93,216	646,534
Non-current financial receivables from associates	760	18,293
NON-CURRENT FINANCIAL ASSETS	108,234	684,173

The item "Derivative assets" shows the fair value of derivatives contract in place at the reporting date with a maturity of more than 12 months. The fair value of derivative financial instruments has been calculated considering market parameters and using widely accepted measurement techniques (Level 2). Further details can be found in Note 4.

"Other non-current financial receivables" mainly refer to the non-current portion of loans to third parties bearing market rates of interest, including, for euro 96.3 million, receivables for loans granted by the Parent Company to its clients as part of the support strategy for shipowners implemented by the Group also following the COVID-19 pandemic outbreak. This item also includes euro 3.5 million for the balance of the escrow account where the sums tied to the payment of the deferred purchase price for the acquisition of Remazel have been deposited, which will eventually be settled, depending on the settlement of a dispute at the acquired company, 18 months from the acquisition date. The change occurred during the year in this item mainly refers to the reclassification, from non-current to current, of the instalments of loans disbursed to third parties falling due in the next twelve months and to the reclassification to the current portion of the loan, backed by collateral, granted by the Parent Company in favour of a shipowner in connection with the delivery of a ship in December 2023.

Other non-current financial receivables were written down by euro 14 million in accordance with IFRS 9.

"Non-current financial receivables from associates" relate to receivables for market rate loans disbursed to Group companies that are not consolidated on a line-by-line basis. The change is mainly due to the repayment of loans disbursed to associates of Vard Group AS on which interest accrued at market rates. For more information on the counterparties, refer to Note 33 and the analysis of related party transactions.



Note 11 - Other non-current assets

(euro/000)	31.12.2024	31.12.2023
Other receivables from investee companies	741	696
Government grants receivable	58,643	42,578
Firm commitments	17,188	12,463
Other receivables	22,139	11,301
OTHER NON-CURRENT ASSETS	98,711	67,038

Other non-current assets are stated net of the related provision for impairment amounting to euro 11,058 thousand.

Government grants receivable report the non-current portion of state aid granted by governments in the form of tax credits. The amount is analyzed below by due date for recovery.

(euro/000)	31.12.2024	31.12.2023
- between one and two years	13,151	9,937
- between two and three years	11,373	8,159
- between three and four years	11,373	8,159
- between four and five years	11,373	8,159
- beyond five years	11,373	8,163
TOTAL	58,643	42,577

"Firm commitments" of euro 17,188 thousand (euro 12,463 thousand at 31 December 2023) reflect the fair value of the hedged item represented by the construction contracts in currencies other than the functional currency and therefore subject to exchange rate risk, and it is the subject of fair value hedge used by the VARD group. For considerations regarding credit risk, reference is made to Note 4.

"Other receivables" of euro 22,139 thousand (euro 11,301 thousand at 31 December 2023) mainly include the security deposits for euro 9,671 thousand (2,509 at 31.12.2023) and the receivable from the Iraqi Ministry of Defence (euro 4,694 thousand). Please refer to the specific section on litigation in Note 33 for a more detailed explanation.

The following table presents the amount of and movements in the provision for impairment of other non-current receivables:

(euro/000)	Provision for impairment of other receivables
Balance at 01.01.2023	9,462
Provisions / (Releases)	717
Total at 31.12.2023	10,179
Provisions / (Releases)	879
Total at 31.12.2024	11,058



Note 12 - Deferred tax assets and liabilities

Deferred tax liabilities are analyzed as follows:

(euro/000)	Deferred taxes for business combinations	Other temporary differences	Total
01.01.2023	39,227	43,472	82,699
Changes in 2023			
- business combinations			-
- through profit or loss	(3,292)	(5,326)	(8,618)
- tax rate and other changes	(227)	1,686	1,459
- exchange rate differences	(1,365)	(1,854)	(3,219)
31.12.2023	34,343	37,978	72,321
Changes in 2024			
- business combinations	8,856	531	9,387
- through profit or loss	(5,287)	498	(4,789)
- tax rate and other changes	(5,954)	(30,795)	(36,749)
- exchange rate differences	(181)	398	217
31.12.2024	31,777	8,610	40,387

The deferred tax liabilities for business combinations relate to differences arising when allocating purchase price with regard to: i) intangible assets with indefinite useful lives, primarily client relationships and order backlog; ii) industrial plant, machinery and equipment.

The other temporary differences include the difference between the carrying amount and the tax values of fixed assets, mainly for the American subsidiaries.

Deferred tax assets are analyzed as follows:

(euro/000)	Sundry impairment losses	Provisions for risks and losses and warranty	Provisions for risks and losses and other changes	Fair value of derivatives	Actuarial valuation employee benefit	Losses carried forward	Other temporary differences	Total
01.01.2023	36,960	15,451	23,048	(15,194)	1,524	15,211	105,917	182,917
Changes in 2023								
- business combinations								
- through profit or loss	6,988	655	12,286		180	2,473	5,364	27,946
- impairment losses	(206)	(335)	(79)			(4,038)	(4,88)	(5,146)
- through other comprehensive income				27,423	271			27,694
- tax rate and other changes	53	(1)	1		95		1,284	1,432
- exchange rate differences	(87)	(3)	(2)			(133)	(3,228)	(3,453)
31.12.2023	43,708	15,767	35,254	12,229	2,070	13,513	108,849	231,390
Changes in 2024								
- business combinations	120		1,467		31	(3,447)	4,253	2,424
- through profit or loss	3,236	120	(10,142)		98	14,897	33,517	41,726
- impairment losses								-
- through other comprehensive income				3,867	(169)			3,698
- tax rate and other changes						4,541	(41,112)	(36,571)
- exchange rate differences	140	17	(20)		3	(301)	5,675	5,514
31.12.2024	47,204	15,904	26,559	16,096	2,033	29,203	111,182	248,181

Deferred tax assets have been recognized on items for which the tax is likely to be recovered against forecast future taxable income of Group companies.

Other temporary differences refer to deferred tax assets set aside against future tax benefits associated with optional tax regimes referring to US subsidiaries, elimination of merger/transfer differences, and other income items with deferred deductibility.

No deferred tax assets have been recognized on euro 313 million (euro 329 million at 31 December 2023) in carry forward losses and other temporary deductible differences of investee companies which are thought unlikely to be recovered against future taxable income.



Note 13 - Inventories and advances

These are analyzed as follows:

(euro/BBG)	31.12.2024	31.12.2023
Raw materials and consumables	475,860	462,782
Work in progress and semi-finished goods	9,310	13,117
Finished products	26,386	18,807
Total inventories	511,556	494,706
Advances to suppliers	391,986	306,367
TOTAL INVENTORIES AND ADVANCES	903,542	801,073

The amount recorded for "Raw materials and consumables" basically represents the volume of stock considered sufficient to ensure the normal conduct of production activities.

The items "Work in progress and semi-finished goods" and "Finished products" include the manufacture of engines and spare parts. The change in this item compared to 31 December 2023 is due to the completion of some products delivered to customers.

The values of inventories and advances are shown net of the relevant provision for impairment. The levels and changes in the provisions representing these adjustments are summarized in the table below:

(euro/BBG)	Provision for impairment - raw materials	Provision for impairment - work in progress - finished goods	Provision for impairment - finished products
01.01.2023	18,376	1,326	4,690
Changes in the scope of consolidation			
Provisions	7,759	382	144
Utilizations	(3,157)		(17)
Releases	(161)		(652)
Exchange rate differences	1,582		(94)
31.12.2023	24,399	1,708	4,071
Changes in the scope of consolidation			
Provisions	8,131		5
Utilizations	(1,224)		(132)
Releases	(452)		
Exchange rate differences	16		148
31.12.2024	31,077	1,708	4,092

"Provision for impairment - raw materials" includes the adjustments made to align the carrying amount of slow-moving materials still in stock at the end of the year with the estimated realizable value.

Note 14 - Contract assets

These are analyzed as follows:

(euro/BBG)	31.12.2024	31.12.2023
Construction contracts - gross	14,431,479	10,675,038
Invoices billed - expected losses	(11,239,450)	(8,297,657)
Net assets	3,192,029	2,377,381
Shipbuilding contracts	832,215	558,529
Invoices billed - expected losses	(646,938)	(438,120)
Net assets	185,277	120,409
Other contracts for third parties	15,263,694	11,233,567
TOTAL	3,377,306	2,497,790

"Construction contracts - assets" report these contracts where the value of the contract's stage of completion exceeds the amount invoiced to the client. The stage of completion is determined as the costs incurred to date plus margins accrued on a pro-rata basis less any impairment losses and expected losses.

This item includes additional claims related to contracts for the portion deemed highly probable to be accepted by the client in the amount of euro 66.5 million. Variable fees were recognized in accordance with the guidelines set out in the valuation criteria in the Financial Statements, to which reference should be made.

With reference to the performance obligations still to be met, please refer to the information provided in Note 28 on Revenue and Income.





Note 15 - Trade receivables and other current assets

These are analyzed as follows:

(euro/€B)	31.12.2024	31.12.2023
Trade receivables	671.310	767.020
Receivables from controlling companies (tax consolidation)	31.625	35.228
Government grants receivable	45.415	61.282
Other receivables	135.390	121.664
Indirect tax receivables	80.383	65.600
Firm commitments	17.029	22.860
Accrued income	52.638	75.723
Prepayments	2.209	501
TOTAL TRADE RECEIVABLES AND OTHER CURRENT ASSETS	1.035.999	1.149.878

The above receivables are shown net of provisions for the impairment of receivables. These provisions relate to receivables that are no longer considered fully recoverable, including those involving legal action and judicial and out-of-court proceedings in cases of debtor default, also taking into account the estimate of any expected losses.

In particular, it should be noted that Fincantieri has receivables, which originally arose from Astaldi, whose value amounted to euro 26.4 million, subsequently reduced to euro 26.1 million following collections. When Astaldi entered into composition with creditors, Fincantieri requested, and obtained in July 2020, admission to the Fondo Salva Opere (Save Works Fund), intended to satisfy, to a maximum extent of 70%, unsecured creditors. After the assignment by the procedure of shares and equity instruments in favour of Fincantieri, as unsecured creditor for a value of euro 5.5 million, the Company also collected from the aforementioned Fund the first tranche of the admitted amount, equal to euro 6.4 million.

Subsequently, the Ministry of Infrastructure and Transport requested the repayment of this tranche, on the assumption that Fincantieri's unsecured claim against Astaldi had been fully repaid with the assignment of the equity financial instruments and shares. An appeal against this request is currently pending before the ordinary courts. On the basis of the opinion of the appointed lawyers, Fincantieri is confident that its reasons will be upheld, and it considers the impairment recognised in the financial statements of euro 7.7 million (equal to 30% of the original receivable) to be appropriate.

The residual risk to which the Company is exposed in the event that its claims are not recognised is therefore euro 12.9 million.

This item also includes trade receivables claimed by the subsidiary Fincantieri Infrastructure S.p.A. from Senat S.p.A. for the "aranto Ono Park roofing contract for euro 13,085 thousand, to which the relative provisions for impairment of receivables of euro 8,025 thousand must be correlated. This impairment was also carried out with the support of outside consultants and took into account the presumed realizable value of the receivable based on Senat's participation in the restructuring procedure pursuant to Article 64-bis et seq. CCII approved by the Court of Brescia on 30 January 2025.

A provision for interest charged on past due trade receivables has been recognized in a Provision for past due. Provisions for impairment of receivables report the following amounts and movements:

(euro/€B)	Provision for impairment of trade receivables	Provision for past due interest	Provision for impairment of other receivables	Total
01.01.2023	67.305	1.429	14.018	82.752
Changes in the scope of consolidation				-
Provisions	(3.522)	1	(354)	(3.875)
Utilizations	3.714	630	1.706	6.050
Releases	(8.814)	(1.835)		(10.649)
Exchange rate differences	(131)			(131)
31.12.2023	56.552	225	15.370	74.147
Changes in the scope of consolidation	514	7		521
Provisions	(855)		(1.318)	(2.173)
Utilizations	11.474		1.913	13.387
Releases	(6.610)	(129)		(6.739)
Exchange rate differences	(152)			(152)
31.12.2024	62.923	96	15.972	78.991

For considerations regarding credit risk, reference is made to Note 4.

"Government grants receivable" of euro 45,415 thousand (euro 61,282 thousand at 31 December 2023) mainly includes receivables for research and innovation grants related to the Parent Company and the subsidiaries Co. It. Na, S.p.A. and IDS (Ingegneria dei Sistemi) S.p.A. and receivables recognized by the FIMG group, from the State of Wisconsin for both operating and capital grants recognized in connection with ongoing shipbuilding programs for the US Navy.

The balance of "Other receivables" of euro 135,390 thousand (euro 121,664 thousand at 31 December 2023) mainly consists of receivables for supplies on behalf of shipowners, insurance compensation, other receivables from suppliers, various receivables from personnel, receivables from Social Security and Welfare Institutions, and other sundry receivables, mainly relating to the Parent Company.

The balance of the item "indirect tax receivables", of euro 80,383 thousand (euro 65,600 thousand at 31 December 2023), mainly refers to claims for VAT refunds or set-off, to indirect foreign taxes and claims for customs duty refunds from the Italian Customs Authority.

"Firm commitments" of euro 17,029 thousand (euro 22,860 thousand at 31 December 2023) reflect the fair value of the hedged item, represented by the construction contracts in currencies other than the functional currency and therefore subject to exchange rate risk, and is covered by a fair value hedge used by the VARD group.

"Accrued income" mainly refers to insurance premiums and other expenses relating to future periods.



Note 16 - Income tax assets

(euro/000)	31.12.2024	31.12.2023
Italian corporate income taxation (IRES)	17,332	8,737
Italian regional tax on productive activities (IRAP)	4,099	4,450
Foreign tax	20,190	20,915
TOTAL INCOME TAX ASSETS	41,621	34,102

No impairment has been recognized for foreign tax receivables, as there is no risk regarding their recovery.



Note 17 - Current financial assets

These are analyzed as follows:

(euro/000)	31.12.2024	31.12.2023
Derivative assets	35,622	61,116
Other receivables	544,285	1,453
Current financial receivables from associates and joint ventures	827	14,490
Accrued interest income	2,297	12,819
Prepaid interest and other financial expense	2,020	2,246
TOTAL CURRENT FINANCIAL ASSETS	585,051	92,124

The item "Derivative assets" shows the fair value of derivatives contract in place at the reporting date with a maturity of less than 12 months. The fair value of derivative financial instruments has been calculated considering market parameters and using widely accepted measurement techniques (Level 2). The decrease is mainly attributable to the change in the fair value of the Parent Company's interest rate risk hedging derivatives. Further details can be found in Note 4.

The change in "Other receivables" is due to the reclassification to current portion of the loan, backed by collateral, granted by the Parent Company in favour of a shipowner in connection with the delivery of a ship in December 2023.

The change in "Current financial receivables from associates and joint ventures" mainly relates to the repayment of the residual portion of the shareholder loan made by the Parent Company to the joint venture CSSC – Fincantieri Cruise Industry Development Ltd.

Note 18 - Cash and cash equivalents

These are analyzed as follows:

(euro/000)	31.12.2024	31.12.2023
Bank and postal deposits	684,088	756,668
Checks	221	425
Cash on hand	149	180
TOTAL CASH AND CASH EQUIVALENTS	684,458	757,273

Cash and cash equivalents at the end of the year refer to the balance of on-demand and time bank deposits (the latter amounting to euro 684,458 million) held with leading banks.



Note 19 - Equity

The composition of equity is analyzed in the following table:

(euro/€B)	31.12.2024	31.12.2023
Attributable to owners of the Parent Company		
Share Capital	878,288	862,981
Reserve of treasury shares	(2,426)	(4,799)
Share premium reserve	488,586	110,499
Legal reserve	65,446	65,066
Cash flow hedge reserve	(50,783)	(40,137)
Financial asset fair value reserve through the statement of comprehensive income	(506)	(1,226)
Currency translation reserve	(125,785)	(117,293)
Other reserves and retained earnings	(436,190)	(389,141)
Profit/(loss) for the year	32,833	(52,830)
	849,463	433,120
Attributable to non-controlling interests		
Capital and reserves	(8,896)	(8,380)
Financial asset fair value reserve through the statement of comprehensive income	(7)	(7)
Currency translation reserve	10,005	9,709
Profit/(loss) for the year	(5,456)	(281)
	(4,354)	1,041
TOTAL EQUITY	845,109	434,161

Share Capital

The Extraordinary Shareholders' Meeting held on 11 June 2024 empowered the Board of Directors, which on the same date resolved to exercise such power, to increase the Share Capital structured as follows:

(i) a first tranche, on a divisible basis, for a total maximum amount of euro 400 million, including share premium, by issuing ordinary shares, with no par value, with warrant (which gave the right to subscribe for cash – within a maximum of thirty-six months from the full redemption of the first tranche of the capital increase – ordinary shares having the same characteristics as the ordinary shares outstanding at the issue date, to be admitted to trading on the regulated Euronext Milan market organized and managed by Borsa Italiana S.p.A. and to be offered under option to the shareholders pursuant to article 2441, paragraph 1, of the Italian Civil Code by 31 December 2024, and

(ii) a second tranche, on a divisible basis, for a total maximum amount of euro 100 million, including any share premium, by issuing, in one or more instalments, ordinary shares having the same characteristics as the ordinary shares outstanding at the issue date, to service the exercise of the aforementioned warrants, to be subscribed within a maximum of 36 months from the full redemption of the first tranche of the capital increase.

The Board of Directors also resolved to exercise the power granted by the same Extraordinary Shareholders' Meeting by approving the reverse stock split, at a ratio of 1.10, of 1,699,651,360 ordinary Fincantieri shares (with no express par value) into 169,965,136 newly issued ordinary shares of Fincantieri, having the same characteristics as the ordinary shares issued, by withdrawing and cancelling the issued and existing ordinary shares of Fincantieri and assigning, for every 10 ordinary shares withdrawn and cancelled, 1 newly issued ordinary Fincantieri share. The reverse stock split was finalized on 17 June 2024.

On 16 July 2024, the capital increase transaction related to the first tranche was completed and of the total proceeds of euro 399,339 thousand, euro 15,242 thousand were allocated to Share Capital and euro 384,097 thousand to the Share Premium Reserve. The Share Premium Reserve also includes, as a reduction, the costs of the capital increase transaction that meet IAS 32 requirements, for a total amount of euro (16,103) thousand, net of the related tax charge of euro 4,522 thousand. Proceeds from the market sale of option rights not exercised in the amount of euro 2,733 thousand were also recognized as an increase of the Share Premium Reserve, pursuant to art. 2441, paragraph 3 of the Italian Civil Code.

As part of the capital increase, 152,419,410 new ordinary shares were issued, still with no par value, and 152,419,410 "Fincantieri 2024-2026 Warrants" were combined with the new shares, traded on Euronext Milan, organized and managed by Borsa Italiana S.p.A. From the issue date to 31 December 2024, a total of 4,447,132 Warrants were exercised, with the consequent subscription and simultaneous redemption of 653,990 ordinary shares at a subscription price of euro 4.44, of which euro 0.10 was allocated to Share Capital and euro 4.34 to the Share Premium Reserve, for a total counter-value of euro 2,904 thousand (of which euro 65 thousand was allocated to Share Capital).

Reserve of treasury shares

At 31 December 2024, the Share Capital of Fincantieri S.p.A. amounts to euro 878,288,065.70, fully paid-in, divided into 323,038,536 ordinary shares (including 407,433 treasury shares in portfolio), with no par value. CDP Equity S.p.A. holds 71.30% of the capital, the remainder was distributed on the general market (except for 0.13% of shares owned by Fincantieri as treasury shares). None of the other private investors holds a significant stake equal to or greater than 3%. It should be noted that 100% of the Share Capital of CDP Equity S.p.A. is owned by Cassa di Risparmio di Padova e Rovigo S.p.A., 82.77% of whose Share Capital is in turn owned by Italy's Ministry of Economy and Finance.

The reserve is negative for euro 2,426 thousand and comprises the value of the treasury shares for the Company's incentive plan called the "Performance Share Plan" and the "Employee Share Ownership Plan" (described in more detail in Note 33).

The Ordinary Shareholders' Meeting of 23 April 2024 approved the proposal to authorize the purchase and disposal of treasury shares, subject to revocation of the previous Shareholders' Meeting authorization of 31 May 2023, to service the Fincantieri Group's Employee Share Ownership Plan approved by the Ordinary Shareholders' Meeting of 23 April 2024. The purchase of treasury shares was authorized for a period of eighteen months from the date of the resolution of the Shareholders' Meeting, for a maximum amount of shares equating to 10% of the Share Capital. The disposal of treasury shares was authorized without time limits. The purchases and sales of the disposal of the aforesaid shares may be executed in accordance with the terms and conditions set forth by the applicable regulation and accepted market practices and, in particular, purchases must be made at a price that does not deviate downwards or upwards by more than 10% from the reference price recorded on the Euronext Milan market organized and managed by Borsa Italiana S.p.A. in the stock exchange session preceding each individual transaction. No treasury shares were purchased during the year.

Following the Board of Directors' resolution of 14 May 2024 to allocate shares under the 3rd cycle of the "2019-2021 Performance Share Plan", 1,957,626 - before the reverse stock split - treasury shares in portfolio were allocated free of charge to beneficiaries (net of those withheld to meet the taxation obligation of the assignees), for a countervalue of euro 1,166 thousand. The delivery of the shares took place on 14 July 2024. At the end of the second cycle, 374,869 shares were also assigned that had not yet been allotted pending closure of the inheritance.

On 10 November 2024, moreover, 202,795 - after the reverse stock split - treasury shares were allocated to the employees of the Company and its subsidiaries who had adhered to the Company's Employee Share Ownership Plan approved by the Board of Directors on 7 March 2024 and by the Shareholders' Meeting on 23 April 2024.

At 31 December 2024, the treasury shares in portfolio amounted to 407,433, equal to 0.13% of the Share Capital. For further information, refer to Note 33 – Other information, in the section "Medium/long-term incentive plan" and "Employee Share Ownership Plan".

The number of shares issued is reconciled to the number of outstanding shares in Fincantieri S.p.A. at 31 December 2024, determined by taking into account the reverse stock split resolved on 11 June 2024, as described above.

	No. of shares
Ordinary shares issued	169,965,136
less: treasury shares purchased	(805,991)
Ordinary shares outstanding at 31.12.2023	169,159,145
Changes in 2024:	
plus: shares issued	153,073,400
plus: treasury shares allocated	398,598
Ordinary shares outstanding at 31.12.2024	322,631,103
Ordinary shares issued	323,038,536
less: treasury shares purchased	(407,433)

Share premium reserve

This reserve was recorded as a result of the Share Capital increase accompanying the Company's listing on the Mercato Telematico Azionario of Borsa Italiana S.p.A. (MTA) of 3 July 2014. The Share Premium Reserve was recorded net of listing and capital increase costs, charged to Equity, of euro 22,653 thousand (net of tax), in compliance with IAS 32. Proceeds from the market sale of option rights not exercised in the amount of euro 2,733,707.68 were also recognized as an increase of the Share Premium Reserve, pursuant to art. 2441, paragraph 3 of the Italian Civil Code.



Note 20 - Provisions for risks and charges

These are analyzed as follows:

(euro / BNB)	Litigation	Product warranty	Onerous contracts	Risks for financial guarantees	Business reorganization	Other risks and charges	Total
01.01.2023	26,599	69,540	264,188	38,106	1,237	55,592	465,262
Business combinations						(161)	(161)
Provisions for onerous contracts			138,898				138,898
Risk provisions	57,860	35,626				46,844	140,330
Utilization for onerous contracts			(166,485)				(166,485)
Utilizations	(45,669)	(21,668)				(5,763)	(73,100)
Releases	(93)	(4,103)	(13,859)			(840)	(18,895)
Other changes	(549)		49,884			(14,290)	35,045
Exchange rate differences	(662)		(5,831)		(80)	(257)	(6,830)
31.12.2023	38,697	78,184	266,795	38,106	1,157	81,125	504,064
Business combinations	2,630					5,118	7,748
Provisions for onerous contracts			161,573				161,573
Risk provisions	34,452	41,172				4,475	80,099
Utilization for onerous contracts			(232,910)				(232,910)
Utilizations	(31,109)	(24,932)				(7,183)	(63,224)
Releases	(673)	(10,875)				(38,022)	(49,570)
Other changes	(2,998)	2	1,369		(1)	3,000	1,372
Exchange rate differences		2	6,560		(54)	(391)	6,117
31.12.2024	40,999	83,553	203,387	38,106	1,102	48,122	415,269
- of which non-current portion	39,872	65,023	103,448	38,106		46,473	292,922
- of which current portion	1,127	18,530	99,939		1,102	1,649	122,347

The change shown in the Business Combinations line relates to the acquisition of the Remazel group in the first quarter. More information can be found in Note 34.

Increases in the litigation provision mainly refer to: i) precautionary provisions for claims brought by former employees, authorities or third parties for damages arising from asbestos exposure, ii) other provisions for litigation with employees and suppliers and for other legal proceedings. Utilization of the provision for litigation refers mainly to compensation recognized in the asbestos-related lawsuits.

The "Product warranty" provision includes amounts set aside for the estimated cost of carrying out work under contractual guarantee after vessel delivery. The warranty period normally lasts for 1 or 2 years after delivery. Releases mainly refer to expired and unused warranties.

The item "Provisions for onerous contracts" includes the amount of estimated losses to completion with respect to existing construction contracts if increases in costs compared to those originally expected are not covered by the contractually agreed payments. The provisions recorded in the year mainly relate to the deterioration in marginality and consequent expected losses recorded on some orders, particularly in the Infrastructure Cluster for the Miami Terminal project for the shipowner MSC. The utilizations of these provisions during the year are related to the progress of the relevant orders. Provisions/utilization for onerous contracts are included in the item "Change in Contract assets and liabilities" included in operating revenue in Note 28. Other changes mainly relate to the classification from the provision for expected losses of the project to the provision for onerous contracts.

The Risks for financial guarantees refers to the liability for credit risk related to a financial guarantee issued in favour of a third party. The provision has not changed since 31 December 2023. Further details can be found in Note 33 on guarantees given.

The "Business reorganization" provision has been set aside in previous years for the cost of the reorganization programs initiated by Vard in its Norwegian shipyards, which was not utilized during 2024.

The cash flow hedge reserve reports the change in the effective portion of derivative hedging instruments measured at fair value; movements in the cash flow hedge reserve are shown in Note 4.

The currency translation reserve reflects exchange rate differences arising from the translation into Euro of financial statements of foreign operations prepared in currencies other than the Euro.

These mainly comprise: i) the Extraordinary reserve, to which surplus earnings are allocated after making allocations to the Legal Reserve and distributions in the form of shareholder dividends; ii) the reserve to cover the issue of shares for the 1st cycle of the Long Term Incentive Plan (LTIP); iii) actuarial gains and losses on employee benefits in accordance with IAS 19 Revised; iv) the reserve for the share-based incentive plan for management.

The Ordinary Shareholders' Meeting of 23 April 2024 resolved to allocate the net profit for the year 2023, amounting to euro 7,587 thousand, as follows: 5% of the net profit, amounting to euro 379 thousand, to the Legal Reserve and the remaining portion, amounting to euro 7,207 thousand, to the Extraordinary Reserve.

The Reserve to cover the issue of shares amounts to euro 3,842 thousand and was set up, by resolution of the Board of Directors on 27 June 2019 for the issue of shares to allocate to employees during the payout of the first cycle of the incentive plan "2016-2018 Performance Share Plan", through the reclassification from the reserves of available earnings and more specifically from the Extraordinary Reserve.

The reserve related to the share incentive plan for management and employees, amounting to euro 8,677 thousand, increased in 2024 by euro 7,704 thousand as a result of the portion recorded in the costs of personnel and directors of the Company for beneficiaries of the plan (including the Employee Share Ownership Plan), and decreased by euro 4,065 thousand for the portion reclassified to increase revenue reserves following the settlement of the 3rd cycle of the "2019-2021 Performance Share Plan" incentive plan.

For the rest, the decrease is mainly attributable to the carry forward of the 2023 result.

The change with respect to 31 December 2023 is attributable to the profit/loss for the year for non-controlling interests.

The amount of other comprehensive income/losses, presented in the statement of comprehensive income, is as follows:

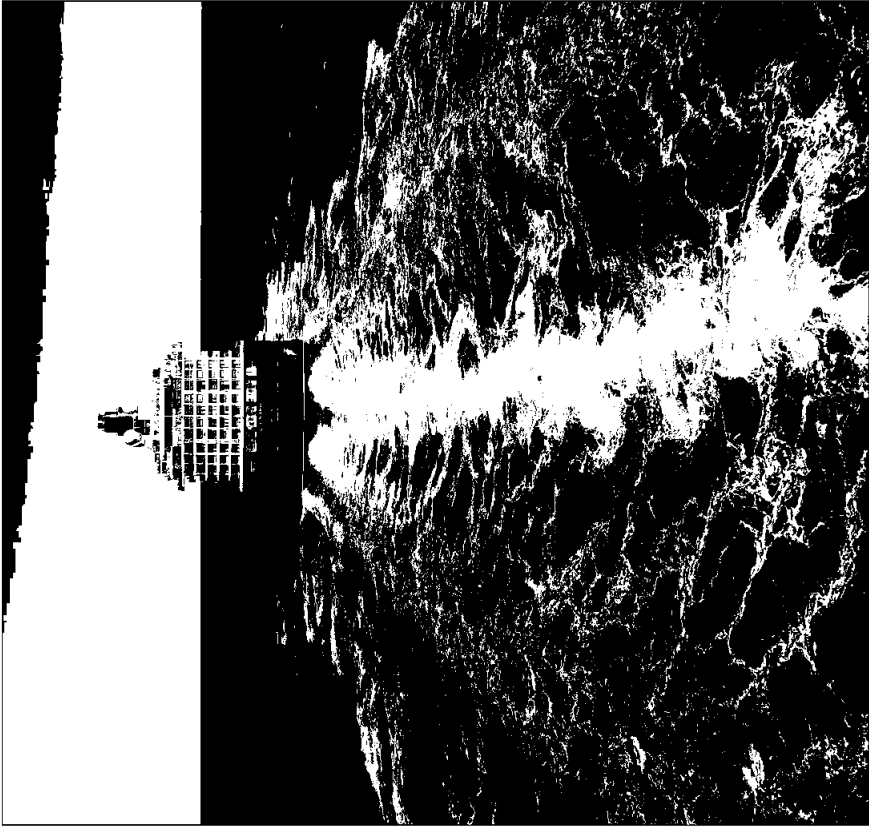
(euro / BBN)	31.12.2024		31.12.2023		
	Gross amount	Tax (expense)/ benefit	Gross amount	Tax (expense)/ benefit	Net amount
Effective portion of profits/(losses) on cash flow hedging instruments	(14,506)	3,867	(10,639)	(116,682)	27,424 (89,258)
Gains/(losses) from remeasurement of employee defined benefit plans	749	(169)	580	(1,510)	271 (1,239)
Gains/(losses) from fair value measurement of investments measured at FVTOCI	720		720	(50)	(50)
Gains/(losses) arising on translation of financial statements of foreign operations	(8,198)		(8,198)	(5,769)	(5,769)
TOTAL OTHER COMPREHENSIVE INCOME/(LOSSES)	(21,235)	3,698	(17,537)	(124,011)	27,695 (96,316)
(euro / BBN)	31.12.2024		31.12.2023		
Effective portion of gains/(losses) on cash flow hedging instruments arising in the period			(66,803)	(52,297)	
Effective portion of profits/(losses) on cash flow hedging instruments reclassified to profit or loss			52,297	(64,385)	
Effective portion of gains/(losses) on cash flow hedging instruments			(14,506)	(116,682)	
Tax effect of other components of comprehensive income			3,867	27,424	
TOTAL OTHER COMPREHENSIVE INCOME/(LOSSES), NET OF TAX			(10,639)	(89,258)	



Note 21 - Employee benefits

The balance of "Provisions for other risks and charges" relates to provisions for risks related to various kinds of disputes, mostly of a contractual, environmental, technical or fiscal nature, which might be settled at the Group's expense either in or out of court. The item includes the provisions to cover environmental risks (euro 7 million) and losses on investments in non-consolidated companies (euro 4 million). The decrease in the provisions for Other risks and charges is mainly attributable to the Parent Company and refers to the releases related to the elimination of the portion of charges estimated in previous periods in connection with ship orders, due to the related risk not occurring, net of provisions made to cover estimated future charges that companies may incur in connection with certain ship orders.

More information can be found in Note 33.



(euro / 000)	2024	2023
Opening balance	54,396	53,879
Business combinations	446	14
Interest cost	1,586	1,885
Actuarial (Gains)/Losses	(715)	1,528
Utilizations for benefits and advances paid	(3,067)	(4,007)
Staff transfers and other movements	1,004	1,097
Closing balance	53,650	54,396
Plan assets	(1)	(1)
Closing balance	53,649	54,395

The balance at 31 December 2024 of euro 53,650 thousand is mainly comprised of the employee severance benefit pertaining to the Group's Italian companies (euro 53,450 thousand).

The amount of Italian employee severance benefit recognized in the financial statements is calculated on an actuarial basis using the projected unit credit method; the discount rate used by this method to calculate the present value of the defined benefit obligation reflects the market yield on bonds with the same maturity as that expected for the obligation. The assumptions adopted are as follows:

	31.12.2024	31.12.2023
ECONOMIC ASSUMPTIONS		
Cost of living increase	2.00%	2.00%
Discount rate	3.18%	3.08%
Increase in employee severance benefit	3.00%	3.00%
DEMOGRAPHIC ASSUMPTIONS		
Expected mortality rate	RG48 mortality tables published by the State Accounting Office	RG48 mortality tables published by the State Accounting Office
Expected invalidity rate	INPS tables split by age and gender	INPS tables split by age and gender
Expected resignation rate	3.00%	3.00%
Expected rate of advances on employee severance benefit	2.00%	2.00%

Reasonable variations in the parameters used do not have any significant impact on the estimated liability.

The table below shows the expected payouts for Italian employee severance benefits in years to come:

(euro / 000)	Expected payments
Within 1 year	3,805
Between 1 and 2 years	3,123
Between 2 and 3 years	2,218
Between 3 and 4 years	3,295
Between 4 and 5 years	3,871
TOTAL	16,312

The Group paid a total of euro 51,145 thousand and euro 47,708 thousand into defined contribution plans in 2024 and 2023, respectively.



Note 22 - Non-current financial liabilities

These are analyzed as follows:

(euro/€B)	31.12.2024	31.12.2023
Bonds - non-current portion	50,000	
Bank loans and credit facilities - non-current portion	1,450,507	1,560,023
Other payables to other lenders	11,628	13,250
Financial payables for leasing IFRS 16 - non-current portion	103,862	109,812
Fair value of options on equity investments	2,715	1,115
Derivative liabilities	74,729	95,205
Financial payables to related parties	845	
TOTAL NON-CURRENT FINANCIAL LIABILITIES	1,694,286	1,779,405

The decrease in non-current financial liabilities is attributable to the net effect of the reclassification to current financial liabilities of the medium/long-term bank loan instalments due within 2025 (euro 232 million) and the recognition of the non-current portion of new loans finalized by the Group during the year (euro 270 million). In addition, it should be noted that euro 167 million of non-current bank loans were repaid in advance during 2024.

In November 2024, the Parent Company issued a debenture loan (named "FINCANTIERI 2024-2028") at a fixed rate reserved for institutional investors, listed on the Vienna Stock Exchange, for an amount of euro 50 million repayable in full in November 2028, without prejudice to any repayment provided for in the bond rules. These bonds, issued in a single tranche, are senior unsecured, non-rated and non-convertible bonds. The remuneration structure is envisaged with coupons payable annually in arrears. In addition, these bonds were issued exempt from the obligation to publish an offer prospectus and to be admitted to trading on a regulated market, pursuant to, inter alia, article 1, paragraph 4(a) of Regulation (EU) 2017/1129, as amended, and article 100 of Legislative Decree No. 58 of 24 February 1998 (Italian Consolidated Law on Finance (LUF)).

The following table shows the breakdown of bank loans and credit facilities, indicating the non-current and current portions:

(euro/€B)	31.12.2024	31.12.2023
Intesa Sanpaolo	291,818	359,397
Banca Popolare dell'Emilia Romagna	270,000	267,529
Banca Nazionale del Lavoro	233,000	364,500
Banca BPM	170,000	182,500
CAIXA Bank	120,000	130,000
Santander Bank	114,334	138,334
Unicredit	100,000	209,687
Banco di Sondrio	70,000	87,500
Deutsche Bank	70,000	80,000
Banco dei Paschi di Siena	70,000	80,000
Banco do Brazil	59,147	60,362
Fruitalia	40,000	40,000
ICCREA	30,000	50,020
ABC Bank	20,000	20,000
Bank of China	10,342	30,000
Cassa Depositi e Prestiti	10,219	13,390
BNP Paribas	7,000	14,563
Bayerische Landesbank		28,125
Other loans and credit facilities	(3,104)	(7,903)
TOTAL BANK LOANS AND CREDIT FACILITIES	1,682,756	2,148,004
<i>Non-current portion</i>	<i>1,450,507</i>	<i>1,560,023</i>
<i>Current portion</i>	<i>232,249</i>	<i>587,981</i>

The exposure to Intesa Sanpaolo refers to a medium/long-term unsecured loan disbursed to the Parent Company in August 2022 for euro 150 million, repayable in 20 six-monthly instalments due from January 2025 to July 2034. The bank has also signed with Fincantieri S.p.A. the ordinary portion of the loan related to the research and development project in the technology sector and for the implementation of the Italian Digital Agenda referred to in the Decree of the Ministry of Economic Development of 15 October 2014 called "Systems and technologies for the development of after-sales services", for a total amount of euro 1,176 thousand, fully drawn down between July 2022 and December 2024. This loan is expected to be repaid between 2025 and 2027.

In September 2023, Intesa Sanpaolo signed up to a share of euro 160 million of the euro 800 million loan granted to the Parent Company under Decree Law No. 50 of 2022. This "sustainability-linked" loan was disbursed in October 2023 and is to be repaid in 8 quarterly instalments starting in December 2026 and ending in September 2028. In December 2024, a portion of the loan amounting to euro 20 million was repaid in advance.

In July 2022, Intesa Sanpaolo signed with the Parent Company the ordinary portion of the loan relating to the research and development project in the technology sector and for the implementation of the Italian Digital Agenda referred to in the Decree of the Ministry of Economic Development of 15 October 2014 called "Development and Testing of New Tools, Processes and Methods to increase Product Sustainability", for a total amount of euro 713 thousand, of which euro 642 thousand was drawn down in April 2024. This loan is expected to be repaid between 2030 and 2033.

The exposure to Banca Nazionale del Lavoro refers to a medium/long-term unsecured loan of euro 100 million taken out in March 2023 by the Fincantieri S.p.A. which is "sustainability-linked" as the cost can vary based on the achievement of specific Key Performance Indicators (KPIs) in the Parent Company's 2023-2027 Sustainability Plan. The loan is repayable in a single instalment in a single instalment in March 2028.

In September 2023, Banca Nazionale del Lavoro also signed with the Parent Company euro 152 million of the loan granted under Decree Law No. 50 of 2022 for a total of euro 800 million. This "sustainability-linked" loan was disbursed in October 2023 and is to be repaid in 8 quarterly instalments starting in December 2026 and ending in September 2028. In December 2024, a portion of the loan amounting to euro 19 million was repaid in advance.

The exposure to Unicredit refers to a medium/long-term loan of euro 100 million taken out by the Fincantieri S.p.A. in December 2024, which is "sustainability-linked" as the cost can vary based on the achievement of specific Key Performance Indicators (KPIs) in the Company's 2023-2027 Sustainability Plan. The loan is repayable in a single instalment in December 2027. Following the disbursement of the new loan, the Parent Company made an early repayment of the medium/long-term loan taken out in 2023 of the same amount.

The exposure to Banca Popolare dell'Emilia Romagna refers to the residual debt of three medium/long-term loans taken out by Fincantieri S.p.A. In June 2022, the bank disbursed to the Parent Company a sustainability-linked loan in the amount of euro 150 million, repayable in two instalments due in June 2025 and June 2026. In September 2023, Banca Popolare dell'Emilia Romagna also signed up to a share of euro 80 million of the total euro 800 million loan under Decree Law No. 50 of 2022. This "sustainability-linked" loan was disbursed in October 2023 and is to be repaid in 8 quarterly instalments starting in December 2026 and ending in September 2028. In December 2024, a portion of the loan amounting to euro 10 million was repaid in advance.

In October 2024, the bank disbursed to the Parent Company a new "sustainability-linked" loan in the amount of euro 50 million, repayable in full in October 2026.

In May 2020, Banco BPM granted the Parent Company a medium/long-term unsecured loan for euro 50 million, repayable in a single instalment in May 2025.

In September 2023, Banco BPM signed up to a share of euro 80 million of the euro 800 million loan granted to the Parent Company under Decree Law No. 50 of 2022. This "sustainability-linked" loan was disbursed in October 2023 and is to be repaid in 8 quarterly instalments starting in December 2026 and ending in September 2028. In December 2024, a portion of the loan amounting to euro 10 million was repaid in advance.

In June 2024, Banco BPM granted the Parent Company a medium/long-term unsecured loan for euro 50 million, repayable in a single instalment in June 2027.

The exposure to Banca Popolare di Sondrio refers to a medium/long-term "sustainability-linked" loan of euro 70 million, taken out in December 2024 by Fincantieri S.p.A. The loan is repayable from June 2025 to December 2029. After the disbursement of the new loan, the medium/long-term loan taken out by the Parent Company in 2022 for an original amount of euro 30 million was repaid in advance, as well as the residual debt of approximately euro 18 million related to a medium/long-term loan granted by the bank to Renzei Engineering S.p.A. in June 2022 for an original amount of euro 30 million.

In September 2023, Banca Monte dei Paschi di Siena signed up to a share of euro 80 million of the euro 800 million loan granted to the Parent Company under Decree Law No. 50 of 2022. This "sustainability-linked" loan



(euro/BBP)	31.12.2024			31.12.2023		
	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
- between one and two years	17,638	311,237	328,875	66,634	165,796	232,430
- between two and three years	17,523	555,967	573,490	16,641	284,059	300,700
- between three and four years	15,778	392,748	408,526	116,662	373,598	490,260
- between four and five years	15,688	45,836	61,524	15,292	431,351	446,643
- beyond five years	77,450	642	78,092	90,000		90,000
TOTAL	144,077	1,306,430	1,450,507	305,219	1,254,804	1,560,023

It should be noted that there are no clauses in the loan agreements that require compliance with parameters whose breach would result in forfeiture of the benefit of the term. In addition, for existing loan agreements, no events occurred during the year that would trigger accelerated repayment clauses.

The item "Payables to other lenders" refers to the non-current portion of outstanding financial liabilities with non-banking counterparties. The change is mainly attributable to the extinction of the payable to the extraordinary commissioners for the acquisition of the business unit of INSO - Sistemi per le Infrastrutture Sociali S.p.A. and its subsidiary SOF S.p.A. by FINSO - Fincantieri Infrastrutture Sociali S.p.A. net of the increase in the soft loan granted by Invitalia S.p.A. to Power4Future S.p.A. and the shareholders' loan granted by FAIST Electronics S.r.l. also in favour of the same.

"Financial payables for leasing IFRS 16 - non-current portion" refers to the non-current portion of the financial liabilities for lease payments falling within the scope of IFRS 16. For the current portion see Note 27. Note 7 contains details on related rights of use.

The change in the item "Fair Value of options on equity investments" is mainly due to the adjustment of the fair value of the option to purchase the minority shares of the subsidiary FINSO - Fincantieri Infrastrutture Sociali S.p.A.

"Derivative liabilities" represent the year-end reporting date fair value of derivatives with a maturity of more than 12 months. The fair value of derivative financial instruments has been calculated considering market parameters and using widely accepted measurement techniques (Level 2). The decrease is mainly attributable to the change in the fair value of interest rate risk hedging derivatives held by the Parent Company. Further details can be found in Note 4.

See Note 33 for the disclosures required by IAS 7 about changes in current and non-current financial liabilities.

was disbursed in October 2023 and is to be repaid in 8 quarterly instalments starting in December 2026 and ending in September 2028. In December 2024, a portion of the loan amounting to euro 10 million was repaid in advance.

The exposure to Deutsche Bank refers to the portion of the loan granted to Fincantieri S.p.A. under Decree Law No. 50 of 2022 for a total of euro 800 million, of which euro 80 million is subscribed by the bank. This "sustainability-linked" loan was disbursed in October 2023 and is to be repaid in 8 quarterly instalments starting in December 2026 and ending in September 2028. In December 2024, a portion of the loan amounting to euro 10 million was repaid in advance. In June 2022, the bank also disbursed to the Parent Company a medium/long-term "sustainability-linked" loan for euro 50 million repayable in two annual instalments between 2026 and 2027.

In April 2022, the ICCREA Group disbursed to the Parent Company a medium/long-term loan of euro 50 million repayable in a single instalment in March 2026. In November 2024, a portion of the loan amounting to euro 20 million was repaid in advance.

The exposure to Caixa Bank refers to the portion of the loan granted to Fincantieri S.p.A. under Decree Law No. 50 of 2022 for a total of euro 800 million, of which euro 80 million is subscribed by the bank. This "sustainability-linked" loan was disbursed in October 2023 and is to be repaid in 8 quarterly instalments starting in December 2026 and ending in September 2028. In December 2024, a portion of the loan amounting to euro 10 million was repaid in advance. In June 2022, the bank also disbursed to the Parent Company a medium/long-term "sustainability-linked" loan for euro 50 million repayable in two annual instalments between 2026 and 2027.

Fruladria (now Credit Agricole Italia) disbursed in December 2023 to the Parent Company a medium/long-term loan of euro 40 million repayable in a single instalment in May 2025. The loan is "sustainability-linked" in that the cost may vary based on the achievement of specific Key Performance Indicators (KPIs) in the Parent Company's 2023-2027 Sustainability Plan.

The exposure to Santander Bank refers to the portion of the loan granted to Fincantieri S.p.A. under Decree Law No. 50 of 2022 for a total of euro 800 million, of which euro 80 million is subscribed by the bank. This "sustainability-linked" loan was disbursed in October 2023 and is to be repaid in 8 quarterly instalments starting in December 2026 and ending in September 2028. In December 2024, a portion of the loan amounting to euro 10 million was repaid in advance. Santander Bank also disbursed to the Parent Company in 2023 the last tranche of a medium/long-term loan for an original amount of euro 70 million, of which euro 25.7 million in total was repaid in December 2024 as required by the repayment plan.

ABC Bank disbursed in June 2022 to Fincantieri S.p.A. a medium/long-term loan of euro 20 million repayable in a single instalment in June 2025.

In September 2023, BNP Paribas subscribed to euro 8 million of the loan granted to Fincantieri S.p.A. under Decree Law No. 50 of 2022 for a total of euro 800 million. This "sustainability-linked" loan was disbursed in October 2023 and is to be repaid in 8 quarterly instalments starting in December 2026 and ending in September 2028. In December 2024, a portion of the loan amounting to euro 1 million was repaid in advance.

The exposure to Cassa Depositi e Prestiti refers to two soft loans received by the Parent Company under the "revolving fund in support of businesses and investment in research" established under Law 311 of 30 December 2004, for two research and development projects in the technology sector and for the implementation of the Italian Digital Agenda referred to in the Decree of the Ministry of Economic Development of 15 October 2014 called "Systems and technologies for the development of after-sales services" and "Development and testing of New tools, Processes and Methods to increase Product Sustainability".

The following loans have been granted to the Parent Company under this Fund through the Cassa Depositi e Prestiti:

- for the "Systems and Technologies for the Development of After-Sales Services" project, a fully disbursed loan in the amount of euro 6,705 thousand, of which euro 1,988 thousand had already been repaid as of December 2024. The loan is unsecured and must be repaid in semi-annual instalments by 31 December 2027;
- for the project "Development and Testing of New Tools, Processes and Methods to increase Product Sustainability", a loan for a maximum amount of euro 6,113 thousand, partially disbursed in April 2024 for euro 5,502 thousand. The loan is unsecured and must be repaid in semi-annual instalments by 30 June 2033.

The exposure to Banco do Brasil, relating to Vard Pronar SA, relates to a loan to support the construction of the Sague shipyard, which is pledged as collateral for the loan. The residual amount at 31 December 2024 amounts to euro 59 million.

The item "Bank loans and credit facilities - non-current portion" is detailed below by year of maturity:



Note 23 - Other non-current liabilities

These are analyzed as follows:

(euro/€B)	31.12.2024	31.12.2023
Capital grants	60.865	50.490
Other liabilities	9.249	6.422
Firm commitments	11.155	13.370
TOTAL OTHER NON-CURRENT LIABILITIES	81.269	70.282

"Capital grants" mainly comprise deferred income associated with grants for property, plant and equipment and innovation grants which will be released to income in future years to match the related depreciation/amortization of these assets.

"Other liabilities" include euro 4,694 thousand in payables to other parties in respect of the amount owed by the Iraq Ministry of Defense (see Note 11).

Note 24 - Contract liabilities

These are analyzed as follows:

(euro/€B)	31.12.2024			31.12.2023		
	Construction contracts - gross	Income issued	Net liabilities	Construction contracts - gross	Income issued	Net liabilities
Shipbuilding contracts	6,931,868	8,725,128	1,793,260	8,162,021	9,648,948	1,486,927
Other contracts for third parties	127,690	133,721	6,031	10,673	11,099	426
Client advances		211,590	211,590		111,675	111,675
TOTAL	7,059,558	9,070,439	2,010,881	8,172,694	9,771,772	1,599,078

"Construction contracts - liabilities" report those contracts where the value of the stage of completion of the contract is less than the amount invoiced to the client. The stage of completion is determined as the costs incurred compared to those expected for the completion of the contract.

During 2024, Contract liabilities at 31 December 2024 saw the development of production volumes and there fore of operating revenue amounting to euro 1,240 million.

"Client advances" refer to contracts on which work had not started at the year-end reporting date.

With reference to the performance obligations still to be met, please refer to the information provided in Note 28 on Revenue and income.

See Note 14.

Note 25 - Trade payables and other current liabilities

These are analyzed as follows:

(euro/€B)	31.12.2024	31.12.2023
Payables to suppliers	2,420,764	1,977,511
Payables to suppliers for reverse factoring	650,081	493,263
Social security payables	67,060	57,600
Other payables to employees for deferred wages and salaries	178,506	152,498
Other payables	192,579	151,695
Other payables to Parent Company	3,735	3
Indirect tax payables	30,396	13,061
Firm commitments	15,718	18,088
Accrued expenses	2,549	2,618
Deferred income	9,464	5,412
TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES	3,570,852	2,871,749

"Payables to suppliers for reverse factoring" report the payables sold to factoring companies by suppliers. These payables are classified among "Trade payables and other current liabilities" since they are related to obligations for the supply of goods and services used during the normal operating cycle. The sale is agreed with the supplier and envisages the possibility for the latter to give further extensions for consideration or not. With regard to the presentation in the Statement of Cash Flows, it should be noted that the cash flows related to these transactions are included in the Net cash flows from operating activities described in Note 34. For more details on the risks related to these payables, please refer to Note 4 on Liquidity risk.

"Social security payables" include amounts due to INPS (the Italian National Institute for Social Security) for employer and employee contributions on December's wages and salaries and contributions on end-of-period wage adjustments.

"Other payables to employees for deferred wages and salaries" reported at 31 December 2024 include the effects of allocations made for unused holidays and deferred pay.

"Other payables" include employee income tax withholdings payable to tax authorities, sundry payables for insurance premiums, advances received against research grants, amounts payable to employees supplementary pension funds, security deposits received and various liabilities for disputes in the process of being settled financially.

"Other payables to the Parent Company" refers to the payables to Cassa Depositi e Prestiti S.p.A. recorded in Fincantieri Infrastrutture Opere Sociali and Fincantieri Oil & Gas.

"Firm commitments" reflect the fair value of the hedged item, represented by the construction contracts in currencies other than the functional currency and therefore subject to exchange rate risk, and it is the subject of fair value hedge used by the VARO group.



Note 26 - Income tax liabilities

These are analyzed as follows:

(euro / €B)	31.12.2024	31.12.2023
Italian corporate income taxation (IRES)	7,466	(569)
Italian regional tax on productive activities (IRAP)	2,792	704
Other income tax liabilities	20,188	18,092
TOTAL INCOME TAX LIABILITIES	30,446	18,227

The item "Other income tax liabilities" includes euro 2,655 thousand for the tax risk provision set aside in relation to estimated costs for income tax assessments currently underway.

Note 27 - Current financial liabilities

These are analyzed as follows:

(euro / €B)	31.12.2024	31.12.2023
Payables for commercial paper	260,000	146,000
Bank loans and credit facilities - current portion	232,249	587,981
Loans from BIS - current portion	394	394
Bank loans and credit facilities - Construction loans		262,000
Other short-term bank debt	31,272	164,037
Other financial payables to others - current portion	4,779	2,759
Bank credit facilities repayable on demand	200	1,557
Payables to joint ventures	147,741	14,976
Payables to associates	6,449	30,293
Payables to related parties	882	
Financial payables for leasing IFRS 16 - current portion	24,572	20,705
Fair value of options on equity investments	6,598	8,278
Derivative liabilities	86,898	48,779
Deferred interest and other financial items	10,330	10,529
Accrued interest expense	7,896	8,076
TOTAL CURRENT FINANCIAL LIABILITIES	820,260	1,306,364

Regarding the Euro-Commercial Paper Step Label financing program, the total drawdown at 31 December 2024 amounts to euro 260 million compared to a maximum of euro 500 million provided for under the agreement.

With reference to the item "Bank loans and credit facilities - current portion" at 31 December 2024, the bank loans amounting to euro 232,249 million and due within the next 12 months (gross of deferrals to reflect payables for amortized cost) have been reclassified from non-current to the current portion, while the instalments due during the period have been fully paid. See also Note 22.

As of 31 December 2024, the Group had credit facilities that had not been drawn down of euro 1,880 million at the date in relation to: i) construction financing, committed and revocable, for euro 1,275 million, ii) committed credit facilities with leading Italian and international banks for a total of euro 130 million maturing in 2025 and 2027, and iii) revocable credit facilities with leading Italian and international banks for euro 475 million. A detail of the construction financing is given below:

- in November 2019, Fincantieri S.p.A. took out construction financing with a syndicate of a leading interna-

ional bank and a leading Italian bank for up to euro 300 million, to be disbursed in line with the progress of works on cruise ships;

- in June 2022, Fincantieri S.p.A. took out a loan with a leading Italian bank for a revolving "sustainability-linked" credit facility, for a maximum amount of euro 500 million maturing in June 2025, dedicated to financing the construction of cruise ships;
- in June 2024, Fincantieri S.p.A. agreed with a leading national bank and Cassa di Risparmio di Venezia, a committed construction loan for up to euro 300 million to finance the construction of a cruise ship;
- in June 2024, Yard Group AS agreed with a leading international bank a committed construction loan of up to euro 12.5 million to finance the construction of a SOV;
- in August 2024, Fincantieri S.p.A. agreed with a leading national credit institution an uncommitted construction financing facility for a maximum amount of euro 150 million, to be disbursed in line with the progress of works on cruise ships.

The change in "Other financial payables to others - current portion" is mainly due to the support granted in 2024 to the subsidiary Egon Project Ltd. by Bank of Valletta in the amount of about euro 3 million.

"Payables to joint ventures" relate to the negative balance on the intercompany current account with Orizzonte Sistemi Navali and Naviri/s.

The change in "Payables to associates" is attributable to the partial repayment of the interest-bearing loan held by the subsidiary Fincantieri Infrastructure Opere Marittime S.p.A., maturing in 2025.

The item "Fair value of options on equity investments" (Level 3), amounting to euro 6,598 thousand (euro 8,728 thousand as at 31 December 2023), refers to the option towards minority shareholders of the American group FMG.

"Financial payables for leasing IFRS 16 - current portion" refers to the current portion of the financial liability for lease payments falling within the scope of IFRS 16. For the non-current portion see Note 22. Note 7 contains details on related rights of use.

"Derivative liabilities" refers to the fair value of derivative financial instruments, which was calculated considering market parameters and using valuation models widely used in the financial sector (Level 2). The increase is mainly attributable to the change in the fair value of the derivatives hedging the interest rate risk and exchange rate risk. Further details can be found in Note 4.

See Note 33 for the disclosures required by IAS 7 about changes in current and non-current financial liabilities.





Note 28 - Revenue and income

These are analyzed as follows:

(euro/BBB)	2024	2023
Sales and service revenue	4,560,796	6,320,496
Change in Contract assets and liabilities	3,389,935	1,127,071
Operating revenue	7,950,731	7,447,567
Gains on disposal	194	812
Sundry revenue and income	117,754	133,112
Government grants	59,660	69,256
Other revenue and income	177,608	203,180
TOTAL REVENUE AND INCOME	8,128,339	7,650,747

"Operating revenue" mainly includes revenue arising from contractual obligations satisfied "over time", i.e. over the gradual progress of activities. Revenue and income increased compared to the previous year (+6.2%). For more details on the breakdown of revenues by business segment, please refer to Note 35.

The "Change in Contract assets and liabilities" takes into account the positive impact arising from the recognition not only of considerations agreed contractually, but also additional consideration for changes in work requested by clients, not yet formalized in agreed additions, recognized to the extent that it is highly probable that these can be recognized by the clients and estimated reliably. In particular, the valuation of unapproved revenues was made on the basis of the positive outcomes reasonably foreseeable through ongoing negotiations with the clients aimed at recognizing the higher costs incurred and therefore by their nature may present a risk of realization. The total impact of these considerations for the year 2024 is euro 66.5 million.

The aggregate value of contracts acquired relating to performance obligations that have not been fulfilled or have been partially fulfilled at 31 December 2024 is the order backlog, i.e. the residual value of orders not yet completed. This is calculated as the difference between the total value of the order (including any order modifications and additions agreed) and the accumulated value of work in progress ("Construction contracts - gross", both assets and liabilities) developed at the reporting date. The order backlog at 31 December 2024 stands at euro 31.0 billion and guarantees about 4 years of work if related to 2024 operating revenues. For further information please refer to the Group Report On Operations.

Change in Contract assets and liabilities includes provisions/utilization for onerous contracts included in the Provisions for risks and charges in Note 20.

"Government grants" mainly includes operating grants (euro 51,425 thousand) and capital grants (euro 8,235 thousand) mainly relating to the Parent Company and the subsidiaries CETENA S.p.A., Isotta Fraschini, Motron S.p.A., Fincantieri Nextech S.p.A. and the US subsidiary Fincantieri Marine Group LLC.

Sundry revenue and income comprise:

(euro/BBB)	2024	2023
Penalties charged to suppliers	12,207	16,925
Rental income	1,499	1,492
Insurance claims	36,404	47,429
Recharged costs	21,763	20,615
Income from third parties relating to personnel	60	135
Other sundry income	45,821	46,516
TOTAL	117,754	133,112

"Penalties charged to suppliers" mainly refers to penalties applied by the Parent Company.

"Insurance claims" refers to indemnities due under existing insurance policies covering risks on Parent Company assets.

"Recharged costs", of euro 21,763 thousand, mainly refer to various kinds of recharge to customers and suppliers not attributable to specific cost categories.

"Other sundry income" of euro 45,821 thousand mainly includes the recharge of services made available to subcontractors at the shipyards and out-of-period income and adjustments arising on settlements agreed with suppliers during the year and compensation for damages relating to the closure of the litigation against Petrobras Transpetro S.A. Further information can be found in Note 33.

Note 29 - Operating costs

Materials, services and other costs

Materials, services and other costs are analyzed as follows:

(euro/BBB)	2024	2023
Raw materials and consumables	(3,713,243)	(3,596,006)
Services	(2,487,384)	(2,261,321)
Leases and rentals	(54,332)	(46,206)
Change in inventories of raw materials and consumables	23,191	11,625
Change in work in progress	(5,011)	(17,934)
Sundry operating costs	(33,291)	(64,157)
Cost of materials and services capitalized in fixed assets	14,525	10,377
TOTAL MATERIALS, SERVICES AND OTHER COSTS	(6,255,546)	(5,963,622)

The increase in the cost of raw materials and services reflects the increase in the Group's production volumes. Details of the cost of services are as follows:

(euro/BBB)	2024	2023
Subcontractors and outsourced services	(1,280,991)	(1,054,594)
Insurance	(76,852)	(77,695)
Other personnel costs	(52,029)	(49,369)
Maintenance costs	(38,858)	(36,084)
Commissioning and trials	(19,512)	(13,631)
Outsourced design costs	(148,954)	(124,187)
Licenses	(5,020)	(4,245)
Transportation and logistics	(56,194)	(59,014)
Technical and other services	(678,717)	(690,754)
Cleaning services	(55,616)	(55,402)
Electricity, water, gas and other utilities	(97,982)	(116,477)
Utilization of product warranty and other provisions	23,340	20,131
TOTAL COST OF SERVICES	(2,487,384)	(2,261,321)



It should be noted that "Technical and other services" includes charges related to the "Performance Share Plan" (euro 919 thousand) for the portion for the Parent Company's Chief Executive Officer. More details on the operation can be found in Note 33.

"Leases and rentals" mainly includes costs relating to short-term leasing contracts and the remainder to leasing contracts in which the underlying asset is of modest value.

"Sundry operating costs" also include euro 2,026 thousand in losses on the disposal of non-current assets (euro 4,221 thousand at 31 December 2023) and tax charges for euro 16,107 thousand (euro 13,943 thousand at 31 December 2023).

Headcount

(euro/000)	2024	2023
Personnel costs		
- wages and salaries	(1,011,056)	(898,198)
- social security	(266,870)	(247,552)
- costs for defined contribution plans	(51,145)	(47,708)
- costs for defined benefit plans	(593)	(607)
- other personnel costs	(47,612)	(32,336)
Personnel costs capitalized in fixed assets	6,182	8,013
TOTAL PERSONNEL COSTS	(1,371,094)	(1,218,388)

"Personnel costs" represent the total cost incurred for employees, including wages and salaries, employer social security contributions payable by the Group, gifts and travel allowances.

It should be noted that "Other personnel costs" includes charges related to the "Performance Share Plan" (euro 6,735 thousand). More details can be found in Note 33.

Headcount is distributed as follows:

(number)	2024	2023
Employees at year end		
Total at year end	22,588	21,215
- of whom in Italy	11,896	11,112
- of whom in Parent Company	9,527	9,079
- of whom in VARD	7,874	7,311
Average number of employees		
- of whom in Italy	21,871	20,793
- of whom in Parent Company	11,478	10,927
- of whom in VARD	9,210	8,929
- of whom in VARD	7,611	7,170

Depreciation, amortization, impairment and provisions

(euro/000)	2024	2023
Depreciation and amortization:		
- amortization of intangible assets	(91,051)	(73,710)
- depreciation of rights of use	(26,101)	(22,036)
- depreciation of property plant and equipment	(149,644)	(138,045)
Impairment losses:		
- impairment of intangible assets	(4,469)	(2,125)
- impairment of property, plant and equipment	(3,509)	(44)
- reversal of impairment of tangible and intangible assets	16,972	
TOTAL DEPRECIATION, AMORTIZATION AND IMPAIRMENT	(257,802)	(235,960)
Provisions		
- impairment of contractual assets	(1,912)	(1,860)
- impairment of receivables	(12,356)	(4,397)
- increases in provisions for risks and charges	(79,123)	(140,737)
- release of provisions for risk and impairment reversals	56,309	14,843
TOTAL PROVISIONS	(37,082)	(132,151)

A breakdown of depreciation and amortization is provided in Notes 6, 7 and 8.

The reversal of impairment losses mainly refers to development costs deemed recoverable as a result of new business opportunities.

"Impairment of receivables" relates to prudent appropriations to align the nominal value of receivables with estimated realizable value.

"Increases in provisions for risks and charges" mainly comprise provisions for obligations deriving from contractual warranties for 41,230 thousand (euro 36,233 thousand at 31 December 2023), and provisions for litigation for 34,036 thousand (euro 57,861 thousand at 31 December 2023). The remainder of the item refers to provisions made against risks for various kinds of disputes, mostly of a contractual, technical and tax nature. More details about the nature of the provisions made can be found in Note 20 and Note 33.



Note 30 - Financial income and expenses

These are analyzed as follows:

(euro/888)	2024	2023
FINANCIAL INCOME		
Interest and fees from joint ventures and associates	603	1,440
Bank interest and fees and other income	42,389	28,138
Income from derivative financial instruments	12	12
Interest and other income from financial assets	19,415	6,983
Foreign exchange gains	80,334	66,407
Total financial income	142,741	102,980
FINANCIAL EXPENSES		
Interest and fees charged by joint ventures	(4,929)	(1,773)
Interest and fees charged by controlling companies	(1,168)	(1,332)
Net expenses from derivative financial instruments	36,004	46,155
Interest on employee benefit plans	(1,505)	(1,813)
Interest and fees on bonds and commercial papers	(12,113)	(6,225)
Interest and fees on construction loans	(9,591)	(30,021)
Bank interest and fees and other expense	(222,080)	(184,594)
Interest paid on leases IFRS 16	(3,967)	(3,674)
Impairment of financial receivables IFRS 9	(1,040)	(220)
Foreign exchange losses	(100,289)	(88,270)
Total financial expenses	(320,678)	(271,677)
TOTAL FINANCIAL INCOME AND EXPENSES	(177,937)	(168,787)

"Bank interest and fees and other income" and interest income accruing on cash and cash equivalents mainly includes interest at market rates on loans granted to third parties during the period and interest income on cash and cash equivalents. The increase compared to last year was mainly due to interest accrued on the loan granted by the Parent Company in favour of a shipowner in connection with the delivery of a ship in December 2023.

The item "Net expenses from derivative financial instruments" mainly refers to financial income generated by interest rate risk hedges in place by the Parent Company.

The increase in "Bank interest and fees and other expense" is mainly attributable to the rise in interest rates. This effect was partially offset by the benefit generated by interest rate hedges, the recognition in the income statement of which is included in the item "Net expenses from derivative financial instruments".

The decrease in the item "Interest and fees on construction loans" is mainly attributable to the lower utilization of this form of financing during the year.

"Foreign exchange gains and losses" reflect the effects of changes in the currencies to which the Group is exposed and the related hedging derivatives.

Financial expenses include the impairment losses of existing financial receivables determined on the basis of the expected credit loss model in application of the IFRS 9 accounting standard.

Note 31 - Income and expense from investments

These are analyzed as follows:

(euro/888)	2024	2023
INCOME		
Dividends from other companies	291	244
Gains from sale of investments	90	1,165
Other income from investments	1,795	1,795
Total income	381	3,204
EXPENSE		
Investment impairment losses	(69)	(1,216)
Provisions for losses on investments	(1,034)	
Total expense	(1,103)	(1,216)
INCOME/(EXPENSE) FROM INVESTMENTS	(722)	1,988
SHARE OF PROFIT/(LOSS) OF INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		
Profit	7,909	4,496
Loss	(268)	(2,274)
SHARE OF PROFIT/(LOSS) OF INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	7,641	2,222
TOTAL INCOME AND EXPENSE FROM INVESTMENTS	6,919	4,210

Expenses from investments include the provision for losses on investments in companies consolidated using the equity method.

"Share of gain/(loss) of investments accounted for using the equity method", amounting to a gain of euro 7,641 thousand, includes:

- gains of euro 7,909 thousand mainly relate to the Group's share of the profit/loss for the year for the joint venture CSSC - Fincantieri Cruise Industry Development Limited (euro 6,219 thousand) and Orizzonte Sistemi Navali S.p.A. (euro 1,600 thousand);
- losses of euro 268 thousand, which mainly reflect the Group's share of the profit/loss for the year of the joint venture Ethad Ship Building LLC (euro 88 thousand) and the associate VBF Nautica S.r.l. (euro 90 thousand).

For more details on the changes to investments, see Note 9.



Note 32 - Income taxes

These are analyzed as follows:

(euro/000)	2024	2023
Current taxes	(54,935)	(20,578)
Deferred tax assets:		
- sundry impairment losses	3,235	6,782
- product warranty	120	320
- other risks and charges	(10,142)	12,207
- carry forward tax losses	14,897	(1,385)
- other items	33,614	4,876
	41,725	22,800
Deferred tax liabilities:		
- business combinations	5,287	3,292
- other items	(498)	5,326
	4,789	8,618
Total deferred taxes	46,514	31,418
TOTAL INCOME TAXES	(8,421)	10,840

Notes:
Negative figures indicate the recognition of deferred tax liabilities or release of deferred tax assets.
Positive figures indicate the recognition of deferred tax liabilities or recognition of deferred tax assets.

The theoretical tax rate is reconciled to the effective tax rate as follows:

(euro/000)	2024	2023
Theoretical corporate income tax rate (IRES)	24.0%	24.0%
Pre-tax profit/(loss)	35,798	(63,951)
Theoretical corporate income tax (IRES)	(8,592)	15,348
Impact of taxes relating to prior periods	6,298	5,646
Impact of tax losses	(5,020)	(19,906)
Impact of deferred tax assets	682	(840)
Impact of permanent differences and unrecognized temporary differences	(21,880)	27,545
Impact of temporary differences not recognized in previous years	15,507	(6,287)
Effect of change in tax rates	(380)	(1,153)
Impact of different tax rates applicable to foreign entities	9,580	(295)
Increases/Releases of provisions for tax risks	(114)	(185)
Tax credit on R&D costs	4,778	198
	(9,280)	(9,231)
Other taxes charged to profit or loss	(8,421)	10,840
Total income taxes through profit or loss	(8,421)	10,840
Current taxes	(54,935)	(20,578)
Deferred tax assets/liabilities	46,514	31,418

The following table shows a breakdown of current and deferred income taxes in Italy and other countries:

(euro/000)	2024	2023
Current taxes	(54,935)	(20,578)
- Italian companies	(37,996)	(13,076)
- Foreign companies	(16,939)	(7,502)
Deferred tax assets/liabilities	46,514	31,418
- Italian companies	3,583	(1,168)
- Foreign companies	42,931	32,586
TOTAL	(8,421)	10,840

Income taxes were calculated on the basis of the profit or loss for the year. The balance at 31 December 2024, is composed of euro 54,935 thousand from the negative balance of current taxes and euro 46,514 thousand from the positive balance of deferred taxes. The overall tax burden, in terms of tax rate, is influenced on the one hand by the positive effects of the national tax consolidation with the Parent Company CDP and on the other hand by the losses incurred by certain subsidiaries for which no deferred tax assets were recognized, since the conditions for this were not met.

Legislative Decree No. 209 of 27 December 2023 ("Pillar II rules" or "global minimum tax") introduced a minimum effective tax regime for domestic and multinational groups at the rate of 15% for each jurisdiction in which they are located, also providing for the application of a supplementary tax in cases where the effective tax rate per country, with the adjustments provided for in the application rules, is lower than the aforementioned minimum tax rate.

In 2024, the Pillar II rules were supplemented by, inter alia, (i) Ministerial Decree of 20 May 2024 governing Transitional Safe Harbour regimes ("TSH rules"), pursuant to which – for the three-year period 2024/2025 – any additional tax due in a given jurisdiction is assumed to be zero if the companies located there meet at least one of the three requirements set forth in the rules, and (ii) Ministerial Decree of 1 July 2024 containing the implementing provisions for the introduction of the qualified domestic minimum top-up tax.

Additional implementing Ministerial Decrees have been issued to date (Ministerial Decrees of 11 October, 20 and 27 December), aimed at providing clarification and implementing provisions. In parallel, the OECD also published further Administrative Guidance (June 2024 and January 2025), containing some clarifications, together with a list of countries with transitional qualified status for the purposes of applying the tax.

In this regard, in 2024, the Fincantieri Group took part in the project – coordinated by the Parent Company CDP with the support of qualified advisors – to comply with Pillar II rules aimed at: i) closing the gaps that emerged during the preliminary project start-up activities carried out in 2023, ii) defining a model for calculating the Transitional Safe Harbour and top-up taxes due, iii) automating compliance through an application, and iv) estimating the impact of the relevant regulations on the financial statements and fulfilling the related obligations.

For the purposes of the consolidated financial statements at 31 December 2024, an estimate was made of the additional tax due with reference to jurisdictions with taxation below 15%, identified by applying the simplifications provided by the TSH rules to the relevant perimeter. This perimeter includes 128 entities belonging to the Fincantieri Group and located in 32 jurisdictions with effective tax rates generally above 15%. The estimated supplementary tax liability at 31 December 2024, in relation to Fincantieri Group entities located in jurisdictions with an effective tax rate of less than 15% amounted to euro 292 thousand. Under the tax application mechanisms provided for in the Pillar rules, the portion of this amount recognized in the Parent Company's separate financial statements is euro 277 thousand.



Note 33 - Other information

Net financial position

For the purposes of complying with Consob Communication no. DEM/064293/2006, the following table shows the Net financial position as per ESMA recommendation. The table and information provided below have been adjusted to reflect the updates in the document ESMA 32-382-1138 dated 4 March 2021.

(euro/BBE)	31.12.2024	31.12.2023
A. Cash and cash equivalents	684,458	757,272
B. Cash equivalents		
C. Other current financial assets	549,429	57,212
- of which related parties	1,307	17,408
D. Cash and cash equivalents (A)+(B)+(C)	1,233,887	814,484
E. Current financial payables (including debt instruments, but excluding current portion of non-current financial payables)	(580,295)	(707,543)
- of which related parties	(159,646)	(46,439)
- of which Construction loans		(262,000)
- of which Current portion of debt instruments	(250,000)	(145,000)
F. Current portion of non-current financial payables	(239,965)	(598,821)
- of which related parties	(1,897)	(9,075)
G. Current debt (E)+(F)	(820,260)	(1,306,364)
H. Net current cash/(debt) (D)+(G)	413,627	(491,880)
I. Non-current financial payables (excluding current portion of debt instruments)	(1,644,286)	(1,779,405)
- of which related parties	(9,170)	(4,328)
J. Debt instruments		(50,000)
K. Trade payables and other non-current liabilities		
L. Non-current debt (H)+(J)+(K)	(1,694,286)	(1,779,405)
M. Total Net financial position (H)+(L)	(1,280,659)	(2,271,285)

The change in the Net Financial Position compared to 31 December 2023 is affected by (i) the positive effect of the capital increase transaction concluded during the year (euro 387 million), (ii) the reclassification to current portion of the financial receivable, backed by collateral, granted in favour of a shipowner in connection with the delivery of a ship in December 2023 (euro 540 million).

For indirect debt and/or conditional debt not reflected in the table, reference should be made: i) to Note 20 and Note 21 for the provisions recognized in the financial statements; ii) to Note 25 and Note 4, for payables for reverse factoring (amounting to euro 650 thousand at 31 December 2024).

Lastly, commitments related to lease agreements not recognized as liabilities in the financial statements since they do not fall under IFRS 16 amount to euro 26.5 million at 31 December 2024.

For more details see Notes 4, 10, 22 and 27.

Statement of net financial position flows

The following table shows the movements in the statement of financial position with regard to financing activities and statement of cash flows (IAS 7).

(euro/BBE)	01.01.2023	Business combinations	Cash flows	Changes in fair value	Exchange rate differences	Other non-monetary changes	31.12.2023
Non-current financial payables	1,202,597		968,560		3,110	(600,994)	1,573,273
Current bank loans and credit facilities	1,779,746		(1,379,972)		(1,622)	627,162	1,025,314
Other current financial payables	29,781		45,657		(16)	(17,246)	58,176
Bonds/current commercial paper	80,700		65,300				146,000
Financial payables for leasing IFRS 16	132,454		(24,985)		(2,105)	25,153	130,517
Total liabilities from financing activities	3,225,278	-	(325,440)	-	(633)	34,075	2,933,280
Purchase of treasury shares			(5,700)				
Third party capital			1,503				
CASH FLOWS FROM FINANCING ACTIVITIES			(325,637)				

(euro/BBE)	01.01.2024	Business combinations	Cash flows	Changes in fair value	Exchange rate differences	Other non-monetary changes	31.12.2024
Non-current financial payables	1,573,273	18,559	108,503		(9,878)	(227,277)	1,462,980
Current bank loans and credit facilities	1,025,314	9,428	(1,017,372)		(2,613)	255,114	269,871
Other current financial payables	58,176	5,594	113,045	17,073	45	(3,561)	190,282
Bonds/current commercial paper	146,000		114,000				260,000
Non-current bonds			50,000				50,000
Financial payables for leasing IFRS 16	130,517	3,488	(29,173)		2,770	20,832	128,434
Total liabilities from financing activities	2,933,280	36,979	(661,197)	17,073	(9,676)	45,108	2,361,567
Purchase of non-controlling interests in subsidiaries			(137)				
Capital increase			388,873				
Third party capital			80				
CASH FLOWS FROM FINANCING ACTIVITIES			(272,381)				

Significant non-recurring events and transactions

With reference to the provisions of Consob Resolution no. 15519 of 27 July 2006, there were no significant non-recurring events and/or transactions at 31 December 2024.

Atypical and/or unusual transactions

In accordance with the disclosures required by Consob Communication no. DEM/064293 dated 28 July 2006, it is reported that no atypical and/or unusual transactions were carried out during 2024.

Related party transactions

Intragroup transactions, transactions with CDP Equity S.p.A. and its subsidiaries, with Cassa Depositi e Prestiti S.p.A. and its subsidiaries, with companies controlled by Italy's Ministry of Economy and Finance and with other related parties in general, do not qualify as either atypical or unusual, since they fall within the normal course of business of the Finanzieri Group and are conducted on an arm's length basis.

Transactions with joint ventures, subsidiaries and associates are particularly significant and their relations mainly relate to:

- subcontracting support for activities related to the execution of orders;
- provision of services;
- relationships of a financial nature, represented by loans and correspondent current account relationships.

The figures for related party transactions and balances are reported in the following tables:



CONSOLIDATED STATEMENT OF FINANCIAL POSITION (euro/000)							31.12.2024	
	Non-current assets	Current receivables	Advances ¹	Trade receivables and other current assets	Current payables	Trade payables and other liabilities		
CASSA DEPOSITI E PRESTITI S.p.A.	-	-	-	31,626	(8,325)	(3,946)	-	-
TOTAL INHERIT COMPANY	-	-	-	31,626	(8,325)	(1,897)	(3,946)	-
DRIZZONTE SISTEMI NAVALI S.p.A.	-	-	-	23,922	(1,930,928)	(3,171)	(8)	-
UNIFER NAVALE S.r.l.	-	-	-	1,491	-	-	(8)	-
CSSC - FINCANTIERI CRUISE INDUSTRY DEVELOPMENT LTD.	-	-	-	4,804	-	-	(388)	-
ETHAD SHIP BUILDING LLC	-	-	-	6,756	-	-	(358)	-
BUSBARAF S.c.a.r.l.	-	-	-	250	-	-	(926)	-
FINCANTIERI CLEA BUILDINGS S.c.a.r.l. <i>in liquidation</i>	-	-	-	1,482	-	-	(41)	-
NAVIS S.p.A.	-	-	-	676	-	-	(21,587)	-
ATOLL S.c.a.r.l.	-	-	-	6,626	-	-	(4,927)	-
VIMPERONE SAIL GESTIONE S.c.a.r.l.	-	-	-	7,257	-	-	(3,953)	-
NSC HOSPITAL S.c.a.r.l.	-	-	-	432	-	-	(6,812)	-
483 S.c.a.r.l.	-	-	-	1,987	-	-	(664)	-
ATILIS S.c.a.r.l.	-	-	-	464	-	-	(2)	-
DARFEN EUROPA S.c.a.r.l.	-	-	-	135	-	-	(4,263)	-
TOSS S.c.a.r.l.	-	-	-	876	-	-	(1,188)	-
TOSS S.c.a.r.l. - subsidiaries	-	-	-	5,572	-	-	(6,385)	-
OTHER JOINT VENTURES	-	-	-	7,089	-	-	(1,188)	-
TOTAL JOINT VENTURES	-	-	-	54,258	-	-	(152,315)	-
POC GROUP	-	-	-	105	-	-	(3,340)	-
ESTRO SERVICE NAVALI S.p.A.	-	-	-	6,004	-	-	(2,557)	-
CSS DESIGN	-	-	-	741	-	-	-	-
CSAR MILANO S.p.A.	-	-	-	1,280	-	-	(1,201)	-
CSAR COSTRUZIONI S.c.a.r.l.	-	-	-	341	-	-	(2,713)	-
S. ENF. CA GESTIONE S.c.a.r.l.	-	-	-	3,309	-	-	(3,771)	-
NOTE GESTIONI S.c.a.r.l.	-	-	-	4,346	-	-	(200)	-
HRT S.c.a.r.l.	-	-	-	1,768	-	-	(2,814)	-
PERENNIA BREAKWATER S.c.a.r.l.	-	-	-	25,214	-	-	(1,302)	-
2F PER VADO S.c.a.r.l.	-	-	-	1,302	-	-	(109)	-
OTHER ASSOCIATES	-	-	-	1,299	-	-	(1,339)	-
STARS RAILWAY SYSTEMS	-	-	-	1,040	-	-	(20,220)	-
TOTAL ASSOCIATES	-	-	-	741	-	-	(6,498)	-
VALITALIA S.p.A.	-	-	-	718	-	-	(850)	-
SUPPLEMENTARY PENSION FUND FOR EXECUTIVES OF FINCANTIERI S.p.A.	-	-	-	-	-	-	(4)	-
COMETA NATIONAL SUPPLEMENTARY PENSION FUND	-	-	-	-	-	-	(5,308)	-
OTHER COP GROUP COMPANIES	-	-	-	-	-	-	(1)	-
ANALDO ENERGIA S.p.A.	-	-	-	614	-	-	(31)	-
TOTAL COP GROUP	-	-	-	718	-	-	(6,631)	-
LEONARDO GROUP	-	-	-	31,375	-	-	(25,859)	-
ENL GROUP	-	-	-	8	-	-	(383)	-
OTHER COMPANIES CONTROLLED BY MINISTRY OF ECONOMY AND FINANCE	-	-	-	207	-	-	(1,260)	-
TOTAL RELATED PARTIES	-	-	-	48,875	-	-	(91,096)	-
TOTAL CONSOLIDATED STATEMENT OF FINANCIAL POSITION	-	-	-	108,234	-	-	(81,260)	-
% Consolidated statement	1%	0%	12%	1%	15%	20%	3%	0%

¹ "Advances" are included in Investments. See Result in Note 83.



STATEMENT OF COMPREHENSIVE INCOME					
(euro/1000)	Operating revenue	Other revenue and income	Marketing and other costs	Financial income	Financial expenses
CASSA DEPOSITO E PRESTITI S.p.A.	-	-	(159)	-	(1,159)
TOTAL PARENT COMPANY	-	-	(159)	-	(1,159)
ORIZZONTE SISTEMI NAVALI S.p.A.	132,875	993	(5,174)	-	(1,037)
CSSC - FINCANTIERI CRUISE INDUSTRY DEVELOPMENT LTD.	1,838	3,458	-	581	-
BUSBARAF S.c.a.r.l.	112	-	(1,591)	-	-
PERENOVA S.c.p.a.	209,020	2	17	-	-
NAVIRIS S.p.A.	4,582	2,018	(69)	(3)	(134)
41001 S.c.a.r.l.	-	-	-	-	-
483 S.c.a.r.l.	217	-	(9,337)	-	-
WIMERCATE SAL GESTIONE S.c.a.r.l.	148	-	(1,476)	-	-
NSC HOSPITAL S.c.a.r.l.	142	-	(1,826)	-	-
DARSENA EUROPA S.c.a.r.l.	-	-	-	-	-
OTHER JOINT VENTURES	439	508	(518)	-	-
TOTAL JOINT VENTURES	342,354	7,618	(19,974)	578	(1,171)
PSC GROUP	-	354	(14,043)	80	-
CENTRO SERVIZI NAVALI S.p.A.	-	3,871	(14,970)	-	-
ISLAND OFFSHORE XII SHIP AS	-	2	-	747	-
PERENOVA BREAKWATER S.c.a.r.l.	536	519	(14,231)	-	(736)
2F PER VADO S.c.a.r.l.	1,182	354	(10,420)	-	-
OTHER ASSOCIATES	-	-	-	-	-
TOTAL ASSOCIATES	1,718	5,103	(52,758)	902	(736)
VALITALIA S.p.A.	-	-	-	-	-
SNAM S.p.A.	-	1,598	156	(731)	-
OTHER CDP GROUP COMPANIES	-	147	(143)	-	-
TOTAL CDP GROUP	1,598	437	(9,221)	2	-
LEONARDO GROUP	17,803	2,135	(124,021)	-	-
ENEL GROUP	439	-	(857)	-	-
OTHER COMPANIES CONTROLLED BY MINISTRY OF ECONOMIC AFFAIRS	1,123	157	(1,158)	-	-
TOTAL RELATED PARTIES	345,140	15,460	(209,178)	1,482	(3,066)
TOTAL STATEMENT OF COMPREHENSIVE INCOME	7,447,560	203,180	(5,565,552)	102,580	(27,179)
% Consolidated statement	5%	8%	4%	7%	2%

STATEMENT OF COMPREHENSIVE INCOME					
(euro/1000)	Operating revenue	Other revenue and income	Marketing and other costs	Financial income	Financial expenses
CASSA DEPOSITO E PRESTITI S.p.A.	-	-	(147)	-	(1,168)
TOTAL PARENT COMPANY	-	-	(147)	-	(1,168)
ORIZZONTE SISTEMI NAVALI S.p.A.	168,345	2,702	(22,952)	-	(4,187)
CSSC - FINCANTIERI CRUISE INDUSTRY DEVELOPMENT LTD.	12,677	3,346	-	414	-
BUSBARAF S.c.a.r.l.	-	-	(2,197)	-	-
PERENOVA S.c.p.a.	-	-	-	-	-
NAVIRIS S.p.A.	271	2,222	-	-	(387)
41001 S.c.a.r.l.	-	216	(12,004)	-	-
WIMERCATE SAL GESTIONE S.c.a.r.l.	1,291	-	(6,848)	-	-
NSC HOSPITAL S.c.a.r.l.	2,274	23	-	-	-
483 S.c.a.r.l.	-	185	(1,757)	-	-
DARSENA EUROPA S.c.a.r.l.	-	13	(4,139)	-	-
TCM S.C.A.R.L.	57	838	(5,023)	-	-
OTHER JOINT VENTURES	33	194	(782)	-	-
TOTAL JOINT VENTURES	184,048	9,903	(52,798)	414	(4,574)
PSC GROUP	-	170	(9,509)	59	-
CENTRO SERVIZI NAVALI S.p.A.	-	3,342	(16,982)	-	-
OSAR MILANO S.p.A.	103	-	-	-	-
OSAR COSTRUZIONI S.c.a.r.l.	91	-	(2,490)	-	-
PERENOVA BREAKWATER S.c.a.r.l.	318	85	(26,151)	-	(742)
2F PER VADO S.C.A.R.L.	1,456	269	(4,379)	-	-
OTHER ASSOCIATES	-	7	(179)	189	(178)
TOTAL ASSOCIATES	3,730	4,072	(19,686)	248	(920)
VALITALIA S.p.A.	-	94	(7,719)	10	-
SNAM S.p.A.	-	4	-	-	-
OTHER CDP GROUP COMPANIES	-	157	(387)	-	-
TOTAL CDP GROUP	61	255	(8,832)	10	-
LEONARDO GROUP	27,518	108	(125,538)	-	-
ENEL GROUP	10,147	-	(236)	-	-
OTHER COMPANIES CONTROLLED BY MINISTRY OF ECONOMIC AFFAIRS	-	-	-	-	-
TOTAL RELATED PARTIES	238,018	14,159	(248,840)	672	(6,662)
TOTAL STATEMENT OF COMPREHENSIVE INCOME	7,950,731	177,608	(6,555,545)	142,741	(30,678)
% Consolidated statement	3%	8%	4%	0%	2%



Costs for contributions incurred in 2024 and included in the item "Personnel costs" totalled euro 3,164 thousand for the Supplementary Pension Fund for Executives of Fincantieri S.p.A. and euro 2,240 thousand for the Cometa National Supplementary Pension Fund.

The Parent Company has active ordinary correspondence accounts, through which it settles reciprocal financial assets and liabilities. These relationships are remunerated at the market rate.

It should also be noted that the associate PerGenova Breakwater S.c.a.r.l. granted a loan to the Group to optimize cash management remunerated at the market rate.

During 2024, the Parent Company provided the necessary financial support to the VARD group through a committed loan, renewed in December 2023 for a further 3 years, in the form of a revolving credit facility for euro 230,000 thousand, which, as at 31 December 2024, was unused.

The main related party relationships are listed below:

- The Group's transactions with ATCCT S.c.a.r.l. relate to the activities required for the construction of the mechanical and electrical/utility connection circuits for Tokamak, a thermonuclear fusion reactor under construction in the south of France.
- The Group's transactions with Vimercate Saute Gestion S.c.a.r.l. refer to the provision of non-medical support services, management of commercial spaces and technical, economic and functional management of hospital spaces.
- The Group's transactions with Orizzonte Sistemi Navali S.p.A. arose from the agreement signed in 2006 with the Italian Navy relating to the first phase of the "Renaissance" (or FREMM) program. This program involves the construction of ten ships for the Italian Navy, a program developed by Orizzonte Sistemi Navali S.p.A., with design and production activities performed by the Company and its subsidiaries.
- Relations between the Group and CSSC - Fincantieri Cruise Industry Development Ltd., prime contractor for the construction of new cruise ships at the CSSC group's Chinese shipyard, refer to the supply of specialist services and components to support CSSC shipyards.
- The Group's relations with the Leonardo group are in connection with agreements to supply and install combat systems for naval vessels under construction.
- The Company's relations with the ENI group refer chiefly to the sale of products and services and purchases of fuel with ENI S.p.A.
- The Group's relations with PSC S.p.A. group mainly relate to turnkey air conditioning systems (engineering, supply of fan machines, accessories and ducts, their installation on board, start-up and commissioning).
- The Group's relations with Centro Servizi Navali S.p.A. mainly relate to shipyard and prefabrication activities.
- The Group's relations with PerGenova Breakwater S.c.a.r.l. relate to the activities required for the construction of the new breakwater of the port of Genoa in the Sampierdarena basin.
- The Group's relations with Vavitalia S.p.A. mainly stem from the purchase of turnkey gas and fire-fighting systems and technical assistance services.

Most significant transactions

The following most significant transactions with related parties of Fincantieri S.p.A. concluded at arm's length during 2024 are reported:

RPT – Acquisition of the business unit "Underwater Armaments Systems" from Leonardo S.p.A.

The UKS Acquisition (for more details of which see Note 37) was classified, pursuant to the Consob RPT Regulation and the RPT Regulation, as a transaction between related parties as a result of the fact that Fincantieri and Leonardo are subject to common indirect control by Italy's Ministry of Economy and Finance (MEF), as well as a major transaction for Fincantieri given that the significance indicator of the countervalue, referred to in article 5 of the RPT Regulation, exceeds 5%.

RPT – Offshore Patrol Vessel OPV contract for the Italian Navy – Orizzonte Sistemi Navali S.p.A.

As part of the Italian Navy's OPV (Offshore Patrol Vessel) acquisition program, Orizzonte Sistemi Navali, the joint venture owned by Fincantieri S.p.A. and Leonardo S.p.A., a related party of Fincantieri S.p.A., signed a contract on 31 July 2023 with the Naval Armaments Directorate (NAVARM) for the construction of three next-generation patrol vessels, with options for a further three vessels and the necessary infrastructure adjustments to the naval bases in Augusta, Cagliari and Messina, where the ships will be based. The total contract value for the first three units is euro 925 million, including the related logistical support services.

On 30 January 2024, Orizzonte Sistemi Navali entered into a sub-contracting agreement with Fincantieri S.p.A., worth euro 840 million, which represents a most significant transaction between related parties defined in compliance with the relevant applicable regulations.

RPT – FREMM EVO OCCEA Contract – Orizzonte Sistemi Navali S.p.A.

As part of the FREMM EVO Program, on 31 October 2024, Orizzonte Sistemi Navali S.p.A. and Fincantieri S.p.A. signed an Authorization to Proceed with the execution of the activities within the perimeter of Fincantieri's con-

tinence and responsibility, namely the supply of 2 new FREMM EVO vessels with associated non-recurring development and logistics activities. This transaction will be regulated within Amendment number 3 to the FREMM 2021-110-001-21 Program subcontract signed between Orizzonte Sistemi Navali and Fincantieri on 1 October 2021, which provides for the supply of the platform and physical integration of 2 FREMM vessels (GP6 and GP7), replacing the 2 vessels sold to the Egyptian Navy (GP4 and GP5). The contract, which is divided into lots, has a total value of euro 686,374 thousand.

RPT – PPX Project – Orizzonte Sistemi Navali S.p.A.

NAVARM, on behalf of the Italian Navy, asked Orizzonte Sistemi Navali to submit a bid for the construction of six new Offshore Patrol Vessels (OPV) under the "PPX" project. The scope of supply related to the Project includes: (i) design and construction of three OPVs and related integrated Logistic Support (LS) and Temporary Support (TS) logistics services for the duration of 10 years per vessel;

- (ii) an option for the supply of an additional OPV and related LS and TS logistics services for the duration of 10 years per vessel;
- (iii) an option for the supply of two additional OPVs and related LS and TS logistics services for the duration of 10 years per vessel.

With regard to the above, Fincantieri accepted a final price, inclusive of all options, in the order of approximately euro 1,030 million.

RPT – Indonesia Program – Leonardo S.p.A.

Within the framework of the cooperation between the Italian Government and the Indonesian Government, on 28 March 2024 Fincantieri S.p.A. signed a contract with the Indonesian Ministry of Defence for the supply of two Multipurpose Offshore Patrol Vessels (PPA) currently under construction and outfitting at the Company's shipyards and originally destined for the Italian Navy, and for the provision of related logistic support as detailed below. The total value of the Transaction is euro 1.18 billion. As part of the Transaction, Fincantieri will act as prime contractor to the Indonesian counterpart and will coordinate the sub-contractor Leonardo for (i) the transfer of the combat system and the necessary implementation of the modifications to the vessels to adapt them to the export configuration and (ii) the provision of LS. The portion of the value of the Transaction pertaining to Leonardo for the activities it performed as subcontractor amounts to euro 370,115 thousand.

RPT – Sub-contract for work on the new breakwater in Genoa – Consorzio PerGenova Breakwater

On 1 October 2024, the Group company Fincantieri Infrastructure Opere Marittime S.p.A. signed the Assignment Contract with the related party Consorzio PerGenova Breakwater for the execution of certain works related to the construction of the new breakwater of the Port of Genoa. In particular, the subject of the contract is the hauling and relocating of natural and artificial boulders, the demolition of the superstructure and the body of the existing breakwater, including the Duca di Galliera breakwater, with the transport of the demolished material to the dedicated port area for recovery, as well as the subsequent loading, transport and laying of the same inside the caissons of the new breakwater in Genoa. The contract, which is currently being studied and submitted for approval by the contracting authority, is worth between euro 133,700 thousand and euro 157,500 thousand.

RPT – Assignment contract for infrastructural upgrading works in the naval bases of the Italian Navy located in Cagliari, Messina and Augusta – Orizzonte Sistemi Navali S.p.A.

On 31 July 2023, Orizzonte Sistemi Navali S.p.A. signed a contract with NAVARM for the execution of the multi-year AVR program called "Offshore Patrol Vessel – OPV" and, therefore, for the acquisition of next-generation Patrol Vessels and related ten-year logistic support and the necessary infrastructural adjustments. In addition to the additional services and supplies that, due to the complexity of the interventions, may be required during the course of the works and in accordance with the reference technical specifications.

Within the framework of the aforementioned contract, OSN identified the temporary grouping of companies between Fincantieri Infrastructure Opere Marittime S.p.A. and Fincantieri Infrastructure Sociale S.p.A. as the entity to be entrusted with the execution of infrastructure works at the naval bases of Cagliari, Messina and Augusta. The counterparties signed the contract on 5 April 2024.

The contract has a total value of euro 81,218 thousand and the related works, reflecting the provisions of the main contract signed by OSN with NAVARM, are divided into four lots, two pertaining to the Messina base and one each to the Cagliari and Augusta bases. Each of these lots is the subject of an option in favour of NAVARM, the first of which has already been exercised for a value of approximately euro 6.5 million.

On 16 May 2024, Fincantieri Infrastructure Opere Marittime S.p.A. and Fincantieri Infrastructure Sociale S.p.A. established among themselves, with the same interests held in the temporary consortium of companies, the consortium company named Infra.Bas.Mar. S.c.a.r.l., which will be in charge of the unitary execution of the works entered to in the aforementioned assignment contract entered into with OSN.

A detailed description of the medium/long term share-based incentive plan for management, called the Performance Share Plan, is given below.



Remuneration of the board of directors, board of statutory auditors, independent auditors and executives with strategic responsibilities

(euro/000)	Emoluments of office	Non-monetary benefits	Bonuses and other incentives	Other remuneration	Sequence pay
2024					
Board of Directors and General Manager of the Parent Company	2,004	70	2,115		
Board of Statutory Auditors of Parent Company	127				
Executives with strategic responsibilities of the Parent Company		259	3,151	2,818	
Independent Auditors for Parent Company	393			880	
2023					
Board of Directors and General Manager of the Parent Company	1,964	51	871		
Board of Statutory Auditors of Parent Company	89				
Executives with strategic responsibilities of the Parent Company		242	1,215	2,556	
Independent Auditors for Parent Company	382			49	

1 Excluding amounts paid on behalf of subsidiaries.
2 This figure includes euro 880 thousand for the Board of Directors and General Manager and euro 1,887 thousand for the Executives with Strategic Responsibilities. The figures are calculated as at December 2024 and are based on the 2023-2024 assigned roles. The medium/long-term share-based incentive plan for management, the 2019-2021 Performance Share Plan (the "Plan"), and the related Terms and Conditions, the structure of which was defined by the Board of Directors at the meeting held on 27 March 2018, provides for a three-year vesting period for all beneficiaries from the grant date on which the entitlements are awarded to the date the shares are allotted to the beneficiaries. Therefore, if the performance targets are achieved and the other conditions of the Plan's Terms & Conditions satisfied, the shares vesting for the first cycle will be allotted and delivered to beneficiaries by 31 July 2022, while those vesting for the second and third cycles will be allotted and delivered by 31 July 2023 and 31 July 2024, respectively.
3 This figure includes euro 874 thousand for the Board of Directors and General Manager and euro 1,245 thousand for the Executives with Strategic Responsibilities. The figures are calculated as at December 2023 and are based on the 2022-2023 assigned roles. The medium/long-term share-based incentive plan for management (2019-2021 Performance Share Plan and 2021-2023 third cycle), BUSBARAF (euro 2,742 thousand), and Consorzio F.S.B. (euro 20 thousand).

More details can be found in the Remuneration Report.

The fees of the independent auditors cover the statutory audit of the separate financial statements and the audit of the IFRS Consolidated Financial Statements and the reporting package for Cassa Depositi e Prestiti S.p.A., the controlling company.

Basic and diluted earnings/(loss) per share

Basic earnings per share have been calculated by dividing the profit for the period attributable to the Group by the weighted average number of Fincantieri S.p.A. shares outstanding during the period, excluding treasury shares. Diluted earnings per share have been calculated by dividing the profit for the period attributable to the Group by the weighted average number of Fincantieri S.p.A. shares in circulation during the period, excluding treasury shares, plus the number of shares that could potentially be issued. At 31 December 2024, the shares that could potentially be issued related to the shares granted under the 2022-2024 Performance Share Plan, illustrated below, and to the shares to be issued related to the potential exercise of the outstanding "Fincantieri 2024-2026 Warrants" for which reference should be made to Note 19.

	31.12.2024	31.12.2023
Earnings/(loss) attributable to owners of the Parent Company	32,833	(52,830)
Weighted average number of shares outstanding to calculate the basic earnings/(loss) per share	239,367,713	1,696,272,347
Weighted average number of shares outstanding to calculate the diluted earnings/(loss) per share	242,190,787	1,719,428,949
Basic earnings/(loss) per share	Euro 0.13717	(0.03114)
Diluted earnings/(loss) per share	Euro 0.13557	(0.03073)

Guarantees

Guarantees relate exclusively to those provided by the Parent Company and are broken down as follows:

(euro/000)	2024	2023
Sureties	11,006	11,006
Other guarantees	321,212	303,784
TOTAL	332,218	314,790

Sureties at 31 December 2024 refer mainly to guarantees issued on behalf of the joint venture Orizzonte Sistemi Navali S.p.A. (euro 11,006 thousand).

Other guarantees concern, for euro 300,000 thousand, a corporate guarantee issued by Fincantieri S.p.A. in favour of SACE in relation to the issue by the latter of a policy to guarantee the disbursement of a pooled bank loan in favour of a shipowner, as better described in the section on related party transactions. The remainder refers to guarantees issued on behalf of Orizzonte Sistemi Navali S.p.A. (euro 18,450 thousand), BUSBARAF (euro 2,742 thousand), and Consorzio F.S.B. (euro 20 thousand).

During 2024, the Parent Company provided the necessary financial support to the VARD group through a committed loan, renewed in December 2023 for a further 3 years, in the form of a revolving credit facility for euro 230,000 thousand, which, as at 31 December 2024, was unused.

2019-2021 Performance Share Plan

On 11 May 2018, the Shareholders' Meeting of Fincantieri S.p.A. approved the medium/long-term share-based incentive plan for management, the 2019-2021 Performance Share Plan (the "Plan"), and the related Terms and Conditions, the structure of which was defined by the Board of Directors at the meeting held on 27 March 2018.

The Plan, structured in three-year cycles, provides for the free grant, to the beneficiaries identified by the Board of Directors, of entitlements to receive a maximum of 25,000,000 ordinary shares in Fincantieri S.p.A. without nominal value, based on the achievement of specific performance targets for the three-year periods 2019-2021 (first cycle), 2020-2022 (second cycle) and 2021-2023 (third cycle).

The Plan provides for a three-year vesting period for all beneficiaries from the grant date on which the entitlements are awarded to the date the shares are allotted to the beneficiaries. Therefore, if the performance targets are achieved and the other conditions of the Plan's Terms & Conditions satisfied, the shares vesting for the first cycle will be allotted and delivered to beneficiaries by 31 July 2022, while those vesting for the second and third cycles will be allotted and delivered by 31 July 2023 and 31 July 2024, respectively.

The Plan also provides for a lock-up period for part of the shares given to members of the Board of Directors or Executives with Strategic Responsibilities of the Company. The free award of a number of rights is left to the Board of Directors, which also has the power to identify the number and names of the beneficiaries.

With reference to the Plan's first cycle, 6,842,940 ordinary shares in the Company were awarded to the beneficiaries identified by the Board of Directors on 24 July 2019, while, for the second cycle, 11,133,829 ordinary shares in the Company were awarded to the beneficiaries identified by the Board of Directors on 30 July 2020; and lastly, for the third and last cycle, 9,796,047 ordinary shares in the Company were awarded to the beneficiaries identified by the Board of Directors on 10 June 2021.

Among the Plan's targets, in addition to the EBITDA and TRS already included in the 2016-2018 Performance Share Plan, the Group introduced another parameter, the sustainability index, to measure achievement of the sustainability objectives set by the Group in order to align with European best practices and the financial community's increased expectations for sustainable development.

The references used to test achievement of the sustainability objectives are market parameters such as the "CDP" (Carbon Disclosure Project) and a second rating by another agency which evaluates the entire basket of sustainability aspects.

The fair value amount determined on the grant date for each cycle of the Plan is illustrated below.



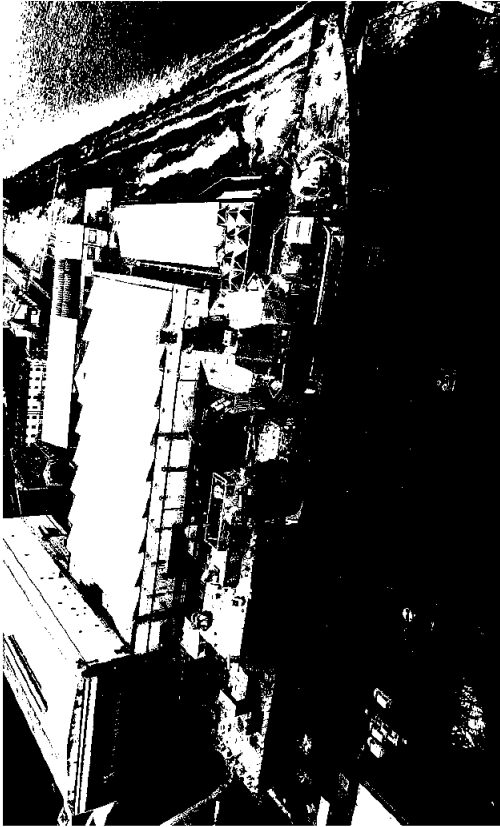
(euro)	no. of shares awarded			Fair value
	Grant date			
First cycle of the Plan	24 July 2019	6,842,940		6,668,616
Second cycle of the Plan	30 July 2020	11,133,829		5,988,937
Third cycle of the Plan	10 June 2021	9,796,047		7,416,783

With reference to the first cycle of the 2019-2021 Performance Share Plan, it should be noted that on 30 June 2022, the Board of Directors approved its closure, allocating free of charge to the recipients 6,818,769 ordinary shares in Fincantieri. The net shares actually allocated amounted to 3,883,748 shares (net of those withheld to meet the obligations of the assignees). The allocation of shares took place, using solely treasury shares in portfolio, on 18 July 2022.

With reference to the second cycle of the 2019-2021 Performance Share Plan, it should be noted that on 13 June 2023, the Board of Directors approved its closure, allocating free of charge to the recipients 6,459,445 ordinary shares in Fincantieri. The net shares actually allocated amounted to 3,068,752 shares (net of those withheld to meet the tax obligations of the assignees and those withheld pending the closure of the succession due to the death of one of the assignees). The allocation of shares took place, using solely treasury shares in portfolio, on 6 July 2023.

With reference to the third cycle of the 2019-2021 Performance Share Plan, it should be noted that on 14 May 2024, the Board of Directors approved its closure, allocating free of charge to the recipients 4,091,018 ordinary shares in Fincantieri. The net shares actually allocated amounted to 1,957,626 shares (net of those withheld to meet the tax obligations of the assignees and those withheld pending the closure of the succession due to the death of one of the assignees). The allocation of shares took place, using solely treasury shares in portfolio, on 14 June 2024.

The Plan's features, outlined above, are described in detail in the Information Document prepared by the Parent Company under article 84-bis of Consob Regulation No. 11971 of 14 May 1999, made available to the public on the website www.fincantieri.it in the section "Governance & Ethics – Shareholders' Meeting – Shareholding 2018".



2022-2024 Performance Share Plan

On 8 April 2021, the Shareholders' Meeting of Fincantieri S.p.A. approved the medium/long-term share-based incentive plan for management, the 2022-2024 Performance Share Plan (the "Plan"), and the related Terms and Conditions, the structure of which was defined and approved by the Board of Directors on 25 February 2021.

The Plan, consistent with the previous plan 2019-2021, is structured in three-year cycles and provides for the free grant, to the beneficiaries identified by the Board of Directors, of entitlements to receive a maximum of 64,000,000 ordinary shares in Fincantieri S.p.A. without nominal value, based on the achievement of specific performance targets for the three-year periods 2022-2024 (first cycle), 2023-2025 (second cycle) and 2024-2026 (third cycle).

The Plan provides for a three-year vesting period for all beneficiaries from the grant date on which the entitlements are awarded to the date the shares are allotted to the beneficiaries. Therefore, if the performance targets are achieved and the other conditions of the Plan's Terms & Conditions satisfied, the shares vesting for the first cycle will be allotted and delivered to beneficiaries by 31 July 2025, while those vesting for the second and third cycles will be allotted and delivered by 31 July 2026 and 31 July 2027 respectively.

The Plan also provides for a lock-up period for part of the shares given to members of the Board of Directors or Executives with Strategic Responsibilities of the Company.

With reference to the Plan's first cycle, 12,282,025 ordinary shares of the Company were allocated to the beneficiaries, identified by the Board of Directors on 26 July 2022. With reference to the Plan's second cycle, 15,178,090 ordinary shares of the Company were allocated to the beneficiaries, identified by the Board of Directors on 13 June 2023. With reference to the Plan's third cycle, 1,953,728 (after the reverse stock split) ordinary shares of the Company were allocated to the beneficiaries identified by the Board of Directors on 23 July 2024.

Among the Plan's targets, as already included in the 2019-2021 Performance Share Plan, in addition to the EBITDA and TRS, the Group defined another parameter, the sustainability index, to measure achievement of the sustainability objectives set by the Group in order to align with European best practices and the financial community's increased expectations for sustainable development.

The references used to test achievement of the sustainability objectives are based on the percentage of achievement of the Sustainability Plan targets that the Company has set itself during the three-year period 2023-2025. In addition, an access gate has been inserted that must be reached for the payment of the bonus, linked to the rating objectives that the Company has set itself, defined as follows: obtaining at least a B rating in the "Carbon Disclosure Project" (CDP) index and inclusion in the highest band (Advanced) for the "Vigeo Eiris" index.

The fair value amount determined on the grant date for each cycle of the Plan is illustrated below.

(euro)	no. of shares awarded			Fair value
	Grant date			
First cycle of the Plan	26 July 2022	12,282,025		5,738,776
Second cycle of the Plan	13 June 2023	15,178,090		6,204,500
Third cycle of the Plan	23 July 2024	1,953,728		8,624,712

The Plan's features, outlined above, are described in detail in the Information Document prepared by the Parent Company under article 84-bis of Consob Regulation No. 11971 of 14 May 1999, made available to the public on the website www.fincantieri.it in the section "Governance & Ethics – Shareholders' Meeting – Shareholders' Meeting 2021".

Employee share ownership plan

With the aim of fostering the alignment of strategic objectives and employee participation in the value creation process, the Company initiated an Employee Share Ownership Plan in 2024.

The Plan, aimed at all employees, approved by the Board of Directors on 7 March 2024 and by the Shareholders' Meeting on 23 April 2024, provided the employees of Fincantieri S.p.A., its Italian subsidiaries and its subsidiaries based in Norway and the United States the opportunity to purchase Fincantieri shares either with their own savings or through the conversion of all or part of the Result Bonus. Fincantieri employees signed up to the Plan from 14 October to 10 November, using a special platform, and selected the amount to be dedicated to purchasing shares. The Plan provides for the free allocation of shares in the ratio of 1 share for every 5 shares purchased (the so-called Matching Share), at the same time as the purchase, and the allocation – 12 months after the date of allocation of the shares – again in the ratio of 1 share for every 5 shares purchased that are still



owned by the Beneficiary (the so-called Bonus Share). The beneficiaries entitled to be allotted shares (Matching Share and Bonus Share, respectively) are those who are in continued employment with the company on the date of the allotment of the shares.

On 15 November 2024, the shares and free Matching Shares were allocated.

In addition, the Company will recognize Bonus Shares in November 2025 in favour of Plan participants who still own the shares purchased.

There is a three-year Lock-up Period for the shares allocated free of charge. Specifically, there is a 3-year Lock-up Period for the Matching Shares, starting from the Grant Date. There is also a 3-year Lock-up Period for the Bonus Shares, commencing on the Grant Date.

The fair value amount determined on the grant date of the Matching Shares and Bonus Shares is illustrated below:

(euro)	Grant date	no. of shares awarded	Fair value
Matching Share	15 November 2024	103,545	598,684
Bonus Share	15 November 2024	103,545	598,684

Litigation

With reference to the "Iraq" dispute, described in detail in the Notes to the Consolidated Financial Statements at 31 December 2014, and the subject of various subsequent updates, it is recalled that following the failure to agree the operating contracts (Reimbursement Contract and Combat System Contract) required for the Settlement Agreement, the Iraqi Government stepped up the proceedings pending before the Appeals Court of Paris against the arbitration awarded to Fincantieri. On 18 January 2018, the Paris Court of Appeal rejected the company's claims, and subsequently, in a ruling issued on 15 January 2020, the French Supreme Court also finally rejected the Iraqi Government's appeal in its entirety. Before the Italian courts, Fincantieri's recovery of its credit from the Iraqi state continued.

Fincantieri is, moreover, involved in arbitration proceedings relating to the contract for the provision of training and in-service support services signed in 2017 between Fincantieri Services Middle East LLC (which then transferred the contract to Fincantieri Services Doha LLC) and the Omani company Dahra Engineering & Security Services LLC. In 2022, Dahra's top management was placed in pre-trial detention by the Qatari authorities, and they were barred from entering the areas of the Qatar Navy and, consequently, from fulfilling the contract with Fincantieri Services Doha, which therefore terminated the contract and claimed euro 7,144,314 thousand in damages from Dahra. Dahra for its part sued Fincantieri Services Doha and Fincantieri before an arbitration tribunal of the International Chamber of Commerce (ICC) in Paris, demanding the payment of euro 13,385,193 in damages. In its defence, firstly, Fincantieri argued that it had no involvement in the contract and, therefore, requested exclusion from the proceedings. The defendants then reaffirmed the lawfulness of the termination and counterclaimed for damages totaling euro 12,716,206 resulting from Dahra's breach of contract.

Finally, on 10 January 2024, Fincantieri was sued by Carnival Corporation before the High Court of Justice - Business and Property Courts of England and Wales; in this action, Carnival claimed damages for a total of USD 56.5 million (which, in addition to having to be proven by Carnival in fact, is not currently supported by concrete evidence as to the quantum), resulting from a breakdown at the beginning of November 2023 of the ship "Carnival Panorama" following an alleged malfunction of the propulsion system produced and supplied to Fincantieri by the Finnish company ABB. Fincantieri filed its defence brief in May 2024 and is preparing all necessary actions to protect its rights and interests, in view of the first hearing on the merits to be held in the first quarter of 2026. It should be noted that last February Carnival reduced its claim from USD 56.5 million to USD 25.8 million.

Italian litigation

Client credit recovery

With reference to legal action against customers that are insolvent, bankrupt or the subject of other reorganization measures, with whom disputes have arisen, it is reported that legal actions are continuing against Tirrenia and Sirenar, both under special administration.

It should also be noted that Fincantieri has receivables which originally arose with Astaldi in Composition with Creditors, a company operating in the infrastructure sector, which subsequently became subject to the procedure of composition with creditors, now concluded. Fincantieri's claim is disputed and the Company has undertaken legal action to protect it. Based on the opinion of the legal counsel engaged, the Company is confident that its claims will be accepted by the relevant courts.

In any case, the Company's credits have been appropriately impaired in cases where the expectation of recovery is less than the amount of the credit.

Litigation with suppliers

These are disputes involving claims by suppliers and contractors that the Company considers unjustified (alleged contractual liability, alleged receivables for invoices not due or for extra items not due), or concerning the recovery of extra costs and/or losses incurred by the Company due to supplier or contractor breaches of contract. In some cases, it has been considered appropriate to bring negative assessment actions against such alleged claims.

A provision for risks and charges has been recognized for those disputes thought unlikely to be settled in the Group's favour.

Employment litigation

This refers to cases brought by employees and former employees of contractors and subcontractors, which involve the Company under the "client co-liability" principle (art. 1676 of the Italian Civil Code and art. 29 of Legislative Decree 276/2003).

Litigation relating to asbestos continued to be settled both in and out of court in 2024.

Other litigation

Other litigation includes:

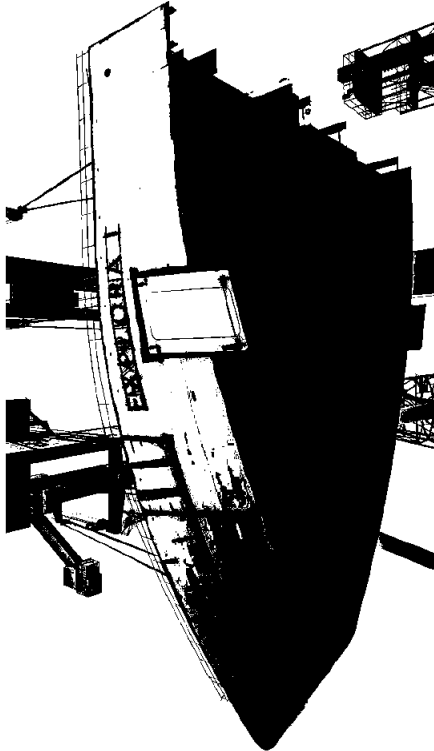
- i) opposition to claims by social security institutions, including disputes against INPS for claims arising from failure to pay contributions by contractors and subcontractors on the basis of the principle of client co-liability;
- ii) compensation for direct and indirect damages arising from the production process;
- iii) civil lawsuits for injury compensation claims;
- iv) infringement of intellectual property rights.

Whenever the outcome of such litigation is thought to result in a possible outflow of economic resources, suitable provisions for risks and charges have been recognized.

Criminal prosecutions under Legislative Decree 231/2001

The Group is currently involved in six criminal proceedings brought under Legislative Decree no. 231/2001 in the Court of Gorizia, one in the Court of Agrigento and one in the Court of Venice:

- In September 2015, notices of the conclusion of preliminary investigations were served not only on the former Montalcione shipyard manager and three other employees under investigation for violation of art. 19, letter f), and art. 71 of Legislative Decree no. 81/2008 (respectively concerning breach of management obligations and failure to provide suitable personal protective equipment) and in general of art. 2087 of the





Italian Civil Code (failure to adopt suitable measures to protect worker health), but also on the Company itself, under art. 25 septies, par. 1, 2 and 3, of Legislative Decree no. 231/2001, in connection with an accident on 24 November 2009 at the Montalcone Shipyard involving an employee, resulting in a sprained shoulder that took a year to heal. At present, there are no reports of any developments regarding this position.

- In March 2016, notices of conclusion of preliminary investigations were served to the former Manager of the Montalcone Shipyard, under investigation for the alleged crime of "culpable personal injury" pursuant to art. 590 of the Italian Criminal Code in relation to the violation of certain provisions of Legislative Decree no. 81/2008 as well as in general of art. 2087 of the Italian Civil Code (failure to take suitable measures to protect worker health), as well as the Company under art. 25 septies, paragraph 3, of Legislative Decree No. 231/2001, in connection with an accident on 29 March 2012 at the Montalcone Shipyard involving an employee with an injury to the little finger on his left hand that healed in eight months. At present, there are no reports of any developments regarding this position.

- In June and July 2016, notices of conclusion of preliminary investigations were served to the former Manager of the Montalcone Shipyard, under investigation for the alleged crime of "culpable personal injury" pursuant to art. 590 of the Italian Criminal Code in relation to the violation of certain provisions of Legislative Decree no. 81/2008 as well as in general of art. 2087 of the Italian Civil Code (failure to take suitable measures to protect worker health), and on the Company under art. 25 septies, paragraph 3, of Legislative Decree No. 231/2001, in connection with an accident on 25 August 2010 at the Montalcone Shipyard involving an employee of a contractor with a contusion to his left knee, which took more than forty days to heal. At present, there are no reports of any developments regarding this position.

- In June 2018, notifications were served of the conclusion of the preliminary investigations into the management and disposal of waste, involving many persons and companies, including the Company's Chief Executive Officer, the former manager and two employees of the Palermo shipyard for the offence referred to in art. 452 quaterdecies of the Criminal Code ("illegal waste trafficking activities") and the Company for the offence referred to in art. 25 undecies, paragraph 2(b) Legislative Decree No. 231/2001 ("Environmental Offences"). By order of 23 April 2019, the Judge for Preliminary Investigations, in acceptance of the request made by the counsel of the Company's Chief Executive Officer, ordered the dismissal of the proceedings against the Chief Executive Officer. At the hearing held on 11 September 2020, the Judge for the Preliminary Hearing issued the decree ordering the defendants, including the Company, to stand trial. The first hearing was held on 23 February 2021 at the Court of Agrigento; at the hearing held on 19 February 2025, the preliminary investigation phase of the trial was concluded. The trial will continue at the next hearing on 26 March 2025 set for the beginning of the discussion by the Public Prosecutor and civil parties.

- In February 2020, notices of conclusion of preliminary investigations were served on the former manager of the Montalcone shipyard, the former Manager of the Marghera shipyard and the Production Manager at the Marghera shipyard, all accused of the offences referred to in art. 256, paragraph 1, of Legislative Decree No. 152/06 ("Unauthorized Waste Management Activities"), art. 137 of Legislative Decree No. 152/06 ("Unauthorized discharges of industrial waste water"), art. 279 of Legislative Decree No. 152/06 ("Unauthorized emissions into the atmosphere") and, with regard to the former Manager of the Montalcone shipyard alone, the offence referred to in art. 29 quaterdecies, paragraph 4(b) of Legislative Decree No. 152/06 ("Failure to comply with the requirements of the AIA"). The Company is instead accused of violation of art. 25 undecies, paragraph 2(b)(1) and (2) in relation to art. 5, paragraph 1(a) and (b) of Legislative Decree 231/01 ("Environmental Offences"). The direct summons was served and during the hearing held on 28 February 2023, the Judge cancelled the notifications of the conclusion of preliminary investigations and the notifications of the decree ordering the trial against Fincantieri, and ordered that the documents be returned to the Public Prosecutor. On 21 September 2023, the notification to the Company's legal representative of the right of defence was renewed. The trial, meanwhile, continued against the natural persons only, and at the hearing held on 3 October 2023, the Judge ruled that no further proceedings would be taken against the defendants on the grounds of the statute of limitations.

- Between March and May 2020, notices of conclusion of preliminary investigation were served, among others, on the former Manager of the Montalcone Shipyard, the Project Manager in charge of the project on behalf of the Company, and the legal representative at the time of the events of the subsidiary Fincantieri Srl, for the offence of "manslaughter" under art. 585, paragraph 1 and 2 of the Italian Criminal Code in relation to the violation of certain provisions of Legislative Decree No. 81/2008 and in general art. 2087 of the Italian Civil Code (failure to take suitable measures to protect worker health), and on the Company under art. 25 septies, paragraph 2, of Legislative Decree No. 231/2001, in connection with a fatal accident that took place on 2 March 2017 at the Montalcone Shipyard involving an employee of a subcontractor. The Judge for the preliminary hearing ordered the commitment for trial of the accused natural and legal persons, setting a hearing for the opening of the trial on 6 February 2023. At the hearing on 11 March 2025, the Judge, upholding the Public Prosecutor's petition, joined by the defence of

the former Manager of the Shipyard, acquitted the former Manager of the Montalcone Shipyard for not having committed the deed. The trial therefore continues against all the other defendants; the next hearing set for the examination of the Public Prosecutor's last witnesses, will take place on 15 July 2025.

- In November 2020, notices of conclusion of preliminary investigations were served to the Manager of the hull fabrication centre area of the Montalcone Shipyard investigated for the crime of "culpable personal injury" under art. 590 of the Italian Criminal Code in relation to the violation of certain provisions of Legislative Decree No. 81/2008 as well as in general of art. 2087 of the Italian Civil Code (failure to take suitable measures to protect worker health), as well as the Company under art. 25 septies, paragraph 3, of Legislative Decree No. 231/2001, in connection with an accident on 13 April 2018 at the Montalcone shipyard involving an employee with bruising and contusions on the elbow and right knee that took over two months to heal. At present, there are no reports of any developments regarding this position.

- In November 2021, in the context of criminal proceedings involving, among others, a number of Company employees in relation to the alleged offences of bribery among private individuals pursuant to art. 2635, paragraph 2, of the Italian Civil Code and unlawful intermediation and exploitation of labour pursuant to art. 603-bis of the Italian Criminal Code for acts committed in Marghera between 2015 and 2019, the Company was also notified of the conclusion of the investigation for the alleged offence under art. 25 quinquies, paragraph 1(a) of Legislative Decree No. 231/2001 (Offences against the individual) with reference to the offence under art. 603-bis of the Italian Criminal Code. At the outcome of the preliminary hearing, which ended on 28 June 2023, the Judge ordered the commitment for trial of the Company pursuant to Legislative Decree no. 231/01 in relation to the offence of unlawful intermediation and exploitation of labour as well as, for Fincantieri representatives (employees and former employees), the commitment for trial for all the charges ascribed to them (bribery between private individuals and/or unlawful intermediation and exploitation of labour). The Company is also a civil plaintiff in legal action for the offence of bribery between private individuals against the two former employees, together with some workers and trade unions limited to the offence of exploitation. The next hearing, set for the continuation of the preliminary investigation, will be held on 15 October 2025.

Tax position

National tax consolidation
Fincantieri S.p.A., Fincantieri OI & Gas S.p.A., Isotta Fraschini Motor S.p.A. and Fincantieri Infrastrutture SO- cial S.p.A. take part in the National tax consolidation of Cassa Depositi e Prestiti S.p.A.

Audits and assessments

Fincantieri S.p.A.

In 2024, the Italian Revenue Service conducted a tax audit on the 2019 tax year; the audit was finalized within the year with a total charge at the consolidated level of euro 3.1 million.

The assessment notified by the Italian Tax Authority in the previous year in relation to the activities of the local Project Office was appealed after the unsuccessful outcome of a conciliation proceeding; the discussion has been postponed several times and is expected in 2025. An appropriate provision has been set aside to cover the risk related to this proceeding.

Marine Interiors Cabins S.p.A.

In 2024, the pending disputes originating from the Italian Revenue Service's assessments on the tax periods 2014, 2015 and 2017 were settled and the consistent adjustments were also carried out on the disputed periods 2018 and 2019; the total charge amounted to approximately euro 0.5 million.

Headcount

The Group's average workforce numbered 21,871 employees in 2024 (20,793 in 2023); distributed between the various contractual grades as follows:

(number)	2024	2023
Average number of employees:		
- Executives	483	488
- Middle managers	1,338	1,244
- White collars	9,953	9,366
- Blue collars	10,097	9,725
TOTAL AVERAGE NUMBER OF EMPLOYEES	21,871	20,793



Grants and economic benefits received from government bodies

Under art. 1 paragraph 125 of Law no. 124 of 2017 the tables below give information on grants and other economic benefits received from Italian public entities during 2024:

Contributions

Type	Grantor	Reason	Amount received (euro/000)
Non-separable	MMIT	IREP HYDROGEN - HYTECH program	60,123
Non-separable	MMIT	TECHN project	2,967
Non-separable	Invitalia	Sustainable mobility project	2,377
Non-separable	MMIT	GreenCruise project	1,834
Non-separable	MMIT	Monifacore shipyard production process innovation project	1,511
Non-separable	MMIT	Orfacing project	926
Non-separable	MIT	Technology Leadership project	748
Non-separable	MIT	Aqua project	745
Non-separable	MIT	Virgin project	740
Non-separable	MIT	XL project	706
Non-separable	MIT	Polar project	596
Non-separable	MIT	Motor yacht project	471
Non-separable	MMIT	FIT project	449
Non-separable	Ministry of Defence	European Patrol Corvette project	429
Non-separable	MLUR	Pyxis project	314
Non-separable	MLUR (via DUTM)	SWMD project	262
Non-separable	MMIT	Atlas project	259
Non-separable	MMIT	Atlas project	220
Non-separable	Ministry of Defence	Satellite project	204
Non-separable	MMIT	Envis project	198
Non-separable	Fidul Venezia Giulia Region	Monifacore shipyard production process innovation project	188
Non-separable	MLUR (via DUTM)	Pyxis project	187
Non-separable	Liguria Region (Flise)	DeepSeaPhone project	153
Non-separable	SIMEST S.p.A.	Market PositioningChina project	140
Non-separable	MMIT	STESS project	130
Non-separable	CYBER 4.0 Association	SIPAC CYBER 4.0 project	100
Non-separable	MLUR	Orfacing project	33
Non-separable	Financiere S.p.A.	EDF - MMPC project	24
Non-separable	MLUR	Across project	16
Non-separable	Ministry of Defence	SMODNA project	14

Low cost financing

Grantor	Reason	Subsidiary interest rate %	Amount funded (euro/000)
Cassa Depositi e Prestiti	Development and testing of New Tools, Processes and Methods to increase Product Sustainability	0.8	5,502
MISE	Joint research and development project on technologies for energy production on ships with low environmental impact	0.16	2,293
Invitalia	Sustainable mobility project	0.71	888
MMIT	4DD5 project	1.02	545
SIMEST S.p.A.	Market PositioningChina project	0.065	421
Cassa Depositi e Prestiti	Systems and technologies for the development of after-sales services	0.8	389

Donations and contributions

Under art. 1 paragraph 126 of Law no. 124 of 2017 the tables below give information on gifts and contributions made by the Group during 2024:

Beneficiary	Reason	Amount paid (euro/000)
"Luigi Bocconi" University of Milan	Contribution	118
ASPEN Institute Italia	Contribution	40
Fondazione Bambini Gesù Onlus	Donation	30
Fondazione Umberto Veronesi Onlus	Donation	30
Fondazione Crescidi e Futuro ETS	Contribution	19
Emergency Hospital of Tuluca	Contribution	18
Fondazione Ligo Ilario	Contribution	15
American Academy in Rome	Donation	12
Clubnet of Commerce	Contribution	10
Catholic University of the Sacred Heart	Contribution	10
Peschiera University Student Accommodation Foundation of the Rai Foundation	Contribution	10





Note 35 - Segment information

Management has identified the following operating segments which reflect the model used to manage and control the business sectors in which the Group operates: Shipbuilding, Offshore and Specialized Vessels, Equipment, Systems and Infrastructure and Other Activities.

Shipbuilding includes the Cruise Ships, Defence Vessels and Ship Interiors business areas.

Offshore and Specialized Vessels includes the design and construction of high-end offshore support vessels for offshore wind farms and the oil & gas industry, specialized ships such as cable-laying vessels and ferries, unmanned vessels, offering innovative products with reduced environmental impact.

Equipment, Systems and Infrastructure includes the following business areas: i) Electronics and Digital Products Cluster, which focuses on advanced technological solutions, from the design and integration of complex systems (system integration) to telecommunications and critical infrastructure, ii) Mechanical Systems and Components Cluster, i.e., integration of mechanical components and power electronics in naval and onshore applications and iii) Infrastructure Cluster, which includes the design, construction and installation of steel structures for large-scale projects as well as the production and construction of maritime works and the supply of technology and facility management for the health segment, industry and the service sector.

Other Activities primarily refer to the cost of the Parent Company's activities which have not been allocated to other operating segments.

The Group evaluates the performance of its operating segments and the allocation of financial resources on the basis of revenue and EBITDA, in the configuration monitored by the Group, defined as Profit/loss for the year adjusted for the following items: i) Income taxes, ii) Share of profit/(loss) of investments accounted for using the equity method, iii) Income/(expense) from investments, iv) Financial expenses, v) Financial income, vi) Depreciation, amortization and impairment, vii) Provisions for costs and legal expenses associated with lawsuits brought by employees for asbestos-related damages and viii) Other extraordinary income and expenses.



Note 34 - Cash flows from operating activities

These are analyzed as follows:

(euro / €Bn)	31.12.2024	31.12.2023
Profit/(loss) for the year	27,377	(53,111)
Depreciation and amortization	266,804	233,798
(Gains)/losses from disposal of property, plant and equipment	1,832	3,409
(Revaluation)/impairment of property, plant and equipment, intangible assets and equity investments	(17,148)	(2,183)
(Revaluation)/impairment losses of working capital	159	(2,088)
Increases/(releases) of Other provisions for risks and charges	30,529	135,294
Interest on employee benefits	2,581	2,992
Interest income	(60,374)	(35,561)
Interest expense	253,848	227,619
Income taxes	8,421	(10,840)
Long-term share-based incentive plan	7,705	501
Non-monetary operating income and expenses	579	
Impact of unrealized exchange rate changes	21,072	11,098
Financial income and expenses from derivative financial instruments	33,784	
GROSS CASH FLOWS FROM OPERATING ACTIVITIES	577,169	509,958





The results of the operating segments at 31 Dec. 2024 and 31 Dec. 2023 are reported in the following pages.

2024					
(euro/BBB)	Shipyards	Offshore and special vessels	Equipment infrastructure	Other activities	Group
Segment revenue	5,990,181	1,371,231	1,498,243	2,319	8,861,974
Intersegment elimination	(17,641)	(226,388)	(487,456)	(2,150)	(733,635)
Revenue*	5,972,540	1,144,843	1,010,787	169	8,128,339
EBITDA	395,829	66,947	103,252	(57,104)	508,924
EBITDA margin	6.6%	4.9%	6.9%		6.3%
Depreciation, amortization and impairment					(262,934)
Financial income					142,741
Financial expenses					(320,678)
Income/(expense) from investments					(722)
Share of profit/(loss) of investments accounted for using the equity method					7,641
Income taxes					(8,421)
Costs not included in EBITDA					(39,174)
Profit/(loss) for the year					27,377

* Revenue: Sum of "Operating revenue" and "Other revenue and income" reported in the consolidated statement of comprehensive income.

Details of pre-tax "Costs not included in EBITDA" (positive for euro 9,405 thousand) are given in the following table.

(euro/BBB)	2024
Provisions for costs and legal expenses associated with asbestos-related lawsuits ¹	(38,088)
Other extraordinary income and expenses ²	(1,086)
Costs not included in EBITDA	(39,174)

¹ Of which euro 4 million included in "Materials, provisions and other costs" and euro 34 million in "Provisions".
² Of which euro 8 million included in "Material, provisions and other costs" and euro (2) million in "Depreciation, amortization and impairment".



2023*					
(euro/BBB)	Shipyards	Offshore and special vessels	Equipment infrastructure	Other activities	Group
Segment revenue	6,129,082	1,070,494	1,099,636	4,129	8,303,341
Intersegment elimination	(26,477)	(242,526)	(379,893)	(3,698)	(652,594)
Revenue**	6,102,605	827,968	719,743	431	7,650,747
EBITDA	367,106	52,290	23,858	(46,770)	397,484
EBITDA margin	6.0%	4.9%	2.2%		5.2%
Depreciation, amortization and impairment					(235,960)
Financial income					102,980
Financial expenses					(271,767)
Income/(expense) from investments					1,988
Share of profit/(loss) of investments accounted for using the equity method					2,222
Income taxes					10,840
Costs not included in EBITDA					(60,899)
Profit/(loss) for the year					(53,112)

* Comparative figures have been restated following the redefinition of the operating segments.
** Revenue: Sum of "Operating revenue" and "Other revenue and income" reported in the consolidated statement of comprehensive income.

Details of pre-tax "Costs not included in EBITDA" (positive for euro 14,639 thousand) are given in the following table.

(euro/BBB)	2023
Provisions for costs and legal expenses associated with asbestos-related lawsuits ¹	(60,899)
Other extraordinary income and expenses ²	
Costs not included in EBITDA	(60,899)

¹ Of which euro 3 million included in "Materials, provisions and other costs" and euro 58 million in "Provisions".





Note 36 - Assets held for sale

Assets held for sale at 31 December 2023 mainly refer to the value of the investments held by the subsidiary Yard Group AS in the associates Island Offshore XII SHIP AS (euro 43,764 thousand) and Island Diligence AS (euro 7,193 thousand). Norwegian companies operating in the offshore service vessel chartering segment. These investments were sold during 2024.

Note 37 - Acquisitions

Remazel group

Description of the transaction
On 15 February 2024, Fincantieri completed the acquisition of 100% of Remazel Engineering S.p.A. (hereinafter referred to as "Remazel" or "Remazel group") from Advanced Technology Industrial Group S.A. The agreed consideration amounted to euro 64,612 thousand, of which euro 61,112 thousand was paid upon closing of the transaction. The remaining portion of the price, equal to euro 3,500 thousand, is deposited in an escrow account in the name of the Parent Company as a result of the commitment undertaken by the seller to indemnify the Group against any liabilities that may arise from a dispute, and will eventually be settled within eighteen months from the date of acquisition based on the outcome of this dispute. With this transaction Fincantieri intends to accelerate the growth of its technological, engineering and construction expertise in the offshore and subsea segments. The transaction allows the Group to acquire highly specialized capabilities in the design and supply of state-of-the-art top side equipment, enhancing its role as a partner of the main international operators in the marine and subsea energy sector, and consolidating its after-sales activities, with a particular focus on digital services and logistics support with high operational complexity.

Acquisition accounting
The acquisition of the Remazel group qualifies as a business combination under IFRS 3 – Business Combinations. The assets and liabilities acquired, appropriately aligned with the Fincantieri Group's accounting standards, were measured at fair value at the date of acquisition (15 February 2024), in accordance with IFRS 3 (so-called Purchase Price Allocation).

The following table shows the total consideration, the fair value of the assets acquired, the liabilities assumed and the goodwill arising from the acquisition.

(euro/000)		Fair value of assets acquired
Consideration paid for 100% of the company		61,112
(a) Consideration paid		61,112
Intangible assets		36,246
Rights of use		5,978
Plant and machinery		6,313
Investments		473
Financial receivables		347
Net deferred taxes		(6,965)
Inventories and supplier advances		4,269
Net construction contracts		(5,669)
Trade receivables and other current assets		36,279
Cash and cash equivalents		12,643
Provisions for risks and charges		(7,748)
Securance fund		(446)
Financial liabilities		(36,979)
Trade payables and other liabilities		(28,688)
Total		16,053
Minority interests		0
(b) Total net assets acquired		16,053
(c) Pre-acq equity = (b)*100%		16,053
Goodwill (a)-(c)		45,059

The following tables show a breakdown of "Property, plant and equipment" in Italy and other countries and the analysis of "Capital expenditure" according to the relative operating segments:

(euro/ millions)		31.12.2024	31.12.2023
Italy		1,019	1,015
Other countries		696	669
TOTAL PROPERTY, PLANT AND EQUIPMENT		1,715	1,684

(euro/ millions)		31.12.2024	31.12.2023
Capital expenditure			
Shipbuilding		160	162
Offshore and Specialized Vessels		40	24
Equipment, Systems and Infrastructure		28	35
Other activities		35	37
TOTAL		263	258

Capital expenditure in 2024 on intangible assets and Property, plant and equipment amounted to euro 263 million (euro 258 million in 2023), of which euro 183 million related to Italy (euro 156 million in 2023) and the remainder to other countries.

The following table shows a breakdown of Revenue and income between Italy and other countries, according to client country of residence.

(euro/ millions)		31.12.2024		31.12.2023	
		Revenue and income	%	Revenue and income	%
Italy		1,628	20	1,391	13
Other countries		6,500	80	6,260	87
TOTAL REVENUE AND INCOME		8,128		7,651	

The following table shows those clients whose revenue (defined as turnover plus change in inventories) accounted for more than 10% of the Group's revenue and income in each reporting period.

(euro/ millions)		31.12.2024		31.12.2023	
		Revenue and income	%	Revenue and income	%
Client 1		1,211	15	1,249	16
Client 2		860	11	931	12
Client 3		798	10	858	11
TOTAL		8,128		7,651	



Note 38 - Events after 31 december 2024

The consideration for the acquisition was allocated to intangible Assets - Order Backlog (euro 5.9 million), Client relationships and order backlog (euro 25.9 million) and the remainder to Goodwill (euro 45.1 million). The fair value measurement of the net assets acquired also revealed the presence of contingent liabilities in connection with litigation in the amount of euro 2.3 million recognized under Provisions for risks and charges.

The value of the order backlog was assessed with an income method and will be amortized during 2024, while the value of Client relationships and order backlog was assessed using the multi-period excess earnings method, and a useful life of 12 years was defined.

The recognition of the tax effects resulting from the allocations summarized above resulted in the recognition of deferred tax liabilities of euro 8.2 million.

If the Femazel group had been consolidated as of 1 January 2024, it is estimated that it would have contributed higher consolidated Group revenue of euro 14 million and a positive effect on the net profit (loss) of euro 1.5 million.

The price allocation has been made definitively. The consideration used in the Purchase Price Allocation did not take into account the deferred portion of the price amounting to euro 3.5 million, which is currently deposited in an escrow account, since it does not meet the requirements.



"Underwater Armament System" (UAS) Business of Leonardo S.p.A.

On 9 May 2024, Fincantieri signed an agreement to acquire Leonardo S.p.A.'s Underwater Armament Systems business, which was finalized in January 2025 through the purchase of the entire share capital of the newly incorporated company WASS Submarine Systems S.r.l. ("WASS"), into which the UAS business line was previously transferred. The consideration for the acquisition amounts to euro 300 million, as a fixed component related to enterprise value, subject to customary price adjustment mechanisms, plus a maximum of euro 115 million as a variable component upon the occurrence of certain growth assumptions related to the performance of the UAS business line in 2024. This acquisition was financed through the capital increase transaction concluded in July 2024. As of today, the process of defining the price adjustment is still in progress, and all the information necessary to define the final balance of its accounting effects is still being gathered; therefore, such effects are not yet quantifiable as of the date of preparation of these financial statements.

The UAS Acquisition was classified, pursuant to the Consob RPT Regulation and the RPT Regulation, as a transaction between related parties as a result of the fact that Fincantieri and Leonardo are subject to common indirect control by Italy's Ministry of Economy and Finance (MEF), as well as a major transaction for Fincantieri given that the significance indicator of the countervalue, referred to in article 5 of the RPT Regulation, exceeds 5%. For more information, please refer to the information document published on 29/1/2025, drafted pursuant to art. 71 of the Issuer Regulations and available on the website <https://www.fincantieri.com/it>.

On 13 January 2025, the Parent Company and the Hera group, one of the largest Italian multi-utility companies operating in the environment, energy and water sectors, announced the establishment of CircularYard S.r.l., a new system with the aim of creating, in the Group's eight Italian sites, an innovative integrated waste management system, and extracting value from waste from a circular economy perspective. In the future, there are plans to expand the newco's operations to other sites located abroad.

On 27 January 2025, the Group announced the signing of a Memorandum of Understanding (MoU) in Saudi Arabia. These agreements underline the interest in this region following the establishment of the subsidiary Fincantieri Arabia for Naval Services during the year. In line with the Vision 2030 programme launched by Saudi Arabia, these partnerships will strengthen the Group's role and status as the only shipbuilding complex in the world active in all areas of high-technology shipbuilding.

On 29 January 2025, the Parent Company published the Information Document - prepared pursuant to art. 71 and in accordance with Appendix 38, Schedule no. 3, of the Regulation adopted by Consob with resolution no. 11971 of 14 May 1999 (as subsequently amended and supplemented) - relating to the acquisition, completed on 14 January 2025, of the Leonardo "Underwater Armaments & Systems" (UAS) business line, through the purchase by Fincantieri of the entire share capital in the newly incorporated company WASS Submarine Systems S.r.l., to which the UAS business line was previously contributed by Leonardo.

On 7th February 2025 Fincantieri and TUI Cruises, a joint venture between TUI AG and Royal Caribbean Cruises, celebrated at the Montalcone shipyard the delivery of "Mein Schiff Relax", the first of two new dual-fuel (Liquefied Natural Gas - LNG and Marine Gas Oil - MGO) Int'Ulton class cruise ships that Fincantieri is building for this shipowner. The sister ship will be launched in mid-2026.

On 17 February 2025, Fincantieri and EDSE, one of the world's leading advanced technology and defence groups, announced that the Tawazun Council has awarded MAESTRAL, their Abu Dhabi-based shipbuilding joint venture, a major "In-Service Support (ISS) Strategic Partnership Project" for the entire UAE Navy fleet. The Tawazun Council is an independent government body that works closely with the Ministry of Defence and security agencies in the United Arab Emirates. The value of the agreement is approximately euro 500 million with a five-year term.

On 24 February 2025, Fincantieri and EDGE announced the signing of a new MoU that expands and strengthens the agreement signed in Paris in November 2024 in the rapidly evolving underwater segment. The agreement is based on collaboration between the two companies to develop underwater technologies, supporting the United Arab Emirates (UAE) in becoming a regional benchmark for innovation in this field.

On 21 March 2025, Fincantieri and the Guardia di Finanza (Finance Police) signed a Memorandum of Understanding to strengthen cooperation in preventing and combating criminal infiltration and wrongdoing in the economic and production sector. The agreement envisages joint action aimed at safeguarding legality, focusing on preventing and combating economic-financial crime, corruption and illegal employment.

It should be noted that in January and February 2025, 823,752 "Fincantieri 2024-2026 Warrants" were exercised, with the consequent subscription of and simultaneous redemption of 121,140 Fincantieri ordinary shares for a total countervalue of euro 537,862 (of which euro 12,114 is to be allocated to Share Capital and the remainder to the Share Premium Reserve). After this operation, Fincantieri's share capital consists of a total of 323,159,676 shares, with a countervalue of euro 878,300,180.

The aforementioned events had no impact on the valuations prepared for the purpose of preparing the Financial Statements.



Appendix 1 - Companies included in the scope of consolidation

Business activity	Registered office	Countries in which they operate	Share capital	% Interest held	% consolidated by Group
SUBSIDIARIES CONSOLIDATED LINE-BY-LINE					
BACINI DI PALERMO S.p.A. Dry-dock management	Palermo	Italy	EUR 1,032,000	100 Fincantieri S.p.A.	100
GESTIONE BACINI LA SPEZIA S.p.A. Dry-dock management	La Spezia	Italy	EUR 260,000	99.89 Fincantieri S.p.A.	99.89
ISOTTA FRASCHINI MOTORI S.p.A. Design, construction, sale and after-sale service for engine	Bari	Italy	EUR 3,300,000	100 Fincantieri S.p.A.	100
FINCANTIERI HOLDING B.V. Holding company for foreign investments	Netherlands	Netherlands	EUR 9,572,985	100 Fincantieri S.p.A.	100
FINCANTIERI INDIA Pte. Ltd. Design, technical support and marketing	India	India	USD 10,900,000	99 Fincantieri Holding B.V. 1 Fincantieri S.p.A.	100
SOCIETÀ PER L'ESERCIZIO DI ATTIVITÀ FINANZIARIE - S.E.A.F. S.p.A. Financing of industrial, commercial and financial enterprise	Trieste	Italy	EUR 6,562,000	100 Fincantieri S.p.A.	100
FINCANTIERI SI S.p.A. Electric, electronic and electromechanical industrial solutions	Trieste	Italy France	EUR 900,000	100 Società per l'esercizio di attività finanziarie - S.E.A.F. S.p.A.	100
FINCANTIERI SI IMPIANTI S.p.A. Electric, electronic and electromechanical industrial solutions	Vienna	Italy	EUR 20,000	60 Fincantieri SI S.p.A.	60
POWERFUTURE S.p.A. Design, production and installation of electricity storage products	Calderara di Reno (BO)	Italy	EUR 3,200,000	52 Fincantieri SI S.p.A.	52
BOPE S.p.A. In liquidation	Trieste	Italy France	EUR 40,000	5 Fincantieri S.p.A. 95 Fincantieri SI S.p.A.	100
FINCANTIERI SERVICES MIDDLE EAST LLC Project management services	Qatar	Qatar	EUR 200,000	100 Fincantieri S.p.A.	100
FINCANTIERI (SHANGHAI) TRADING Co. Ltd. Engineering design, consulting and development	China	China	CNY 35,250,000	100 Fincantieri S.p.A.	100
FINCANTIERI DRAGAGGI ECOLOGICI S.p.A. In liquidation	Rome	Italy	EUR 500,000	55 Fincantieri S.p.A.	55
MTM S.p.A. Maintenance and repair of "Messe" plant bulbheads	Venice	Italy	EUR 100,000	41 Fincantieri S.p.A.	41
FINCANTIERI SERVICES DOHA LLC Maintenance of offshore transport vessels	Qatar	Qatar	QAR 18,400,000	100 Fincantieri S.p.A.	100
TEAM TURBO MACHINES SAS Repair, maintenance and installation of gas turbines	France	France	EUR 250,000	85 Fincantieri S.p.A.	100
MARINE INTERIORS S.p.A. Ship interiors	Trieste	Italy Romania Norway	EUR 1,000,000	100 Fincantieri S.p.A.	100
MARINE INTERIORS CABINS S.p.A. Ship interiors	Trieste	Italy Norway	EUR 5,120,000	100 Marine Interiors S.p.A.	100
MI S.p.A. Ship interiors	Trieste	Italy France	EUR 50,000	100 Marine Interiors S.p.A.	100
SEANERGY - A MARINE INTERIORS COMPANY S.r.l. Ship interiors	Pordenone	Italy Romania Norway	EUR 50,000	80 Marine Interiors S.p.A.	80
OPERAE - A MARINE INTERIORS COMPANY S.r.l. Ship interiors	Trieste	Italy	EUR 50,000	85 Marine Interiors S.p.A.	85
FINCANTIERI NAVAL SERVICES - SOLE PROPRIETORSHIP LLC Sale, management, operation, repair and maintenance of ships, technology and marine and auxiliary activities	United Arab Emirates	United Arab Emirates	AED 8,000,000	100 Fincantieri S.p.A.	100
FINCANTIERI ARABIA FOR NAVAL SERVICES LLC Repair, maintenance and other shipbuilding consulting and management services	Saudi Arabia	Saudi Arabia	USD 2,000,000	100 Fincantieri S.p.A.	100
FINCANTIERI INFRASTRUCTURE S.p.A. Production, testing and installation of naval products and capacity	Trieste	Italy Romania	EUR 500,000	100 Fincantieri S.p.A.	100
FINCANTIERI INFRASTRUCTURE USA Inc. Holding company	USA	USA	USD 100	100 Fincantieri Infrastructure S.p.A.	100
FINCANTIERI INFRASTRUCTURE FLORIDA INC. Maritime infrastructure, infrastructure and construction work	USA	USA	USD 100	100 Fincantieri Infrastructure USA Inc.	100
FINCANTIERI INFRASTRUCTURE OPERE MARITIME S.p.A. Design, construction, maintenance, supply of civil, maritime, port, hydraulic infrastructure	Trieste	Italy	EUR 100,000	100 Fincantieri Infrastructure S.p.A.	100



Consolidated Sustainability Statement

Group Report on operations

The Fincantieri Group

Business activity	Registered office	Countries in which they operate	Share capital	% Interest held	% consolidated by Group
WARD PROMAR SA Shipbuilding	Brazil	Brazil	BRL 1,109,108,180	99.99% Vard Group AS 0.01% Vard Electro Brazil Ltda.	96.38
WARD VIMAR RI S.A. (ex FINCANTIERI DO BRASIL PARTICIPAÇÕES SA) Demart	Brazil	Brazil	BRL 354,387,790	99.99% Vard Group AS 0.01% Vard Electro Brazil Ltda.	96.38
WARD INFRAESTRUTURA Ltda. Demart	Brazil	Brazil	BRL 10,000	99.99% Vard Group AS 0.01% Vard Electro Brazil Ltda.	96.38
ESTALEIRO QUISSAMÁ Ltda. Demart	Brazil	Brazil	BRL 400,000	99.99% Vard Group AS 0.01% Vard Electro Brazil Ltda.	96.38
WARD ELECTRO CANADA Inc. Installation and integration of electrical systems	Canada	Canada	CAD 1,000,000	100% Vard Electro AS	96.38
WARD ELECTRO US Inc. Installation and integration of electrical systems	USA	USA	USD 10	100% Vard Electro Canada Inc.	96.38
WARD RO HOLDING S.r.l. Holding company	Romania	Romania	RON 82,573,830	99.99% Vard Group AS 0.00000125% Vard Electro AS	96.38
WARD SHIPYARDS ROMANIA SA (ex WARD TULCEA SA) Shipbuilding	Romania	Romania	RON 151,696,459	97.1067% Vard RO Holding S.r.l. 2.8943% Vard Group AS	96.38
WARD ENGINEERING CONSTANTA S.r.l. Engineering	Romania	Romania	RON 1,408,000	70% Vard RO Holding S.r.l. 30% Vard Shipyards Romania SA (ex Vard Tula SA)	96.38
WARD SINGAPORE Pte. Ltd. Sales and holding company	Singapore	Singapore	USD 6,000,000	100% Vard Group AS	96.38
WARD VUNG TAU Ltd. Shipbuilding	Vietnam	Vietnam	USD 9,240,000	100% Vard Singapore Pte. Ltd.	96.38
WARD INTERIORS AS (ex WARD ACCOMMODATION AS) Ship accommodation installation	Norway	Norway	NOK 500,000	100% Vard Group AS	96.38
WARD INTERIORS ROMANIA S.r.l. (ex WARD ACCOMMODATION TULCEA S.r.l.) Ship accommodation installation	Romania	Romania	RON 4,956,000	99.77% Vard Interiors AS 0.23% Vard Electro Romania S.r.l.	96.38
WARD DESIGN AS Design and engineering	Norway	Norway	NOK 4,000,000	100% Vard Group AS	96.38
WARD DESIGN LIBURNA Ltd. Design and engineering	Croatia	Croatia	EUR 2,654	51% Vard Design AS	50.17
WARD MARINE GDANSK Sp. Z o.o. Onshore design and engineering	Poland	Poland	PLN 50,000	100% Vard Group AS	96.38
WARD MARINE Inc. Design and engineering	Canada	Canada	CAD 9,783,700	100% Vard Group AS	96.38
WARD MARINE US Inc. Design and engineering	USA	USA	USD 1,010,000	100% Vard Marine Inc.	96.38

Business activity	Registered office	Countries in which they operate	Share capital	% Interest held	% consolidated by Group
REMAZEL ENGINEERING S.p.A. Engineering, purchase and production of cranes, crane and gear, turbine manufacturing and after-sale service activities	Milan	Italy	EUR 5,000,000	100% Fincantieri S.p.A.	100
REMAZEL ASIA CO. LTD. REMAZEL SHANGHAI TRADING CO. LTD. Wholesaler of offshore floating wind mechanical equipment	China	China	CNY 1,000,000	100% Remazel Engineering S.p.A.	100
REMAZEL SERVICOS DE SISTEMA DE OLEOGAS, LTDA Wholesaler of offshore equipment	Brazil	Brazil	BRL 660,909	100% Remazel Engineering S.p.A.	100
FINCANTIERI USA HOLDING LLC Holding company	USA	USA	USD -	100% Fincantieri S.p.A.	100
FINCANTIERI USA Inc. Holding company	USA	USA	USD 1,030	66% Fincantieri S.p.A. 33% Fincantieri USA Holding LLC	100
FINCANTIERI Services USA LLC After-sales services	USA	USA	USD 300,001	100% Fincantieri USA Inc.	100
FINCANTIERI MARINE GROUP HOLDINGS Inc. Holding company	USA	USA	USD 1,038	87.44% Fincantieri USA Inc.	87.44
FINCANTIERI MARINE GROUP LLC Shipbuilding and ship repairs	USA	USA	USD 1,000	100% Fincantieri Marine Group Holdings Inc.	87.44
MARINETTE MARINE CORPORATION Shipbuilding and ship repairs	USA	USA	USD 145,706	100% Fincantieri Marine Group LLC	87.44
ACE MARINE LLC Building of small aluminium ships	USA	USA	USD 1,000	100% Fincantieri Marine Group LLC	87.44
FINCANTIERI MARINE SYSTEMS NORTH AMERICA Inc. Sale and after-sale services relating to mechanical products	USA	USA	USD 501,000	100% Fincantieri USA Inc.	100
FINCANTIERI MARINE REPAIR LLC Sale and after-sale services relating to mechanical products	USA	USA	USD -	100% Fincantieri Marine Systems North America Inc.	100
FINCANTIERI MARINE SYSTEMS LLC Sale and after-sale services relating to mechanical products	USA	USA	USD -	100% Fincantieri Marine Systems North America Inc.	100
FMSNA VK Marine diesel engine maintenance service	Japan	Japan	JPY 3,000,000	100% Fincantieri Marine Systems North America Inc.	100
FINCANTIERI OIL & GAS S.p.A. Services also through companies and affiliates, of activities in the Oil & Gas industry	Thailand	Italy	EUR 21,000,000	100% Fincantieri S.p.A.	100
ARSENAL S.r.l. IT consulting services	Thailand	Italy	EUR 10,000	100% Fincantieri Oil & Gas S.p.A.	100
WARD HOLDINGS Ltd. Holding company	Singapore	Singapore	USD 942,200,000	96.38% Fincantieri Oil & Gas S.p.A.	96.38
WARD SHIPHOLDING SINGAPORE Pte. Ltd. Sale and after-sale services relating to mechanical products	Singapore	Singapore	USD 1	100% Vard Holdings Ltd.	96.38
WARD GROUP AS Shipbuilding	Norway	Norway	NOK 267,995,600	100% Vard Holdings Ltd.	96.38
SEARONICS AS Onshore handling systems	Norway	Norway	NOK 45,639,721	100% Vard Group AS	96.38
SEARONICS POLSKA SP. Z O.O. Engineering services	Poland	Poland	PLN 400,000	100% Searonics AS	96.38
COP TECHNOLOGIES AS Technological research and development	Norway	Norway	NOK 500,000	100% Searonics AS	96.38
COP TECHNOLOGIES ESTONIA OÜ Automation and control systems	Estonia	Estonia	EUR 5,200	100% COP Technologies AS	96.38
WARD ELECTRO AS Electrical automation installation	Norway	Norway	NOK 1,000,000	100% Vard Group AS	96.38
WARD ELECTRO ITALY S.r.l. Design and installation of naval electrical systems	Thailand	Italy	EUR 200,000	100% Vard Electro AS	96.38
WARD ELECTRO ROMANIA S.r.l. (ex WARD ELECTRO TULCEA S.r.l.) Electrical installation	Romania	Romania	RON 6,333,834	100% Vard Electro AS	96.38
WARD ELECTRICAL INSTALLATION AND ENGINEERING (INDIA) Pvt. Ltd. Electrical installation	India	India	INR 14,000,000	99.99% Vard Electro AS 0.01% Vard Electro Romania S.r.l. (ex Vard Electro Tula SA S.r.l.)	96.38
WARD ELECTRO BRAZIL (INSTALAÇÕES ELÉTRICAS) Ltda. Electrical installation	Brazil	Brazil	BRL 3,000,000	99% Vard Electro AS 1% Vard Group AS	96.38



Business activity	Registered office	Countries in which they operate	Share capital	% Interest held	% consolidated by Group
ASSOCIATES CONSOLIDATED USING THE EQUITY METHOD					
CENTRO SERVIZI NAVALI S.p.A. Processing and production of naval products	San Giorgio di Legnano (LO)	Italy	EUR 5,620,618	10.93 Fincantieri S.p.A.	10.98
GRUPPO PSC S.p.A. Design and installation of systems	Mantova (PZ)	Italy	EUR 1,431,112	10 Fincantieri S.p.A.	10
DECOMAR S.p.A. Development of innovative solutions for environmental restoration	Messia (MS)	Italy	EUR 2,500,000	20 Fincantieri S.p.A.	20
DIDO S.r.l. Activities in the field of decision intelligence	Milan	Italy	EUR 142,801	30 Fincantieri S.p.A.	30
PRELOS SOLUTIONS & TECHNOLOGIES S.r.l. <i>In liquidation</i>	Milan	Italy	EUR 50,000	49 Fincantieri Nichean S.p.A.	49
STARS RAILWAY SYSTEMS Production of radar products for railway safety	Rome	Italy	EUR 300,000	48 IDS Ingegneria Dei Sistemi S.p.A. 2 TRS Sistemi S.r.l.	50
ITS INTEGRATED TECH SYSTEM S.r.l. <i>Domant</i>	La Spezia	Italy	EUR 10,000	51 Red Jet S.r.l.	51
MC4COM - MISSION CRITICAL FOR COMMUNICATIONS Società Consortile S.r.l. Implementation of integrated telecommunications systems	Milan	Italy	EUR 10,000	50 HMS IT S.p.A.	50
UNIFER NAVALE S.r.l. <i>In liquidation</i> <i>In liquidation</i>	Fiera Emilia (MO)	Italy	EUR 150,000	20 Società per l'Esercizio di Attività Finanziarie - S.E.A.F. S.p.A.	20
2F PER VADO S.c.a.r.l. Execution of works for the construction of the "New Vado Ligure Breakwater"	Genova	Italy	EUR 10,000	49 Fincantieri Infrastructure Opere 49 Maritime S.p.A.	49
CITTA' SALUTE RICERCA MILANO S.p.A. Construction activities and other civil engineering works n.e.c.	Milan	Italy	EUR 5,000,000	30 Fincantieri Infrastrutture Sociali S.p.A.	27
CISAR COSTRUZIONI S.c.a.r.l. Design and execution activities	Milan	Italy	EUR 100,000	30 Fincantieri Infrastrutture Sociali S.p.A.	27
NOTE GESTIONE S.c.a.r.l. Installation of plumbing in buildings	Reggio Emilia	Italy	EUR 20,000	34 SDF S.p.A.	30.60
S. ENNE CA GESTIONI S.c.a.r.l. Other business support service activities	Florence	Italy	EUR 10,000	49 SDF S.p.A.	44.10
HOSPITAL BUILDING TECHNOLOGIES S.c.a.r.l. Sale and purchase of real estate	Florence	Italy	EUR 10,000	20 SDF S.p.A.	18
BIOTECNA S.c.a.r.l. Installation of furniture and furnishings	Capri (MD)	Italy	EUR 100,000	33 SDF S.p.A.	30
ENERGETIKA S.c.a.r.l. <i>Domant</i>	Florence	Italy	EUR 10,000	40 SDF S.p.A.	36
PERGENOVA BREAKWATER Construction of the new breakwater for the port of Genoa	Genova	Italy	EUR 10,000	25 Fincantieri Infrastruttura Opere 25 Maritime S.p.A.	25
SOLSTAD SUPPLY AS <i>(ex REM SUPPLY AS)</i> Shipowner	Norway	Norway	NOK 345,003,000	26.66 Vard Group AS	26.23
CSS DESIGN LIMITED Design and engineering	United Kingdom	United Kingdom	GBP 100	31 Vard Marine Inc.	30.50
REMAM S.r.l. Machinery construction activities	Trieste	Italy	EUR 200,000	49 Remam Engineering S.p.A.	49
VBF NAUTICA S.r.l. Business, administrative and management consulting, planning and information technology, digital and innovative high-tech services in the marine and port sectors	Genova	Italy	EUR 72,500	13 Fincantieri S.p.A.	12.90
CA 51 S.c.a.r.l. Execution of works on the S.S. 291 "Delta Nizza", construction of Lot L1 from Alghero to Ormeo, Lot 4 between the Ormeo junction and Alghero-Fertilia airport and the provision of environmental services during construction	Bari	Italy	EUR 10,000	14 Fincantieri Infrastruttura S.p.A.	13.93

Business activity	Registered office	Countries in which they operate	Share capital	% Interest held	% consolidated by Group
JOINT VENTURES CONSOLIDATED USING THE EQUITY METHOD					
ORIZZONTE SISTEMI NAVALI S.p.A. Production of naval surface vessels equipped with weapons systems	Genoa	Italy Algeria	EUR 20,000,000	51 Fincantieri S.p.A.	51
ETHAD SHIP BUILDING LLC Design, production and sale of civilian and naval ships	Abu Dhabi Emirate	Arab Emirates	AED 2,500,000	35 Fincantieri S.p.A.	35
NAVIRIS S.p.A. Design and manufacture of ships for naval or government use	Genoa	Italy	EUR 5,000,000	50 Fincantieri S.p.A.	50
NAVIRIS FRANCE SAS Shipbuilding	France	France	EUR 100,000	100 Naviris S.p.A.	90
CSSC - FINCANTIERI CRUISE SHIPBUILDING CO., LIMITED Design and marketing of cruise ships	China	China	EUR 140,000,000	40 Fincantieri S.p.A.	40
CSSC - FINCANTIERI (SHANGHAI) CRUISE DESIGN LIMITED Engineering, Project Management and Supply Chain Management	China	China	RMB 1,000,000	100 CSSC - Fincantieri Cruise Industry Development Limited	40
CONSORZIO F.S.B. Construction	Marghera (VE)	Italy	EUR 15,000	58 Fincantieri S.p.A.	58.35
BUSBARAF S.c.a.r.l. Complete execution of contract ITER BUSBARAF	Trieste	Italy France	EUR 40,000	10 Fincantieri S.p.A. 50 Fincantieri SF S.p.A.	60
4TIC1 - S.c.a.r.l. Complete execution of the Teakmat Complex Contract	Trieste	Italy France	EUR 100,000	5 Fincantieri S.p.A. 75 Fincantieri SF S.p.A.	80
4B3 S.c.a.r.l. Complete execution of contract BOP3	Trieste	Italy France	EUR 50,000	150 Fincantieri S.p.A. 5% 50 Fincantieri SF S.p.A.	95
4TB13 S.c.a.r.l. Activities	Trieste	Italy France	EUR 50,000	55 Fincantieri SF S.p.A.	95
FINMESA S.c.a.r.l. in liquidation In liquidation	Milan	Italy	EUR 20,000	50 Fincantieri SF S.p.A.	50
ERSIMA 2026 S.c.a.r.l. Demolition and dismantling of buildings and other structures	Padova	Italy	EUR 10,000	20 Fincantieri SF S.p.A.	20
FINCANTIERI CLEA BUILDINGS S.c.a.r.l. In liquidation	Milan	Italy	EUR 10,000	51 Fincantieri Infrastructure S.p.A.	51
DARSENA EUROPA S.c.a.r.l. Execution of the Europe Platform of the Port of Livorno	Rome	Italy	EUR 10,000	26 Fincantieri Infrastructure Opere Maritime S.p.A.	25
NUOVO SANTA CHIARA HOSPITAL S.c.a.r.l. Construction of hospital buildings	Florence	Italy	EUR 300,000	50 Fincantieri Infrastructure Social S.p.A.	45
VIMERCATE SALUTE GESTIONI S.c.a.r.l. Other business support service activities n.e.c.	Milan	Italy	EUR 10,000	3.65 30F S.p.A. 49.10 Fincantieri Infrastructure Social S.p.A.	47.48
41B21 S.c.a.r.l. Unitary execution of the framework agreement for the "DAMMAK" contract - TB21	Trieste	Italy	EUR 10,000	51 Fincantieri SF S.p.A.	51
TCM S.c.a.r.l. Unitary execution of works relating to the contract for the "Olivetti" terminal at the Port of Venice - "Montegridale" Terminal Container - 1st section	Rome	Italy	EUR 10,000	42 Fincantieri Infrastructure Opere Maritime S.p.A.	41.56
CONSORZIO RAVENNA DIGA OFFSHORE S.c.a.r.l. Domant	Genoa	Italy	EUR 10,000	32 Fincantieri Infrastructure Opere Maritime S.p.A.	31.50





Certification of the Consolidated Financial Statements pursuant to the provisions of art. 154-bis, paragraphs 3 and 4 of Legislative Decree 58/1998 (Italy's Consolidated Law on Finance)

1.

The undersigned Pierroberto Foligero, in his capacity as Chief Executive Officer, and Felice Bonavolontà, as Manager Responsible for Preparing Financial Reports of Fincantieri S.p.A. ("Fincantieri"), with reference to the requirements of art. 154-bis, paragraphs 3 and 4, of Legislative Decree 58 dated 24 February 1998, hereby represent:

 - the suitability in relation to the business's organization and,
 - the effective application

of the administrative and accounting procedures for the preparation of the Consolidated Financial Statements during the year 2024.
2.

The adequacy of the administrative and accounting procedures for preparing the Consolidated Financial Statements at 31 December 2024 has been evaluated on the basis of a procedure established by Fincantieri in compliance with the Internal Control - Integrated Framework published by the Committee of Sponsoring Organizations of the "Treadway Commission", which is the generally accepted standard model internationally.
3.

The undersigned also represent that:

3.1

the Consolidated Financial Statements:

a.

have been prepared in accordance with the International Financial Reporting Standards endorsed by the European Union under Regulation (EC) 1606/2002 of the European Parliament and Council dated 19 July 2002;

b.

correspond to the underlying accounting records and books of account;

c.

are able to give a true and fair view of the assets, liabilities, financial position and results of operations of the issuer and the group of companies included in the consolidation.

3.2

the Report on Operations includes a reliable analysis of the performance and results of operations, as well as the situation of the issuer and of all the companies included within the consolidation, together with a description of the main risks and uncertainties to which they are exposed.
- 24 March 2025
- CHIEF EXECUTIVE OFFICER

Pierroberto Foligero

MANAGER RESPONSIBLE FOR PREPARING FINANCIAL REPORTS

Felice Bonavolontà
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Regnskap for gruppen	
Group report on operations	
Corporation's consolidated financial statements	
Report by the independent auditors	505



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INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010
AND ARTICLE 10 OF THE EU REGULATION 537/2014

**To the Shareholders of
Fincantieri S.p.A.**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Fincantieri S.p.A. and its subsidiaries ("Fincantieri Group" or "Group"), which comprise the consolidated statement of financial position as at December 31st, 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national legislative issued pursuant to art. 9 of Italian Legislative Decree no. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA (Italy)). Our responsibilities under those standards are further described in the Auditor's Responsibilities section of the *Report for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Financieri S.p.A. (the "Company") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Impairment test of goodwill	The company	within the
Description of the key audit matter		

The consolidated financial statements as at December 31, 2024, include, within intangible assets, goodwill totaling Euro 156 million, mainly pertaining to the Cash Generating Unit "CGU" "Vard Offshore and Specialized Vessels" (Euro 50 million), "Vard Electro" (Euro 50 million) and "Remazei" (Euro 45 million).

Such goodwill is not amortized but, as provided by IAS 36 impairment of assets, subject, at least annually, to an impairment test comparing the recoverable value of such CGUs – as value in use, determined using the Discounted Cash Flows (DCF) method – with the net invested capital of those CGUs, which includes goodwill as well as other assets, tangible and intangible, allocated therein. As a result of the impairment test, no impairment losses were identified at December 31, 2024 with respect to such goodwill.

The impairment test process is complex and is based upon assumptions pertaining, among others, to the forecast of expected cash flows of the CGUs as well as to the definition of an appropriate discount rate (WACC) and long-term growth rate (g-rate). Such assumptions depend upon future expectations and market conditions which can vary upon time, with consequent effects, potentially significant, with respect to judgements made by the Directors.

Due to the subjectivity of estimates pertaining to the definition of CGUs, cash flows and key parameters of the impairment test model, we considered the impairment test to be a key audit matter for the Group consolidated financial statements.

Notes to the consolidated financial statements, and in particular Note 6, provide Directors disclosures with regards to the impairment test, including the result of the sensitivity analysis performed, which describes the effects to the outcome of the impairment test deriving from changes in the key variables used in performing the test itself.

Audit procedures performed

We have preliminarily examined methodologies used by Management in determining the value in use of CGUs, analysing methods and assumptions utilized in the execution of the impairment test.

Within our verifications, we have carried out, among others, the following procedures, also with the support of experts, part of our network:

- identification and understanding of relevant controls enacted by Group Management with regards to the impairment test process;
- analysis of reasonableness of main assumptions adopted in forecasting cash flows projections, also through analysis of industry data and information obtained from Management;



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3

- retrospective analysis of actual figures with respect to original plans in order to evaluate the nature of deviations and the reliability of the planning process;
- evaluation of reasonableness of the discount rate (WACC) and long-term growth rate (g-rate) applied;
- verification of the clerical accuracy of the model used to determine the CGU value in use;
- testing of the accuracy of the CGU carrying value and comparison with the value in use deriving from the impairment test;
- verification of the sensitivity analysis prepared by Management.

Furthermore, we examined the appropriateness and compliance of disclosures on the impairment test included in the consolidated financial statements with respect to IAS 36 requirements.

Contract Assets and Liabilities
Description of the key audit matter

Consolidated financial statements as at December 31, 2024 include contracts assets and liabilities totaling Euro 3,377 million and Euro 2,011 million respectively. Construction contracts are valued on the basis of the percentage of completion, estimating the progress with the cost-to-cost method. Moreover, in the event the completion of the contract is expected to result in a loss, such loss is entirely accrued in the period in which it can be reasonably predicted.

The valuation of construction contracts under such method requires the application of estimates with regards to the total costs and costs to complete each contract, as well as to revenues, in case additional consideration with respect to the original contractual amount is considered. Such estimates are periodically updated and request significant and complex assumptions from Management, which can be affected by several elements, such as:

- Management's capability to develop reasonable estimates at the beginning of the contract and at subsequent updates;
- multi-annual duration of the contracts;
- complexity, customization and degree of innovation of contracts; of the contracts;
- the assessment of conditions for the inclusion of any additional consideration, whose recognition depends, in terms of amount and timing, on the outcome of negotiation activities among the parties and/or on decisions of judicial bodies.

Taking into consideration the relevance of values pertaining to construction contracts and the complexity of assumptions used in the estimates about costs to complete the projects, we deemed the evaluation of contracts assets and liabilities to be a key audit matter for the Group's consolidated financial statements as of December 31, 2024.

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4

Disclosures related to contracts assets and liabilities are included in Notes 14 and 24 of the consolidated financial statements as well as in the description of accounting standards used and in the paragraph "Subjective accounting estimates and judgements - Revenue recognition for construction contracts".

Audit procedures performed

Our audit procedures addressing this key audit matter included, among others:

- understanding of criteria and procedures adopted by Management in determining the percentage of completion of the contracts;
- understanding of relevant internal controls pertaining to both initial estimates and subsequent periodical updates on total revenues, total costs and costs to complete the contracts;
- analysis, on a sample basis, of reasonableness of estimates of contracts costs to complete through:
 - analysis of contracts signed with customers,
 - tests on projects costs incurred,
 - discussions with project managers, controllers and/or head of business lines,
 - site visits;
- retrospective analysis on results of estimates made in the prior year related to construction contracts;
- analysis, on a sample basis, of the documentation supporting Management assessment with regards to additional consideration not yet formally approved, with particular reference to elements that substantiate the recognition, including technical and legal opinions prepared by external experts assisting the Group;
- discussion with head of legal department with regards to potential lawsuits related to contracts;
- examination of appropriateness of disclosures included in the notes to the consolidated financial statements and compliance with applicable accounting standards.

Responsibilities of the Directors and the Board of Statutory Auditors for the consolidated financial statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, International Financial Reporting Standards and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.



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In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of Fincantieri S.p.A. or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of Fincantieri S.p.A. on 15 November 2019 appointed us as auditors of the Company for the years from December 31, 2020 to December 31, 2028.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815

The Directors of Fincantieri S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the "Delegated Regulation") to the consolidated financial statements as at December 31, 2024, to be included in the annual financial report.



The Fincantieri Group	Group Report on operations	Consolidated Sustainability Statement	Fincantieri Group Consolidated Financial Statements

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We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at December 31, 2024 have been prepared in XHTML format and have been marked up, in all material respects, in accordance with the provisions of the Delegated Regulation.

Due to certain technical limitations, some information contained in the illustrative notes to the consolidated financial statements, when extracted from XHTML format in an XBRL instance, may not be reproduced in the same way as the corresponding information displayed in the consolidated financial statements in XHTML format.

Opinions and statement pursuant to art. 14 paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10 and pursuant to art. 123-bis, paragraph 4, of Legislative Decree 58/98

The Directors of Fincantieri S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and the ownership structure of Fincantieri Group as at December 31, 2024, including their consistency with the related consolidated financial statements and their compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations and of some specific information contained in the report on corporate governance and the ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 with the consolidated financial statements;
- express an opinion on compliance with the law of the report on operations, excluding the section related to the consolidated corporate sustainability reporting, and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98;
- make a statement about any material misstatement in the report on operations and in some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98.

In our opinion, the report on operations and the specific information contained in the report on corporate governance and the ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 are consistent with the consolidated financial statements of Fincantieri Group as at December 31, 2024.

In addition, in our opinion, the report on operations, excluding the section related to the consolidated corporate sustainability reporting, and the specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 are prepared in accordance with the law.

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With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

Our opinion on the compliance with the law does not extend to the section related to the consolidated corporate sustainability reporting. The conclusions on the compliance of that section with the law governing criteria of preparation and with the disclosure requirements outlined in art. 8 of the EU Regulation 2020/852 are expressed by us in the assurance report pursuant to art. 14-bis of Legislative Decree 39/10.

DELOITTE & TOUCHE S.p.A.

Signed by
Barbara Moscardi
Partner

Udine, Italy
April 8, 2025

As disclosed by the Directors, the accompanying consolidated financial statements of Fincantieri S.p.A. constitute a non-official version which has not been prepared in accordance with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.



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Consolidated Sustainability Statement		Fincantieri Group Consolidated Financial Statements	
2 - Administration and Finance			
Impairment test		Activity carried out by the Company to assess, at each year-end and reporting date, whether there is any indication that an asset may be impaired and to estimate its recoverable amount.	
Business combination		Merger of separate entities of company activities into a single reporting entity.	
Net fixed capital		Indicates the fixed capital employed for ordinary operations, which includes the items, intangible assets, Rights of use, Property, plant and equipment, Investments, Non-current financial assets and Other assets (including the fair value of derivatives classified in Non-current financial assets) net of Employee benefits.	
Net working capital		This indicates the capital employed in ordinary operations which includes Inventories and advances, Construction contracts and client advances, Trade receivables, Trade payables, Provisions for risks and charges and Other current assets and liabilities (including income tax assets, income tax liabilities, Deferred tax assets and Deferred tax liabilities, as well as the fair value of derivatives classified in Current financial assets).	
Net invested capital		Represents the sum of Net fixed capital, Net working capital and Assets held for sale.	
CGU		Acronym for Cash Generating Unit. This is the smallest identifiable group of company assets that generates cash inflows that are independent of the cash inflows generated by other assets.	
EBIT		Acronym for Earnings Before Interest and Taxes. It is defined as: Profit/(loss) for the year adjusted for the following items (i) Taxes, (ii) Share of profit of investments accounted for using the equity method, (iii) Income/(expenses) from equity investments, (iv) Financial expenses, (v) Financial income, (vi) Provisions for costs and legal expenses related to asbestos litigation, and (vii) Other non-recurring income and expenses.	
EBITDA		Acronym for Earnings Before Interest, Taxes, Depreciation and Amortization. It is defined as: Profit/(loss) for the year before taxes, before financial income and expenses, before income and expenses from investments and before depreciation, amortization and impairment, as reported in the financial statements, adjusted by the following items: i) provisions for costs and legal expenses associated with lawsuits brought by employees for asbestos-related damages, ii) costs relating to reorganization plans and other non-recurring personnel costs, iii) other extraordinary income and expenses.	
Fair value		Fair value, defined as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.	
IAS/IFRS		Acronyms for the International Accounting Standards and International Financial Reporting Standards, respectively, adopted by the Group.	
Net expenditure/disposals		They represent investments and disposals of tangible and intangible assets, equity investments and other non-operating net investments.	
Operating investments		They represent investments in tangible and intangible assets excluding those resulting from the acquisition of a business combination allocated to tangible or intangible assets.	
Net financial position		Reclassified statement of financial position which includes: - Net current cash/(debt): cash and cash equivalents, current financial assets, current financial payables and current portion of medium/long-term loans; - Non-current debt: non-current bank debt and other debt instruments.	



Statement of cash flows

A statement that examines all the flows that led to a change in cash and cash equivalents, up to the determination of the "Net cash flows for the period", as the difference between the income and expenditure for the period considered.

Revenue	The 'Item Revenue on the Income Statement' includes revenues accrued on construction contracts and miscellaneous sales of products and services.
Basic or diluted earnings per share	Basic earnings per share is calculated by dividing the profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. The calculation of diluted earnings per share is consistent with the calculation of basic earnings per share, but takes into account all ordinary shares with potential dilutive effects outstanding during the period. The profit or loss attributable to ordinary shares is increased by the after-tax amount of dividends and interest recognized in the period in respect of ordinary shares with potential dilutive effects and adjusted for any other changes in income or expenses resulting from the conversion of the ordinary shares with potential dilutive effects. the weighted average number of ordinary shares outstanding is increased by the weighted average number of additional ordinary shares that would be outstanding if all ordinary shares with potential dilutive effects were converted.

WACC

Acronym for Weighted Average Cost of Capital. This represents the average cost of the company's different sources of funding, both in the form of debt and equity.





FINCANTIERI

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Trieste Company Registry and tax No. 00397130584
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FINCANTIERI



Deloitte.

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www.deloitte.no

Til generalforsamlingen i Seaonics AS

UAVHENGIG REVISORS BERETNING

Konklusjon

Vi har revidert årsregnskapet for Seaonics AS som består av balanse per 31. desember 2024, resultatregnskap, kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2024 og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

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Registrert i Foretaksregisteret
Medlemmer av Den norske Revisorforening
Organisasjonsnummer: 980 211 282



Uavhengig revisors beretning
Seanics AS

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i årsregnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

Bergen, 20. juni 2025
Deloitte AS

Tord Teige
statsautorisert revisor
(elektronisk signert)



Uavhengig revisors beretning

Name

Date

Teige, Tord Arne Persson

2025-06-25

Identification

 **bankID** Teige, Tord Arne Persson



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Advanced Electronic Signatures (Regulation (EU) No 910/2014 (eIDAS))



Skatteetaten

Vår dato
31.01.2023

Din/Deres dato

Saksbehandler
Robin Ingebrigtsen

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
99778267

Org.nr
974761076

Vår referanse
2023/5036233

Postadresse
Postboks 9200 Grønland
0134 OSLO

SEAONICS AS
Postboks 144
6001 ÅLESUND

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til Seaonics AS (org.nr. 997 012 461) sin søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknaden siteres følgende:

Seaonics AS (Selskapet) søker herved dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd andre setning. Det søkes med dette om at årsregnskap og årsberetning for selskapet kan avlegges på engelsk med virkning fra og med regnskapsåret 2022.

...

Selskapet eies 100 % av Vard Group AS, som er del av et internasjonalt konsern med hovedsete i Italia, Fincantieri. Hoveddelen av ledelsen i konsernstrukturen er ikke norskspråklige og årsregnskapet oversettes derfor fra norsk til engelsk da dette er en forutsetning for at selskapets eiere og konsernledelse skal kunne nyttiggjøre seg årsregnskapet. Flere av styremedlemmene er engelskspråklig og behersker ikke norsk. Videre har Seaonics en global profil og har både utenlandske kunder og leverandører. Engelsk beherskes av alle interessenter og hadde gjort kommunikasjonen enklere. Selskapet er som følge av momentene over, av den oppfatning at det ikke er brukere av eller interessenter til årsregnskapet som blir skadelidende av at årsregnskapet ikke utarbeides på



norsk. Kostnadene som selskapet har ved å oversette årsregnskapet fra norsk til engelsk fremstår derfor som unødvendige, og disse kostnadene ønskes derfor redusert ved at årsregnskapet kun utarbeides på engelsk.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte, kunder og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at kommunikasjon med de fleste kunder og leverandører skjer på engelsk. Selskapets eiere er engelskspråklige og vil ikke ha mulighet for å forstå årsregnskap og årsberetning på norsk. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.



Med hilsen

Magrit Kilen Stoebner
underdirektør
Innsats, storbedrift
Skatteetaten

Robin Ingebrigtsen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



SEAONICS™



Seanics AS – Board of Director's Report 2024

Business Activities and Domicile

SEANICS AS (organization number: 997 012 461) was established on the 30th of May 2011 and is based in rented premises in the center of Ålesund.

The major businesses of the company are within development, sales, production follow-up and delivery of handling equipment and technology for maritime operations, as well as development and investment in underlying companies. The company is 100 % owned by Vard Group AS and is part of the Fincantieri Group.

Going Concern

Since 2021, Seanics has expanded its product range and entered new markets, leading to increased revenues.

Fluctuations in order reserves are expected in our industry. Despite these challenges, management focused intensively on order intake over the years and with a significant improvement in 2024. Backlog pr January 2025 are 1.025 BNOK mainly driven of offshore energy segment.

Given the strengthened equity and satisfactory liquidity, the board has determined that the financial statements should be prepared based on the "Going Concern" assumption, in accordance with section 3-3 of the Norwegian Accounting Act. This assessment is supported by a solid performance from 2021 to 2024, along with positive profit forecasts for 2025 and beyond.

Work Environment and Organization

This year, the company employed an average of 99,2 full-time staff members. In 2024, short-term sickness absence was recorded at 0.8%, while long-term absence stood at 1.5%. Importantly, no incidents were reported that resulted in lost working time, reflecting a positive and safe working environment.

The company's operations demand a high level of expertise and are traditionally male-dominated. However, we are committed to fostering a diverse and inclusive workplace. Our modern, well-equipped premises are designed to support all employees effectively.

At the end of the year, the workforce increased to 104 employees, including 14 women. Our hiring process is strictly merit-based, ensuring that all candidates are evaluated based on their qualifications, regardless of gender.

Diversity and Inclusion

The purpose of the Discrimination Act is to promote equality, ensure equal opportunities and rights and to prevent discrimination on grounds of ethnicity, national origin, descent, skin color, language, religion, and outlook on life. SEANICS works actively, systematically, and according to plan to promote the purpose of the law within our business. The activities include recruitment, salary and working conditions, promotion, development opportunities and protection against harassment.



SEAONICS aims to be a workplace where there is no discrimination on the grounds of disability. Active and targeted work is being done to design and arrange the physical conditions so that the company's various functions can be used by as many people as possible.

SEAONICS values and ambition are to fulfill equal salary for equal work and competence, regardless of gender. Headcount as of 31.12.2024 shows that SEAONICS has a total of 104 employees, whereof 14 employees are women. From 2022 to 2024, percentage of women in organization have increased from 8,5% to 13,5%. SEAONICS is continuously working to improve the diversity of gender. SEAONICS focus through active recruitment from diverse, qualified group of candidates, fostering a culture of inclusion and actively work to develop competence and people, and establishing systems and practices that supports diversity and inclusion goals.

Since the number of women is low, it is difficult to present an analysis of remuneration for different positions without sharing sensitive data. However, Seaonics have done an analysis and compared where it is possible to compare. Result of this analysis is that salary level is close to equal.

Environmental Reporting

The company has no emissions that pollute the external environment beyond what is common in the industry. Seaonics is committed to driving environmental change and continuous improvement. As part of Fincantieri, Seaonics is included in ESG reporting, reflecting our dedication to sustainable and responsible business practices

Research and Innovation

R&I is important for the continued development of SEAONICS' products and services portfolio. SEAONICS participates in and initiates several research projects, partly funded through the Skattefunn program and Forskningsrådet. SEAONICS have focused our development on various products, mainly in the segment of Offshore Energy and green transition with complementary products and new relevant technology. One of the products we have been focusing on is the Ocean Charger, an offshore charging station to charge vessels for full day operation on battery. Seaonics works together with Vard Design, Vard Electro, partners Rem Offshore, Solstad Offshore, SINTEF Energi, SINTEF Ocean, DigiCat, Sustainable Energy, Equinor, Source Galileo Norge, Corvus Energy, Plug, Shoreline, Sustainable Energy, University of Bergen, Norce, and Maritime CleanTech. The work will be performed over three years.

Duty to Account for Due Diligence According to the Transparency Act

SEAONICS is actively working to carry out due diligence in accordance with the OECD Guidelines for Multinational Enterprises, and continuously carrying out the tasks described in the Transparency Act section 4. This includes to work actively to avoid negative influence on human rights and working conditions in our supply chain through contract clauses, supplier's declarations, controls and whistleblowing policies. SEAONICS have published a statement signed by the board and available on the company's website.

Further Development

The main business area of SEAONICS is the development and delivery of advanced handling equipment and technology within the maritime sector. There is currently a strong market outlook for deliveries of advanced handling equipment and technology within SEAONICS market segments, and throughout 2024 we have experienced increased interest in our product and services.



SEAONICS have in last years experienced significant growth in existing and new markets. Offshore Wind and remotely operated equipment have supported the growth to date and is expected to continue growing. SEAONICS targets to be a leading supplier in these and complementary markets.

SEAONICS continues the development of Global Service and Upgrade (GSU) offerings. The capacity and partner network are strengthened through 2024 in collaboration with our client's locations and requirements. GSU remains a focus area for Seaonics.

In recent years, SEAONICS have committed significant R&I resources to new development to access new segments and supporting the electrification of lift and handling equipment. This development has further developed the company's expertise and product portfolio and is well aligned with key market trends and technology development

The company has a continuous focus on developing its business model while reducing both fixed and variable costs while also making use of the synergy effects between the companies in the group. The board believes that the company is well equipped to meet the market with a reasonable cost base.

Net income, Cash Flow and Liquidity

Operating revenues in SEAONICS increased from NOK 548,9 million in 2023 to NOK 692,7 million in 2024.

The income statement shows a profit after tax of NOK 12,6 million. An increase from NOK 8,2 million in 2023.

Cash flow from operating activities is positive with NOK 7,6 million. The difference between cash flow from operations and operating profit is primarily related to the fact that other short-term liabilities have been reduced with NOK 21,0 million. Total cash flows from the company's activities resulted in a decrease of NOK 18,4 million for the year. The company's cash position as of 31.12.2024 was NOK 22,4 million.

Total asset at the end of the year was NOK 514 million. Total equity as of 31.12.2024 was NOK 114,6 million, up from NOK 102,0 million at the end of 2023. The company's equity ratio is at 22,2 % at the end of 2024.

The company has a strong focus on the liquidity situation. Payment and settlement of interim group balances in the Vard Group are presented as operational cash flow.

In the board's opinion, the presented annual accounts, with associated notes, give a true and fair view of SEAONICS's assets and liabilities, financial position, and result.

Market risk

The equipment developed by SEAONICS is primarily intended for special vessels in maritime operations, and we see the need for such vessels continuing for the foreseeable future.

The company supplies equipment to vessels under construction at shipyards in various countries, so developments and uncertainty in local legislation and framework conditions may affect the company's results and business prospects.

Operational Risk

The business of SEAONICS involves the development of customized and technologically advanced equipment. The contracts are mainly at fixed prices. A larger scope of work than anticipated with a subsequent increase in project costs can result in project costs being higher than the income on the



project in question. To reduce the risk, the company focuses on project management and direct and open dialogue with customers and subcontractors.

Financial Market Risk

Sales from the company take place mainly in Norwegian kroner and euros. Purchases of goods are mainly made in Norwegian kroner and euros. The company works continuously to reduce currency risk in projects.

Credit Risk

Sales from the company are made to customers at home and abroad, where we have established milestones on manufacturing contracts that trigger invoicing of the customer. If payment is not received, the project may be stopped. The biggest credit risk on the manufacturing contracts relates to payment for completed commissioning and commissioning of the equipment on board vessels. The company works continuously to reduce credit risk in projects through assessment of payment terms against experienced risk with the various customers.

Board Insurance

Board members in SEAONICS are covered by board insurance taken out by the parent company Vard Group on behalf of all companies in the group.

Allocation of Net Profit

The board proposes that NOK 12 646 109 the year's profit is added to other equity.



Ålesund, June 20th 2025

The Board of Directors of Seaonics AS

Amrit Bhullar

Board member

Anne-May Slanning

Board member

Stig Espeseth

Board member

Espen Sjøstad

Board member

Håkon Fauske

General Manager & Chair person

Emil Dale Bjørlykhaug

Board member



Seaonics AS

Annual Report 2024

Revenue statement

	Note	2024	2023
Operating income and operating expenses			
Revenue	11, 13	692 736 862	540 628 839
Other income		0	8 270 000
Total income		692 736 862	548 898 839
Raw materials and consumables used	13	500 756 991	403 178 748
Employee benefits expense	12	118 177 818	93 992 518
Depreciation and amortisation expenses	1, 2	13 039 651	9 576 791
Other expenses	12, 13	43 856 621	33 104 425
Total expenses		675 831 081	539 852 482
Operating profit		16 905 781	9 046 357
Financial income and expenses			
Financial income	13, 14	2 548 216	2 352 667
Financial expenses	13, 14	3 197 091	1 084 740
Net financial items		-648 874	1 267 928
Profit before tax		16 256 907	10 314 285
Income tax expense	10	3 610 798	2 111 000
Net profit or loss		12 646 109	8 203 285
Attributable to			
Other equity	8	12 646 109	8 203 285
Total		12 646 109	8 203 285



Seaonics AS

Annual Report 2024

Balance sheet

	Note	2024	2023
Assets			
Non-current assets			
Intangible assets			
Development	1	50 435 494	40 666 609
Deferred tax assets	10	8 881 123	12 491 921
Total intangible assets		59 316 617	53 158 530
Property, plant and equipment			
Equipment and other movables	2	10 477 187	6 025 490
Total property, plant and equipment		10 477 187	6 025 490
Non-current financial assets			
Investments in subsidiaries	3	27 969 849	27 969 849
Investments in associated companies	3	0	1 803 504
Loans to associated companies and joint ventures	3, 6	4 082 500	4 594 500
Total non-current financial assets		32 052 349	34 367 853
Total non-current assets		101 846 154	93 551 873
Current assets			
Stock	4	62 171 936	122 631 203
Debtors			
Production contracts	4	147 654 550	152 161 802
Accounts receivables	5, 6	106 393 035	95 043 668
Other short-term receivables	6	73 588 466	68 923 125
Total receivables		327 636 051	316 128 594
Cash and cash equivalents	7	22 374 265	40 792 598
Total current assets		412 182 253	479 552 395
Total assets		514 028 406	573 104 269



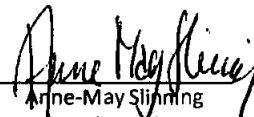
Seaonics AS

Annual Report 2024

Balance sheet

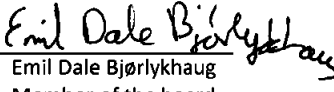
	Note	2024	2023
Equity and liabilities			
Equity			
Paid-in capital			
Share capital	8, 9	69 959 581	69 959 581
Total paid-up equity		69 959 581	69 959 581
Retained earnings			
Other equity	8	44 666 771	32 020 661
Total retained earnings		44 666 770	32 020 661
Total equity		114 626 352	101 980 243
Liabilities			
Current liabilities			
Trade payables	6	116 808 673	73 193 668
Payment of taxes and public charges		9 829 215	8 843 672
Production contracts	4	168 907 557	347 936 221
Other current liabilities	5, 6	103 856 609	41 150 464
Total current liabilities		399 402 054	471 124 025
Total liabilities		399 402 054	471 124 025
Total equity and liabilities		514 028 406	573 104 269

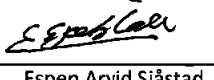
Ålesund, 20.06.2025


Arne-May Slinning
Board member


Stig Arne Espeseth
Member of the board


Håkon Fauske
Chairman of the board/General Manager


Emil Dale Bjørlykhaug
Member of the board


Espen Arvid Sjøstad
Member of the board


Amrit Kaur Bhullar
Member of the board





Seaonics AS

Notes to annual accounts 2024

	2024	2023
Cash flow from operations		
Profit / (loss) before tax	16 256 907	10 314 285
Ordinary depreciation	13 039 651	9 576 791
Write-downs of shares and receivables	0	0
Profit from sale of affiliated company	-696 496	0
Changes to projects under construction and inventory	182 807 178	-25 560 718
Changes to accounts receivable	-11 349 367	64 644 811
Changes to accounts payable	43 615 005	3 127 733
Changes in other accrual items and current liabilities	-236 039 473	-15 381 713
Net cash flow from operations	7 633 405	46 721 189
Cash flow from investment activities		
Payments for purchase of fixed assets	-27 260 233	-34 059 090
Payments for purchase of intangible assets	0	0
Payments for other loan claims (short/long)	512 000	-512 000
Profit from sale of affiliated company	696 496	0
Net cash flow from investment activities	-26 051 737	-34 571 090
Cash flow from financing activities		
Equity payments	0	0
Net cash flow from financing activities	0	0
Net cash flow for the period	-18 418 333	12 150 099
Bank deposits, cash, and cash equivalents at period start	40 792 598	28 642 500
Bank deposits, cash, and cash equivalents at period end	22 374 265	40 792 598
This consists of:		
Bank deposits etc.	22 374 265	40 792 598





Seaonics AS

Notes to annual accounts 2024

Accounting principles

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also require management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

Revenues

Income from sale of goods and services are recognised at fair value of the consideration, net after deduction of VAT, returns, discounts and reductions. Sales are taken to income when the company has delivered its products to the customer and there are no unsatisfied commitments which may influence the customer's acceptance of the product. Delivery is not completed until the products have been sent to the agreed place, and risks relating to loss and obsolescence have been transferred to the customer. Provisions for expected guarantee work are recognised as expenses and provisions for liabilities.

Services are recognised in proportion to the work performed.

Classification of balance sheet items

Assets intended for long term ownership or use have are classified as fixed assets. Assets relating to the trading cycle are classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Simlair criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

Purchase costs

The purchase cost of assets includes the cost price for the asset, adjusted for bonuses, discounts and other rebates received, and purchase costs (freight, customs fees, public fees which are non-refundable and any other direct purchase costs). Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date.

For fixed assets and intangible assets purchase cost also includes direct expenses to prepare the asset for use, such as expenses for testing of the asset.

Intangible assets

R&D expenses are taken into the balance sheet providing a future financial benefit relating to the development of an identifiable intangible asset can be identified and the expenses can be reliably measured. Otherwise such expenses are expensed as and when incurred. R&D expenses are depreciated on a straight-line basis over the asset's expected useful life.

Fixed assets

Fixed assets are reflected in the balance sheet and depreciated to residual value over the asset's expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period ("the breaking point method"). Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset. The split between maintenance and additions/improvements is calculated in proportion to the asset's condition at the acquisition date.

Leased assets are reflected in the balances sheet as assets if the leasing contract is considered a financial lease.

Investments in other companies

The cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.



Seanics AS

Notes to annual accounts 2024

	2024	2023
Cash flow from operations		
Profit / (loss) before tax	16 256 907	10 314 285
Ordinary depreciation	13 039 651	9 576 791
Write-downs of shares and receivables	0	0
Profit from sale of affiliated company	-696 496	0
Changes to projects under construction and inventory	182 807 178	-25 560 718
Changes to accounts receivable	-11 349 367	64 644 811
Changes to accounts payable	43 615 005	3 127 733
Changes in other accrual items and current liabilities	-236 039 473	-15 381 713
Net cash flow from operations	7 633 405	46 721 189
Cash flow from investment activities		
Payments for purchase of fixed assets	-27 260 233	-34 059 090
Payments for purchase of intangible assets	0	0
Payments for other loan claims (short/long)	512 000	-512 000
Profit from sale of affiliated company	696 496	0
Net cash flow from investment activities	-26 051 737	-34 571 090
Cash flow from financing activities		
Equity payments	0	0
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Net cash flow for the period	-18 418 333	12 150 099
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This consists of:		
Bank deposits etc.	22 374 265	40 792 598



Seonics AS

Notes to annual accounts 2024

Asset impairments

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount.

Previous impairment charges, except writedown of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.

Construction contracts

Work in progress on long term fixed-price contracts is assessed according to the current settlement method. Income recognition and cost allocation takes place in line with estimated progress. The degree of completion is calculated for the individual project based on predefined milestone plans for the various elements of the project. If projects are expected to result in losses, the total estimated loss is recognised immediately.

Inventories

Inventories are valued at the lower of purchase cost (according to the FIFO principle) and fair value. A write-down is made for foreseeable obsolescence.

Receivables

Accounts receivable are recorded in the balance sheet at nominal value less allocations for expected losses. Loss allocations are made based on individual assessment of receivables and an additional provision to cover other foreseeable losses. Significant financial problems with the customer, the likelihood that the customer will go bankrupt or undergo financial restructuring and delays and shortfalls in payments are considered indicators that accounts receivable must be written down.

Other receivables, both current receivables and plant receivables, are entered at the lower of nominal value and fair value. Fair value is the present value of expected future payments. However, discounting is not carried out when the effect of discounting is immaterial for the accounts. Provision for losses is assessed in the same way as for accounts receivables.

Foreign currencies

Receivables and liabilities in foreign currencies which are not secured through forward contracts, are entered in the balance sheet at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognised as operating income and cost of goods sold.

Liabilities

Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

Guarantee commitments/complaints

Guarantee commitments relating to completed sales are valued at the estimated cost of such work. The estimate is made on the basis of historical figures for guarantee work, but adjusted for expected differences due to, for instance, changes in quality assurance routines and changes in product range. The provision is recognised under 'Other short term liabilities' and changes in the provision are recognised in income.

Pensions

The pension schemes are financed through payments to insurance companies. The company's pension scheme is a defined contribution plan.

With a defined contribution plan the company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognised as payroll expenses. Prepaid contributions are reflected as an asset (pension fund) to the degree the contribution can be refunded or will reduce future payments.



Seaonics AS

Notes to annual accounts 2024

Taxes

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Deferred tax is reflected at nominal value.

Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.



Seasonics AS

Notes to annual accounts 2024

Note 1 Intangible assets

Intangible assets	R&D	Patents	Total
Purchase cost pr. 01.01.	91 996 843	1 097 340	93 094 183
Additions	20 880 672	0	20 880 672
Disposals	0	0	0
Purchase cost pr. 31.12.	112 877 515	1 097 340	113 974 855
Accumulated depreciation 31.12.	62 442 021	1 097 340	63 539 361
Net book value pr. 31.12.	50 435 494	0	50 435 494
Depreciation in the year	11 111 787	0	11 111 787
Estimated useful life	5 years	3 years	
Depreciation plan	Straight line	Straight line	

Note 2 Fixed assets

Fixed assets	Machines	Equipment and other movables	Total
Purchase cost 01.01.	10 297 152	9 720 277	20 017 429
Additions	589 214	5 790 347	6 379 561
Disposals	0	0	0
Purchase cost 31.12.	10 886 366	15 510 625	26 396 990
Accumulated depreciation 31.12.	9 631 582	6 288 222	15 919 804
Net book value 31.12.	1 254 784	9 222 403	10 477 187
Depreciation in the year	896 995	1 030 869	1 927 864
Expected useful life	5 years	3-6 year	
Depreciation plan	Straight line	Straight line	

Annual rental of non-financial assets

Non-financial assets	Annual rental 2024	2023
Machines	157 771	44 362
Buildings	4 389 997	3 552 738

The company moved its head office to new premises in June 2018. The original lease period was from mid-2018 to mid-2023 but was renewed for a further 3 years in March 2023 until June 2026. The company has an option to renew for further 2+3-year lease periods. Annual rental costs amount to NOK 3 800 000. Parts of the premises are sublet to subsidiary. In addition, the company rents 1 coworking space in Tønsberg for employees not located in Ålesund. The rental cost for the space in Tønsberg is NOK 58 668 with a mutual 3-month notice period.



Seonics AS

Notes to annual accounts 2024

Note 3 Subsidiaries and associated companies

Investments in subsidiaries and associated companies are booked according to the cost method.

Subsidiaries	Location	Ownership/ voting right	Equity last year *	Result last year *	Balance sheet value
CDP Technologies AS	Ålesund	100 %	-6 973 955	-1 587 209	24 418 000
Seonics Polska	Gdansk	100 %	21 873 491	5 289 849	3 551 849
Balance sheet value 31.12.					27 969 849

In recent years, Seonics AS has provided its wholly-owned subsidiary CDP Technologies AS with liquidity loans totaling NOK 26.2 millions. Covid-19 and other factors have resulted in a longer time for CDP Technologies AS to achieve positive cash flow than originally assumed.

Against this background, Seonics AS made an accounting impairment of the share investment in CDP Technologies AS of NOK 21.3 million in 2020, as well as a depreciation of outstanding receivables of NOK 19.2 million.

In 2021 and 2022, Seonics AS has provided further NOK 8.71 million in loans to CDP Technologies AS, and the depreciated liquidity loans of NOK 19.2 million was converted into equity during 2021. No new loans have been given in 2023.

From 2022 until 2024 there has been an improvement in profitability of CDP Technologies AS. The preliminary results from CPD Technologies AS for 2024 and final results for 2023 shows improvement and a positive EBITDA. Based on this development, Seonics AS has not identified any indicators of the need for further depreciation of the shares in CDP Technologies AS. However, it has not been deemed appropriate to reverse previous year's impairment.

* Accounting figures for 2023 as the final annual accounts for 2024 are not ready at the time of the board's consideration of the annual accounts of Seonics AS.



Seanics AS

Notes to annual accounts 2024

Note 4 Construction contracts

Income recognition and cost allocation takes place in line with estimated progress. The degree of completion is calculated for each individual project based on predefined milestone plans for the various elements of the project.

	2024	2023
This year's operating income from construction contracts	610 299 761	505 643 439
This year's cost from construction contracts	-558 609 916	-457 067 299
	51 689 846	48 576 140
Net construction contracts under execution	2024	2023
Construction contracts under construction asset	147 654 550	152 161 802
Construction contracts in progress liabilities (losses on contracts and advances)	-168 907 557	-347 936 221
Net construction contracts under execution	-21 253 007	-195 774 419

The company has inventory at various locations with a total of NOK 62 171 936 compared to NOK 122 631 203 for 2023. The inventory consists of materials etc. that are used in the company's ordinary operations.



Seonics AS

Notes to annual accounts 2024

Note 5 Receivables and debts

Accounts receivable	2024	2023
Accounts receivable at face value	111 339 008	97 000 585
Provision for losses on trade receivables	-4 945 973	-1 956 917
Accounts receivable in the balance sheet	106 393 035	95 043 668

Seonics has established a provision in connection with an ongoing settlement for a foreign client, informed by a thorough analysis encompassing potential losses and their associated probabilities. It is anticipated that the settlement will be concluded within 2024. The provision is included in other current liabilities.

Receivables due later than one year	2024	2023
Loans to affiliated companies	4 082 500	4 594 500
Total	4 082 500	4 594 500

Long-term debt due later than 5 years	2024	2023
Debt to credit institutions	0	0
Other long-term debt	0	0
Total	0	0

Note 6 Intermediate with companies in the same group, etc

	Long-term receivables		Accounts receivable		Other short-term receivables	
	2024	2023	2024	2023	2024	2023
<i>Companies in the same group:</i>						
Fincantieri S.p.A.	0	0				
Vard Group AS	0	0	6 506 669	9 399 599	69 049 791	
Seonics Polska	0	0	735 414	97 410		
CDP Technologies AS	0	0			8 710 000	8 710 000
Vard Electro AS	0	0				
Vard Singapore Pte. Ltd.	0	0	54 383 610	8 222 105		3 482 220
Other	0	0	418 905	89 038	1 498 000	1 340 501
<i>Associated company</i>						
Castor Drilling Solution AS	4 082 500	4 594 500		0		0
Total	4 082 500	4 594 500	62 044 597	17 808 152	79 257 791	13 532 721

	Accounts payable		Other short-term debt	
	2024	2023	2024	2023
<i>Companies in the same group:</i>				
Vard Group AS	5 729 000	1 662 719	50 169 951	20 219 060
Vard Electro AS	71 228			0
Vard Singapore Pte. Ltd.			2 519 560	0
Vard Shipyards Romania	5 280 810	5 170 841	994 000	0
Seonics Polska	10 358 187	4 623 045		0
CDP Technologies AS	8 132 535	5 878 425	800 000	0
Other	764 901	154 245		0
Total	30 336 660	17 489 275	54 483 511	20 219 060

In May 2024, the company increased the unsecured framework loan of NOK 30,000,000 with the parent company Vard Group AS to NOK 50,000,000. Original due date on the loan was December 31st 2024 but has been extended to December 31st 2025.



Seaonics AS

Notes to annual accounts 2024

No security has been provided for claims against companies in the same group. No formal repayment plan has been agreed



Seaonics AS

Notes to annual accounts 2024

Note 7 Fixed bank deposits

Fixed bank deposits	2024	2023
Restricted funds deposited in the tax deduction account (withheld employee tax)	4 863 676	4 673 660

Note 8 Equity

This year's change in equity	Share capital	Other equity	Total
Equity 01.01.	69 959 581	32 020 662	101 980 243
This year's result	0	12 646 109	12 646 109
Equity 31.12.	69 959 581	44 666 771	114 626 352

Note 9 Share capital and shareholder information

Seaonics AS is part of the Fincantieri group. The consolidated financial statements of Fincantieri are available at www.fincantieri.com

The share capital of NOK 69,959,581 consists of 46 639 721 shares at the price of NOK 1,50.

Overview of the shareholders 31.12.

	Quantity	Ownership share
Vard Group AS	46 639 721	100 %
Total number of shares	46 639 721	100 %



Seanics AS

Notes to annual accounts 2024

Note 10 Tax

Calculation of deferred tax/deferred tax asset	2024	2023
Temporary differences		
Fixed assets	-2 991 755	-9 482 746
Manufacturing contracts	81 928 495	121 053 775
Receivables	-4 945 973	-1 956 917
Other provisions	-40 842 972	-31 063 949
Provision for losses on contracts	-3 456 978	-6 112 829
Net temporary differences	29 690 817	72 437 333
Deficit carried forward	-70 059 557	-129 244 119
Basis for deferred tax	-40 368 740	-56 806 786
Deferred tax	-8 881 123	-12 497 493
Deferred tax benefit not shown in the balance sheet	0	0
Deferred tax in the balance sheet	-8 881 123	-12 497 493

The reason deferred tax benefit were not reflected in the balance sheet in previous years is that historical results created doubt that future taxable profits will be sufficient to utilise the tax benefit. The current financial situation and the outlooks for the coming years indicates that future taxable profits will be sufficient to utilize the tax deficit carried forward, and hence the deferred tax is recognised in the balance sheet.

Basis for income tax expense, changes in deferred tax and tax payable	2024	2023
Result before taxes	16 256 907	10 314 285
Changes in differences that are not included in the basis for deferred tax/tax benefit	0	0
Permanent differences	181 139	-718 834
Basis for the tax expense for the year	16 438 046	9 595 451
Change in differences that form part of the basis for deferred tax/tax benefit	42 746 516	-6 907 458
Change in deficit to carry forward	-59 184 562	-2 687 992
Basis for payable taxes in the income statement	0	0
Taxable income (basis for payable taxes in the balance sheet)	0	0

Components of the income tax expense	2024	2023
Payable tax on this year's result	0	0
Adjustment in respect of priors	0	0
Total payable tax	0	0
Change in deferred tax asset	3 616 371	-2 111 000
Tax expense	3 616 371	-2 111 000



Seaonics AS

Notes to annual accounts 2024

Note 11 Operating income

	2024	2023
Sales income*)	692 736 862	540 628 839
Other income (grants R&D)	0	8 270 000
Total	692 736 862	548 898 839

*) See note 4

Note 12 Payroll expenses, number of employees, remunerations, pensions etc.

Payroll expenses	2024	2023
Salaries/wages	98 446 684	74 272 959
Employer's tax	17 402 520	13 070 354
Pension expenses	7 948 511	3 793 491
Other remuneration	-5 619 897	2 855 714
Total	118 177 818	93 992 518
Average number of FTEs	99	86

The company is obliged to have an occupational pension scheme in accordance with the Occupational Pensions Act. The company's deposit scheme satisfies the requirements of this Act.

Remuneration to executives	General manager	Board
Salaries/board fee	2 072 989	0
Pension expenses	98 725	0
Other remuneration	1 209 186	0

In addition to the remuneration listed above, the managing director holds a retention agreement. The managing director is also included in the company's bonus agreement, and bonus paid in 2024 is included in the remuneration listed above.

Expensed audit fee	2024	2023
Statutory audit	341 537	344 632
Other assurance services	38 478	0
Tax advisory fee	0	0
Other assistance	33 300	0
Total audit fees	413 315	344 632

Fees are stated e.g. VAT



Seonics AS

Notes to annual accounts 2024

Note 13 Related-party transactions

Remuneration to executives is disclosed in note 12, and balance with group companies is disclosed in note 6.

Related-party transactions presented by type:	2024	2023
Sales income	564 129 786	357 823 241
Cost of sales	151 215 005	137 170 197
Operating expenses	10 288 555	6 946 582
Financial items (including dividends)	1 636 537	-891 086

Note 14 Specification of financial income and expenses

Financial income	2024	2023
Dividend from Seonics Polska	0	0
Interest income from group companies	215 720	0
Other interest income	1 224 301	1 117 720
Currency gain	393 868	1 220 369
Other financial income	714 328	14 578
Total financial income	2 548 216	2 352 667
Financial expenses	2024	2023
Impairment of shares and receivables (see note 3)	0	0
Interest expenses from group companies	1 629 401	891 086
Other interest expenses	51 493	35 075
Currency loss	1 373 744	3 663
Other financial expenses	142 453	154 916
Total financial expenses	3 197 091	1 084 740

