

OVS S.p.A.

Registered office: Via Terraglio No. 17, Mestre

Registered capital €290,923,470.00 fully paid up

Registration number at the Venice Companies Register, Tax and VAT Code 04240010274

Board of Statutory Auditors' Report to the Shareholders' Meeting of OVS S.p.A. pursuant to Article 153 of Legislative Decree no. 58/1998 and Article 2429 of the Italian Civil Code – Financial year ended 31 January 2024

To the Shareholders of OVS S.p.A.

I. Introduction: legislative, regulatory and deontological sources

This Report was produced by the Board of Statutory Auditors of OVS S.p.A. (hereinafter the “Company” or “OVS”), appointed by the Shareholders’ Meeting of 31 May 2023 and in office until the Shareholders’ Meeting called to approve the financial statements for the year ending 31 January 2026. The Board of Statutory Auditors is composed of its Chairman, Stefano Poggi Longostrevi, and the standing auditors Federica Menichetti and Massimiliano Nova (as well as two alternate auditors). As provided for by applicable legislation, the Statutory Auditors verified the requirements of integrity, professionalism and independence of members of the Board of Statutory Auditors at the time of their appointment.

The Chairman Stefano Poggi Longostrevi and the standing auditor Federica Menichetti were in office previously and therefore were in office for the entire term of the year 1.2.2023/31.1.2024. Standing auditor Massimiliano Nova joined the Board of Statutory Auditors of OVS S.p.A. on 31 May 2023 (date of the shareholders’ meeting that appointed him); in the period from 1 February 2023 to 31 May 2023, the previous standing auditor, Roberto Cortellazzo Wiel, was in office.

This Report describes the supervisory and other duties performed by the Board of Statutory Auditors during the financial year ended 31 January 2024 (in short, “FY 2023”) and up to the date of this Report, in accordance with the provisions of law and taking into account the Principles set out in the “Rules of Conduct for Boards of Statutory Auditors of Listed Companies” issued by the Italian National Council of Chartered and Registered Accountants in April 2018 and updated in December 2023, as well as the Consob (the Italian National Stock Exchange Supervisory Commission) regulations on corporate controls and the indications of the Corporate Governance Code.

Given that the statutory audit of the accounts has been entrusted to the auditing firm KPMG S.p.A. (“KPMG”) with effect from the financial year ending on 31 January 2024 for nine financial years in accordance with the law, the Board of Statutory Auditors is identified as the “Internal Control and Audit Committee”, which is responsible for specific control and monitoring functions concerning financial reporting and the statutory audit, as provided in Article 19 of Legislative Decree No. 39 of 27 January 2010, as amended by Legislative Decree

No. 135 of 17 July 2016, which are also acknowledged in this Report.

The Report of the Board of Statutory Auditors is offered to the Shareholders of OVS S.p.A. in preparation for the Shareholders' Meeting convened for 30 May 2024 to approve the separate Financial Statements as at 31 January 2024 and the presentation of the consolidated financial statements.

In compliance with the instructions given by Consob in its Communication DEM/1025564 of 6 April 2001, as subsequently amended and supplemented, in this Report, the Board of Statutory Auditors gives an account of its work, broken down into each supervisory area, as provided for in the regulations that govern the Board's activities.

In this Report, the Board of Statutory Auditors also gives an account of its supervisory work with reference to the obligations arising from the Non-Financial Statement (hereinafter also the "NFS") pursuant to Legislative Decree No. 254/2016.

II. Significant economic, financial and equity transactions and events occurring in or after the 2023 financial year

FY 2023 saw an overall positive economic and financial performance, with sales revenues and operating results (EBITDA and EBIT) increasing compared to the previous year, despite the unfavourable weather conditions at the beginning of the summer period. The Report on Operations contains an accurate description of the Company's situation and operating performance, as a whole and by business segment, including subsidiaries and mentioning the most significant risks to which the Company is exposed. Please refer to the Report for further details.

The Board of Statutory Auditors reports as follows with regard to significant circumstances and events.

- a) At the macroeconomic level, FY 2023 was characterised, and conditioned, by the effects determined, at both European and global level, by the war between Russia and Ukraine and, since October 2023, by the conflict in the Middle East. In particular, attention should be drawn to the general increase in commodity prices and interest rates, to which the Company responded with careful management of operating costs.
- b) On 13 December 2023 the Board of Directors, with a favourable opinion from the Control, Risks and Sustainability Committee, approved the 2024-2026 Business Plan of the Company and of the Group, including the multi-annual sustainability plan.
- c) On 31 March 2023 OVS obtained the single authorisation from the government commissioner of the Adriatic SEZ (Special Economic Zone) to start work on creating a new technological hub to service the Group. With this authorisation, the OVS Group launched an investment plan of approximately €33 million.
- d) In FY 2023 OVS continued to purchase treasury shares, as described in more detail below, with an investment of €31.4 million.

- e) On 26 May 2023 OVS subscribed to and disbursed a convertible loan of €3.6 million to NYKY S.r.l. for the development of two new brands in the domestic and international market.
- f) On 21 December 2023 OVS and J. Brand International s.r.l. signed a preliminary purchase and sale agreement concerning 100% of the shares in JB Licences s.r.l. which is responsible for the production and marketing of clothing under licence and sub-licence. On 5 February 2024 AGCM (the Italian Competition and Markets Authority) decided not to veto this deal.
- g) On 6 February 2024 the Company signed a letter of intent with the shareholders of Goldenpoint S.p.A. to develop possible business partnership. Goldenpoint has sales revenues of approximately €100 million and a sales network of approximately 380 stores. On 2 April 2024, further to the above letter of intent, OVS signed a binding investment agreement with the aim of achieving full control of Goldenpoint S.p.A. in several phases. The agreement provides for an initial investment of €3 million to subscribe to a convertible bond and purchase a 3% equity interest. OVS will then have a call option to increase its interest to 51% by 31 July 2025.

The Board of Statutory Auditors was kept constantly informed by management of the evolution of operations, including through its constant participation in the Boards of Directors and in joint meetings with the Control, Risks and Sustainability Committee held during the year.

As of 31 January 2024, the adjusted net financial position of the OVS Group declined to €145.5 million (compared to €162 million as of 31 January 2023), with a leverage ratio of 0.80. The Net Financial Position was affected by the purchase of treasury shares during the year in the amount of €31.4 million and the distribution of dividends amounting to €16.4 million.

For other significant events during the year, see the Directors' Report on Operations.

III. Monitoring of compliance with the law, regulations and the articles of association - participation in meetings of corporate bodies

During FY 2023, the Board of Statutory Auditors met 18 times, 6 of which were joint meetings with the Control, Risks and Sustainability Committee (hereinafter also the "CRSC"). Of these meetings, 11 were held between 31.5.2023 and 31.1.2024 (4 of them joint meetings with the CRSC) all of them fully attended except for one joint meeting with the CRSC in which one of the standing auditors was absent with justification. The meetings lasted approximately two hours on average. After 31 January 2024 and to date, the Board of Statutory Auditors met a further 7 times, 2 of which were in a joint session with the CRSC.

The Board of Statutory Auditors also attended the following meetings of the Board of Directors: 9 in FY 2023 (of which 6 meetings after the Shareholders' Meeting of 31 May 2023) and 2 after 31 January 2024 to date.

The Board of Statutory Auditors also attended (again in its entirety, except for a joint meeting with the CRSC in which one of the standing auditors was absent with justification) all meetings

of internal Board Committees: 4 Appointments and Remuneration Committee meetings in FY 2023 (of which 2 meetings after 31 May 2023) and 2 between 31 January 2024 and the date of this report; 7 Control, Risks and Sustainability Committee meetings in FY 2023 (of which 5 meetings since 31 May 2023) and 2 between 31 January 2024 and the present; 1 Related Parties Committee meetings in FY 2023 (none since 31 May 2023) and 2 since 31 January 2024.

The Board of Statutory Auditors participated, with the presence of both the Chairman and the two standing auditors, in the Ordinary Shareholders' Meeting held on 31 May 2023.

The Board of Statutory Auditors also met periodically with the Supervisory Body and the auditing company appointed pro-tempore to audit the company. Periodic meetings with the auditor were held frequently, with 5 meetings organised in FY 2023/2024 (including 2 joint meetings with the CRSC) and 2 meetings between 31 January 2024 and the present date (including 1 jointly with the CRSC) to discuss, inter alia, the launch of the new auditing company's activities, the planning of the audit for the interim and final audit phases of 2023, and significant audit risks, including the process of preparing the impairment test on intangible values and goodwill at 31 January 2024.

The Board of Statutory Auditors constantly liaised with the Head of the Internal Audit function, the Financial Reporting Officer and the CFO, and held meetings with the heads of certain corporate staff offices (such as the Legal and Corporate Affairs Director, the Human Resources Director, the Prevention and Protection Service Manager, the Information Technology Director, the Data Protection Officer and the Investor Relator). During the year, the Board also held meetings with the Director of Purchasing and Sourcing, the Director of Real Estate and Development, the Director of OVS Retail and the UPIM Brand Director.

In the course of its work, the Board constantly ensured the availability of documentation and information useful for the planning of its activities, which concerned, in particular:

a) supervision of:

- (i) compliance of the resolutions adopted by the corporate bodies with the law and regulations, as well as with the Articles of Association, most recently updated by the Shareholders' Meeting of 31 May 2023;
- (ii) pursuant to Article 149, paragraph 1, letter c-bis of Legislative Decree No. 58/98 (hereinafter referred to as the “TUF”), the procedures for the actual implementation of the Corporate Governance Code of listed companies to which OVS has adhered;
- (iii) compliance with the obligations concerning inside information and internal dealing, given that the Company has adopted, by a resolution of the Board of Directors of 30 January 2020, an “Internal Procedure for the management and processing of relevant and inside information”, and a procedure for the “Register of persons who have access to privileged and relevant information”, whereas an “Internal Dealing Procedure” was updated by a resolution of the Board of Directors of 31 January 2023;
- (iv) the conformity of the internal procedure for related-party transactions with the

principles established in the Regulation approved by Consob with resolution No. 17221 of 12 March 2010 and subsequent amendments (hereinafter the “**RPT Regulations**”) and their actual application;

- (v) the functioning of the corporate information process, verifying compliance with laws and regulations governing the preparation and layout of the separate and consolidated financial statements, together with the relevant accompanying documents, to this end also reviewing the Annual Report of the Financial Reporting Officer;
 - (vi) the actions taken with reference to the provisions on privacy, in particular Regulation (EU) No 2016/679 (the (GDPR), in accordance with which it will be recalled that the Company appointed a Data Protection Officer, with whom the Board spoke during its control activities;
 - (vii) the compliance of the consolidated Non-Financial Statement (hereinafter also the “**NFS**”) with the provisions of Legislative Decree No. 254/2016;
- b) the ascertainment of the following:
- (i) compliance with the regulations governing the conduct of meetings of corporate bodies and fulfilment of the obligation of delegated bodies to periodically report on the exercise of delegated powers;
 - (ii) the absence of any interest on the part of the Statutory Auditors, on their own behalf or on behalf of third parties, in a given transaction during the past financial year, and that the conditions of independence established by law continue to apply to them, including by means of an internal self-assessment process, the results of which are summarised in a subsequent section of this Report;
- c) monitoring of the actual implementation of the corporate governance rules as set out in the Corporate Governance Code, to this end also reviewing the Annual Report on Corporate Governance and Ownership Structure pursuant to Article 123-bis of the Consolidated Law on Finance, approved by the Board of Directors at its meeting of 17 April 2024;
- d) acknowledgement of the drafting of the Report on Remuneration Policy and remuneration paid (hereinafter also the “**Report on Remuneration**”) pursuant to Article 123-ter of the TUF and Article 84-quater of Consob Regulation No. 11971/1999 (hereinafter the “**Regulation on Issuers**”), approved by the Board of Directors at its meeting of 17 April 2024, which also takes into account the amendments made in application of Consob Resolution No. 21623 of 10 December 2020 following the implementation of Directive (EU) 2017/828.

With regard to these activities, the Board of Statutory Auditors reports as follows:

- with reference to the procedures for the actual implementation of the Corporate Governance Code for listed companies, it is acknowledged that during FY 2023, a specific

session dedicated to a detailed analysis of the Company's business issues was held as part of the Board of Directors meeting dedicated to the budget. The session also served as an induction programme for Directors and Statutory Auditors;

- with reference to the functioning of the Board of Directors and the internal board committees, the Board of Statutory Auditors considers that the information flows to the Board of Statutory Auditors and to the said committees, also in terms of their activation and operational functionality, are generally compliant with the provisions of the Corporate Governance Code. The Board also noted the improvement in the timeliness of the minutes of the Board and committee meetings. In this regard, it should be noted that for the organisation of the work of the Board and the committees, the Company uses technical means of support, such as the recording of meetings and a boardroom for consulting the documentation of meetings. These measures ensure that pre-Board reporting is adequate and accessible. The Board will continue to monitor the maintenance and effectiveness of these measures and to ensure that documentation is made available in a timely manner;
- the Board verified the correct application of the criteria and procedures it has adopted to assess the independence of the Directors, with reference to the requirements established in Article 148 of the TUF and Recommendation No. 6 of the Corporate Governance Code, and have no observations to make in this regard;
- that it has acknowledged the 2024 Remuneration Policy, as described in the Remuneration Report, to which reference is made, which also takes into account the "Recommendations of the Committee for 2024" referred to in the Letter of the Chairman of the Corporate Governance Committee dated 14 December 2023, through the integration of the sustainability of the business activity into the definition of remuneration strategies and policy within the short-term incentive system for Top Management (2024 MBO), in order to further strengthen the engagement of these individuals, including with regard to the pursuit of non-financial, strategic and sustainability ESG objectives. A long-term incentive system had already been in place for several years.

IV. Supervisory monitoring of compliance with the principles of sound administration

In order to monitor compliance with the principles of sound administration, in addition to its participation in all meetings of the Board of Directors and of internal board committees as described above, the Board of Statutory Auditors declares that during FY 2023 it obtained from the Directors, with the regularity established in Article 23, paragraph 3, of the Articles of Association, all due information on the activities of Directors and on the most significant economic, financial and equity transactions resolved and implemented during the said financial year by OVS and its subsidiaries. The activities and operations are described in the Report on Operations and in the Notes to the Financial Statements.

On the basis of the information made available to the Board of Statutory Auditors, the Board can reasonably conclude that the transactions concluded in FY 2023 were consistent with the

law and the Articles of Association and were not manifestly imprudent, reckless, in conflict with resolutions passed by the Shareholders' Meeting, or likely to compromise the integrity of the company's assets.

As a result of the supervisory monitoring performed and taking into account the information obtained in the course of the said monitoring, it can also be affirmed that the management decisions taken by the Directors were inspired by principles of sound administration and reasonableness, as they were aware of the risks and effects of the operations they concluded.

As of 31 January 2024, the Company held a total of 29,038,201 treasury shares (amounting to 9.9814% of the share capital) for a total value of €57,384 thousand, with an average carrying price of €1.976 per share, while its subsidiaries did not hold any OVS shares. Moreover, the Shareholders' Meeting of 24 January 2024 authorised the continuation of the share buyback programme up to 20% of share capital. The Company has provided extensive information on the matter and the purpose of the share buyback in the Annual Financial Report.

The Board of Statutory Auditors was kept constantly informed of developments with this issue during the year, also with a view to verifying compliance with the limit set by the Shareholders' Meeting of OVS (10% of capital until 24 January 2024 and then 20% of share capital by resolution of the Shareholders' Meeting of 24 January 2024) and the procedures and parameters for purchases established by resolution of the Company's bodies and by the applicable law on the matter.

V. Supervisory monitoring of the adequacy of the organisational structure

The Board of Statutory Auditors acquired knowledge of and monitored, to the extent of its competence, the adequacy of the Company's organisational structure by holding meetings with the Director of Human Resources and Organisation and with the heads of certain staff functions (including legal and corporate; administration, finance and control; information technology; technical and occupational safety services; and investor relator;) and business functions and considers the organisational structure as a whole to be adequate to the Company's size and complexity. In FY 2023 there were no major changes in the organisational structure or the persons reporting to the Chief Executive Officer.

As part of its supervisory activities, the Board also examined and obtained information on organisational and procedural activities carried out pursuant to Legislative Decree 231/2001, as amended, on the administrative liability of entities; these activities are described in the Report on Corporate Governance and Ownership Structure, to which the reader is referred.

The Supervisory Body reported to the Board of Statutory Auditors during regular meetings on its work during the FY 2023, with particular reference to the implementation of the Audit Plan (and the aspects relevant under Legislative Decree No. 231/2001), verifications of workplace health and safety, including pursuant to Legislative Decree No. 81/2008, as well as the verifications performed following reports received and information obtained at meetings held with managers, and as a result of information received periodically from the various corporate

functions operating in processes that are relevant for the purposes of Legislative Decree No. 231/2001.

The Board of Statutory Auditors acknowledges that the Organisation, Management and Control Model pursuant to Legislative Decree 231/01, as well as the Code of Ethics, were most recently updated and approved by the Board of Directors on 20 September 2023 to take into account the new predicate offences and new legislation on whistleblowing, as well as to align the provisions of the Model with the best practices of reference.

Lastly, the Board was informed by the Supervisory Body of training activities in relation to Legislative Decree 231/01, the Audit Plan (for 231 profiles) planned for FY 2024 and the follow-up actions in relation to the improvement areas that emerged. However, no facts or situations were reported by the Supervisory Body that required raising in this Report.

For strategically important subsidiaries identified by the Board of Directors in its resolution of 30 January 2020, and with reference to the provisions of Article 15 of the Consob Market Regulation (Resolution No. 20249 of 28 December 2017) on important subsidiaries incorporated and governed by the law of non-EU states, the Board of Statutory Auditors reports that the company to which this provision applies (OVS Hong Kong Sourcing Ltd.) is among those covered by the OVS Internal Control System on Financial Reporting, and no significant deficiencies were detected in this regard.

VI. Supervisory monitoring of the adequacy of the internal control and risk management system and the administrative-accounting system

The Board of Statutory Auditors monitored the adequacy of the internal control and risk management system and of the administrative-accounting system, as well as the latter's ability to correctly record management events, by means of:

- i) a review of the positive evaluation given by the Board of Directors of the adequacy and actual functioning of the Internal Control and Risk Management System;
- ii) a review of the Administrative and Accounting Structure with the comments of the Chief Financial Officer/Financial Reporting Officer;
- iii) a review and comments of the Chief Financial Officer/Executive in charge of internal control over financial reporting, which did not reveal any significant shortcomings;
- iv) a review of the Annual Report of Internal Audit on the Internal Control and Risk Management System;
- v) a review of the reports of the Internal Audit office and its periodic report on the progress of the 2023 Audit Plan – approved by the Board of Directors on 31 January 2023 – and on the results of the overall activities during the year, including on the basis of the Risk Assessment conducted to support the updating of the Organisational Model pursuant to Legislative Decree 231/01;

- vi) the obtainment of information from the heads of the specific corporate functions concerned;
- vii) the informative reports of the administrative bodies (in the absence of a board of auditors) of foreign subsidiaries pursuant to paragraphs 1 and 2 of Article 151 of the TUF;
- viii) participation in the work of the Control, Risks and Sustainability Committee and, when required due to the subject matter, joint discussions with the said Committee.

Together with the Control, Risks and Sustainability Committee, the Board of Statutory Auditors acknowledged and positively assessed the Audit Plan 2024, which was approved by the Board of Directors on 31 January 2024. With reference to the Internal Audit function, the Board acknowledged the CRSC's assessment of the overall adequacy and effectiveness of this function, and concluded that its oversight was shown to be constant and adequate.

In view of the foregoing, the Board of Statutory Auditors has concluded that the internal control system of OVS is generally adequate to the Company's size and complexity.

VII. Supervisory monitoring of the statutory audit process

On 9 May 2024, the external auditing firm KPMG S.p.A issued the reports pursuant to Article 14 of Legislative Decree No. 39/2010 and Article 10 of Regulation (EU) No. 537/2014, respectively, for the separate and consolidated financial statements as at 31 January 2024, compiled in accordance with the International Financial Reporting Standards - IFRSs - adopted by the European Union as well as the measures issued in implementation of Article 9 of Legislative Decree No. 38/2005, as described in the Notes to the Financial Statements. The reports indicate that the separate financial statements and the consolidated financial statements of OVS give a true and fair view of the financial position of OVS S.p.A. and the OVS Group as of 31 January 2024, as well as the results of operations and cash flows for the year that ended on that date.

With reference to the separate and consolidated financial statements, KPMG declared that the Report on Operations and the Report on Corporate Governance and Ownership Structure, limited to the information indicated in Article 123-*bis*, paragraph 4, of the TUF, are consistent with the financial statements as at 31 January 2024 and are prepared in accordance with the law. Furthermore, with reference to the declaration pursuant to Article 14, paragraph 2, letter e), of Legislative Decree No. 39 of 27 January 2010 concerning a possible identification of significant errors in the Report on Operations, on the basis of their knowledge and understanding of the Company and its context, as acquired in the course of its audit, the independent auditors declared that they have nothing to report.

With respect to the compliance of the consolidated financial statements with the provisions of Delegated Regulation (EU) 2019/815 of the European Union on the mandatory use of the European Single Electronic Format (ESEF) approved by the ESMA, KPMG certified that the consolidated financial statements included in the annual financial report have been compiled in XHTML format and have been marked in all significant aspects in accordance with the ESEF

Delegated Regulation. Furthermore, the independent auditors certified that the separate financial statements were compiled in XHTML format, in accordance with the provisions of the Delegated Regulation.

Finally, KPMG issued an Additional Report for the Internal Control and Audit Committee, pursuant to Article 11 of Regulation (EU) No. 537/2014, the contents of which, with regard to the financial statements to which this report refers, are consistent with those of the reports indicated above.

The Board has taken note of the contents of the Additional Report issued by KPMG, in which no significant errors were identified for the separate financial statements or the consolidated financial statements as a whole. The report will be forwarded to the Board of Directors with any observations and comments of the Board of Auditors.

With reference to the provisions established in Legislative Decree No. 254 of 30 December 2016 on the disclosure of non-financial information and diversity information, the independent auditors KPMG issued a special report pursuant to Article 3, paragraph 10 of Legislative Decree No. 254 of 30 December 2016 and Article 5 of Consob Regulation No. 20267 of 18 January 2018.

As indicated, the Board of Statutory Auditors held frequent meetings with managers of the independent auditors, including pursuant to Article 150, paragraph 3, of the TUF and Article 19, paragraph 1, of Legislative Decree No. 39/2010, during which no facts or situations emerged that merit being raised in this Report.

In the light of the inquiries conducted and discussions with KPMG, the Board of Statutory Auditors believes that the process of preparing the financial statements was carried out correctly overall. The Board of Statutory Auditors also believes that the general presentation of the financial statements complies with the applicable regulations and that the accounting standards on measurement and classification have been properly applied.

VIII. Supervisory monitoring of the appointment of the audit firm and its independence

The Board of Statutory Auditors points out that the nine-year term of office of the independent auditors PWC ends with the Shareholders' Meeting to approve the FY 2022 financial statements for the year ending 31 January 2023. The audit mandate for the nine-year period 2023-2031 was awarded by the Shareholders' Meeting to the auditing firm KPMG S.p.A.

The Board of Statutory Auditors monitored the independence of independent auditors in office pro tempore, on the basis of Article 19 of Legislative Decree 39/2010, verifying the nature and extent of all mandates it had received from OVS and/or its subsidiaries for services other than the statutory audit, details of which are provided in the Notes to the separate and consolidated financial statements of the Company pursuant to Article 149-*duodecies* of the Regulation on Issuers on the disclosure of fees.

The following table summarises the mandates awarded to the auditing firm KPMG and entities belonging to its network for services pertaining to FY 2023.

(thousands of euro)	2023	2022
a) Independent auditor's fees for the provision of auditing services:		
- to Parent Company OVS S.p.A.	240	294
- to subsidiaries (services provided by companies in the KPMG network)	36	33
b) Independent auditor's fees for the provision of services other than auditing:		
- to Parent Company OVS S.p.A. for audit services for the issuance of certification	36 (1)	46 (1)
- to Parent Company OVS S.p.A. for audit services for the issuance of certification (services provided by companies in the KPMG network)	0	10 (2)
- to Parent Company OVS S.p.A. for other services	0	0
c) Fees for entities in the KPMG network for the provision of services:		
- to Parent Company OVS S.p.A.	0	0

(*) The fees relating to 2022, for example, relate to the previous auditor, PricewaterhouseCoopers, which remained in office until the Shareholders' Meeting of 31 May 2023.

(1) These fees relate to "audit-related" services for the limited review of the consolidated Non-Financial Statement and, in 2022, also to tax compliance stamps of various kinds.

(2) These fees relate to activities related to the issue of a certificate on the progress report required annually on the Bond Loan.

The Board of Statutory Auditors acknowledges that the auditing firm and the persons belonging to its network have not been assigned any duties that are not permitted under the applicable regulations.

With regard to non-audit assignments (not belonging to assignments prohibited pursuant to Article 5, paragraph 1, of Regulation (EU) No. 537/2014), the Board of Statutory Auditors considered them to be compatible with the statutory audit mandate and, with regard to fees, appropriate for the scale and complexity of the work performed, i.e. not giving rise to any aspects that could affect the independence criteria of the auditing firm.

The Board of Statutory Auditors has also received the declarations of independence issued by KPMG, more precisely the "Annual Confirmation of Independence pursuant to Article 6(2)(a) of Regulation (EU) No. 537/2014 and pursuant to paragraph 17 of International Auditing Standard (ISA Italia) 260", and the transparency report issued by the firm pursuant to Article 13 of Regulation (EU) No. 537/2014.

IX. Audit of the Consolidated Non-Financial Statement

The Board of Statutory Auditors supervised compliance with Legislative Decree No. 254 of 30 December 2016 and Consob Regulation No. 20267 of 18 January 2018 with regard to the

Consolidated Non-Financial Statement (“NFS”) prepared by the Company, also taking into account the Public Statement published by ESMA on 25 October 2023 on the common European supervisory priorities for financial statements and non-financial statements for FY 2023.

The Board of Statutory Auditors finds that the Company, in its capacity as Parent Company, has produced the Consolidated Non-Financial Statement in accordance with the requirements of Articles 3 and 4 of Legislative Decree No. 254/2016 and the new “Global Reporting Initiative Sustainability Reporting Standards” (the “GRI Standards 2021”) defined by the GRI - Global Reporting Initiative - and identified by the Company’s Directors as the reporting standard.

The Board of Statutory Auditors monitored compliance with the provisions of Legislative Decree No. 254 of 2016 and ascertained that the NFS enables an understanding of the Group’s business, its performance, results and the effects it produces, and that the NFS reports on environmental, social, personnel-related, human rights, and anti-corruption issues, taking into account the company’s business and characteristics, in accordance with Article 3 of Legislative Decree No. 254 of 2016.

The Board of Statutory Auditors highlights that, in the NFS, the Company has indicated specific targets in terms of environmental, social and governance sustainability to be achieved within the next few years, with an update of what was achieved for each of them during 2023.

The Board of Statutory Auditors discussed with the independent auditors - at various meetings, including held in joint session with the Control, Risks and Sustainability Committee - in relation to its control activities on the NFS, receiving confirmation that no critical issues to be reported emerged from them, as also indicated in the specific report of the independent auditors on the NFS.

The Board of Statutory Auditors also verified the approval by the Board of Directors on 17 April 2024 of the said Consolidated Non-Financial Statement and the issue by the independent auditors, on 9 May 2024, of its specific Report on the NFS, certifying the conformity of the information provided in the document with Articles 3 and 4 of Legislative Decree 254/2016 and the GRI Standards, without making any particular remarks.

X. Methods of implementing corporate governance rules in practice

The Board of Statutory Auditors recalls that the Company has adhered to the Corporate Governance Code (the “Code”). In relation to the provisions of the Code, in FY 2023 the Company's Board of Directors approved the updated Regulations of the Board of Directors, the Control, Risks and Sustainability Committee, the Appointments and Remuneration Committee and the Related Party Transactions Committee.

In this regard, the Board of Statutory Auditors acknowledges that an advance deadline (3 days) for the transmission of pre-meeting information is included in the Committee Regulations.

Pursuant to Article 149, paragraph 1, letter c-bis) of the T.U.F., the Board of Statutory Auditors

monitored the procedures for the implementation of the corporate governance rules laid down in the Code, with particular regard to:

- the correct application of evaluation criteria and procedures adopted by the Board of Directors to assess the independence of its members;
- the method by which the Board of Directors' internal committees are composed, particularly with reference to the independence requirements of their members, also noting that only one meeting of independent directors was held during the year;
- the corporate governance structure of the Company, with a review of the Annual Report on Corporate Governance and Ownership Structure.

The Board of Statutory Auditors verified that the Annual Report on Corporate Governance and Ownership Structure was prepared in accordance with the provisions of Article 123-*bis* TUF and that the obligation to inform the market of its degree of adherence to the Corporate Governance Code has been fulfilled pursuant to Article 89-*bis* of the Regulations for Issuers.

With regard to the self-assessment process for the Board of Directors and its Committees, it should be noted that, as provided in the Corporate Governance Code and Regulations of the Board of Directors, in FY 2022 in view of the renewal of the Board of Directors the Company conducted a Board Evaluation in which all the incumbent Directors participated with the assistance of the Internal Audit function. On its conclusion, a report was issued, which was explained at the Appointments and Remuneration Committee meeting of 23 January 2023 and to the Board of Directors meeting of 31 January 2023, containing a proposal for an Action Plan which envisaged the Company continuing along the virtuous path it has taken by continuing the implementation of the actions and innovations it has already started, and proceeding with the Induction Plan for corporate bodies. The above objectives were effectively pursued in FY 2023.

The Board of Statutory Auditors acknowledged the largely positive results of the Board Evaluation, which concerned the composition, size and functioning of the Board of Directors and its Committees. The work of the committees is widely appreciated and their size and composition is deemed adequate. For a summary of the results of the Board Evaluation, see the Report on Corporate Governance and Ownership Structure.

At its subsequent meeting of 21 March 2023, the Board of Directors, acknowledging recommendation 23 of the Corporate Governance Code and on the basis of a proposal made by the Appointments and Remuneration Committee on 17 March 2023, approved the Board of Directors' Guidelines to Shareholders on the quantitative and qualitative composition of the Board of Directors deemed optimal for the three-year period 2023-2025 and also approved the update of the "Guidelines on the Diversity of the Board of Directors and Board of Statutory Auditors".

XI. Supervision of atypical and/or unusual transactions with third parties, or intra-group and related party transactions

The Board of Statutory Auditors did not detect nor did it receive any indication from the Board of Directors, the external auditor or the head of Internal Audit regarding the existence of any atypical and/or unusual transactions, as defined by Consob Communication DEM/6064293 of 28 July 2006, concluded with third parties, related parties or within the Group during FY 2023.

In the notes to the financial statements, the Directors have provided an account of the transactions of an ordinary nature concluded during the year with Group companies and other related parties, to which reference should be made, including with regard to the characteristics of the transactions and their economic, financial and equity effects.

With regard to related-party transactions, it should firstly be noted that the Company has established a Related-Party Transactions Committee and approved an RPT Procedure, most recently amended by the Board of Directors on 17 June 2021, which takes into account the provisions of Consob Resolution No. 21624 of 10 December 2020. The procedure also provides for the keeping and updating of a Register of Related Party Transactions.

The Board of Auditors verified the actual implementation and functioning of the related party transaction procedure adopted by the Company, including the regular reporting of such transactions by the Board of Directors.

The Board of Statutory Auditors, in the exercise of its supervisory powers, periodically sought and obtained updates on the evolution of relations with related parties.

With regard to these transactions, the Board constantly monitored compliance:

- (i) with the RPT Regulations and the RPT Procedure, also by obtaining detailed documentation;
- (ii) with the provisions on transparency and public information.

From the information that was obtained and as a result of an in-depth examination and analysis of the documentation, no problematical issues were detected with regard to consistency with the interests of the Company in the OVS transactions with related parties indicated in the Annual Financial Report as of 31 January 2024.

Taking into account the size and structure of the Company and of the OVS Group, the Board of Statutory Auditors considers that the Board of Directors, in its Annual Financial Report as at 31 January 2024, has provided an adequate description of transactions concluded with subsidiaries and other related parties by explaining their economic, financial and equity effects.

XII. Any omissions and objectionable circumstances identified. Initiatives undertaken by the Board of Statutory Auditors

During FY 2023 financial year and up to the date hereof, no complaints concerning

objectionable circumstances were received pursuant to Article 2408 of the Italian Civil Code and no complaints were filed with the Court pursuant to Article 2409 of the Italian Civil Code.

The Company has adopted a Whistleblowing Procedure for the managing reports, in compliance with Legislative Decree No. 24/2023, in order to protect those who, in good faith, report, inter alia, significant unlawful conduct, also pursuant to Legislative Decree No. 231/01, establishing clear, identified channels for receiving, analysing and processing reports.

In FY 2023 and to date no omissions or objectionable circumstances events have been identified, nor have consequent actions been taken by the Board of Statutory Auditors or reports been made to Consob pursuant to Article 149, paragraph 3, of the TUF.

XIII. Opinions rendered by the Board of Auditors

During the 2023 financial year and between 31 January 2024 and the present, the Board of Statutory Auditors has issued its favourable opinion pursuant to Article 2389, paragraph 3, of the Italian Civil Code:

- on the allocation of Performance Shares to the Chief Executive Officer, within the framework of the Equity-Based Incentive Plan (Long-Term Incentive) for the years 2022-2026, approved by the Shareholders' Meeting of 31 May 2022;
- on the target parameters and targets of the variable component for the 2024 financial year (Short Term Incentive) for the Chief Executive Officer.

It should be noted that during FY 2023, in the period prior to 31 May 2023, the Board of Statutory Auditors had also issued a favourable opinion on the target parameters and targets of the variable component for FY 2023 (Short Term Incentive) for the Chief Executive Officer, which the Board of Statutory Auditors had already published in its Report on the financial statements for the year ended 31 January 2023, issued on 10 May 2023, to which reference should be made.

As a result of the supervisory activity performed during the year as described above, which did not reveal any omissions or reprehensible actions, the Board has no observations to report to the Shareholders' Meeting pursuant to Article 153 of the TUF.

XIV. Self-assessment by the Board of Statutory Auditors

The self-assessment process of the Board of Statutory Auditors was carried out at the end of FY 2023, in accordance with the provisions of the Rules of Conduct of the Board of Statutory Auditors of listed companies.

The results of this process did not reveal any shortcomings in the suitability of its members, the adequate composition of the body and its functioning, while highlighting some objectives for possible improvement in the documentary organisation of the work. As part of this self-assessment, the Board of Statutory Auditors conducted, with a positive outcome, a periodic verification of the maintenance of the independence requirements on the part of each of its

members, as required by the Code.

The self-assessment of the Board of Statutory Auditors was reported to the Board of Directors at the meeting of 17 April 2024, which published it in the Annual Report on Corporate Governance and Ownership Structure produced for FY 2023.

XV. Audit of the separate and consolidated financial statements

The Board of Statutory Auditors notes that accounting control and auditing of the financial statements for the year in question have been assigned to the auditing firm KPMG. During the year ended 31 January 2024, the auditing firm checked that the accounts were properly kept and that operational events were correctly recorded in the accounting records and, with reference to the financial statements, that they corresponded to the accounting records. The Board of Statutory Auditors refers to the “Independent Auditor’s Report” prepared pursuant to Article 14 of Legislative Decree No. 39/2010.

To the extent of its competence, the Board of Statutory Auditors monitored compliance with the law on the general structure of the financial statements and the regularity of the process of preparing the separate financial statements of OVS and the consolidated financial statements of the Group as of and for the year ended 31 January 2024. To this end, the Board of Statutory Auditors acknowledged the statement by the competent bodies that the separate and consolidated financial statements had been prepared in accordance with IAS/IFRS international accounting standards and related interpretative principles and that the Company has applied Consob’s requirements on financial statements and corporate reporting.

The Board of Statutory Auditors notes that the consolidated and separate financial statements have been prepared on a going-concern basis, as the Directors have not identified any risks regarding the Group’s ability to meet its obligations in the foreseeable future, and particularly in the next 12 months.

With respect to the Group’s consolidated financial statements, as far as the scope of consolidation is concerned, there were no changes in the financial year ended 31 January 2024, except for the inclusion of some newly established companies.

The Notes to the Financial Statements provide the information required by international accounting standards on the impairment of assets. In this regard, it should be noted that the procedure adopted by OVS for the purpose of impairment testing - entitled “Policy IAS 36 - Impairment of Assets and Impairment Tests” - was last updated as per the resolution of the Board of Directors of 20 September 2022. In this context, according to the procedure, the Company availed itself of an independent external expert for the preparation of the impairment test. Given the current context of uncertainty as described in the Report on Operations as at 31 January 2024 due to the conflict between Russia and Ukraine, the related inflationary pressures and sharp increases in interest rates, and the importance that this may have in complex valuation processes based on estimates, the sustainability of the impairment test result was carefully analysed as the model assumptions changed, as described in detail in the Notes to the separate

and consolidated financial statements of the OVS Group, to which reference should be made. In particular, it should be noted that, as at 31 January 2024, no need for write-downs arose from the impairment testing carried out according to the review of flows to take account of the forward-looking budget data for the financial year that began on 1 February 2024, approved by the Board of Directors at the meeting of 31 January 2024.

In the notes to the separate and consolidated financial statements of the OVS Group, the financial statements describe the main measurement criteria used, including IFRS 16 for leases that have a material impact on the Group. In addition, the explanatory notes summarise information on the impacts of climate risks, which is then discussed in the Consolidated Non-Financial Statement.

Prior to the date of approval of the financial statements by the Board of Directors, the Board of Statutory Auditors obtained information on the impairment test process and the issues indicated above through a joint meeting with the Control, Risks and Sustainability Committee attended by the OVS Executive in Charge and the independent auditors.

In the light of the inquiries conducted and discussions with KPMG, the Board of Statutory Auditors did not identify any critical issues in the preparation of the financial statements or any impediments to its approval.


XVI. Conclusions and proposals regarding the financial statements and their approval

On the basis of the supervisory monitoring performed, the Board of Statutory Auditors of OVS, taking into account all of the activities outlined above, invites you to approve the financial statements of OVS S.p.A. as of 31 January 2024, as presented by the Board of Directors, together with the Management Report and the proposal formulated by the Board of Directors on 17 April 2024 regarding the allocation of the result for the year.

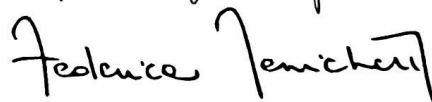
Venice – Mestre, 9 May 2024

Board of Statutory Auditors

Stefano Poggi Longostrevi – Chairman



Federica Menichetti – Standing Auditor



Massimiliano Nova – Standing Auditor

