

# **Policy**

## **Ethical AI**

**INDICE**

**INTRODUCTION ..... 3**

**1. PURPOSE..... 3**

**2. SCOPE ..... 4**

**3. REFERENCES ..... 4**

**4. COMMITMENT AND GENERAL PRINCIPLES..... 4**

    4.1. ETHICS BY DESIGN ..... 5

    4.2. HUMAN IN THE LOOP ..... 6

**5. CORE ETHICAL PRINCIPLES FOR AI ..... 7**

    5.1. AI RISK-BASED CLASSIFICATION ..... 7

    5.2. AI DATA & SECURITY GOVERNANCE ..... 7

    5.3. ALGO-FAIRNESS ..... 7

    5.4. TRANSPARENCY & EXPLAINABILITY ..... 8

    5.5. ACCOUNTABILITY & HUMAN OVERSIGHT..... 8

    5.6. PRIVACY..... 8

**6. COMMITMENT TO THE FUTURE..... 9**

**7. RESPONSIBILITIES AND POLICY REVIEW ..... 9**

## INTRODUCTION

The Fincantieri Group (hereinafter referred to as Fincantieri or the Group) is firmly committed to promoting a more equitable and sustainable future through the adoption of innovative technological solutions. To this end, through this Policy, the Group affirms its commitment to the adoption and application of guiding ethical principles, drawing inspiration from key international frameworks and directives, including the principles of the Organization for Economic Co-operation and Development (OECD), G7 Guidelines, and the European Union Artificial Intelligence Regulation (EU AI Act). The goal is to ensure that the introduction and use of Artificial Intelligence (hereinafter AI) align with the highest standards of responsibility, transparency, and integrity.

The ethical principles outlined in this Policy are intended to guide the Group's operations and its relationships with stakeholders, aiming to extend its commitment to responsible governance and ensure that such principles are also applied in the realm of proposed technological solutions.

The development of this Policy reflects a path that aligns with the expectations of the stakeholders the Group engages with across various operational contexts, taking into account emerging needs in the areas of sustainability, responsible innovation, and risk management associated with the use of artificial intelligence.

To ensure the effective implementation of these principles, an AI governance-dedicated Ethical Committee (FC Ethical Committee) has been established. This committee plays a crucial role in monitoring implementation, assessing potential risks, and ensuring that each process or system used aligns with the Group's ethical values and international regulations.

In order to promote maximum internal awareness and dissemination, this Policy will be made available through the **corporate intranet** and **specific communication campaigns** aimed at employees, thereby ensuring accessibility and fostering a shared culture around the ethical principles it is founded upon.

### 1. PURPOSE

The Fincantieri Group adopts this Policy with the aim of:

- Ensuring that all applications, processes, and systems involving the use of AI are developed, implemented, and managed in full compliance with the highest ethical, regulatory, and social standards;
- Ensuring that the use of AI is transparent, with clear communication regarding its objectives, application methods, and potential impacts;
- Preventing the use of AI from generating discrimination or perpetuating biases, ensuring that such systems' decisions are fair, impartial, and respectful of human rights;
- Guaranteeing that AI usage complies with current privacy and data protection laws, safeguarding the confidentiality of personal information and preventing data misuse;

- Identifying and mitigating risks associated with the use of AI, particularly those related to system safety, physical security, and protection against the malicious use of technology;
- Promoting the adoption of AI solutions that are sustainable, ethical, and aligned with long-term sustainable development goals, thereby contributing to a positive impact;
- Ensuring that the adoption and use of AI is aligned with major regulatory frameworks, fostering responsible and harmonized governance.

## 2. SCOPE

This Policy applies to Fincantieri S.p.A. and all Group companies, directly or indirectly controlled, both in Italy and abroad. It also applies to Third Parties (e.g., Clients, Suppliers, etc.) and to all individuals performing work-related activities within the Fincantieri Group, regardless of their contractual status.

## 3. REFERENCES

This Policy has been developed based on the principles set forth in the Code of Conduct and the “Human Rights – Commitment to Respect for Human Rights and Diversity” Policy (PY-001) as internal references, as well as the following external sources:

- OECD Recommendations on Artificial Intelligence (2019);
- EU AI Act (2021);
- General Data Protection Regulation (GDPR 2016/679);
- G7 Principles on Artificial Intelligence (2021);
- UNESCO Recommendations on Artificial Intelligence (2021);
- Asilomar AI Principles on Beneficial AI (2017).

## 4. COMMITMENT AND GENERAL PRINCIPLES

In this context, Fincantieri is committed to implementing the Ethics by Design approach in guiding the design and adoption of technological solutions within the Group, as well as the Human-in-the-Loop (HiTL) principle, which refers to the integration of human oversight within automated systems.

#### 4.1. ETHICS BY DESIGN

The Ethics by Design approach involves the systematic integration of ethical principles from the earliest stages of technology development and design so that these become an integral part of the product or system lifecycle. The aim is to ensure that the use of AI and emerging technologies not only complies with current laws but is also in harmony with core values such as fairness, transparency, and respect for human rights. The approach is based on the following fundamental principles:

- **Proactive ethical risk identification:** Addressing potential ethical issues early by integrating them into the initial phases of technology design and development; this includes identifying social, legal, and economic risks and managing them before significant issues arise.
- **Integration of ethical principles in the product lifecycle:** Ethics must be embedded as a core component of AI system design to ensure the final product upholds transparency, privacy, and safety.
- **Inclusiveness and diversity:** Ensuring that the design process involves diverse perspectives and stakeholders to avoid bias and discrimination.
- **Protection of fundamental rights:** The adoption of AI must fully respect human rights and fundamental freedoms, ensuring that technologies do not infringe on privacy, individual autonomy, or cause psychological harm or discrimination.
- **Transparency and accountability:** It is essential that AI systems operate in a transparent and understandable manner for all users, both during interaction and in automated decision-making processes. Transparency must explicitly include identifying the use of AI, clearly informing users whenever they interact with AI-generated content, services, or decisions. Users must be able to know when and how an AI technology was employed, what role it played in the decision-making process, and what data and logic underpinned that decision. Mechanisms for auditability, documentation, and traceability of algorithmic decisions must also be provided to allow for post-hoc analysis and understanding of system behavior.
- **Continuous monitoring and review:** Procedures for ongoing monitoring of implemented AI technologies must be adopted to ensure ongoing compliance with established ethical standards.

By adopting this approach, the Group can:

- Ensure safety, inclusiveness, and transparency across its operations, products, and services;
- Design technological solutions that respect human rights, minimize risks, and have a positive impact on society and the environment.

Inspired by the principles of Ethics by Design, Fincantieri has created a governance framework and risk management tools that enable the integration of ethical values into every stage of project development and implementation.

Aware that AI and its ethical implications are constantly evolving, Fincantieri commits to adopting dynamic approaches with a continuous improvement mindset, considering new technologies, data availability, tangible outcomes, and current and emerging regulations.

#### 4.2.HUMAN IN THE LOOP

The Human-in-the-Loop (HiTL) principle ensures that human operators maintain an active role in the monitoring, supervision, or decision-making process of an automated system, guaranteeing human intervention whenever necessary to verify, validate, or correct the system's actions.

Key aspects of this principle include:

- Active supervision: Even in highly automated systems, human operators must have the ability to monitor, supervise, or modify decisions made by AI. This is especially important in cases where automated decisions can significantly impact people, processes, or systems;
- Real-time intervention: The system allows users to intervene in real time, interrupting an automated process or correcting the system's course in the event of an error;
- Continuous improvement: Human operators can provide feedback on results or correct actions, thereby improving the system's accuracy;
- Accountability and safety: Human oversight ensures that automated decisions align with legal, ethical, and social values, preventing potentially harmful or dangerous errors.

The company's vision is that technology should serve people, not replace them. In this context, the Group's adoption of the HiTL principle aims to ensure that every critical decision made by AI systems is subject to human oversight and validation.

In line with this principle, Fincantieri is committed to ensuring human involvement is always present to monitor, verify, correct, and override automated actions when necessary. This allows for adequate responses to unexpected or complex situations and supports the implementation of technologies that enhance human capabilities rather than replace them, fostering a synergy between artificial and human intelligence that optimizes outcomes and performance.

## 5. CORE ETHICAL PRINCIPLES FOR AI

The Group is committed to adopting six fundamental principles to guide the design, adoption, and use of AI, ensuring it is employed responsibly, ethically, and in compliance with international standards, while promoting a positive societal impact and minimizing the risks associated with advanced technologies.

### 5.1. AI RISK-BASED CLASSIFICATION

In its approach to AI, Fincantieri classifies AI systems according to the level of risk they may pose, following the principles outlined in the EU AI Act. Systems are categorized by risk level (i.e., unacceptable, high, moderate, or low), with higher-risk systems subjected to stricter controls and continuous evaluation of potential negative impacts. This approach enables effective risk management and ensures that the most invasive or hazardous technologies are developed and deployed only in regulated environments with appropriate mitigation measures in place.

### 5.2. AI DATA & SECURITY GOVERNANCE

Data protection and information security are fundamental principles for the responsible use of artificial intelligence. In a context where AI systems handle large volumes of data—often sensitive or critical—it is essential to ensure that information is processed in full compliance with users' rights, privacy regulations (such as GDPR), and the highest cybersecurity standards.

Fincantieri commits to implementing rigorous data governance, ensuring that the entire AI system lifecycle—from design to development, implementation, and maintenance—is characterized by technical and organizational measures that prevent unauthorized access, tampering, and misuse.

In this regard, it is strategically important to identify potential vulnerabilities promptly and adopt a proactive risk mitigation approach by integrating the principle of “security-by-design” into business processes. This approach guarantees the resilience and reliability of AI systems, even in critical conditions or when facing external threats.

### 5.3. ALGO-FAIRNESS

During AI system development, it is essential to monitor and correct any biases in the training data used for models. Fincantieri is committed to ensuring that algorithms are fair and designed to avoid discrimination or bias that could disadvantage specific categories or demographic groups. The goal is to ensure that automated decisions do not perpetuate existing inequalities or cause discrimination based on race, gender, age, disability, or other personal characteristics.

To achieve this, it is necessary to implement methodologies that promote inclusion and ensure that AI systems are impartial, treating all groups fairly and with equal opportunities.

#### 5.4. TRANSPARENCY & EXPLAINABILITY

Transparency is a key element in building and maintaining trust in the use of artificial intelligence. Users must be able to verify and understand how and why an AI system makes certain decisions, especially when these decisions affect individuals, processes, or critical outcomes. This principle requires that organizations developing and deploying AI systems provide clear, accessible, and understandable information on how models are designed, what data are used, and how these data influence algorithmic outcomes.

Fincantieri commits to using AI systems designed so that users can understand the decision-making process and clearly recognize when they are interacting with AI-generated content or decisions. The use of AI must be explicitly communicated, ensuring users are fully aware of the automated nature of the interaction.

Additionally, it is essential to establish mechanisms for auditability, traceability, and documentation that allow for retrospective analysis of system behavior, as well as human review when necessary. In this way, Fincantieri ensures responsible, safe, and non-arbitrary use of AI, in line with ethical principles and required quality standards.

#### 5.5. ACCOUNTABILITY & HUMAN OVERSIGHT

This principle establishes that in the event of an error, *bias*, or harm caused by an AI system, clear mechanisms must exist to identify responsibility and take appropriate corrective actions. Human oversight is therefore essential to ensure that decisions made by AI are ethical, safe, and accurate. Accountability implies that every AI user or developer is aware of the risks and potential consequences of their actions and complies with ethical and safety standards.

#### 5.6. PRIVACY

The principle of privacy ensures that user data are handled with the utmost respect for confidentiality. Fincantieri is committed to protecting users' privacy by collecting, using, and storing data only for explicitly declared and authorized purposes, in compliance with applicable regulations and international best practices. This includes protecting personal data from unauthorized access and ensuring that adequate security measures are in place to prevent breaches.



## 6. COMMITMENT TO THE FUTURE

The integration of the above-mentioned ethical principles into operations, solutions, and products is not just a strategic choice for the Group, but a fundamental act of responsibility toward society. It reflects corporate awareness of its duties to the community, a culture of respect and integrity, and a commitment to contributing to a fairer and better future. In this context, the Group's priorities include:

- Continuous training: To raise employee awareness of the importance of ethics in the development and implementation of technological solutions;
- Transparent communication: To ensure that corporate practices are clear to all stakeholders, fostering and maintaining relationships of trust;
- Responsible innovation: To develop solutions that go beyond immediate needs and generate a positive, lasting impact on society and the environment, improving lives and respecting the planet, taking into account the entire value chain through to the end of the product lifecycle

## 7. RESPONSIBILITIES AND POLICY REVIEW

The Parent Company, through the Operations, Corporate Strategy and Innovation Directorate, is responsible for monitoring and overseeing the "Ethical AI" Policy.

The Policy will undergo periodic reviews and will be validated by the Ethical Committee and the Sustainability Committee to ensure effective implementation and adequacy, and will be updated in response to changes in the external context.

The Policy and any subsequent revisions will be subject to approval by the Board of Directors.

*Version approved by the Board of Directors on May 12, 2025*