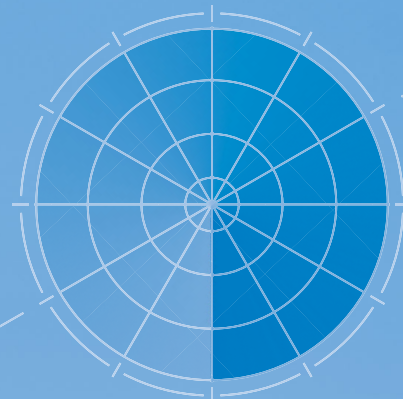


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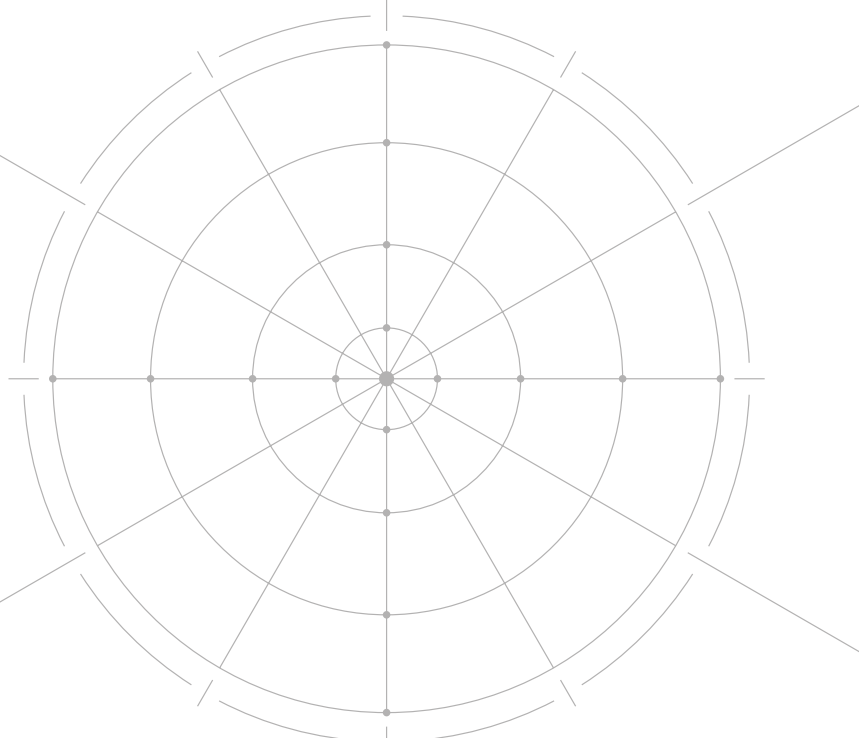


# REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

pursuant to Article 123-*bis* of Legislative Decree No. 58 of 24 February 1998  
Approved by the Board of Directors on 25 February 2021

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## Glossary

### Board of Directors or Board

The Board of Directors of Fincantieri

### Borsa Italiana

Borsa Italiana S.p.A.

### By-laws

Fincantieri's By-laws in force as of the date of this Report

### Code of Conduct

The Code of Conduct adopted by the Company and described in paragraph 4.3 of this Report

### Committee for Related Party Transactions or RPT Committee

The Committee involved in handling related party transactions under CONSOB (Stock Exchange Regulatory Authority) Regulation, approved by Resolution No. 17221 of 12 March 2010, as amended

### CONSOB Regulation on Related Party Transactions

The Regulation issued by CONSOB (Stock Exchange Regulatory Authority) by Resolution No. 17221 of 12 March 2010, as amended

### Control and Risk Committee

The Committee set up by the Board of Directors under Article 7 of the Corporate Governance Code

### Corporate Governance Code or Code

The Corporate Governance Code for listed companies, approved by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI, ANIA, Assogestioni, Assonime, and Confindustria<sup>1</sup>

### Corporate Governance Report or Report

This Report on Corporate Governance and Ownership Structure drafted pursuant to Article 123-*bis* of the Italian Consolidated Law on Finance (TUF)

### Corporate Governance Committee

The Corporate Governance Committee established by Borsa Italiana S.p.A., ABI, Ania, Assonime, Confindustria and Assogestioni

### Director in charge of the ICRMS

The Director in charge of setting up and maintaining an effective internal control and risk management system (ICRMS) under Article 7 of the Corporate Governance Code

### Fincantieri or the Company

FINCANTIERI S.p.A.

### Group

Fincantieri and its subsidiaries under Article 93 of the Italian Consolidated Law on Finance (TUF)

### Head of Internal Auditing

The Head of the Internal Auditing Department appointed pursuant to Article 7.1 of the Corporate Governance Code

### Issuers' Regulations

The Regulations issued by CONSOB by Resolution No. 11971 of 14 May 1999 on issuers, as amended

### New Corporate Governance Code

The Corporate Governance Code approved by the Corporate Governance Committee (promoted by Borsa Italiana S.p.A., ABI, ANIA, Assogestioni, Assonime, and Confindustria) and published on 31 January 2020<sup>2</sup>

### Nomination Committee

The Committee set up by the Board of Directors under Article 5 of the Corporate Governance Code

### Organisation Model

The Organisation Model adopted by the Company under Legislative Decree No. 231 of 8 June 2001

### Offering Circular

The offering circular relating to the public offer for sale and subscription and admission to listing on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A. of ordinary shares issued by Fincantieri

### Officer in Charge

The Manager responsible for preparing the Company's financial reports under Law 262/2005

### Remuneration Committee

The Committee set up by the Board of Directors under Article 6 of the Corporate Governance Code

### Risk Officer

The Risk Officer supports the Director in charge of the ICRMS to determine the methodologies to identify, evaluate and monitor the main business risks

### Sustainability Budget

The statement on non-financial information drawn up under Legislative Decree No. 254 of 30 December 2016 approved by the Board of Directors

### Sustainability Committee

The Committee set up by the Board of Directors under Article 4 of the Corporate Governance Code

### TUF

Legislative Decree No. 58 of 24 February 1998, as amended

<sup>1</sup> Available, in various editions, on the Internet website of the Corporate Governance Committee at <http://www.borsaitaliana.it/comitato-corporate-governance/codice/codice.htm>.

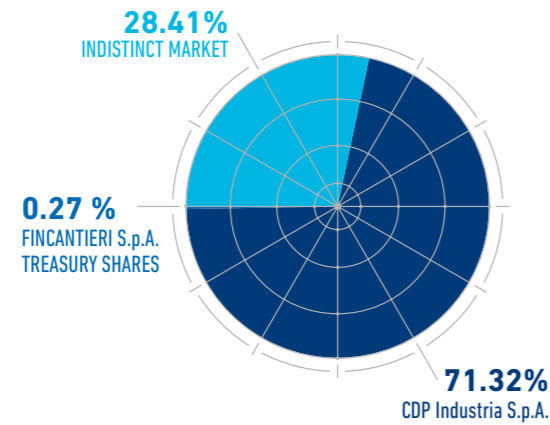
<sup>2</sup> Also available on the Internet website of the Corporate Governance Committee at <http://www.borsaitaliana.it/comitato-corporate-governance/codice/codice.htm>.

## Executive summary

### Shareholders

The graphs and tables below detail the composition of the shareholder structure and type of investors.

#### SHAREHOLDERS STRUCTURE



SHAREHOLDERS STRUCTURE CHARACTERISTICS	YES/NO	% share capital
Shareholders' agreements	No	-
Shareholding threshold for the submission of slates for the appointment of corporate bodies	-	1

#### COMPOSITION OF THE BOARD OF DIRECTORS TO THE DATE OF THE REPORT

DIRECTOR	OFFICE	EXPIRY OF TERM	ROLE	INDEP. BY LAW	INDEP. BY CODE	CRC	CC	NC	SC
Gianpiero Massolo	Chairman	Sh. Meeting to approve 2021 Financial Statements	Executive	-	-	-	-	-	-
Giuseppe Bono	CEO	Sh. Meeting to approve 2021 Financial Statements	Executive	-	-	-	-	-	-
Barbara Alemanni	Director	Sh. Meeting to approve 2021 Financial Statements	Non-executive	✓	✓	X	X	-	-
Massimiliano Cesare	Director	Sh. Meeting to approve 2021 Financial Statements	Non-executive	✓	✓	C	-	X	-
Luca Errico	Director	Sh. Meeting to approve 2021 Financial Statements	Non-executive	✓	✓	-	-	X	X
Paola Muratorio	Director	Sh. Meeting to approve 2021 Financial Statements	Non-executive	✓	✓	X <sup>(1)</sup>	C	-	X
Elisabetta Oliveri	Director	Sh. Meeting to approve 2021 Financial Statements	Non-executive	✓	✓	-	X	-	C
Fabrizio Palermo	Director	Sh. Meeting to approve 2021 Financial Statements	Non-executive	-	-	-	X	X	-
Federica Santini	Director	Sh. Meeting to approve 2021 Financial Statements	Non-executive	-	-	X	-	-	X
Federica Seganti	Director	Sh. Meeting to approve 2021 Financial Statements	Non-executive	✓	✓	X	-	C	-

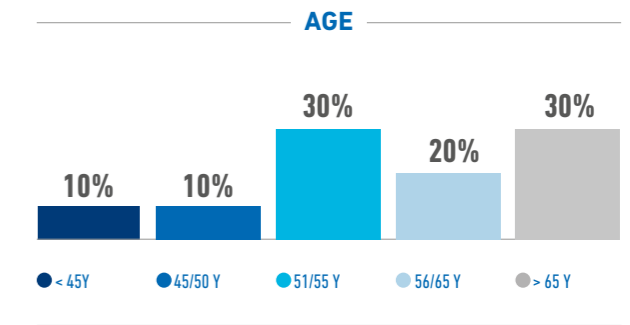
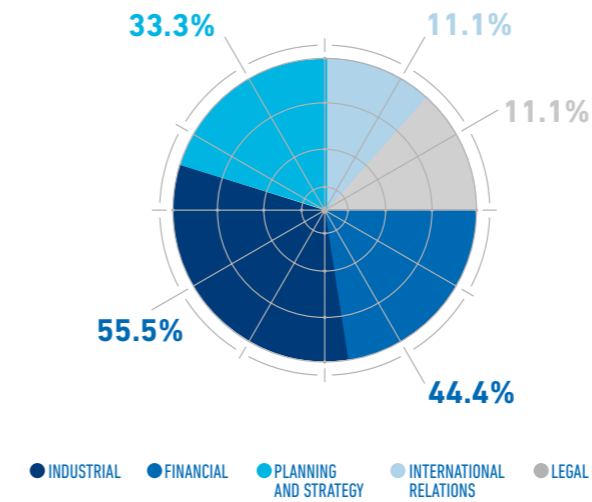
CRC: Control and Risk Committee  
RC: Remuneration Committee  
NC: Nomination Committee  
SC: Sustainability Committee

(<sup>1</sup>) Member of the Control and Risk Committee in place of Director Santini when the Committee, meeting in its capacity as RPT Committee, examines transactions with related parties of greater significance.

(C): Chairman of the Committee  
(/): Satisfies the requirements  
(-): Not applicable  
(X): Member of the Committee

### CHARACTERISTICS OF BOARD OF DIRECTORS MEMBERS

#### AREA OF EXPERTISE



#### COMPOSITION OF THE BOARD OF STATUTORY AUDITORS FROM 9 JUNE 2020 TO THE DATE OF THE REPORT

MEMBERS	ROLE	EXPIRY OF TERM
Gianluca Ferrero	Chairman	Sh. Meeting to approve 2022 Financial Statements
Rossella Tosini	Standing Auditor	Sh. Meeting to approve 2022 Financial Statements
Pasquale De Falco	Standing Auditor	Sh. Meeting to approve 2022 Financial Statements
Alberto De Nigro	Alternate Auditor	Sh. Meeting to approve 2022 Financial Statements
Valeria Maria Scuteri	Alternate Auditor	Sh. Meeting to approve 2022 Financial Statements
Aldo Anellucci	Alternate Auditor	Sh. Meeting to approve 2022 Financial Statements

#### COMPOSITION OF THE BOARD OF STATUTORY AUDITORS UNTIL 9 JUNE 2020

MEMBERS	ROLE	EXPIRY OF TERM
Gianluca Ferrero	Chairman	Sh. Meeting to approve 2019 Financial Statements
Roberto Spada	Standing Auditor	Sh. Meeting to approve 2019 Financial Statements
Fioranna Vittoria Negri	Standing Auditor	Sh. Meeting to approve 2019 Financial Statements
Alberto De Nigro	Alternate Auditor	Sh. Meeting to approve 2019 Financial Statements
Flavia Daunia Minutillo	Alternate Auditor	Sh. Meeting to approve 2019 Financial Statements
Massimiliano Nova	Alternate Auditor	Sh. Meeting to approve 2019 Financial Statements

## OTHER INFORMATION ON THE BOARD OF DIRECTORS, COMMITTEES AND BOARD OF STATUTORY AUDITORS \*

	FINCANTIERI	AVERAGE FOR LISTED COMPANIES **	
		All-share	Mid Cap
Number of Directors	10	9.9	11.1
Number of executives	2	2.5	2.5
Number of non-executives	8	7.4	8.6
Number of non-executives that do not qualify as independent under the Code	2	2.8	3
Number of independent under the Code	6	4.6	5.6
% less represented gender	50	-	-
Average age of Directors	57.3	57.1	-
No. BoD meetings	13	11	12.1
% attendance at BoD meetings	89.2	93	-
Average duration of BoD meetings	127 min.	141 min.	157 min.
Board evaluation	Implemented	83%	-
Position on multiple offices	Adopted	45%	54%

	FINCANTIERI	AVERAGE FOR LISTED COMPANIES **	
		All-share	Mid Cap
No. of CRC meetings	11	8.6	10.1
% attendance at CRC meetings	93	77	-
Average duration of CRC meetings	90 min.	118 min.	127 min.
No. of RC meetings	8	5.2	6.4
% attendance at RC meetings	75	88	-
Average duration of RC meetings	76 min.	67 min.	72 min.
No. of NC meetings	3	6.5	5.4
% attendance at NC meetings	75	84	-
Average duration of NC meetings	63 min.	66 min.	62 min.
No. SC meetings	6	-	-
% attendance by SC	87.5	-	-
Average duration SC meetings	108 min.	-	-

	FINCANTIERI	FINCANTIERI	AVERAGE FOR LISTED COMPANIES **	
	(from 1 january to 9 june 2020)	(from 10 june to 31 december 2020)	All-share	Mid Cap
Number of Auditors	3	3	-	-
Average age of Auditors	58.7	58	56.2	-
No. of meetings	4	5	14.2	16.8
Average duration of meetings	217 min.	93 min.	151 min.	153 min.
% attendance by Auditors	100	100	97	-

\* The statistical data of this table for Fincantieri refer to the composition and operation of the Board of Directors, of its internal Committees and of the Board of Statutory Auditors during 2020.  
\*\* Last available data from the report of Assonime - Emittenti Titoli S.p.A. "Corporate Governance in Italy: corporate governance, remunerations and comply-or-explain (year 2020)" of 10 February 2021.

## INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

BODY / DEPARTMENT	COORDINATOR	NOTES
Director in charge of the ICRMS	Chairman of the Board of Directors	-
Internal Auditing Department	-	Inside the Company
Head of Internal Auditing	Stefano Dentilli	Reports to the Board of Directors
Risk Officer	Stefano Dentilli	-
Officer in Charge	Felice Bonavolontà	Group Accounting and Administration Manager
Supervisory Body <sup>3</sup>	Guido Zanardi (Chairman) Giorgio Pani Stefano Dentilli	External member External member Internal member
Head of Anticorruption Department	Stefano Dentilli	Reports to the Board of Directors
Board of Statutory Auditors in office until the Shareholders' Meeting of 9 June 2020	Gianluca Ferrero (Chairman) Roberto Spada Fioranna Vittoria Negri	-
Board of Statutory Auditors Appointed by the Shareholders' Meeting of 9 June 2020	Gianluca Ferrero (Chairman) Rossella Tosini Pasquale De Falco	-
External auditors	Deloitte & Touche S.p.A.	Expiry of term: Shareholders' Meeting to approve 2028 Financial Statements

<sup>3</sup> On 25 February 2021, the Board appointed the new Supervisory Board with the following composition: Attilio Befera, Chairman, Fioranna Negri, external member, Stefano Dentilli, internal member.



## Introduction and summary information on the implementation of the new Corporate Governance code

This Report contains the information required by Article 123-*bis* of the Italian Consolidated Law on Finance (TUF) and by the regulatory provisions in force applicable to the corporate governance system adopted by the Company and the associated ownership structure with regard to 2020. In line with the recommendations of the Corporate Governance Code, which the Company has complied with since 31 December 2020, this Report also contains complete and accurate information on the manner in which the Company complies with the principles and criteria of the Code, indicating (as relevant) any specific recommendations that the Company has not in fact adhered to.

Starting from January 2021, the Company has adjusted its corporate governance system to the new Corporate Governance Code. More specifically, with a resolution dated 28 January 2021, the Board of Directors, having consulted with the relevant Committees, approved the following documents:

- a) Regulations for the Board of Directors
- b) Regulations for the Nomination Committee, amended to incorporate the provisions of the new Corporate Governance Code;
- c) Regulations for the Remuneration Committee, amended to incorporate the provisions of the new Corporate Governance Code;
- d) Regulations for the Sustainability Committee, amended to incorporate the provisions of the new Corporate Governance Code;
- e) Regulations for the Control and Risk Committee, amended to incorporate the provisions of the new Corporate Governance Code;
- f) Procedure for the preparation of the Remuneration Policy and for the assessment of the consistency of the remuneration paid;
- g) Procedure for the Board Evaluation;
- h) Succession plan for the Chairman of the Board of Directors and the Chief Executive Officer;
- i) Top Management Succession Guidelines;
- j) Guidelines on the maximum number of offices that Directors may hold, amended to reflect the provisions of the new Corporate Governance Code;
- k) Criteria of significance for reports and additional remuneration for the assessment of independence;
- l) General criteria for identifying significant transactions by subsidiaries.

It should also be noted that, on 10 February 2021, following the adaptation of Fincantieri's corporate governance structure to the new Corporate Governance Code, the Board of Directors has already carried out, with regard to the Directors in office, the assessment of independence and compliance with the principles regarding the accumulation of offices on the basis of the new rules.

In addition, on 9 February 2021, the Board of Statutory Auditors performed a new review of the Statutory Auditors' independence requirements, also in light of the recommendations of the new Corporate Governance Code.

**These aspects will be better detailed in the report for the year 2021.**



## Company profile

Fincantieri is one of the most important shipbuilding groups in the world and the first of its kind for diversification and innovation. The Fincantieri Group is a world leader in designing and constructing cruise ships and is the point of reference for all areas of high-tech shipbuilding, from offshore military support vessels (OPV), special ships and highly complex ferries to mega-yachts. The Group is also a point of reference in the field of ship repairs and conversions, in the production of systems and components in the mechanical and electrical sectors, in naval furnishing solutions, in electronic systems and software, in infrastructures and maritime works as well as in the offer of after-sales services.

In the context of the abovementioned operations, Fincantieri operates through three operating segments:

Shipbuilding, Offshore and Special Ships and Systems, Components and Services.

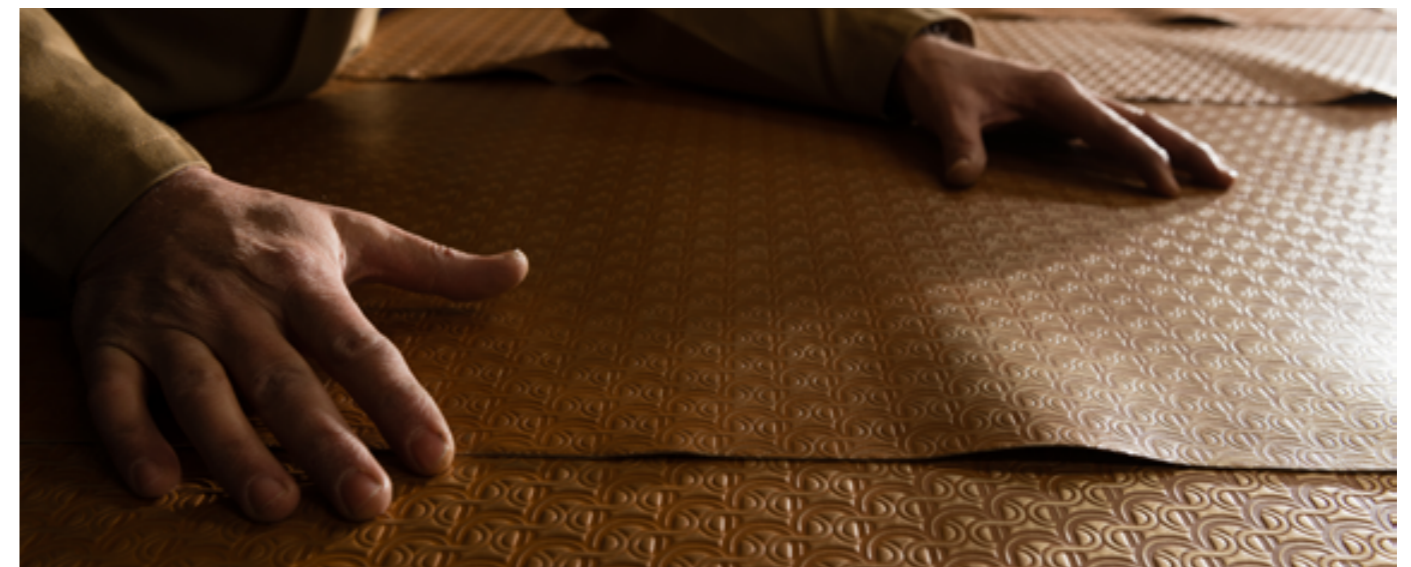
Shipbuilding operations include the design and construction of ships for the cruise and expedition cruise vessels business areas, military vessels and other products and services (ferries, mega-yachts). Production takes place at the Group's Italian, European and US shipyards.

The Offshore and Special Ships operating segment includes the design and construction of high-end offshore support vessels, specialised vessels, offshore wind farm vessels and offshore aquaculture and unmanned vessels, offering innovative products with reduced environmental impact.

The Fincantieri Group operates in this industry through FINCANTIERI S.p.A., Fincantieri Oil&Gas and the VARD Group.

Finally, the Systems, Components and Services operating segment includes ship repairs and conversion, logistical support, refitting, training and after-sales services, outfitting of cabins and public areas. The operational area also includes the design and integration of complex systems, such as integrated systems, and telecommunications, the design and manufacture of energy generation and storage systems, infrastructure and maritime works. These activities are carried out by Fincantieri and certain subsidiaries, mainly Fincantieri Infrastructure and Fincantieri Infrastructure Opere Marittime, Fincantieri NexTech, Fincantieri SI, Cetena, E-PHORS S.p.A., Isotta Fraschini Motori, Marine Interiors and Marine Interiors Cabins, SEASTEMA and Fincantieri Marine Systems North America Inc. ("FMSNA").

The Fincantieri Group, based in Trieste, has 18 shipyards in 4 continents and a total of approximately 20,157 employees, of whom over 9,844 in Italy. The main subsidiaries of Fincantieri are: Cetena, Isotta Fraschini Motori, Marine Interiors and Marine Interiors Cabins, SEASTEMA, Fincantieri Infrastructure and Fincantieri Infrastructure Opere Marittime, Fincantieri NexTech, Fincantieri Marine Systems North America Inc., Fincantieri Marine Group LLC and VARD, a group based in Norway.



## Information on the ownership structure

### 1. Ownership structure

#### 1.1 Structure of the share capital

The Company's share capital consists exclusively of ordinary shares without nominal value.

The shares are registered, indivisible and each share entitles the holder to one vote. The shares are freely transferable.

At 31 December 2020, Fincantieri's share capital amounted to EUR 862,980,725.70 divided into 1,699,651,360 shares. This figure is also confirmed as of the date of this Report (for further information, see paragraph 1.7 below).

The Company's shares are listed on the Italian Electronic Stock Market (MTA) organised and managed by Borsa Italiana.

#### 1.2 Significant shareholdings and shareholders' agreements

Fincantieri's shareholders' register, reports to CONSOB received by the Company and other information available to the Company reveal that, as of the date of this Report, no person, with the exception of the controlling shareholder (see below), holds a shareholding in Fincantieri that exceeds 3%, nor are there any known shareholders' agreements under Article 122 of the Italian Consolidated Law on Finance (TUF) involving the Company's shares.

71.32% of the share capital is indirectly held by Cassa Depositi e Prestiti S.p.A. (a subsidiary of the Ministry of the Economy and Finance) through its subsidiary CDP Industria S.p.A. ("CDP Industria").

MAIN SHAREHOLDERS		% SHARE CAPITAL FINCANTIERI
Indirect	Direct	
Cassa Depositi e Prestiti S.p.A.	CDP Industria S.p.A.	71.32

The Company is not subject to the exercise of management and coordination activities under Articles 2497 and following of the Italian Civil Code by CDP Industria.

Consequently, Fincantieri: (i) operates independently with regard to how arrangements with customers and suppliers are conducted without any external intervention; (ii) independently prepares the Company's or the Group's strategic, industrial and financial plans and/or budget; (iii) is not subject to the rules issued by CDP Industria; (iv) has no agreements for cash and cash equivalents with CDP Industria, nor has it granted financial assistance or coordination duties to CDP Industria; and (v) receives no guidelines or instructions from CDP Industria either on financial and credit matters or with regard to extraordinary transactions or operating strategies.

#### 1.3 Limits on shareholdings and on voting rights

Under Article 3 of Law Decree No. 332 of 31 May 1994, converted with amendments into Law No. 474 of 30 July 1994, ("Law on Privatisations"), Article 6-bis of the Company's By-laws provides that no person or entity other than the Italian State, public bodies or entities controlled by the same may, on any basis whatsoever, hold shares in Fincantieri representing more than 5% of its share capital unless permitted by applicable legislative and regulatory provisions.

This equity interest ceiling is calculated also by taking into account the overall shareholding held by the

controlling party, whether it be a natural or legal person or entity, by all direct and indirect subsidiaries, as well as by companies controlled by a single controlling entity, by affiliate entities and also by natural persons who are associated by family or kinship relations up to the second degree or by marriage, provided that the spouse in question is not legally separated. In calculating the abovementioned 5% ceiling, account is also taken of shares held through trust companies and/or indirectly through intermediaries in general.

Voting rights and other rights unrelated to economic rights may not be exercised for shares held over and above this 5% limit, and the voting rights that would be exercisable by each of the parties subject to the shareholding ceiling shall be proportionately reduced, unless otherwise collectively indicated by the shareholders concerned. If the above rules are infringed, the shareholders' resolution may be challenged under Article 2377 of the Italian Civil Code if the required majority would not have been achieved without the votes that exceeded the maximum ceiling. Shares for which the voting rights may not be exercised are still taken into account, however, for purposes of determining whether the Shareholders' Meeting was duly constituted.

However, the Law on Privatisations dictates that the By-laws clause that limits shareholdings and voting rights will not apply if the 5% limit is exceeded following a public tender offer as a result of which the offeror acquires an equity interest amounting to at least 75% of the share capital with rights to vote on resolutions related to the appointment and removal of Directors.

#### 1.4 Special powers of the Italian State

By virtue of the type of activities carried out, the Company is subject to the provisions of Article 1 of Law Decree No. 21 of 15 March 2012 ("Law Decree No. 21/2012"), converted with amendments into Law No. 56 of 11 May 2012 ("Law No. 56/2012") and subsequently amended, on the Italian State's special powers concerning defence and national security ("golden powers").





Specifically, Article 1 specifies that, with reference to companies that engage in “activities of strategic importance for the defence and national security system”, the Italian State, in the event of a serious threat to its key national defence and national security interests, and irrespective of any relevant provisions contained in the Company’s By-laws<sup>4</sup>, may:

- a) impose specific conditions on the security of procurements, on the security of information, on technological transfers, on controls of exports where shareholdings are purchased (on any basis whatsoever) in enterprises that engage in business operations of strategic importance to national defence or national security interests;
- b) prohibit the adoption of resolutions, acts or transactions by the Shareholders’ Meeting or management bodies of an enterprise referred to in letter a) related to the Company’s merger or de-merger, transfer of the Company or its business units or its subsidiaries, transfer abroad of the Company registered office, modification of the corporate purpose, dissolution of the Company, amendment of any provisions of the Company’s By-laws adopted under Article 2351, paragraph 3, of the Italian Civil Code or introduced under Article 3, paragraph 1, of Law Decree No. 332 of 31 May 1994<sup>5</sup>, converted, with amendments, by Law No. 474 of 30 July 1994, sale of in rem rights or rights of use related to tangible or intangible assets or acceptance of constraints on their use, also due to the subjection of the company to insolvency proceedings; and
- c) oppose the purchase, on any basis whatsoever, of equity interests in a company referred to in letter a) by an entity other than the Italian State, Italian public entities or entities controlled by the same, if the purchaser comes to hold, directly or indirectly, including through subsequent acquisitions, through intermediaries or otherwise affiliated entities, equity interests with voting rights to an extent that could compromise national defence and national security interests in specific cases. To this end, the above rules apply to any shareholding held by third parties with whom the purchaser has entered into any of the agreements referred to in Article 122 of the Italian Consolidated Law on Finance (TUF) or those referred to in Article 2341-bis of the Italian Civil Code<sup>6</sup>.

In implementing Law Decree No. 21/2012, “activities of strategic importance for the defence and national security system” have been identified by Decree No. 253 of the President of the Council of Ministers of 30 November 2012, (“DPCM No. 253/2012”), subsequently repealed and replaced by Decree No. 108 of the President of the Council of Ministers of 6 June 2014, (“DPCM No. 108/2014”).

#### 1.4.1 The Italian State’s veto power over certain corporate resolutions

As described above, the Italian State has veto powers over resolutions, acts or transactions adopted by the Fincantieri Shareholders’ Meeting or Board of Directors, in the areas referred to in Article 1, paragraph 1, letter b) of Law Decree No. 21/2012 (see letter b) of paragraph 1.4 above).

The Italian government, in assessing the possibility that key defence and national security interests could be adversely affected as a result of such resolutions, acts or transactions referred to in letter b) of paragraph 1 of Article 1 of Law Decree No. 21/2012, takes into account – while also considering the subject matter of the resolution, act or transaction – the strategic importance of the assets or enterprises being transferred, the ability of the structure that results from the resolution, from the act or from the transaction to guarantee the integrity of the national defence and national security system, the security of military defence information, the State’s international interests, the protection of the national territory, critical and strategic infrastructures and borders, as well as any other elements that need to be evaluated in the event that equity interests are purchased in the situations referred to in paragraph 1.4.2. below.

In accordance with the provisions of Article 1, paragraph 4, of Law Decree No. 21/2012, for the purposes of the potential exercise of the veto power, Fincantieri shall provide the President of the Council of Ministers with

<sup>4</sup> These powers are exercised by Decree of the President of the Council of Ministers adopted based on a resolution of the Council of Ministers to be communicated promptly and by extract to the competent Parliamentary Commissions.

<sup>5</sup> As most recently amended under Article 3 of Law Decree No. 21/2012.

<sup>6</sup> Paragraph 1-bis of the same Article 1, introduced by Law No. 56 of 11 May 2012, which converted with amendments Law Decree No. 21/2012, also provides that “The decrees referred to in paragraph 1 [...] establish the type of acts or transactions within the same group to which the rules set forth in this Article do not apply”.

complete information on the resolution, act or transaction to be adopted – prior to adopting a resolution or act or transaction on the abovementioned matters – and the President of the Council of Ministers will take any necessary decisions and notify them to Fincantieri in accordance with the procedures and deadlines envisaged by Law Decree No. 21/2012 and by Presidential Decree No. 35 of 19 February 2014 (“DPR No. 35/2014”).

More specifically, within forty-five business days from the notification (or a different term as indicated in Article 1, paragraph 4 of Law Decree No. 21/2012), the President of the Council of Ministers shall communicate any veto. If there is no veto by the time this deadline expires, the transaction may be implemented. The veto power referred to in Article 1, paragraph 4 of Law Decree No. 21/2012 shall be exercised in the form of the imposition of specific requirements or conditions whenever this can ensure that the country’s key defence and national security interests are safeguarded.

Resolutions or acts adopted in breach of the abovementioned veto power shall be null and void. The Government may also order the company and any counterparty to restore the status quo ante at their expense.

Law Decree No. 21/2012, unless the relevant conduct constitutes a criminal offence, imposes administrative fines of up to twice the value of the transaction and, in any case, not less than 1% of the accumulated turnover generated by the companies involved in the most recent financial year for which the financial statements have been approved, on anyone who fails to comply with the obligations, including those deriving from the measure exercising the power referred to in Article 1, paragraph 1, letter b) of Law Decree No. 21/2012, possibly exercised in the form of the imposition of specific requirements or conditions.

#### 1.4.2 Power of the Italian State to impose conditions or to oppose the purchase of shares in the Company

Under Article 1, paragraph 5, of Law Decree No. 21/2012, any person – except for the Italian State, Italian public entities or entities controlled by them – that acquires a shareholding in the Company that exceeds the threshold provided under Article 120, paragraph 2, of the Italian Consolidated Law on Finance (TUF) or a shareholding that exceeds the 3%, 5%, 10%, 15%, 20%, 25% and 50% thresholds, shall, no later than ten days from such acquisition, inform the President of the Council of Ministers of the same, at the same time transmitting the necessary information, including a general description of the acquisition project, the purchaser and its area of operation, for the assessments referred to in Article 1, paragraph 3 of the Law Decree No. 21/2012. Following such notification, the Italian State, within forty-five days of receipt of the notification (or a different term as indicated by Article 1, paragraph 5 of Law Decree No. 21/2012), may impose specific conditions in accordance with Article 1, paragraph 1, letter a) of Law Decree No. 21/2012 (see the above letter a) of paragraph 1.4 above) or oppose the acquisition of the shareholding in accordance with Article 1, paragraph 1, letter c), of Law Decree No. 21/2012 (see letter c) of paragraph 1.4 above), if it considers that the State’s key national defence and national security interests are adversely affected as a result of such acquisition.

In accordance with Article 1, paragraph 3 of Law Decree No. 21/2012, to assess the likelihood that the State’s key national defence and national security interests will be adversely affected as a result of the acquisition of the shareholding referred to in letters a) and c) of Article 1, paragraph 1 of Law Decree No. 21/2012, the Government will take into account the following – based on principles of proportionality and reasonableness and considering the purchaser’s potential influence over the Company, also by virtue of the size of the shareholding acquired:

- a) the adequacy (also considering the manner in which the acquisition is financed) of the purchaser’s economic, financial, technical and organisational capabilities and of the industrial plan, related to the regular continuance of operations, to ensure the maintenance of technological assets, including key strategic assets, the security and continuity of procurements, as well as the prompt implementation of contractual obligations that the company, whose shareholding is being acquired, entered into with public and government entities, whether directly or indirectly, specifically in relation to obligations associated with national defence, public order and national security; and
- b) the existence (taking due account of the official positions of the European Union) of objective reasons that suggest that links exist between the purchaser and third countries that do not recognise principles

of democracy or the rule of law, or do not honour rules of international law or have engaged in conduct threatening to the international community inferable from the nature of their alliances, or that have dealings with criminal or terrorist organisations or with persons or entities related to such organisations<sup>7</sup>.

Under Article 1, paragraph 5 of Law Decree No. 21/2012, decisions involving the possible imposition of conditions or the exercise of the power of opposition are taken by the President of the Council and notified to the purchaser in accordance with the procedures and deadlines envisaged by Law Decree No. 21/2012 and Presidential Decree No. 35/2014.

More specifically, within forty-five business days from the notification (or a different term as indicated in Article 1, paragraph 5 of Law Decree No. 21/2012), the President of the Council of Ministers shall communicate any conditions imposed or the exercise of the veto power.

Up to the notification and in any case until the expiry of the deadline for the imposition of conditions or for the exercise of the power of opposition, voting rights and rights unrelated to economic rights associated with the shares representing the relevant shareholding, are suspended.

If the President of the Council of Ministers exercises the power to impose conditions, and if the conditions imposed upon the purchaser are infringed or not complied with (and for as long as any such infringement or non-compliance continues), the voting rights and rights, unrelated to the economic rights associated with the shares representing the relevant shareholding, are suspended.

Any resolutions that are adopted with the casting vote of such shares, as well as resolutions, agreements or actions adopted in breach of the conditions imposed, shall be null and void. A purchaser failing to honour the conditions imposed will – unless the relevant conduct constitutes a criminal offence – be fined an amount equal to twice the value of the transaction, but no less than 1% of the turnover generated in the most recent financial year for which the financial statements were approved.

Unless the fact constitutes a crime, and without prejudice to the invalidity provided for by law, anyone who fails to comply with the notification obligations set out in Article 1 of Law Decree No. 21/2012 shall be fined of up to twice the value of the transaction and, in any case, not less than 1% of the cumulative turnover generated by the companies involved in the last financial year for which the financial statements were approved.

If the power to oppose the shareholder's acquisition is exercised, the purchaser may not exercise voting rights or rights other than the property rights, related to the shares representing the shareholding in question, and will be obligated to transfer such shares within one year. If this requirement is infringed, the Court, at the request of the President of the Council of Ministers, will order the shareholding in question to be sold in accordance with the procedures envisaged by Article 2359-ter of the Italian Civil Code. Any Shareholders' Meeting resolutions adopted with the casting vote of such shares shall be null and void.

Therefore, without prejudice to the mandatory ceilings on shareholdings envisaged by Article 6-bis of the Company's By-laws (see paragraph 1.3 above), any party – with the exception of the Italian State, Italian public entities or entities controlled by them – acquiring shareholdings that exceed the thresholds provided for by Article 1, paragraph 5, of Law Decree No. 21/2012, will be subject to the procedure of notification to the President of the Council of Ministers to enable the Italian State to exercise its special powers if necessary, and this may in specific circumstances lead to the State imposing conditions on or opposing the acquisition of corporate shareholdings in the Company by third parties.

Moreover, note that under Article 3, paragraph 1, of Law Decree No. 21/2012, subject to the power to oppose the acquisition (referred to in Article 1, paragraph 1, letter c) of Law Decree No. 21/2012), any type of acquisition by a non-EU party<sup>8</sup> of shareholdings in Fincantieri is permitted on condition of reciprocity, in accordance with international agreements signed by Italy or the European Union<sup>9</sup>.

<sup>7</sup> Further specific aspects of the case in which the acquisition of the shareholdings is carried out by a non-EU subject are provided for by paragraph 3-bis of the same Article 1 of Law Decree No. 21/2012, introduced by Law Decree No. 105 of 21 September 2019, as converted with amendments by Law No. 133 of 18 November 2019.

<sup>8</sup> For the definition of a non-EU party, reference should be made to Article 2, paragraph 5-bis of Law Decree No. 21/2012.

<sup>9</sup> For any matters not expressly indicated in the preceding sections on golden power, reference should be made to the updated text of Law Decree No. 21/2012.

### 1.5 Employee shareholdings: mechanisms for exercising voting rights

Under Article 137, paragraph 3 of the Italian Consolidated Law on Finance (TUF), the By-laws of listed companies may contain provisions aimed to facilitate proxy voting by Shareholders who are employees.

In line with the foregoing, expressly under Article 15.3 of Fincantieri's By-laws, to facilitate collecting proxies from Shareholders who are employees of the Company and its subsidiaries and members of associations of Shareholders who satisfy the requirements of applicable regulatory provisions, spaces to be used for communications and for collecting proxies should be made available to such associations of shareholders, according to the terms and procedures agreed at any time with their legal representatives.

As of the date of this Report, the Company has not been notified of the establishment of any association of employee Shareholders.

In relation to employee-held shareholdings, note that the Shareholders' Meetings of 19 May 2017 and 11 May 2018 approved share incentive plans called "Performance Share Plan 2016-2018" and "Performance Share Plan 2019-2021", respectively, which provide for the free allocation of Company shares to certain categories of employees. On 30 July 2019, 7,532,290 ordinary shares with no par value were issued with the same characteristics as the outstanding ordinary shares to service the first cycle of the "Performance Share Plan 2016-2018". The plans do not limit the exercise of voting rights for shares granted. On 3 July 2020, Fincantieri allocated, free of charge, 2,685,862 of its 7,226,303 treasury shares to the beneficiaries of the second cycle of the "Performance Share Plan 2016-2018", without therefore resorting to the issue of new shares.

For further information on these plans, please refer to the Information Documents prepared under Article 114-bis of the Italian Consolidated Law on Finance (TUF) and Article 84-bis of the Issuers' Regulations, available on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com), in the Section relating to Shareholders' Meetings ("*Ethics and Governance - Shareholders' Meetings - Archive - Shareholders' Meeting 2017*" and "*Ethics and Governance - Shareholders' Meetings - Archive - Shareholders' Meeting 2018*").



### 1.6 Appointment and replacement of Directors and amendments to the Company's By-laws

The laws and regulations and provisions of the By-laws that govern the appointment and replacement of the Company's Directors are described in paragraph 2.2.4 of this Report.

Amendments to the By-laws are adopted by the extraordinary Shareholders' Meeting, observing the quorums envisaged by applicable rules.

Subject to the foregoing, Article 25.3 of the By-laws empowers the Board of Directors, under Article 2365 of the Italian Civil Code:

- to adopt resolutions relating to mergers and de-mergers in the cases envisaged by law;
- to establish or close sub-offices;
- to indicate which Directors are authorised to represent the Company;
- to reduce the share capital in the event that one or more shareholders withdraw from the Company;
- to adjust the By-laws to ensure compliance with applicable regulatory provisions; and
- to transfer the registered office within Italy.

### 1.7 Authorisations to increase the share capital and to issue equity securities or purchase treasury shares

As of the date of this report, the Board of Directors has not been granted any powers to increase the share capital, pursuant to Article 2443 of the Italian Civil Code.



On 19 May 2017, the extraordinary Shareholders' Meeting resolved to issue in several tranches no later than the deadline of 31 December 2021 up to 50,000,000 ordinary shares, without nominal value and having the same characteristics as the outstanding ordinary shares, to service the "Performance Share Plan 2016-2018", to be granted free of charge, in accordance with Article 2349 of the Italian Civil Code, to the beneficiaries of the plan, without increasing the share capital. Similar approval for the issue, also in several tranches, within 31 December 2024, of maximum amount of 25,000,000 new ordinary shares to service the "Performance Share Plan 2019-2021" was resolved by the extraordinary Shareholders' Meeting of 11 May 2018.

On 27 June 2019, the Board of Directors executed the powers granted by the Extraordinary Shareholders' Meeting of 19 May 2017, resolving to issue 7,532,290 ordinary shares with no par value, having the same characteristics as the outstanding ordinary shares, to service the "Performance Share Plan 2016-2018", to be allocated free of charge to the beneficiaries of the same without share capital increase under Article 2349 of the Italian Civil Code according to the terms and conditions set out therein.

During the 2018 financial year, the purchase of treasury shares was approved in accordance with Article 2357 of the Italian Civil Code by virtue of the resolutions of the ordinary Shareholders' Meeting of 19 May 2017 and the ordinary Shareholders' Meeting of 11 May 2018 (the latter subject to cancellation of the previous approval). For further information, please refer to the Explanatory Report of the Board of Directors, available on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com), in the section "Ethics and Governance - Shareholders' Meetings - Shareholders' Meeting 2018".

A similar authorisation was approved by the Ordinary Shareholders' Meeting held on 5 April 2019, subject to cancelling the authorisation issued by the Shareholders' Meeting of 2018, and subsequently by the Ordinary Shareholders' Meeting of 9 June 2020, subject to cancelling the authorisation issued by the 2019 Shareholders' Meeting, for the purposes, within the limits and under the conditions, set out in the Explanatory Report of the Board of Directors available on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com), in the section "Ethics and Governance - Shareholders' Meetings - Shareholders' Meeting April 2020", including the commencement of the possibility to make purchases from 1 January 2021. At the date of this Report, no purchases had been made under this authorisation.

Another authorisation will be submitted to the Shareholders' Meeting called to approve the 2020 financial statements, subject to cancelling the authorisation issued by the 2020 Shareholders' Meeting, for the purposes, within the limits and under the conditions, set out in the Explanatory Report of the Board of Directors available on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com), in the "Ethics and Governance - Shareholders' Meetings - Shareholders' Meeting 2021" section.

The maximum number of treasury shares held by the Company at the end of the financial year amounted to 4,540,441, equal to 0.27% of the share capital.

### 1.8 Change of control clauses

#### A) Construction Financing

On 15 May 2020, a pool of banks consisting of Intesa Sanpaolo S.p.A. and Cassa Depositi e Prestiti S.p.A. with Banca IMI S.p.A. as agent, granted Fincantieri a short-term, 17-month secured credit line, expiring on 31 October 2021, for a maximum amount of EUR 400 million, to be used for work listed in the progress status reports and intended to finance the working capital requirements that may arise in the last months of constructing 6306 cruise ship for the shipowner COMPANIERA NAVIERA EVO 1 S.A. worth EUR 890 million and scheduled for delivery during July 2021.

Under this loan, the lenders are entitled, in the event of a change of control, to request the total prepayment of the loan amount used.

The agreement defines change of control as an event or circumstance in which one or more parties other than the Italian Republic, its Ministries and/or entities or companies that are directly or indirectly controlled by the Italian Republic or its Ministries, have the power to (a) exercise or control the exercise of more than half of the votes that can be cast in Fincantieri's ordinary Shareholders' Meeting; or (b) appoint or remove (as a

result of exercising dominant influence under Article 2359, paragraph 1, points 2 and 3 of the Italian Civil Code or otherwise), all or the majority of the members of Fincantieri's Board of Directors; or (c) issue binding instructions to Fincantieri's Board of Directors with reference to guidelines with a financial and operational direction. As a precaution to take into account the potential developments of the prospective cooperation between Fincantieri and Naval Group and between Italy and France in the military shipbuilding sector, of which Fincantieri has informed the market, it has been provided that assuming powers under points (a), (b) and (c) by the French Republic, its Ministries or entities directly or indirectly controlled by them will not amount to change of control. In the event that a change of control occurs, a period of fifteen business days for consultation has been provided during which the banks and Fincantieri can agree on the continuation of their relationship. If no agreement has been reached within said fifteen business days, the banks are entitled to cancel the credit line. In such event, Fincantieri would be obligated to repay all amounts disbursed in advance, including interest accrued up to that time and any other charges provided.

#### **B) BNP Paribas S.A. Receivables Purchase Agreement**

On 18 November 2019, Fincantieri and BNP Paribas - Italian Branch - Milan and Intesa Sanpaolo S.p.A. entered into a Receivables Purchase Agreement aimed at allowing the assignment, subject to final payment, of the flows to Fincantieri arising from cruise ship construction agreements.

The uncommitted agreement provides for a maximum amount of EUR 300 million, divided equally between the two lending banks.

In the agreement, a change of control is defined as the event or circumstance where one or more persons, other than the Italian Republic (or a Ministry) and/or any other company directly or indirectly controlled thereby or by its Ministries ("Qualified Italian Owner") acting in concert with one another in the case of a corporation or a partnership, will hold: (i) the power to (a) exercise or control the exercise of more than half of the votes that could be cast at the Ordinary Shareholders' Meeting of Fincantieri or (b) appoint or remove (as a result of the exercise of dominant influence under Article 2359, paragraph 1, Nos. 2 and 3, of the Italian Civil Code) all or a majority of the members of the Board of Directors of Fincantieri, or (c) issue binding instructions to the Board of Directors of Fincantieri concerning guidelines with a financial and operational direction; or (ii) exercise a dominant influence under Article 2359, paragraph 1, Nos. 2 and 3, of the Italian Civil Code on Fincantieri or on its parent company. However, cases are not considered a change of control where, as a result of reorganisation, Fincantieri becomes, directly or indirectly, jointly owned by a Qualified Italian Owner and by a similar public body of Germany, France, Norway, Spain, the Netherlands, Finland and the United Kingdom or another foreign government agency approved by the lending bank ("Qualified non-Italian Owner"), provided that the financial and operational strategic decisions are taken with the consent of the Qualified Italian Owner. The very broad scope of the clause is due to the fact that the agreement is a framework agreement, which does not have a pre-established expiry, and to the impossibility of anticipating political agreements that could result in companies controlled by some western states entering Fincantieri's capital. In these hypothetical situations, the above agreements may be put in place without the lender being able to request the mandatory prepayment of the loan.

In the event of a change in control there will be a period of thirty days of consultation where the bank and Fincantieri may arrange for the continuation of the relationship.

After thirty days without an agreement having been reached, the lending banks are entitled to consider the agreement terminated, in which case the line granted would be cancelled and Fincantieri would be required to repay any amounts disbursed in advance, including interest on the last business day of the current month.

On 21 June 2019, an agreement was signed between Fincantieri and Intesa Sanpaolo S.p.A., with Banca IMI as agent and lead arranger, aimed at enabling the financing of the construction through the sale of the flows to Fincantieri resulting from cruise ship construction agreements.

The committed agreement provides for a maximum amount of EUR 500 million, and expires on 31 December 2022.

This agreement entitled the lending bank, in the event of a change of control, to request early repayment of the entire amount used for the loan.

The agreement defines change of control as an event or circumstance in which one or more parties other than the Italian Republic, its Ministries and/or entities or companies that are directly or indirectly controlled by the Italian Republic or its Ministries, have the power to (a) exercise or control the exercise of more than half of the votes that can be cast in Fincantieri's ordinary Shareholders' Meeting; or (b) appoint or remove (as a result of exercising dominant influence under Article 2359, paragraph 1, points 2 and 3 of the Italian Civil Code or otherwise), all or the majority of the members of Fincantieri's Board of Directors; or (c) issue binding instructions to Fincantieri's Board of Directors with reference to guidelines with a financial and operational direction. As a precaution to take into account the potential developments of the prospective cooperation between Fincantieri and Naval Group and between Italy and France in the military shipbuilding sector, of which Fincantieri has informed the market, it has been provided that assuming powers under points (a), (b) and (c) by the French Republic, its Ministries or entities directly or indirectly controlled by them will not amount to change of control. In the event of a change of control, a period of fifteen business days is provided for consultation during which the bank and Fincantieri may agree to continue the arrangement. If no agreement has been reached within fifteen business days, the bank will be entitled to cancel the line. In such event, Fincantieri would be obligated to repay all amounts disbursed in advance, including interest accrued up to that time and any other charges provided

#### **C) Revolving Credit Facilities**

The revolving credit facilities considered relevant at 31 December 2020 include the following committed revolving credit facilities ("RCF") that are current but not used by Fincantieri:

- RCF granted by Banca Nazionale del Lavoro S.p.A. on 25 July 2018, with a duration of 18 months less one day (expiring on 24 January 2020) for a maximum available amount of EUR 80 million; on 28 February 2019, with a rider, the expiry of the line was extended by one year (24 January 2021);
- RCF granted by Banco BPM Milano S.p.A., as of 26 February 2018, lasting 24 months (expiring on 26 February 2020) for a maximum amount of EUR 100 million; on 28 November 2018, with a deed of amendment, the credit line was extended by one year (26 February 2021);
- RCF granted by Commerzbank A.G. - Milan branch as of 17 May 2019 lasting 24 months (expiring on 17 May 2021) for a maximum amount of EUR 50 million.

Fincantieri took out these credit lines to meet its general financial needs, including those related to carrying out its current activities.

The lines may be used in one or more payments within the RCF's validity period and each use may last, at Fincantieri's choice, for one or more weeks or one or more months (up to six maximum). On the expiration of the chosen period, the amounts used must be repaid together with the interest accrued and they may be reused again up to the final expiry date.

Change of control clauses are included in all individual agreements that, where triggered, could allow the financing bank to terminate the agreement and cancel the credit line.

These clauses are identical in all the above agreements and may be summarised as follows:

A change of control is defined as the event or circumstance by virtue of which one or more entities, other than the Italian Republic or its Ministries and/or entities or companies directly or indirectly controlled by the same, or its Ministries acting in concert, succeed in holding: (i) the power to (a) exercise or control the exercise of more than half of the votes that may be cast at Fincantieri's Ordinary Shareholders' Meeting or (b) appoint or remove from office (as a result of the exercise of dominant influence under Article 2359, paragraph 1, Nos. 2 and 3, of the Italian Civil Code), all or a majority of the members of the Board of Directors of Fincantieri or (c) issue binding instructions to the Board of Directors of Fincantieri on guidelines and on operational and financial instructions; or (ii) the ability to exercise a dominant influence over Fincantieri or Fincantieri's parent company under Article 2359, paragraph 1, Nos. 2 and 3, of the Italian Civil Code.

As a precaution to take into account the potential developments of the prospective cooperation between Fincantieri and Naval Group and between Italy and France in the military shipbuilding sector, of which Fincantieri has informed

the market, it has been provided that assuming powers under points (i) and (ii) by the French Republic, its Ministries or entities directly or indirectly controlled by them will not amount to change of control. Also, the change of control clause in these agreements provides for a period (from fifteen to thirty business days) during which the parties may meet to discuss potentially adopting the contractual amendments necessary to maintain the RCF.

In case of failure to reach an agreement in this regard, Fincantieri will be required to repay in advance all the amounts used, plus interest accrued and any other amounts due within the set time limit (from five to thirty business days) with the consequent cancellation of the relevant credit line.

#### D) Medium-long term loans, "Decreto Liquidità" and Schuldschein loans

Among the medium/long-term loans outstanding at 31 December 2020, the following agreements entered into with the Company are considered significant:

- Bayerische LB - Munich on 31 July 2019 lasting 3 years (expiring on 31 July 2022) for EUR 50 million disbursed on 1 August 2019 and to be repaid in one instalment on the expiry date;
- Banca Nazionale del Lavoro S.p.A., as of 25 July 2018, lasting 5 years (expiring on 25 July 2023) for EUR 100 million disbursed on 27 July 2018 and to be repaid in a single instalment on the expiry date;
- Intesa San Paolo S.p.A., as of 30 July 2018, lasting 5 years (expiring on 30 July 2023) for EUR 100 million disbursed on 1 August 2018 and to be repaid in a single instalment on the expiry date;
- BPER Banca S.p.A., as of 2 August 2018, lasting 5 years (expiring on 2 August 2023) for EUR 50 million disbursed upon entering into the agreement; the agreement provides for a two-year pre-amortisation period and constant capital repayments over the following 3 years in 6 six-monthly instalments;
- Bayerische Landesbank – Munich, as of 7 September 2018, lasting 5 years (expiring on 7 September 2023) for EUR 75 million disbursed on 27 September 2018 and to be repaid in a single instalment on the expiry date;
- China Construction Bank (Europe) S.A. – Milan Branch, as of 6 March 2020, lasting 3 years (expiring on 06 March 2023) for EUR 60 million disbursed on 18 March 2020 and to be repaid in a single instalment on the expiry date;
- Mediobanca – Banca di credito finanziario S.p.A., as of 11 March 2020, lasting 3 years (expiring on 11 March 2023) for EUR 50 million disbursed at the time of signing the agreement and to be repaid in a single instalment on the expiry date;
- Unione di Banche Italiane S.p.A., as of 13 March 2020, lasting 3 years (expiring on 13 March 2023) for EUR 70 million disbursed at the time of signing the agreement and to be repaid in a single instalment on the expiry date;
- Banco BPM S.p.A., as of 28 May 2020, lasting 5 years (expiring on 28 May 2025) for EUR 50 million disbursed at the time of signing the agreement and to be repaid in a single instalment on the expiry date;
- Banca Monte dei Paschi di Siena S.p.A., as of 1 July 2020, lasting 3 years (expiring on 30 June 2023) for EUR 70 million disbursed at the time of signing the agreement and to be repaid in 6 six-monthly instalments ("balloon" payment at the end);
- Pool of banks consisting of BNP Paribas, Italian Branch, Unicredit S.p.A., Banca Nazionale del Lavoro S.p.A., Banca Popolare di Sondrio S.C.p.A., Banco BPM S.p.A., BPER Banca S.p.A., Bayerische Landesbank and Unione di Banche Italiane S.p.A. with BNP Paribas, Italian Branch as Agent on 30 September 2020, lasting four years (expiring on 30 September 2024) for a total of EUR 1,150 million disbursed on 2 October 2020; the agreement provides for a two-year pre-amortisation period and constant capital repayments over the following 2 years in 6 quarterly instalments. This loan is part of the "Decreto Liquidità" (Law Decree No. 23/2020) under which the banks in the pool benefit from a SACE S.p.A. guarantee (counter-guaranteed by the Italian State) for 70% of the total loan amount.

On 8 November 2018, two Schuldschein loans were taken out with Bayerische Landesbank as Arranger and Paying Agent. The first loan is for EUR 29 million, lasting 3 years (expiring on 15 November 2021) and the second is for EUR 71 million, lasting 5 years (expiring on 15 November 2023). Both loans were disbursed on 15 November 2018 and will be repaid in a single instalment at the respective expiry dates.

Schuldschein loans are debt financing instruments that are privately placed by an arranger bank with professional investors. Unlike a normal syndicated loan, this type of financing is securitised in a note (the "schuldschein") which is then transferred to investors.

The medium and long-term loans, as well as the loan obtained on the basis of the "Decreto Liquidità", and the Schuldschein loans provide for change of control clauses which, if activated, could permit the lender to cancel the relevant credit line and, consequently, obtain prepayment of the amount disbursed within a specified period (from ten to thirty days), plus interest accrued and any charges provided.

These clauses are the same as those provided for in the RCF; as a matter of fact, also in this case a period is provided (from fifteen to forty-five business days) during which the parties can discuss assessing the possible adoption of contractual amendments necessary to maintain the loan.

#### E) Facility Indemnity and Agreement First Bank of Abu Dhabi to issue guarantees

On 6 November 2012, a Guarantee Facility Indemnity and Agreement was signed by Fincantieri and First Bank of Abu Dhabi (former National Bank of Abu Dhabi) to allow the issue of the guarantees provided for in Fincantieri's commercial agreements, currently available for a maximum value of EUR 9 million (currently fully utilised). Since this is an uncommitted credit line, there is no expiry date.

This agreement provides that if a change of control occurs, the banks will be able to request either: (i) within 90



days, the issuance of one or more counter-guarantees in its favour to cover the amounts still due; (ii) an escrow deposit in favour of the bank to cover that part of the commitment which has not been counter-guaranteed by means of collateral acceptable to the bank.

#### F) Guarantee Issuance and Indemnity Agreement - Qatar

On 12 July 2017, a Guarantee Issuance and Indemnity Agreement was signed by Fincantieri, UniCredit, SACE, Intesa Sanpaolo and Deutsche Bank to allow the issue of the guarantees provided for in agreement N GHQ/3/CA/003/16 of 16 June 2016 between the Qatar Armed Forces and Fincantieri for a maximum value of credit lines of EUR 1,140 million (currently EUR 910.88 million) expiring on 14 January 2025.

The agreement serves as a credit line and indemnity document for all guarantees issued by UniCredit and counter-guaranteed by SACE for EUR 380 million (currently EUR 303.63 million), Intesa Sanpaolo for EUR 285 million (currently EUR 227.72 million) and Deutsche Bank for EUR 95 million (currently EUR 75.91 million), distributed in proportion to the value of the same guarantees.

Under this agreement, in the event of a change of control, after a period of negotiation intended to maintain the arrangements unchanged, the banks are entitled to ask Fincantieri within 30 days: (i) for the release from the commitment by cancelling the guarantees issued; or, if this is not possible (ii) for a counter-guarantee; or, if this is not possible (iii) for the availability of an escrow deposit to cover the amounts still guaranteed.

#### G) BLB Uncommitted Bond Issuance Facility Agreement

On 18 December 2017, an Uncommitted Bond Issuance Facility Agreement was signed between Fincantieri and Bayerische Landesbank to allow the issue of guarantees under Fincantieri's commercial agreements for a maximum value of EUR 150 million (currently used for EUR 67.95 million). Since this is an uncommitted credit line, there is no expiry date.

In the event that a change of control occurs, the bank will be able to request: (i) the cancellation of outstanding collateral; or if this is not possible (ii) the issuance of one or more counter-guarantees in favour of such bank to cover the outstanding commitment; or if this is not possible (iii) the availability of an escrow deposit to cover the amounts still guaranteed.

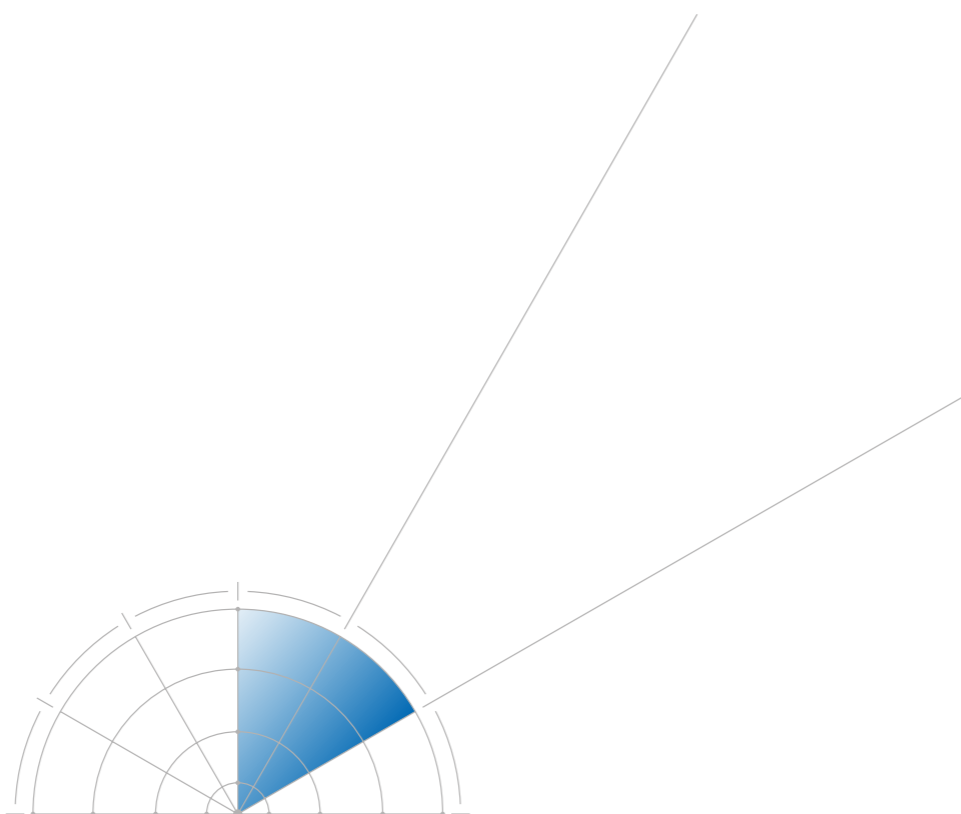
#### H) Establishment of the joint venture in China - CSSC - Fincantieri Cruise Industry Development Ltd.

On 4 July 2016, a joint venture agreement was signed for the establishment in Hong Kong of the company CSSC - Fincantieri Cruise Industry Development Ltd. (the "JVPC"), with Fincantieri (40%) and CSSC Cruise Technology Development Co. Ltd. (60%) as shareholders, for the design, development, marketing and sale of cruise ships for the Chinese market to be built at one of the shipyards of CSSC Cruise Technology Development Co. Ltd. ("CSSC"). On 17 July 2017, after meeting the relevant conditions precedent, the agreement became enforceable.

The agreement envisages a change of control, in respect of which, in the event that a transaction on Fincantieri's shareholding results in a change of control in favour of a competitor that designs and develops or constructs cruise ships in Asia (as defined in the agreement) (i) the other shareholder may exercise the option to acquire the defaulting shareholder's stake and require it to sell such stake, or (ii) the company will be wound up. A further consequence of the change of control will be to terminate (i) the Technology License and Consultancy Services Agreement entered into by Fincantieri and JVPC, and (ii) the Technology Licence and Consultancy Services Agreement and the Supply Chain Management Services Agreement entered into by Fincantieri and Shanghai Waigaoqiao Shipbuilding Co. Ltd., the local shipbuilder previously chosen by CSSC to construct the cruise ships covered by the joint venture.

#### 1.9 Directors' allowances for early cessation, also following a public tender offer

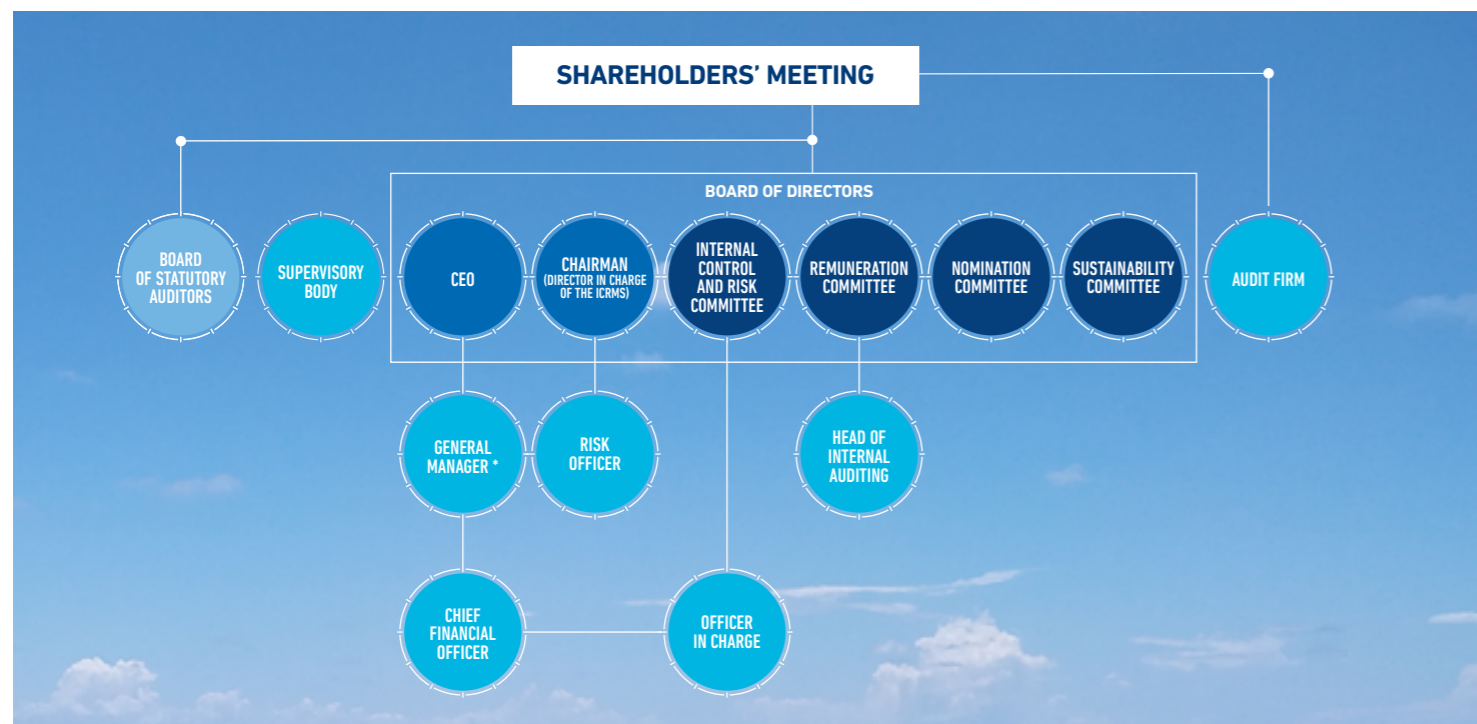
For a description of the allowances provided in the event of early termination of the arrangement, refer to the information provided in paragraphs 2.3.6 (Section I) and 5 (Section II) of the Report on the policy regarding remuneration and fees paid approved by the Board of Directors on 25 February 2021 in accordance with Article 123-ter of the Italian Consolidated Law on Finance (TUF) and available on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com), in the "Ethics and Governance - Remuneration" Section and in the "Ethics and Governance - Shareholders' Meetings 2021" Section.



## Information on Corporate Governance

### 2. Corporate Governance System

Fincantieri's corporate governance is structured as follows:



\* On 30 July 2020, the Board of Directors, at the proposal of the Chief Executive Officer, appointed Fabio Gallia as General Manager, effective 1 September 2020, to replace Alberto Maestrini.

#### 2.1 Shareholders' Meeting

The Shareholders' Meeting is the corporate body where Shareholders participate in the Company's decisions on matters reserved to them by law and the By-laws.

At the Shareholders' Meeting called to approve the 2020 financial statements, the Board of Directors will report on activities that were planned and implemented, and will ensure that the Shareholders are given adequate information on matters necessary to enable them to take informed and considered decisions.

##### 2.1.1 Powers and quorum

The Shareholders' Meeting resolves upon all matters reserved to it by law or the By-laws.

The Ordinary Shareholders' Meeting is therefore competent to resolve upon the following (among other things):

- (i) the approval of the financial statements and allocation of profits; (ii) the appointment and remunerations of the corporate bodies; (iii) the removal/dismissal of corporate bodies and officers, and liability actions; (iv) the appointment of the statutory auditor; (v) the purchase of treasury shares; and (vi) the approval of the Shareholders' Meeting Regulations.

The extraordinary Shareholders' Meeting resolves upon amendments to the By-laws and extraordinary

transactions such as mergers, demergers and capital increases, without prejudice to the Board of Directors' remit on the matters indicated in paragraph 1.6 above.

Resolutions of the ordinary and extraordinary Shareholders' Meeting in first, second or third call, or in single call, are generally adopted in accordance with the majorities required by law in specific cases. The corporate bodies and officers are elected in accordance with the "slate voting" system described in paragraphs 2.2.4 and 2.4.2 below.

Article 29 of the By-laws requires specific majorities for related party transactions where the Shareholders' Meeting is called to adopt resolutions (i) in urgent cases associated with company crisis where the audit body forms a negative assessment as to the presence of urgent conditions, (ii) if the Related Party Transaction Committee (RPT Committee) forms a negative opinion about the most significant transactions (definitions are given in paragraph 4.1 below). In such cases, Shareholders' Meeting resolutions are considered approved if (a) the quora for valid meetings and for valid resolutions under the By-laws have been met, and (b) if the non-related shareholders attending the Shareholders' Meeting represent at least ten percent of the voting share capital and the majority of the non-related voting shareholders do not vote against the transaction.

##### 2.1.2 Procedures for calling Shareholders' Meetings

Ordinary and extraordinary Shareholders' Meetings are normally held on single call, pursuant to Article 13.2 of the By-laws. The Board of Directors may decide, however, that ordinary and/or extraordinary Shareholders' Meetings should be held in more than one single call, if it considers this appropriate.

The ordinary Shareholders' Meeting must be called at least once a year to approve the financial statements, and no later than one hundred eighty days from the end of the financial year.

The Shareholders' Meeting is called by means of a call notice drawn up in accordance with the law and published at least thirty days prior to the date scheduled for the Shareholders' Meeting in the manner provided for by current legislation<sup>10</sup>. The deadline is brought forward to forty days in the event of a Shareholders' Meeting called to appoint the corporate bodies.

The Board of Directors – unless otherwise provided by law – releases a report on the items on the Shareholders' Meeting agenda, in accordance with the same procedures and by the same deadline for publishing the notice of call.

##### 2.1.3 Eligibility to attend Shareholders' Meetings and voting procedures

The right to attend Shareholders' Meetings and the procedures for exercising voting rights are regulated by applicable legislative and regulatory provisions.

More specifically, Article 83-sexies of the Italian Consolidated Law on Finance (TUF) states that eligibility to participate in Shareholders' Meeting and to exercise voting rights must be certified by a qualified intermediary, who notifies the Company of such eligibility on behalf of the eligible shareholder. This communication is made by the intermediary on the basis of the accounting records relating to the end of the accounting day of the seventh trading day prior to the date scheduled for the Company's Shareholders' Meeting (i.e., "record date"). Credit or debit entries made on the intermediary's accounts after this seven-day deadline are not relevant for purposes of eligibility to vote in the Shareholders' Meeting.

The Company must receive the intermediary's notifications by the applicable regulatory deadlines, without prejudice to the shareholder's right to attend and vote in cases where the Company receives the notifications after the abovementioned deadline, but before the start of the Shareholders' Meeting thus convened.

Pursuant to Article 15 of the By-laws, each Shareholder entitled to attend the Shareholders' Meeting may be represented by a proxy – given in written or electronic form – under applicable regulatory provisions.

The Company may be notified of the voting proxy by certified electronic mail or through the relevant section of its website, as specified from at any time in the call notice.

Furthermore, to facilitate the process of obtaining proxies from Shareholders who are employees of the

<sup>10</sup> The call notice is published on the company website, and an abridged form thereof is published in at least one daily newspaper with national circulation, and also as required by applicable regulatory provisions.

Company and its subsidiaries associated with associations of Shareholders that satisfy the requirements of applicable regulatory provisions, the By-laws provide that areas should be made available to such associations for communications purposes and for collecting proxies, in accordance with the terms agreed at any time with their legal representatives.

The Company may also – for each Shareholders' Meeting – appoint a person to whom shareholders may grant proxies with voting instructions in relation to all or some of the items on the agenda, as envisaged by applicable regulatory provisions. In such cases, the proxy will not be valid for agenda items for which no voting instructions were given.

Pursuant to the By-laws, the call notice may also provide, on a case-by-case basis, that shareholders with voting rights may (i) attend the Shareholders' Meeting using telecommunications means and exercise the right to vote electronically; and/or (ii) exercise the right to vote by correspondence and/or electronically, in accordance with applicable regulatory provisions.

To minimise the risks related to the current COVID-19 health emergency, the Company, during the Shareholders' Meeting for the approval of the financial statements at 31 December 2019, held on 9 June 2020, made use of the option established by Law Decree No. 18 of 17 March 2020 laying down the "Measures to strengthen the National Health Service and economic support for families, workers and businesses associated with the COVID-19 epidemic emergency" providing that the shareholders' participation in the aforementioned Shareholders' Meeting would take place exclusively through the representative appointed under Article 135-undecies of TUF, without the Shareholders' physical participation.



### 2.1.4 Shareholders' rights

Pursuant to applicable regulatory provisions:

- shareholders who represent (individually or collectively) at least one fortieth of the share capital may - no later than ten days from the date when the Shareholders' Meeting call notice is published (except on matters which the Shareholders' Meeting decides based on a proposal from Directors or based on plans or reports prepared by them): (i) request that specific items be added to the agenda, specifying the proposed additional items in this request, and (ii) submit draft resolutions on matters already on the agenda; and
- shareholders with voting rights may ask questions on the items on the agenda even before the Shareholders' Meeting, no later than the deadline indicated in the call notice. Replies will be given to these questions - at the latest - during the Shareholders' Meeting.

In any case, shareholders with voting rights will also be entitled to submit questions or draft resolutions – individually or otherwise – during the Shareholders' Meeting.

### 2.1.5 Shareholders' Meeting Proceedings

Pursuant to Article 16 the By-laws, the Shareholders' Meeting is chaired by the Chairman of the Board of Directors or, where the latter is absent or indisposed, by the Deputy Chairman if appointed; if the latter is absent or indisposed, the meeting will be chaired by another person delegated by the Board of Directors. If this other person is not present, the Shareholders' Meeting will elect its own Chairman. The Shareholders' Meeting appoints a Secretary, who need not be a shareholder, and it may appoint one or more scrutineers from among the meeting's attendees.

On 5 May 2014, the ordinary Shareholders' Meeting of the Company approved the Shareholders' Meetings Regulations with effect from the start of trading of Fincantieri shares on the Electronic Stock Market (MTA). These Regulations (among other things) regulate the procedures for ascertaining shareholder eligibility to attend Shareholders' Meetings, access to Shareholders' Meeting venues, voting procedures, the role of the Shareholders' Meeting Chairman – who is also responsible for directing the meeting's proceedings, ensuring that fair procedures are followed for the meeting discussions and for ensuring that attendees' rights are respected. Accordingly, the Chairman of the Shareholders' Meeting – upon opening the meeting's proceedings – sets the maximum duration of each attendee's contribution, which should not generally exceed fifteen minutes. A shareholder may request the Chair for permission to address the meeting on specific agenda items, after the Shareholders' Meeting has been validly constituted but before the Chairman has actually opened discussions on each specific agenda item. Each participant may make only one contribution for each item on the agenda. After discussions are closed, only brief voting declarations are allowed.

The Chairman and the Secretary draw up and sign the minutes of Shareholders' Meetings. A Notary Public must draw up the minutes of extraordinary Shareholders' Meetings.

For further provisions contained in the Regulations for Shareholders' Meetings, refer to the full text of the same published on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com), in the Section "Ethics and Governance - Meetings - Tasks and Regulations".

## 2.2 Board of Directors

### 2.2.1 Composition of the Board

Pursuant Article 19 of the By-laws, the Board of Directors has seven or more members, up to a maximum of thirteen members, appointed by the Shareholders' Meeting in accordance with the procedures described in paragraph 2.2.4 below. The Shareholders' Meeting determines the number of Board members from time to time, subject to the abovementioned limits.

The acting Board of Directors, whose term of office will expire at the meeting to approve the financial statements for the year ended on 31 December 2021, consists of: Giampiero Massolo (Chairman),



Giuseppe Bono (CEO)<sup>11</sup>, Barbara Alemanni, Massimiliano Cesare, Luca Errico, Paola Muratorio, Elisabetta Oliveri, Fabrizio Palermo, Federica Santini and Federica Seganti.

The Board of Directors was appointed by the Ordinary Shareholders' Meeting of the Company on 5 April 2019, for the financial years 2019, 2020 and 2021. This appointment complied with Article 19 of the Company's By-laws<sup>12</sup>.

Three slates of candidates were submitted within the terms and in the manner prescribed by applicable regulations:

- on 8 March 2019, the slate was filed as presented by the following Shareholders: Arca Fondi S.G.R. S.p.A., manager of the funds Arca Economia Reale Bilanciato Italia 30 and Arca Azioni Italia; Eurizon Capital SGR S.p.A. fund manager Eurizon Progetto Italia 20, Eurizon Pir Italia 30, Eurizon Progetto Italia 70, Eurizon Azioni Italia, Eurizon PIR Italia Azioni, Eurizon Azioni PMI Italia and Eurizon Progetto Italia 40; Eurizon Capital SA - Eurizon Fund - Equity Small Mid Cap Italy and Eurizon Fund - Equity Italy; Fideuram Asset Management (Ireland) - Fonditalia Equity Italy; Fideuram Investimenti SGR S.p.A. fund manager: Fideuram Italia, PIR Piano Azioni Italia, PIR Piano Bilanciato Italia 50 and PIR Piano Bilanciato Italia 30; Interfund Sicav - Interfund Equity Italy; Mediolanum Gestione Fondi SGR S.p.A. fund manager: Mediolanum Flessibile Futuro Italia and Mediolanum Flessibile Sviluppo Italia and Mediolanum International Funds Limited - Challenge Funds - Challenge Italian Equity, holders of a total of 22,754,462 ordinary shares, representing 1.34848% of Fincantieri's share capital. This slate was identified with number 1 and contained the following candidates: Luca Errico, Elisabetta Oliveri, Danilo Vivarelli;
- on 11 March 2019, the slate was filed as presented by Shareholder INARCASSA, holder of 31,301,462 ordinary shares representing 1.85% of Fincantieri's share capital. This slate was identified with number 2 and contained the following candidates: Paola Muratorio, Gianfranco Agostinetto, Giuseppe Ferri; and
- on 11 March 2019, the slate was filed as presented by the Shareholder FINTECNA S.p.A., owner of 1,212,163,614 ordinary shares representing 71.636% of the share capital of Fincantieri. This slate was identified with number 3 and contained the following candidates: Federica Seganti, Giampiero Massolo, Giuseppe Bono, Fabrizio Palermo, Massimiliano Cesare, Federica Santini, Barbara Alemanni.

In view of the fact that the abovementioned Shareholders' Meeting set the number of members of the Company's Board of Directors at ten and in accordance with the provisions of the By-laws, the seven members of slate number 3, the first candidate of slate number 2 and the first two candidates of slate number 1 were elected to the Board of Directors.

The Board of Directors therefore consists of ten members, two of whom (the CEO and the Chairman of the Board of Directors) are executive Directors.

The remaining Directors are non-executive; six of these are independent in accordance with the law and, with reference to the 2020 financial year, the Corporate Governance Code<sup>13</sup>.

The Directors' curricula vitae are attached to this Report, which detail the key personal and professional information of the Directors from which their competence and experience in business management emerge (see **Annex 1**).

### 2.2.2 Professional qualification and integrity requirements and reasons for ineligibility and incompatibility of Directors

Pursuant to Article 19.4 of the By-laws, Directors must be selected using criteria of professional qualification and expertise, from among persons who have received a total of at least three years' experience in:

- management or control activities, or management tasks in companies, or
- professional activities or academic positions in law, economics, finance or in technical-scientific are as related to or useful for business or corporate activities, or

<sup>11</sup> Giuseppe Bono was appointed for the first time as the Company's CEO on 29 April 2002.

<sup>12</sup> For this appointment, the outgoing Board of Directors did not submit its own slate of candidates or give the Shareholders any guidelines on the composition of the incoming Board of Directors.

<sup>13</sup> For a complete description of the characteristics of executive, non-executive and independent Directors, please refer to paragraphs 2.2.7, 2.2.8, 2.2.9 and 2.2.10 below.

- administrative/management/executive roles in public or government administrations or entities operating in sectors related to the Company's sectors of activities, or in public or government administrations or entities operating in unrelated sectors on condition that the responsibilities in question involved the management of economic-financial resources.

In accordance with applicable rules, Directors must satisfy the integrity requirements provided for by the Italian Consolidated Law on Finance (TUF) and by associated implementing regulations, and also by any other regulatory provisions in force applicable to the Company's Directors.

Pursuant to Article 19.5 of the Company's By-laws, the failure to satisfy the abovementioned requirements results in ineligibility for office or in the automatic forfeiture of office; where a Director forfeits their office, they will not be entitled to compensation for damages.

Directors who during their term of office no longer satisfy the abovementioned integrity requirements shall immediately notify the Board of Directors of this.

Without prejudice to the foregoing, a Director will become ineligible for the office of Director with delegated powers, or will automatically forfeit that office for cause if interim measures are imposed that prevent those delegated powers from being exercised, following proceedings under Article 309 or Article 311, paragraph 2, of the Italian Code of Criminal Procedure, or after the expiry of the deadline for bringing those proceedings, without entitlement to compensation for loss, and all associated delegated powers will be instantly revoked.

Where particular cases/facts fall within the jurisdiction of foreign legal systems, the Board of Directors shall ascertain the existence of the situations described above by conducting an assessment of substantial equivalence.

### 2.2.3 The Board's position on the maximum number of offices Directors can hold in other companies

In line with provisions of the Corporate Governance Code, on 19 December 2014 the Board of Directors – on a proposal from the Nomination Committee – set out its position on the maximum number of offices as director or standing auditor compatible with the effective performance of a director's duties, also taking into account the Directors' participation in Committees set up within the Board. On 28 January 2020, the Board of Directors of the Company, on the proposal of the Nomination Committee, analysed the above document and approved its updating.

In accordance with this position, Company Directors may accept and continue to hold office if they consider that they are able to devote the necessary time to effectively perform their duties, taking into account the number and nature of their positions in the management and supervisory/audit bodies of other companies that are relevant for calculating the total number of offices held in them, and the commitment required of them by the further professional activities carried out and the membership positions held.

For these purposes, the companies that are relevant for calculating the cumulation of offices held in them are:

- companies whose shares are listed on regulated markets, including foreign markets;
- Italian or foreign companies whose shares are listed on regulated markets and operating predominantly in the insurance, banking, securities brokerage, asset management or financial sectors;
- other Italian or foreign companies whose shares are not listed on regulated markets and which, while operating in sectors other than those indicated in letter b) above, have assets in excess of EUR 1,000,000 and/or revenues in excess of EUR 1,700,000 based on the latest approved financial statements (i.e., companies of significant size).

More specifically, the Board's policy provides as follows:

- the acting CEO and the executive Directors (with specifically delegated management powers) of Fincantieri:

(i) are not permitted in principle – unless the Board of Directors expressly decides otherwise and with reasons – to hold any office as Chief Executive Officer in the companies indicated in letter a) above; (ii) are allowed a maximum of 3 offices as a Director (executive with specific management or non-executive) and/or Standing Auditor in the companies indicated in letter a) above; and (iii) a maximum of 5 offices as Director (executive with specific management or non-executive) and/or as Standing Auditor in the companies indicated at letters b) and c) above. If the above limit is reached, if the offices held also include that of Executive Director with specific management powers, the Board of Directors, considering the content of the powers assigned, is called upon to assess compliance with the principles under which the Directors of the Company accept the office and retain it when they believe they can dedicate the necessary time to effectively perform their duties, considering both the number and nature of the offices held on the boards of directors and statutory auditors of other companies that are relevant for calculating the total number of offices held in them, and the commitment required of them by the further professional activities carried out and the membership positions held.

In any case, unless the Board of Directors expressly decides otherwise, Fincantieri's CEO may not hold the office of Director in one of the companies indicated in letter a) above which does not belong to the Fincantieri Group and of which a Director of Fincantieri is Chief Executive Officer;

- 2) for Fincantieri's Directors other than the CEO and Executive Directors (with specifically delegated management powers), the number of offices held on the boards of directors or control bodies of other companies referred to in letters a), b) and c) above may not exceed 5.

In calculating the number of offices indicated in paragraphs 1) and 2) above, offices held in direct and/or indirect subsidiaries or affiliates of Fincantieri are not taken into account. Moreover, if a Director holds offices in several companies from the same group, only one appointment within such group is taken into account for the purpose of calculating the number of offices.

Without prejudice to the foregoing, the Board of Directors of the Company may grant exceptions (including temporary ones) from the parameters specified in points 1) and 2) above, based on the total number of offices held by the relevant members on the boards of directors and statutory auditors of other companies that are relevant for calculating the total number of offices held in them. In granting such exemptions, the Board of Directors takes the following factors into consideration: (i) the specific characteristics of the offices held by the person in question, also taking into account the nature and size of the company in which such offices are held; (ii) the commitment demanded by any additional professional activities in which that person engages and by any offices in associations which they hold; and (iii) the commitment demanded from that person in the Board of Directors (particularly where a non-executive Director is involved who is not a member of any Committee).

Based on the communications made by the Directors to the Company – verified by the Corporate Secretarial Staff of the Board of Directors and the Nomination Committee and submitted to the Board of Statutory Auditors on 28 January 2020 – the number of offices held by Fincantieri's Directors in the management or audit/supervisory bodies of other companies that are relevant for calculating the number of positions held in them is in line with the abovementioned approach.

Information on the offices held by the Directors of Fincantieri in the boards of directors and statutory auditors of other companies that are relevant for calculating the total number of positions held in them is shown in the table attached to this Report.

#### 2.2.4 Appointment and replacement of Directors

Directors are appointed by the ordinary Shareholders' Meeting in accordance with the procedures described below, for a term not to exceed three financial years, and they may be re-elected after their mandate expires. The appointment of Directors is regulated by Article 19 of the By-laws, which provide a full description of the relevant provisions<sup>14</sup>.

<sup>14</sup>The By-laws are available on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com), in the Section "Ethics and Governance - Corporate Governance System".

#### Slate voting

The Board of Directors is appointed by the Shareholders' Meeting on the basis of slates submitted by the Shareholders and by the Board of Directors and in accordance with applicable regulatory provisions on equal access to corporate bodies by the less represented gender (gender balance).

#### Entitlement to submit slates

Each Shareholder may submit or contribute to the submission of only one slate. Shareholders are entitled to submit slates only if they represent – individually or collectively with other Shareholders – at least 1% of the share capital or such other percentage, if lower, that is established by CONSOB in the CONSOB Regulation. Ownership of the minimum shareholding required to submit slates must be proven in accordance with the procedures and by the deadline laid down by regulatory provisions applicable from time to time. Candidate slates may also be submitted by the outgoing Board of Directors. Each person with voting rights may only vote for one slate.

#### Composition and filing of slates

Each candidate may appear on one slate only, and shall otherwise be ineligible.

Candidates must be listed in sequential order in the slates.

Each slate must include at least two candidates who satisfy legally-required independence criteria, and must specify the names of those candidates and indicate one of the candidates in the first position on the slate. Furthermore, slates that present three or more candidates must include candidates of different genders, as detailed in the Shareholders' Meeting call notice, thus ensuring that the composition of the Board of Directors is compliant with the applicable laws on gender equality.

The slates must be filed with at the Company's headquarters in accordance with the deadlines and procedures envisaged by applicable rules (i.e. at least twenty-five days prior to the date of the Shareholders' Meeting called to appoint the Board of Directors).

The filing of each slate must include the filing of the professional curricula of the candidates and the declarations



in which they accept their candidature and certify, under their own responsibility, that there are no grounds for ineligibility and incompatibility, and that they meet the requirements of good repute provided for by current legislation and the By-laws (see paragraph 2.2.2 above) and the requirements of independence established by law and/or the Corporate Governance Code (see paragraph 2.2.10 below).

#### Procedure for appointments

Directors are elected as follows:

- a) the following are taken from the slate that obtains the majority of votes, in the sequential order in which they are listed on that slate:
  - two-thirds of the Directors, with fractions being rounded down to the next lower integer, where the Board consists of 9 members at most;
  - 7 Directors, if the Board consists of 10 members;
  - 8 Directors, if the Board consists of 11 members;
  - 9 Directors, if the Board consists of 12 members; and
  - 10 Directors, if the Board consists of 13 members;
- b) the remaining Directors are drawn from the other slates (subject to applicable regulations protecting minority shareholders), which are not associated in any way, even indirectly, with shareholders who submitted or voted for the slate that obtained the highest number of votes. Accordingly, the votes obtained from these slates are subsequently divided by one, two or three, depending upon the number of Directors to be elected. The ratios thus obtained are assigned in sequential order to the candidates of each of these slates, in the order respectively envisaged by each. The ratios thus assigned to the candidates on the various slates are then arranged in a single descending ranking. Candidates who obtain the highest ratios are elected.
 

Where more than one candidate has obtained the same ratio, the candidate elected will be the candidate from the slate that has not yet elected a Director or that has elected the lesser number of Directors. If none of these slates has elected a Director or if all have elected the same number of Directors, the candidate elected will be the candidate from the slate that has obtained the highest number of votes. In the event of a tie in slate votes and in circumstances where the ratios are tied, the Shareholders' Meeting will vote again – subject to legally applicable majorities – from among candidates who attained the same ratio from the slates that elected the same number of Directors (or no Director) and obtained the same number of votes;
- c) if, following the application of this procedure, the minimum number of independent Directors required by applicable rules has not been elected (see paragraph 2.2.10 below), the ratio of votes attributable to each candidate drawn from the slates is calculated by dividing the number of votes obtained from each slate by the ranking number of each of the candidates, thus forming a single ranking in descending order; candidates who do not satisfy applicable independence requirements and who obtain the lowest ratios among the candidates taken from all of the slates will be replaced – beginning from the last and until the minimum number of independent Directors required under applicable rules has been reached – by independent candidates indicated on the same slate as the replaced candidate (following the order in which they are indicated) or by persons who satisfy the relevant independence criteria and who are appointed in accordance with the procedure referred to in letter e) of Article 19.8 of the By-laws.
 

If candidates on different slates achieve the same ratio, the candidate to be replaced is the candidate from the slate from which the highest number of Directors has been drawn or, if the same number of Directors are elected, the candidate from the slate that has obtained the lowest number of votes or, in the event of a tie, the candidate who obtains fewer votes in a special vote of the Shareholders' Meeting (subject to the legally-required quorums) from among all of the candidates who obtained the same ratio from slates that elected the same number of Directors and obtained the same number of votes;

- d) if the application of the procedure described in letters a) and b) above fails to ensure compliance with applicable rules on gender balance, the ratio of votes to be assigned to each candidate drawn from the slates comprised of at least three candidates is calculated by dividing the number of votes obtained from each slate by the ranking number of each of these candidates, thus forming a single ranking in descending order; candidates of the better represented gender who have the lowest ratios among the candidates taken from the above mentioned slates are replaced – until the number of Directors is achieved that ensures compliance with applicable gender balance rules and subject to the minimum required number of independent Directors – by the candidate of the less represented gender who is (as relevant) indicated (with the next lowest slate ranking number) on the same slate as the candidate who is replaced.
 

If candidates on more than one of the abovementioned slates have achieved the same ratio, the candidate to be replaced is the candidate from the slate from which the highest number of Directors has been drawn or, if the same number of Directors are elected, the candidate from the slate that has obtained the lowest number of votes or, in the event of a tie, the candidate who obtains fewer votes in a special vote of the Shareholders' Meeting (subject to the legally required quorums) from among all of the candidates who obtained the same ratio from slates that elected the same number of Directors and obtained the same number of votes.

The slate voting procedure described above applies only where the entire Board of Directors is appointed. Directors who, for any reason, are not appointed in accordance with the above procedure are appointed by the Shareholders' Meeting subject to the statutory majorities, thus ensuring that the Board's composition complies with law and with the By-laws, and with applicable rules on gender balance.

#### Replacement

If one or more Directors should cease from office or become available during the year, due to resignation or for any other reason, the procedure detailed in Article 2386 of the Italian Civil Code shall be applicable. In any case, the Board of Directors must have the legally required minimum number of independent Directors, and the rules relating to gender balance and protection of minorities must be complied with. If the majority of Directors should cease from office due to resignation or for any other reason, the entire Board shall cease to hold office and the Shareholders' Meeting shall be called to reconstitute the Board in accordance with the procedures envisaged by Article 2386 of the Italian Civil Code.

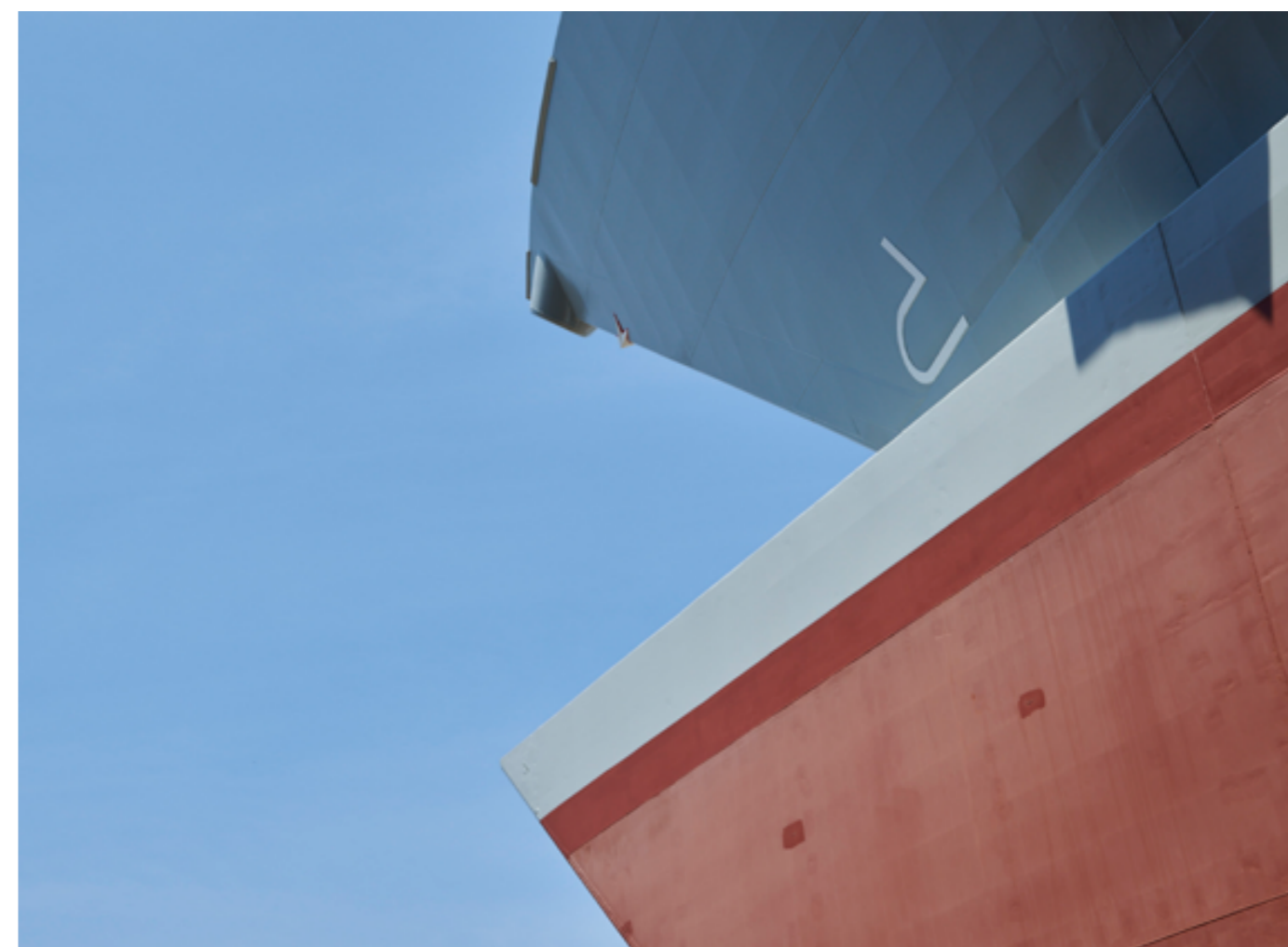
#### 2.2.5 Tasks of the Board

The Board of Directors is the key body of the Company's corporate governance system, as it has the broadest powers of ordinary and extraordinary administration thereof, and these extend to determining the Company's and the Group's strategic, organisational and control policies. More specifically, the Board of Directors, in accordance with applicable provisions of law, of the By-laws, of its own resolutions (most recently, the resolution adopted on 5 April 2019) and, as regards the 2020 financial year, in accordance with the Corporate Governance Code's recommendations:

- may delegate all or some of its powers - except those that cannot be delegated by law - to one or more of its members and/or to an executive committee;
- appoints a Secretary of the Board of Directors, who need not be a company member;
- defines the Company's strategic and organisational lines by approving industrial plans and annual budgets, and determines the nature and level of risk compatible with the objectives of those strategic and organisational lines, including in its assessments all risks which may prove significant in the context of medium to long term sustainability;
- convenes ordinary and extraordinary Shareholders' Meetings in compliance with the procedures and deadlines envisaged by applicable regulatory provisions, ensuring that the Shareholders are provided with detailed knowledge and information that enables them to adequately participate in such meetings;

- establishes Committees within the Board of Directors with powers of consultation and powers to propose draft resolutions, as recommended by the Corporate Governance Code, appointing its members and determining their duties and the associated operational rules and, as relevant, approving associated remunerations and budgets;
- as to internal control and risk management:
  - appoints from within it one or more Directors to set up and maintain an effective internal control and risk management system (ICRMS), as well as a Control and Risk Committee tasked with supporting (by adequate investigative proposition and consultation activities) the Board of Directors in its assessments and decisions related to the ICRMS and related to the approval of periodic reports;
  - establishes guidelines for the ICRMS, subject to the opinion of the Control and Risk Committee;
  - appoints the Head of Internal Auditing, ensuring that he/she has adequate resources to fulfil his or her responsibilities, determining his/her remunerations in line with Company policy – on a proposal of the Director in charge of the ICRMS, and after having received approval from the Control and Risk Committee and consulted with the Board of Statutory Auditors;
  - assesses annually – subject to the Control and Risk Committee’s opinion - the extent to which the ICRMS is adequate to the nature and risk profile of the Company, and also to assess its effectiveness;
  - approves annually the work programme prepared by the Head of Internal Auditing, after consulting with the Control and Risk Committee and with the Board of Statutory Auditors, and with the Director in charge of the ICRMS;
  - describes the key characteristics of the ICRMS and the coordination procedures for the persons involved, in the Corporate Governance Report, after having received the opinion of the Control and Risk Committee, giving an assessment of its adequacy;
  - assesses the results presented by the independent auditor in the letter of suggestions, if any, and in the report on key issues arising during the audit, subject to the Control and Risk Committee’s opinion and after having consulted with the Board of Statutory Auditors;
  - appoints the Officer in Charge, after having received the mandatory opinion of the Board of Statutory Auditors, such appointment to last at least for the duration of the Board’s term of office and for no more than six financial years, determining the term of office and the duties, powers and remunerations; it may also revoke this appointment if necessary;
  - approves the Organisation, Management and Control Model under Legislative Decree No. 231 of 8 June 2001 (“Legislative Decree No. 231/2001”);
  - determines the composition of the Supervisory Body and appoint its members and determine their remunerations, on a proposal from the CEO;
- determines the remunerations policy for Directors, General Manager, Executives with Strategic Responsibilities and for the other Key Executives, on a proposal from the Remuneration Committee;
- assesses whether or not to adopt a plan for the succession of executive Directors;
- on the proposal of the Nomination Committee, expresses its position on the maximum number of offices as director or statutory auditor in companies that are relevant for calculating the number of offices held in them that can be considered compatible with effectively performing the office of Director of the Company;
- approves the sustainability model, the sustainability charter and the sustainability plan of the Company after consulting the Sustainability Committee, and approves the Sustainability Budget published each year subject to the Sustainability Committee’s investigations;
- adopts company procedures for the internal management and outbound communication of information on the Company, particularly with reference to inside information;
- determines rules that ensure the transparency and substantive and procedural propriety of related party transactions;

- has reserved for itself responsibilities in the following areas:
  - engaging in strategically relevant agreements;
  - incorporating companies, associations or entities and purchasing and selling shareholdings, enterprises or business units;
  - drawing up, amending and cancelling binding letters of intent or agreements (if not already included in those letters of intent) for the supply of goods or services by the Company for amounts in excess of EUR 500 million per agreement;
  - purchasing, exchanging and selling real estate, establishing other in rem rights and leases exceeding 9 years for amounts in excess of EUR 40 million;
  - engaging in medium/long-term lending/borrowing transactions for amounts in excess of EUR 500 million per transaction;
  - issuing sureties in excess of EUR 500 million per transaction, except in the case of emergency sureties issued by the Chief Executive Officer;
- hires, appoints and revokes the appointment of General Managers;
- grants assignments for professional services for amounts in excess of EUR 100,000 (individually or collectively) in the case of natural persons and EUR 500,000 in the case of professional associations or legal persons, excluding assignments granted to: (i) natural persons enrolled in professional rolls or registers; (ii) professional associations between such natural persons; and (iii) legal persons of national and international standing.



In compliance with the foregoing, the Board of Directors during the 2020 financial year:

- approved Fincantieri's 2020 corporate events calendar;
- after investigation by the Nomination Committee, ascertained that the independence and integrity requirements applicable to members of the Board of Directors were duly satisfied, and that there was no basis for their incompatibility, ineligibility or lapse;
- after investigation by the Nomination Committee, verified that the number of positions held by Directors was in line with the guidelines on the maximum number of offices as director or statutory auditor that can be considered compatible to effectively perform the office of Director of the Company, adopted by the Board of Directors on 19 December 2014;
- after investigation by the Nomination Committee, approved the updating of the guidelines concerning the maximum number of offices of a director or statutory auditor that may be considered compatible to effectively perform the office of a Director of the Company;
- after investigation by the Sustainability Committee, approved the sustainability policies: (i) "Fincantieri Group initiatives for Communities and Territories"; (ii) "Supplier Code of Ethics"; (iii) "Human Rights - Commitment to Respect for Human Rights and Diversity";
- resolved to establish the Anticorruption Department and appointed its head;
- under Article 25.3 of the By-laws, approved the adjustment of the By-laws to the regulatory provisions introduced by Prime Ministerial Decree of 15 November 2019, which amended Prime Ministerial Decree of 25 May 2012 on the "Criteria, conditions and procedures for adopting the ownership unbundling model for SNAM S.p.A. under Article 15 of Law No. 27 of 24 March 2012," referred to in Fincantieri's By-laws;



- after investigation by the Nomination Committee, examined the recommendations contained in the annual report on the implementation by the issuers of the Corporate Governance Code (the "CG Report"), drawn up by the Italian Corporate Governance Committee (the "CG Committee") and the cover letter drafted by the Chairman of the CG Committee and sent to the Chairmen of Italian listed companies on 19 December 2019. Specifically, the Board analysed in detail the most relevant points of the CG Report and the improvements that the CG Committee expected, considering that also in light of the results of self-assessment process by the Board of Directors and the Advisory Committees for 2019, the Company is substantially compliant with the issues pointed out in the CG Report;
- examined the report on the Board of Directors' self-assessment for the 2019 financial year, prepared by the Nomination Committee;
- after receiving the Nomination Committee's opinions, confirmed that, considering the nature and composition of Fincantieri's current shareholding structure and the circumstance that, under the law and the By-laws, Directors and Statutory Auditors are appointed on the basis of slates submitted by Shareholders and voted at the Shareholders' Meeting, and considering the experience gained during past nominations and according to the assessments of the Board of Directors of previous years, there appears to be no need to adopt a succession plan for executive directors and a diversity policy for the composition of management and supervisory bodies. With regard to the latter, it has been noted that the composition of Fincantieri's Board of Directors, which reflects the presence of a controlling Shareholder, already integrates different profiles, ensuring a that different experiences and skills complement each other, together with diversity of gender and age groups of the Directors;
- after receiving the Nomination Committee's views, to effectively ensure the continuity of the Company's ordinary operations with adequate timeliness in case of events that, during the course of his/her term of office, prevent the Chief Executive Officer from exercising his/her duties, resolved, taking into account the Company's governance structure, the recommendations of the Corporate Governance Code and the experience gained by other issuers, to launch a task to establish an internal procedure to deal with potential crisis management situations;
- after receiving the Control and Risk Committee's views, approved the updates to the 231 Organisation System;
- after investigation by the Control and Risk Committee, examined the periodic report of the Head of Internal Auditing for 2019, which also contained an assessment of the adequacy of the internal control and risk management system;
- after receiving the Control and Risk Committee's views, considered the ICRMS adequate with respect to the characteristics of the enterprise and the risk profile undertaken;
- after consultation with the Director in charge of the ICRMS, after receiving the Control and Risk Committee's approval and after consultation with the Board of Statutory Auditors, ascertained that the Head of Internal Auditing has adequate means and resources to carry out the relevant responsibilities;
- after receiving the Control and Risk Committee's views and after consultation with the Board of Statutory Auditors and with the Director in charge of the ICRMS, approved the annual Audit plan for 2020 prepared by the Head of Internal Auditing;
- after receiving the Control and Risk Committee's views, examined the ERM - Risk Assessment Report as at 31 December 2019;
- after receiving the Control and Risk Committee's views, acknowledged that there were no changes to the impairment test procedure approved by the Board of Directors at its meeting of 14 February 2019, which was then reconfirmed, and approved the results of the tests relating to the 2019 financial year;
- after investigation by the Control and Risk Committee, assessed the adequacy of the organisational, administrative and accounting structure of the Company and its main subsidiaries, verifying that the Officer in Charge has adequate powers and means to perform the tasks assigned to him/her and supervising his/her effective compliance with administrative and accounting procedures;
- examined the periodic report transmitted by the Supervisory Body;

- examined the periodic reports of the Control and Risk Committee;
- after investigation by the Control and Risk Committee, approved the draft financial statements and the consolidated financial statements as at 31 December 2019;
- after investigation by the Control and Risk Committee, approved the proposal for profit allocation as per the financial statements as at 31 December 2019;
- approved the 2019 reporting package for Cassa Depositi e Prestiti S.p.A.;
- based on the illustration provided by the Board of Statutory Auditors, acknowledged the report of the Company's independent auditor, prepared in accordance with Article 11 of Regulation (EU) 537/2014 for the financial year ended 31 December 2019;
- after receiving the Control and Risk Committee's views, approved the Report on Corporate Governance and Ownership Structure for the year 2019;
- upon proposal of the Remuneration Committee, approved the Remuneration Policy for the Directors, the General Manager, Executives with Strategic Responsibilities and for the other Key Executives for the 2020 financial year, to be submitted for binding vote by the Shareholders' Meeting convened to approve the 2019 financial statements;
- based on a proposal from the Remuneration Committee, approved the Report on the policy regarding remuneration and fees paid under Article 123-ter of the Italian Consolidated Law on Finance (TUF);
- after investigation by the Sustainability Committee, approved the Sustainability Report for 2019;
- after investigation by the Sustainability Committee, approved the updates to the 2018-2022 Sustainability Plan;
- approved the notice of call for the Company's Shareholders' Meeting of 9 June 2020 and the explanatory reports of the Board of Directors for the discussion of the items on its agenda;
- after receiving the Control and Risk Committee's views, positively acknowledged the tests in accordance with Law No. 262/2005 and approved the relevant results;
- acknowledged the information provided by the Board of Statutory Auditors on the results of the verification conducted by the same on the existence of the independence requirements for its members, following the appointment of the Board of Statutory Auditors by the Shareholders' Meeting of 9 June 2020;
- after receiving the Control and Risk Committee's views, approved the periodic financial reports, positively acknowledging the absence of observations and compliance with the relevant legislation in drafting them;
- based on a proposal from the Remuneration Committee, reported the 2019 operating results related to the short-term variable incentive plan ("MBO") of the Chairman and the CEO;
- based on a proposal from the Remuneration Committee, defined the 2020 MBO performance objectives of the Chairman and the CEO;
- after investigation by the Remuneration Committee, approved the Company's proposals regarding the achievement of objectives and on allocating the shares to the beneficiaries of the second cycle of the Performance Share Plan 2016-2018;
- after investigation by the Remuneration Committee, approved the Company's proposals regarding the identification of the objectives and of the beneficiaries of the second cycle of the Performance Share Plan 2019-2021 and the allocation of rights to each of them;
- appointed Fabio Gallia as General Manager of the Company, to replace Alberto Maestrini;
- also with the support of the Control and Risk Committee, since the start of the COVID-19 pandemic, has constantly monitored the actions and measures that the Company has implemented to deal with the emergency, also with a view to guaranteeing the workers' health and safety.

It also describes the activities carried out by the Board of Directors in the first months of 2021.

Specifically, the Board:

- approved Fincantieri's 2021 corporate events calendar;
- examined the recommendations set out in the annual report on the implementation by the issuers of the Corporate Governance Code (the "CG Report"), drafted by the Italian Corporate Governance Committee (the

"CG Committee") and the cover letter drafted by the Chairman of the CG Committee and sent to the Chairmen of Italian listed companies on 22 December 2020. Specifically, the Board analysed the most important points of the Report and the ideas for improvement sought by the CG Committee in detail, considering that the Company is substantially compliant with the Recommendations dictated by the CG Committee, also in light of the decision to comply with the new Corporate Governance Code;

- made the necessary adjustments to the Company's corporate governance structure to implement the new Corporate Governance Code, details of which will be provided in the Report on Corporate Governance and Ownership Structure to be published in 2022;
- after receiving the Control and Risk Committee's views, approved the updates to the 231 Organisation System;
- after receiving the Sustainability Committee's views, approved Fincantieri's Materiality Matrix and the updates of the Fincantieri's Charter of Sustainability Commitments.
- after investigation by the Nomination Committee, verified the existence of the requirements of independence and integrity of the members of the Board of Directors and the absence of reasons for their incompatibility, ineligibility or disqualification;
- after investigation by the Nomination Committee, verified that the number of positions held by Directors and Statutory Auditors was in line with the guidelines on the maximum number of offices as director or statutory auditor that can be considered compatible to effectively perform the office of Director of the Company, most recently adopted by the Board of Directors on 28 January 2021 as part of the adjustment of the Company's corporate governance system to the new Corporate Governance Code;
- after receiving the Nomination Committee's views, confirmed that there is no need to adopt a policy on diversity in relation to the composition of the Board of Directors and Statutory Auditors, in view of the composition of the Board of Directors currently in office, which can be considered to reflect adequate diversification in terms of age, gender, educational and professional background, and considering the Company's lack of discretionary power in defining diversity policies, resulting from the requirements for Directors and Statutory Auditors already established by current laws, regulations and the By-laws, as well as the new Corporate Governance Code;
- after receiving the Control and Risk Committee's views, examined the ERM - Risk Assessment Report as at 31 December 2020;
- after investigation by the Control and Risk Committee, examined the periodic report of the Head of Internal Auditing for 2020, which also contained an assessment of the adequacy of the internal control and risk management system;
- after receiving the Control and Risk Committee's views, considered the ICRMS adequate with respect to the characteristics of the enterprise and the risk profile undertaken;
- after receiving the Control and Risk Committee's views and after consultation with the Board of Statutory Auditors and with the Director in charge of the ICRMS, approved the annual Audit plan for 2021 prepared by the Head of Internal Auditing;
- after receiving the Control and Risk Committee's approval, ascertained that the Head of Internal Auditing has adequate means and resources to carry out the relevant responsibilities;
- after receiving the Control and Risk Committee's views, acknowledged that there were no changes to the impairment test procedure approved by the Board of Directors at its meeting of 14 February 2019, which was then reconfirmed and approved the relevant results;
- after investigation by the Control and Risk Committee, assessed the adequacy of the organisational, administrative and accounting structure of the Company and its main subsidiaries, verifying that the Officer in Charge has adequate powers and means to perform the tasks assigned to him/her and supervising his/her effective compliance with administrative and accounting procedures;
- after investigation by the Remuneration Committee, approved the guidelines for a new medium-long term incentive plan for Fincantieri's management;
- after investigation by the Sustainability Committee, approved the "Fiscal Strategy" document prepared by the Company for the purpose of achieving the objectives set out in the Sustainability Plan.

Further activities performed by the Board of Directors in connection with the internal control and risk management system (ICRMS) are described in paragraph 3 below.

### 2.2.6 Meetings and functioning of the Board

During 2020, the Board of Directors met 13 times, with an average duration of the meetings of about 127 minutes and, on average, 89.2% of Directors attending. On average, 94.83% of the Independent Directors attended the above meetings.

The meetings were regularly attended by members of the Board of Statutory Auditors and also, at the Chairman's invitation, by the heads of the corporate Departments whose purview extended from time to time to the individual items on the agenda.

The Chairman duly convened all of the meetings, generally with at least five days' notice. The Chairman also guaranteed that all Directors and Auditors would receive any documents related to the items on the agenda in good time, prior to each meeting and, where this was not possible, that an accurate and adequate in-depth analysis of the individual items on the agenda would be provided during the meetings.

Eleven meetings have been scheduled for the 2021 financial year at the date of this Report, two of which have already been held during the first months of the year.

**Table 1** attached to this Report indicates the attendance record (as a percentage) of each Director at meetings of the Board of Directors and associated Committees.

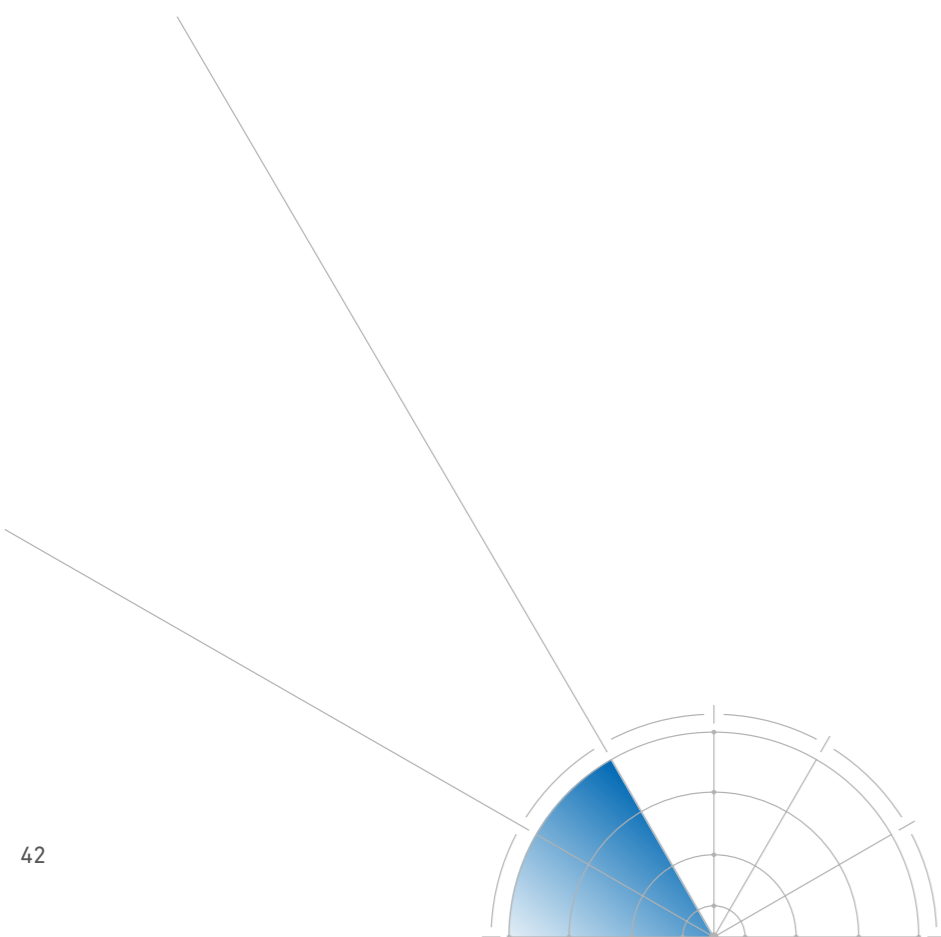
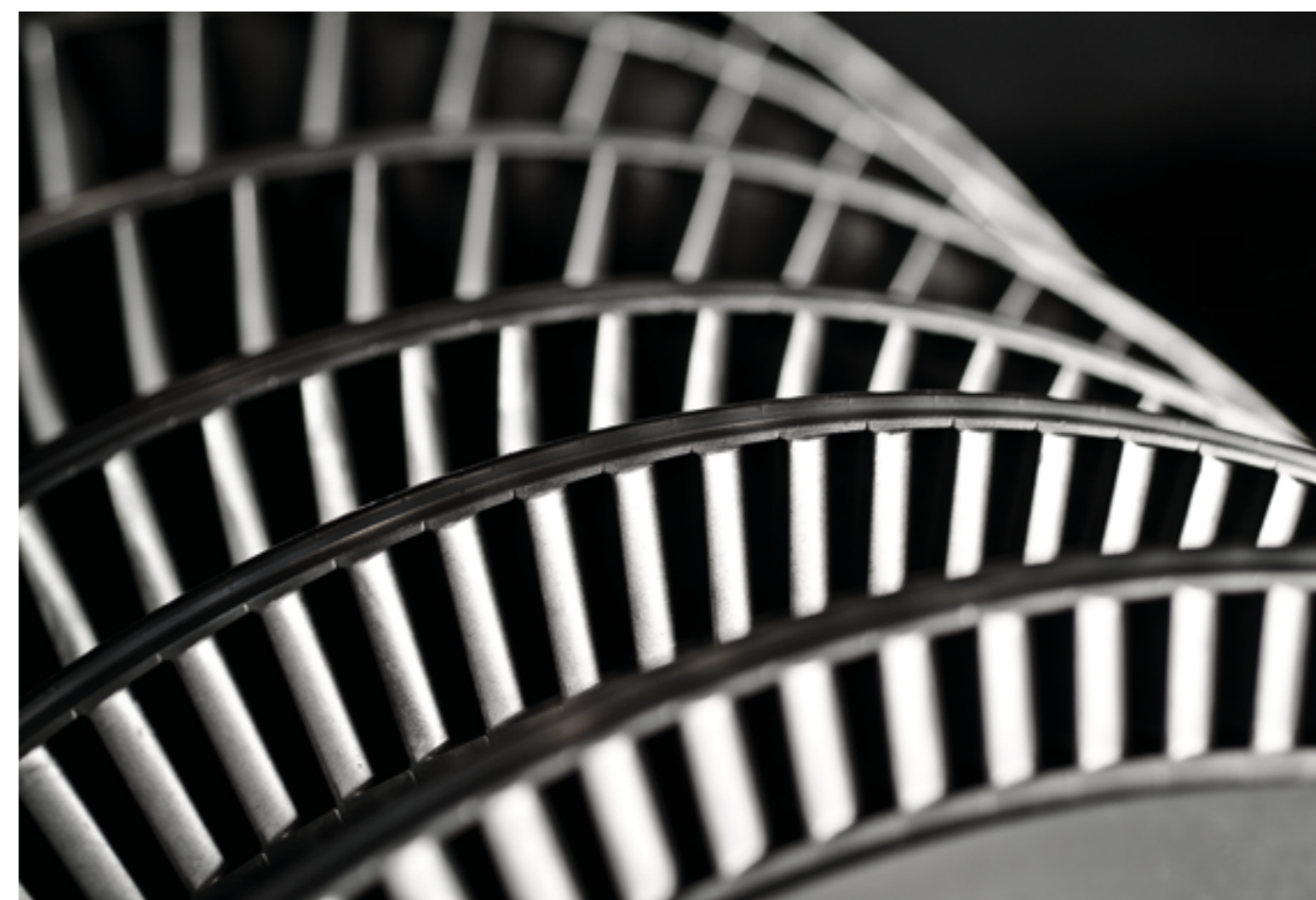
### 2.2.7 Chairman of the Board of Directors

The Chairman is vested with all powers provided for by law and by the By-laws in relation to the functioning of the corporate bodies (Shareholders' Meeting and Board of Directors) and with the legal representation of the Company, and also the power to verify that the Board of Directors' resolutions are implemented.

Moreover, on 5 April 2019, the Board of Directors resolved to grant the following delegated powers to the Chairman Giampiero Massolo, to be exercised in coordination with the CEO in order to ensure uniformity and effectiveness of the Company's operations:

- representing the Company before institutions, entities, national and international organisations with a view to promoting the Company's image and activities, subject to the CEO's responsibility for the Company's administration and management;
- cooperating with the Chief Executive Officer to establish international strategies and the Company's internationalisation activities;
- cooperating with the Chief Executive Officer to establish the Company's communication strategies and activities and institutional relations;
- supervising and coordinating the ICRMS of the Company and its subsidiaries, the continuous improvement of its effectiveness and efficiency, and the implementation of specific resolutions on internal control adopted by the Board of Directors, based on a mandate from the Board;
- supervising and coordinating the development and management of the Company's security system aimed at safeguarding its tangible and intangible assets and resources, including the assets referred to in Articles 12 et seq. of Decree of the President of the Council of Ministers No. 4 of 22 July 2011 on the administrative protection of State secrecy and classified information and the management of relations in the area of industrial safety with the National Safety Authority.

The Board of Directors on 18 April 2019 also vested the Chairman with the role of Director in charge of the ICRMS (see paragraph 3.2.1 below).



### 2.2.8 CEO

Without prejudice to the powers reserved to the Board, the CEO - acting as the leading figure in the Company - has the power to legally represent the Company, within the limits of the powers granted, and to manage the Company, on the basis of the guidelines formulated by the Board of Directors and in accordance with the information duties under Article 2381 of the Italian Civil Code, and is vested with the following tasks and delegated powers to be exercised by single signature:

- a) to submit to the Board of Directors the business plans and budgets in which the Company's strategic lines are defined;
- b) to implement the resolutions of the Corporate Bodies, carrying out the acts, including those of extraordinary administration, resolved thereby;
- c) to carry out all acts of ordinary and extraordinary administration of the Company, except for acts that cannot be delegated by law and those that are reserved exclusively to the Board of Directors.

The CEO's powers include the following (for purposes of illustration only):

- to represent the Company as claimant and defendant before any administrative, tax and judicial authority, to appoint attorneys and general representatives and special attorneys ad litem;
- to represent the Company before public and private, national and international bodies, entities and operators;
- to issue third parties – including state administrations, banks and lending institutions – with guarantees for a maximum of EUR 500 million per transaction/operation as collateral for obligations undertaken and to be undertaken towards any party, including by Fincantieri's subsidiaries or any other company in which Fincantieri may have an interest, according to terms and conditions that may be sought and, in cases of urgency, guarantees for over EUR 500 million, subject to the duty to report same to the Directors at the next Board meeting;
- to enter into any lending/borrowing transaction for amounts not exceeding EUR 500 million per transaction/operation, including loans, undertaking the necessary commitments and implementing the necessary formalities;
- to enter into, amend and terminate any act, deed or agreement related to the corporate purpose; also to establish, renew, reduce, subordinate and cancel mortgages and liens on ships or other products under construction or already built by the Company including for third parties, settling any disputes in which the Company may be involved;
- to represent the Company – also delegating others for this purpose - vis-à-vis the entities and companies in which Fincantieri holds interests, quotas, shares, and participations or that Fincantieri represents, and therefore also at the ordinary and extraordinary shareholders' meetings of the entities and companies themselves, exercising all other rights relating to the shares themselves;
- to establish the organisation of the Company after informing the Board of Directors;
- to recruit, appoint and remove personnel at all levels from their position including managers, but excluding General Managers; to manage personnel at all levels without limitation, also by changing the economic and regulatory conditions contained in employment agreements and settling any related disputes;
- to grant work assignments amounting to, individually or cumulatively, less than EUR 100,000 in the case of natural persons and EUR 500,000 in the case of professional associations or legal persons, without prejudice to the right to grant assignments of an amount exceeding the above limits when granted to:
  - (i) natural persons registered in professional registers or lists, (ii) professional associations among such natural persons or (iii) legal persons of national or international importance.

The CEO may – in the context of the abovementioned delegated powers – issue and revoke general and special powers of attorney for individual acts or transactions or for categories of acts or transactions to/from employees of the Company and to third parties, including those not intended to be temporary.

The CEO ensures that the Company's organisational and accounting structure is adequate to the nature and dimensions of the Company, and this figure reports at least on a quarterly basis to the Board of Directors and to the Board of Statutory Auditors on the Company's operating performance, on its anticipated development, on any significant transactions and on the exercise of the delegated powers.

### 2.2.9 Non-executive Directors

Non-executive Directors bring their specific professional skills and experience to bear on discussions of the Board of Directors, and their specific concern is to ensure that the Board's decisions are properly considered and justified, particularly in areas that are particularly sensitive from the point of view of conflict of interest.

The number, competence, and availability of non-executive Directors (who represent the majority of the Board) ensure that their judgement has a significant influence on Board decisions.

### 2.2.10 Independent directors

Pursuant to Article 147-ter, paragraph 4, of the Italian Consolidated Law on Finance (TUF), at least two members of the Board of Directors – when it has over seven members – must satisfy the independence requirements required for Statutory Auditors by Article 148, paragraph 3, of the Italian Consolidated Law on Finance (TUF).

Article 3 of the Corporate Governance Code also recommends that an adequate number of non-executive Directors should be independent, in the sense that they do not have dealings or have not had recent dealings – direct or otherwise – with the issuer or with persons/entities associated with the issuer, which could compromise their independence of judgment. The Code also recommends that the number and the expertise of independent Directors should be adequate to the size of the Board and to the activities of the issuer, and should also facilitate the establishment of Committees within the Board.

The Board of Directors assesses the independence of its non-executive members by paying more attention to substance rather than form, while noting that a Director does not generally satisfy independence criteria in the cases (not exhaustive) described in Article 3.C.1 of the Corporate Governance Code.

In accordance with the foregoing, the Company's Board of Directors has an adequate number of independent Directors, who contribute significantly to the Board through their independent and unbiased judgement on the matters for discussion and decision, and the presence of independent Directors ensures that the Advisory Committees have a composition that reflects the recommendations of the Corporate Governance Code. More specifically, the Board of Directors in office on the date of this Report consists of six independent Directors in accordance with the law. These Directors are also independent, as far as 2020 is concerned, in light of the recommendations of the Corporate Governance Code.

These Directors submitted special declarations testifying to their independence at the time of their appointment. After investigation by the Nomination Committee, the verification procedure was carried out at the Board of Directors' meeting of 28 January 2020, where the criteria referred to in the abovementioned Article 3.C.1 of the Corporate Governance Code were applied. During this meeting, the Board also verified that the Directors Barbara Alemanni, Massimiliano Cesare, Luca Errico, Paola Muratorio, Elisabetta Oliveri and Federica Seganti met the independence requirements set forth in Articles 147-ter, paragraph 4, and 148, paragraph 3, of the Consolidated Law on Finance (TUF), as well as in the Corporate Governance Code.

On the same date, the Board of Statutory Auditors carried out its assessment of the continued independence requirements for Directors who had declared their independence at the time of their appointment, in order to subsequently verify the correct application of the assessment criteria and procedures adopted by the Board to assess the independence of its members.

The Board of Directors did not designate a lead independent director, given that the conditions for such appointment envisaged by the Corporate Governance Code were not met. The Chairman of the Board of Directors is not, in fact, the key person responsible for managing the Company, nor does he hold a controlling stake in the Company.

During 2020, the independent Directors met twice in the absence of the other Directors and took advantage of numerous opportunities for informal discussions at board meetings. Among other matters, the abovementioned



Directors discussed issues related to the functioning and effectiveness of the Board of Directors and its Committees.

### 2.2.11 Assessment of the operation of the Board and of the Advisory Committees

The "board review" procedure commenced during the second half of 2019 on the initiative of the Nomination Committee, concluded in early 2020.

The Board of Directors acknowledged the results of the Board evaluation activities at the meeting of 10 March 2020.

The analysis was carried out with the support of the Board of Directors' Corporate Secretarial Staff, by filling in a self-assessment questionnaire and conducting individual interviews with some Directors, in order to gather the perception of individuals in relation to the size, composition, functioning and efficiency of the Board itself and its Committees.

The results suggested that the Board conducts its operations in a manner that is consistent with and appropriate to its mandate.

The survey provided an important opportunity to examine in depth the functioning and operation of the Board of Directors. Specifically, some of the observations illustrated in the body of the Report, together with the indications offered by the Directors during the individual interviews, revealed the Directors' assessment of the size, composition and functioning of the Board, also indicating some suggestions for improvement.

Specifically, the Directors acknowledged the Company's growing commitment to improving the integrity, accessibility and timeliness of Board information.

Arrangements between the Board of Directors and the Advisory Committees have been viewed positively, having considered that the importance given inside the Board of Directors to the indications that materialised and to the proposals made by the Committees, whose Chairmen may have adequate space within the Board discussion to report on the activities carried out by the individual Committees, is adequate.



### 2.2.12 Remuneration

Directors' remunerations are established by the ordinary session of the Shareholders' Meeting at the time of appointment. The remunerations of Directors vested with the particular tasks referred to in Article 2389, paragraph 3, of the Italian Civil Code is, on the other hand, established by the Board of Directors in compliance with applicable regulatory provisions.

Further information on the remuneration of Directors, the General Manager and other Executives with strategic responsibilities and Key Executives can be found in the Report on the policy regarding remuneration and fees paid drawn up by the Company pursuant to Article 123-ter of the Italian Consolidated Law on Finance (TUF) and available on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com) in the "Ethics and Governance - Remuneration" Section and the "Ethics and Governance - Shareholders' Meetings 2021" Section.

### 2.3 Advisory Committees

The Board of Directors has set up four internal Committees with proactive proposal and consultation tasks, namely: The Control and Risk Committee, the Remuneration Committee, the Nomination Committee and the Sustainability Committee<sup>15</sup>.

Their composition, duties and operating procedures, as well as their powers and resources, are governed by specific regulations approved by the Board of Directors when the abovementioned Committees were established and subsequently amended, on the basis of the amendments introduced from time to time to the Corporate Governance Code and in order to make them more functional to their task of providing advice and support to the Board of Directors.

The Advisory Committees consist of four Directors. All Committees members are non-executive Directors, the majority of whom are independent and have functional powers to perform the tasks assigned to them. Moreover, at least one member of the Control and Risk Committee must have adequate knowledge and experience in financial and accounting areas or in the risk management area, while the Remuneration Committee must include at least one member with adequate knowledge and experience in the financial or remunerations policy area. The Chairman of each Committee is appointed by the Board of Directors and informs the next Board of Directors meeting of the items discussed at the relevant meetings. The Secretary of each Committee is identified by the Chairman of the Committee within the Corporate Secretarial Staff of Fincantieri, while the Secretary of the Board of Directors attends the meetings of the Committees at the invitation of their Chairman.

The Committees meet with the frequency required to perform their tasks. Meetings are called by the Committee Chairman, or when a request is made by at least two members of the same to discuss specific matters that are considered particularly relevant. The notice of call is transmitted by the Secretary at the Committee Chairman's request, in general at least three days before the meeting. The Secretary provides the committee members with any available documentation related to the items on the agenda, usually to accompany the notice of call. With the exception of the Sustainability Committee, a Committee is validly convened in the presence of the majority of its members in office and decides by an absolute majority of those present. In the event of a tie, the vote of the Committee Chairman prevails. The Sustainability Committee is validly convened in the presence of half of its members in office and decides by an absolute majority of those present. In the event of a tie, the vote of the Committee Chairman prevails.

The Committees are entitled to access the Company information and corporate Departments needed to enable them to perform their duties.

In order to carry out their duties, the Committees may rely on external consultants using the Company's structures and at the Company's expense, provided that they are subject to the necessary confidentiality obligations. In addition, the Committees, if they consider it necessary, may prepare an annual budget to be submitted to the Board of Directors for its approval.

<sup>15</sup>The Sustainability Committee was established by the Board of Directors on 8 June 2016, and the Control and Risk Committee and the Nomination Committee were established by the Board of Directors on 5 May 2014, to come into effect only after the commencement of trading of the Company's shares on the Electronic Share Market (MTA) managed by Borsa Italiana. The Remuneration Committee had already been established. The composition of the Committees - in conformity with the Corporate Governance Code's recommendations - was thus determined for the first time by the Board of Directors at its meeting held on 21 July 2014.

### 2.3.1 Control and Risk Committee

#### Composition

The Control and Risk Committee is composed of the Directors Massimiliano Cesare (non-executive and independent), Federica Seganti (non-executive and independent), Barbara Alemanni (non-executive and independent) and Federica Santini (non-executive and non-independent), appointed by the Board of Directors on 18 April 2019. The Director Massimiliano Cesare was made Chairman at the same Board of Directors' meeting.

At the time of appointment, the Board acknowledged that all the Committee members satisfied at least one of the following requirements: (i) adequate experience in the accounting and financial fields; and (ii) adequate experience in the risk management area. Without prejudice to the foregoing, when the Control and Risk Committee meets to express its opinion on transactions with related parties of greater importance (see paragraph "Tasks" below), it is composed of four non-executive Directors, all of whom are independent and, therefore, the non-independent member - Director Federica Santini - is replaced by the non-executive and independent Director Paola Muratorio, identified for this purpose by the Board of Directors during the meeting held on 18 April 2019. The meetings of the Control and Risk Committee are attended by the Chairman of the Board of Statutory Auditors or a Standing Auditor designated by the latter. The Chairman of the Board of Directors, (also acting as Director in charge of the ICRMS), the CEO and the Head of Internal Auditing may also attend. The other Auditors and - at the Committee's invitation - other persons including other members of the Board or people belonging to the company structure may also attend these meetings, to provide information on and to assess (within their respective competencies) the individual items on the agenda.

#### Tasks

The Control and Risk Committee is tasked with supporting the Board of Directors - by adequate investigative activities including consultative and proposal powers - in its assessments and decisions related to the ICRMS and related to the approval of periodic financial reports. The Committee submits its opinion in advance to the Board, on the following:

- on the guidelines of the ICRMS, to enable the main risks to Fincantieri and its subsidiaries to be properly identified and adequately measured, managed and monitored;
- on the degree to which the abovementioned risks are compatible with managing the Company consistently with the strategic objectives identified;
- on the extent to which the ICRMS is adequate and appropriate to the nature of the Company and its risk profile, and on the effectiveness of that system;
- on the work program drawn up by the Head of Internal Auditing;
- on the description - contained in the Report on Corporate Governance and Ownership Structure - of the main characteristics of the ICRMS and of the coordination methods of those involved therein, also assessing the adequacy of that system;
- on the external auditors' findings indicated in the letter of suggestions, if any, and in the report on key issues arising during the audit;
- on the proposed terms of appointment, removal and remuneration of the Head of Internal Auditing, and on the adequacy of the resources assigned to the latter for the performance of the relevant tasks.

The Committee, in assisting the Board, also has the following duties:

- to assess - together with the Officer in Charge and after having consulted with the external auditors and the Board of Statutory Auditors - the proper application of accounting standards and their uniformity for the purposes of drawing up periodic financial reports;
- to give its views on specific matters pertaining to the key risks to which the Company is exposed;
- to examine the periodic reports assessing the ICRMS, and key reports drawn up by the Internal Auditing Department;

- to monitor the independence, adequacy, effectiveness and efficiency of the Internal Auditing Department;
- to request the Internal Auditing Department to carry out checks on specific operating areas, simultaneously notifying this to the Chairman of the Board of Statutory Auditors and the Director in charge of the ICRMS, except where the subject-matter of the request relates to the activities of these persons;
- to report to the Board on the activities carried out and also on the adequacy of the ICRMS at least every six months, and no later than the deadline for approving the annual financial statements and the half-year financial report, at the Board meeting indicated by the Chairman of the Board of Directors;
- to support (with adequate investigative activities) the Board's assessments and decisions related to the management of risks deriving from adverse events that have come to the Board's attention.

Furthermore, the Control and Risk Committee was provisionally assigned Committee tasks with remit in the area of related party transactions under the CONSOB Regulation on Related Party Transactions, as described in greater detail in paragraph 4.1 below. The Remuneration Committee was provisionally assigned to act as a committee with competence in the area of related party transactions for remunerations policy, as described on the paragraph 2.3.2 below.

#### Activities conducted

During 2020, the Control and Risk Committee met 11 times, with an average duration of the meetings of about 90 minutes and, on average, 93% of its members attending.

**Table 1** attached to this Report shows the percentage of attendance of each member at Committee meetings. The meetings were regularly attended by at least one member of the Board of Statutory Auditors.

The meetings were all duly convened by the Committee Chairman, with at least three days advance notice.

The members were provided with the documentation on the items on the agenda by the same deadline.

The Secretary duly recorded the meetings in the minutes.

The Committee Chairman reports on the Committee's activities and presents the Committee's periodic report at each Board of Directors meeting.

For the 2021 financial year, the Committee has decided to meet, as a rule, at the same time as the meetings of the Board of Directors; as of the date of this Report, 3 meetings have been held.

During the meetings held in 2020, the Committee:

- approved the updates to the 231 Organisation System;
- assessed the results of the audits conducted in 2019 and presented by the Head of Internal Auditing;
- received and examined the periodic report of the Head of Internal Auditing for 2019, which also contains an assessment of the adequacy of the internal control and risk management system;
- assessed the adequacy of the organisation, administrative and accounting structure of the Company and its main subsidiaries, also verifying that the Officer in Charge has adequate powers and means to carry out the tasks assigned to him/her and supervising his/her effective compliance with administrative and accounting procedures;
- expressed to the Board of Directors its opinion on the approval of the annual audit plan for 2020 prepared by the Head of Internal Auditing;
- after consulting the Director in Charge of the ICRMS, expressed to the Board of Directors its opinion on the fact that the Head of Internal Auditing has adequate resources to carry out his/her responsibilities;
- judged the ICRMS to be adequate and effective considering the nature of the Company and its risk profile, giving the Board of Directors its views and monitoring the independence, adequacy, effectiveness and efficiency of the Internal Auditing Department;
- expressed to the Board of Directors its opinion on the impairment test on equity investments and goodwill as at 31 December 2019 and the related results;
- verified compliance with the administrative and accounting procedures under Law No. 262/2005 and issued its approval of the 2020 version of the relevant Manual;

- gave the Board of Directors its views on the external auditors' findings indicated in the letter of suggestions and in the report on key issues arising during the statutory audit;
- assisted the Board of Directors by evaluating – together with the Officer in Charge and after having consulted with the external auditors and the Board of Statutory Auditors – the proper application of the accounting principles and their uniformity for the purposes of drawing up periodic financial reports;
- examined the draft financial statements and consolidated financial statements at 31 December 2019;
- submitted to the Board of Directors the proposal for allocating the profit resulting from the financial statements as at 31 December 2019;
- examined the presentation of the main business risks, with reference to the analysis conducted during 2019;
- expressed to the Board of Directors that it is in favour of approving the Report on Corporate Governance and Ownership Structure for the year 2019;
- received and examined the periodic reports of the Head of Internal Auditing relating to the progress of activities in 2020;
- reported to the Board of Directors, on a half-yearly basis, on the activities carried out, also presenting the relevant reports;
- gave its approval on the ERM – Risk Assessment Report as at 31 December 2019 and as at 30 June 2020;
- supported the Board of Directors in its evaluations and decisions regarding the approval of the periodic financial reports;
- has repeatedly audited the Company's General Manager, the Chief Financial Officer and the Head of Internal Auditing on the management of the Company's main risks.

During the first months of 2021, the Committee:

- reviewed the relevant documentation relating to the Company's compliance with the new Corporate Governance Code;
- approved the ERM - Risk Assessment Report at 31 December 2020;
- approved the updates to the 231 Organisation System;
- assessed the results of the audits conducted during 2020 on the basis of an examination of the periodic report of the Head of Internal Auditing, which also contains an assessment of the adequacy of the internal control and risk management system;
- expressed to the Board of Directors its opinion on the approval of the annual audit plan for 2021 prepared by the Head of Internal Auditing;
- assessed the adequacy of the organisation, administrative and accounting structure of the Company and its main subsidiaries, also verifying that the Officer in Charge has adequate powers and means to carry out the tasks assigned to him/her and supervising his/her effective compliance with administrative and accounting procedures;
- expressed to the Board of Directors its positive opinion on the fact that the Head of Internal Auditing is provided with adequate resources to carry out his/her responsibilities;
- judged the ICRMS to be adequate and effective considering the nature of the Company and its risk profile, giving the Board of Directors its views and monitoring the independence, adequacy, effectiveness and efficiency of the Internal Auditing Department;
- carried out the activities falling within its remit in preparation for the calling of the Shareholders' Meeting to approve the financial statements as at 31 December 2020.

The Chairman of the Control and Risk Committee, following the start of the COVID-19 emergency, deemed it appropriate to convene the same Committee on a permanent basis, in order to receive information and carry out ongoing monitoring, both inside and outside the Company, of the potential and direct effects deriving from the aforementioned pandemic.

Therefore, the Committee, in order to carry out its function of the ongoing monitoring of the situation in progress, has met in this capacity in 6 sessions as of the date of this Report.

The Chairman of the Company, the Chief Executive Officer, the General Manager and the Chief Financial Officer were audited in these meeting on several occasions.

The Committee is currently still operating.

Following each meeting of the Committee, the Committee Chairman promptly reported to the Board of Directors on the outcome of the discussions.

To perform its tasks, the Committee relies on the Company's means and corporate structures, as well as, if necessary, the cost centre provided for the Board of Directors.

### 2.3.2 Remuneration Committee

#### Composition

The Remuneration Committee is composed of the Directors Paola Muratorio (non-executive and independent), Barbara Alemanni (non-executive and independent), Elisabetta Oliveri (non-executive and independent) and Fabrizio Palermo (non-executive and non-independent), appointed by the Board of Directors on 18 April 2019. Director Paola Muratorio was made Chairman at the same Board of Directors' meeting.



At the time of appointment, the Board acknowledged that all Committee members satisfied at least one of the following requirements: (i) adequate knowledge and experience in the financial area; and (ii) adequate knowledge and experience in the remunerations policy area.

The meetings of the Remuneration Committee may be attended by the Chairman of the Board of Directors, the CEO and the Chairman of the Board of Statutory Auditors or a Standing Auditor designated by the latter. The other Auditors and – at the Committee's invitation – other persons, including other members of the Board or people belonging to the company structure, may also attend these meetings, to provide information on and to assess (within their respective competencies) the individual items on the agenda.

No Director, however, may attend meetings of the Committee that drafts proposals to the Board relating to that Director's remunerations

#### Tasks

The Remuneration Committee, pursuant the Corporate Governance Code of listed companies and its own Regulations, carries out the following proactive proposal and consultation tasks on remunerations:

- draws up proposals for the Board of Directors on the Remunerations Policy for Directors, for the General Manager, for Managers with Strategic Responsibilities and for the other Key Executives, periodically assessing the adequacy, overall consistency and concrete application of the Policy adopted, using the information provided by the CEO on the implementation of this Policy with regard to Executives with Strategic Responsibility and the other Key Executives;



- submits proposals and gives its views to the Board of Directors on remunerations payable to the Chairman, the CEO and to other Directors who carry out particular offices, and on establishing performance targets linked to the variable component of such remunerations;
- monitors the application of Board decisions, ascertaining in particular that the performance targets in question have been achieved;
- reports on activities carried out at each Board meeting;
- reports on its own operating procedures at the Shareholders' Meeting called to approve the annual financial statements, through the Chairman of the Committee or through a member nominated by him/her.

Furthermore, the Remuneration Committee was provisionally assigned to act as a committee with competence in the area of related party transactions where resolutions are to be adopted in the area of remunerations.

#### Activities conducted

During 2020, the Remuneration Committee met 8 times, with an average duration of the meetings of about 76 minutes and, on average, 75% of members attending.

**Table 1** attached to this Report shows the percentage of attendance of each member at Committee meetings.

The meetings were regularly attended by at least one member of the Board of Statutory Auditors.

The meetings were all duly convened by the Committee Chairman, with at least three days advance notice.

The members were provided with the documentation on the items on the agenda by the same deadline.

The Secretary duly recorded the meetings in the minutes.

The Committee Chairman shall report to each meeting of the Board of Directors on the activities carried out by the Committee.

For the 2021 financial year, the Committee has decided to meet, as a rule, at the same time as the meetings of the Board of Directors. As of the date of this Report, 3 meetings have been held.

During 2020, the Remuneration Committee met on several occasions in order to:

- formulate a new Remunerations Policy for the Directors, the General Manager, Executives with Strategic Responsibilities and for the other Key Executives, to be submitted for approval by the Board of Directors for 2020;
- express its opinion on the Report on the policy regarding remuneration and fees paid under Article 123-ter of the Italian Consolidated Law on Finance (TUF);
- express its opinion on the achievement of objectives, both corporate and individual, tied to granting the short-term variable remuneration ("MBO") of the Chairman and the Chief Executive Officer and on the definition of the objectives for 2020;
- express its approval on the Company's proposals regarding the identification of objectives and beneficiaries of the second cycle of the Performance Share Plan 2019-2021 as well as regarding the allocation of rights to each of them;
- express its approval on the Company's proposals regarding the achievement of objectives and on allocating the shares to the beneficiaries of the second cycle of the Performance Share Plan 2016-2018;
- carry out, with the support of the Mercer consulting firm, a benchmarking exercise to assess the remuneration of the Chief Executive Officer and Key Executives;
- examine the programme of work for which the Committee is responsible in order to adjust to the new Corporate Governance Code;
- carry out the activities falling within its remit in preparation for the calling of the Shareholders' Meeting to approve the financial statements as at 31 December 2020.

In the first months of 2021, the Committee met in order to:

- examine the documentation relating to the Company's adherence to the new Corporate Governance Code;

- prepare the first section of the Report on the policy regarding remuneration and fees paid pursuant to Article 123-ter of the Italian Consolidated Law on Finance (TUF), containing a new proposal for the Company's Policy on the remuneration of Directors, Statutory Auditors, General Manager, Executives with Strategic Responsibilities and other Key Executives for 2021, to be submitted to the Board of Directors for approval;
- examine and prepare a new medium and long-term share incentive plan for the three-year period 2022-2024

To perform its tasks, the Committee relies on the Company's means and corporate structures, as well as, if necessary, the cost centre provided for the Board of Directors.

### 2.3.3 Nomination Committee

#### Composition

The Nomination Committee is composed of the Directors Federica Seganti (non-executive and independent), Massimiliano Cesare (non-executive and independent), Luca Errico (non-executive and independent) and Fabrizio Palermo (non-executive and non-independent), appointed by the Board of Directors on 18 April 2019. The Chairman's tasks have been assigned by the same Board of Directors to the Director Federica Seganti. The meetings of the Nomination Committee may be attended by the Chairman of the Board of Directors, the CEO and – for matters within the purview of the Board of Statutory Auditors – the Chairman of the Board of Statutory Auditors or a Standing Auditor designated by the latter. The other Auditors and – at the Committee's invitation – other persons, including other members of the Board or people belonging to the company structure, may also attend these meetings, to provide information on and to assess (within their respective competencies) the individual items on the agenda.

#### Tasks

The Nomination Committee has proactive proposal and consultation powers in relation to the Board of Directors and, more specifically it:

- provides opinions for the Board on the size and composition of the Board of Directors, and makes recommendations about the professional offices that should be represented on the Board;
- provides opinions for the Board of Directors upon its reappointment, when it presents a slate of candidates for the office of Director;
- proposes candidates to the Board for the office of Director in the event of co-optation, or where Independent Directors need to be replaced;
- proposes to the Board a policy on the maximum number of directorships or auditor ships that a Director may hold, and conducts the relevant periodic investigations and assessments, to be submitted to the Board;
- if the Shareholders' Meeting authorises, in general, prior exemptions from the prohibition on competition provided for by Article 2390 of the Italian Civil Code, the Committee formulates observations for the Board on any Directors' activities that are in competition with the Company's activities;
- supervises the annual self-assessment of the Board and of its Committees and, taking into account the results of that assessment, makes its views known to the Board about the size and composition of the Board and its Committees, and also about the general competences and professional offices considered desirable to have on the Board or the Committees to ensure that the Board can make its position known to Shareholders before the new Board is appointed;
- investigates the annual assessments of the Directors' independence and integrity, based on applicable criteria, and of whether or not a basis exists for their incompatibility, ineligibility or lapse;
- reports on the actions taken at each Board meeting.

#### Activities conducted

During 2020, the Nomination Committee met 3 times, with an average duration of the meetings of about 63 minutes and, on average, 75% of members attending.

**Table 1** attached to this Report shows the percentage of attendance of each member at Committee meetings. The meetings were regularly attended by at least one member of the Board of Statutory Auditors. The meetings were all duly convened by the Chairman, generally with at least three days' advance notice. The members were provided with the documentation on the items on the agenda by the same deadline. The Secretary duly recorded the meetings in the minutes. The Committee Chairman shall report to each meeting of the Board of Directors on the activities carried out by the Committee.

For the 2021 financial year, the Committee has decided to meet, as a rule, at the same time as the meetings of the Board of Directors. As of the date of this Report, 2 meetings have been held.

During the meetings held in 2020, the Committee:

- supported the Board of Directors in investigating assessments of the Directors' independence and integrity, based on applicable criteria, and of whether or not a basis exists for their incompatibility, ineligibility or lapse;
- supported the Board of Directors in investigating assessments of the number of offices held by Directors, in relation to the guidelines on the maximum number of offices as director or statutory auditor that can be considered compatible to effectively perform the office of Director of the Company, adopted by the Board of Directors on 19 December 2014 and updated by the same on 28 January 2020;
- completed tasks involving the board evaluation of the Board of Directors for 2019, including: (i) updating, with the support of the Secretary of the Board of Directors, of the questionnaire for all members of the Board of Directors; (ii) examination of the findings of the abovementioned questionnaire; (iii) individual interviews with



some Directors; (iv) drafting a report containing the results of the abovementioned board evaluation; and (v) presenting the report to the Board of Directors;

- for the purpose of completing the board evaluation activity indicated above, examined the recommendations contained in the annual report on the implementation by the issuers of the Corporate Governance Code (the "CG Report"), drawn up by the Italian Corporate Governance Committee (the "CG Committee") and the cover letter drafted by the Chairman of the CG Committee and sent to the Chairmen of Italian listed companies on 19 December 2019;
- confirmed that, considering the nature and composition of Fincantieri's current shareholding structure and the fact that, under the law and the By-laws, Directors and Statutory Auditors are appointed on the basis of slates submitted by Shareholders and voted at the Shareholders' Meeting, and considering the experience gained during the past nominations and according to the assessments of the Board of Directors of previous years, there appears to be no need to adopt a succession plan for executive directors and a diversity policy for the composition of management and supervisory bodies. With regard to the latter, it has been noted that the composition of Fincantieri's Board of Directors, which reflects the presence of a controlling shareholder, already integrates different profiles, ensuring that different experiences and skills complement each other, together with diversity of gender and age groups of the Directors.

During the first months of 2021, the Committee:

- reviewed the relevant documentation relating to the Company's adherence to the new Corporate Governance Code;
- supported the Board of Directors in investigating assessments of the Directors' independence and integrity, based on applicable criteria, and of whether or not a basis exists for their incompatibility, ineligibility or lapse;
- supported the Board of Directors in investigating assessments of the number of offices held by Directors and Statutory Auditors, in relation to the guidelines on the maximum number of offices as director or statutory auditor that can be considered compatible to effectively perform the office of Director of the Company, adopted by the Board of Directors on 28 January 2021, as part of the adjustments of the Company's corporate governance system to the new Corporate Governance Code;
- confirmed that there is no need to adopt a policy on diversity in relation to the composition of the Board of Directors and the Board of Statutory Auditors in view of the composition of the Board of Directors currently in office, which can be considered to reflect adequate diversification in terms of age, gender, educational and professional background, and considering the Company's lack of discretionary power in defining diversity policies, resulting from the requirements for Directors and Statutory Auditors already established by current laws, regulations and the By-laws, as well as by the new Corporate Governance Code.

To perform its tasks, the Committee relies on the Company's means and corporate structures, as well as, if necessary, the cost centre provided for the Board of Directors.

### 2.3.4 Sustainability Committee

#### Composition

The Sustainability Committee is composed of the Directors Elisabetta Oliveri (non-executive and independent), Luca Errico (non-executive and independent), Paola Muratorio (non-executive and independent) and Federica Santini (non-executive and non-independent) appointed by the Board of Directors on 18 April 2019.

The Chairman's tasks were assigned by the Board of Directors on 18 April 2019 to Director Elisabetta Oliveri. Meetings of the Sustainability Committee may be attended by the Chairman of the Board of Directors, the CEO, the Director in charge of the ICRMS, the Head of Internal Auditing and, for matters falling within the competence of the Board of Statutory Auditors, by the Chairman of the Board of Statutory Auditors or a Standing Auditor designated by it. The other Auditors and – at the Committee's invitation – other persons, including other

members of the Board or people belonging to the company structure, may also attend these meetings, to provide information on and to assess (within their respective competencies) the individual items on the agenda.

#### Tasks

The Sustainability Committee has proactive proposal and consultation powers in relation to the Board of Directors and, more specifically it:

- carries out suitable investigative activities related to sustainability issues associated with the Company's activities and with its interaction dynamics with all stakeholders;
- supports the Board in matters related to the Company's compliance with and promotion of human rights, labour rights, environmental rights, transparency and combating corruption, health and safety of corporate activities, the rights of all stakeholders, product liability and product innovation.

The Committee benefits from the participation of a multifunctional team (the "Team") coordinated by the Group Accounting and Administration Department, whose participants include representatives nominated for this purpose by the Legal Affairs Department; Human Resources and Industrial Relations Department; Marketing, Communication and Media Relations Department; as well as the Internal Auditing and Research and Innovation Departments.

#### Activities conducted

During 2020, the Sustainability Committee met 6 times, with an average duration of the meetings of about 108 minutes and, on average, 87.5% of members attending.

**Table 1** attached to this Report shows the percentage of attendance of each member at Committee meetings.

The meetings were regularly attended by at least one member of the Board of Statutory Auditors.

The meetings were all duly convened by the Chairman, generally with at least three days' advance notice.

The members were provided with the documentation on the items on the agenda by the same deadline.

The Secretary duly recorded the meetings in the minutes.

The Committee Chairman shall report to each meeting of the Board of Directors on the activities carried out by the Committee.

For the 2021 financial year, the Committee has decided to meet, as a rule, at the same time as the meetings of the Board of Directors. As of the date of this Report, 3 meetings have been held.

During the meetings held in 2020, the Committee:

- expressed its approval as to the contents of the documents "Fincantieri Group's Initiatives for Communities and Territories", "Supplier Code of Ethics", and "Human Rights - Commitment to Respect for Human Rights and Diversity" in order to submit them to the Board of Directors for examination by meeting with representatives of the Human Resources and Industrial Relations, Marketing Communication, Media Relations, Public Affairs and Procurement Departments;
- met with the external audit firm PricewaterhouseCoopers S.p.A. for the Audit Plan on the 2019 Sustainability Report;
- examined the sustainability profiles of the ERM Risk Assessment Report as at 31 December 2019;
- examined the draft 2020-2024 Sustainability Plan;
- examined the Sustainability Budget for 2019;
- proposed an update to the 2018-2022 Sustainability Plan;
- examined the programme of work for which the Sustainability Committee is responsible in order to adjust to the new Corporate Governance Code;
- examined the sustainability ratings attributed to the Company;
- examined the proposed table of contents for the Sustainability Report 2020.

During the first months of 2021, the Committee:

- reviewed the relevant documentation relating to the Company's adherence to the new Corporate Governance Code;
- examined the draft Sustainability Budget for 2020;
- acknowledged the information received on the stakeholder engagement process underway;
- expressed its opinion on the Materiality Matrix for 2021;
- examined the updates of Fincantieri's Charter of Sustainability Commitments;
- examined the sustainability profiles of the ERM Risk Assessment Report as at 31 December 2020;
- expressed its approval on the content of the "Fiscal Strategy" document in order to submit it to the Board of Directors for examination;
- carried out the activities falling within its remit in preparation for the calling of the Shareholders' Meeting to approve the financial statements as at 31 December 2020.

To perform its tasks, the Committee relies on the Company's means and corporate structures, as well as, if necessary, the cost centre provided for the Board of Directors.

## 2.4 Board of Statutory Auditors

### 2.4.1 Composition of the Board of Statutory Auditors

Pursuant to Article 30.1 of the By-laws, the Board of Statutory Auditors consists of three Standing Auditors and three Alternate Auditors appointed by the Shareholders' Meeting in ordinary session in accordance with the procedures described in paragraph 2.4.2 below.

The acting Board of Statutory Auditors – appointed by the Ordinary Shareholders' Meeting of the Company on 9 June 2020 – whose term of office will expire at the meeting to approve the financial statements for the year ended on 31 December 2022 – is composed of the following Statutory Auditors: Gianluca Ferrero (Chairman), Rossella Tosini and Pasquale De Falco.



The Shareholders' Meeting of 9 June 2020 also appointed Alberto De Nigro, Valeria Maria Scuteri and Aldo Anellucci as Alternate Auditors.

From 19 May 2017 until the Shareholders' Meeting of 9 June 2020, the Board of Statutory Auditors consisted of Gianluca Ferrero, Chairman, Fioranna Vittoria Negri and Roberto Spada, Standing Auditors, Alberto De Nigro, Flavia Daunia Minutillo and Massimiliano Nova, Alternate Auditors.

Gianluca Ferrero and Alberto De Nigro were taken from the minority list submitted by the shareholder INARCASSA, while Rossella Tosini, Pasquale De Falco, Valeria Maria Scuteri and Aldo Anellucci were taken from the list that received the highest number of votes, submitted by the majority shareholder CDP Industria S.p.A. The acting Statutory Auditors satisfy the integrity and professionalism requirements of Article 148, paragraph 4, of the Italian Consolidated Law on Finance (TUF) and by the Regulation adopted by Ministry of Justice Decree No. 162 of 30 March, 2000. For the purposes of Article 1, paragraph 2, letters b) and c), of that Decree, the Company's activities are closely associated with the areas of commercial law, tax law, business economics and corporate finance, as well as areas related to naval engineering.

The members of the Board of Statutory Auditors also meet the independence requirements set forth in Article 148, paragraph 3, of the Italian Consolidated Law on Finance (TUF), as well as those recommended by the Corporate Governance Code. The satisfaction of the abovementioned requirements was certified by suitable declarations issued at the time of the appointment and subsequently verified by the Board of Statutory Auditors on 23 January 2020.

The Auditors, also by virtue of the foregoing, act independently from all Shareholders. Therefore, an Auditor who – independently or on behalf of third parties – has an interest in a particular transaction/operation of the Company must promptly and fully inform the other Auditors and the Chairman of the Board of Directors about the nature, terms, origins and extent of this interest.

The Auditors are also required to respect the limits on multiple offices held as director and auditor in Italian joint stock companies provided for by applicable regulatory provisions and by the By-laws (see **Table 2** on the "Structure of the Board of Statutory Auditors" attached to this Report).

Attached to this Report are the curricula vitae of the Statutory Auditors, which contain their main personal and professional information (see **Annex 2**).

### 2.4.2 Appointment and replacement of Auditors

The Board of Statutory Auditors is appointed by the ordinary Shareholders' Meeting in accordance with the procedures described below. The Auditors remain in office for three years, and they will cease from office at the date of the Shareholders' Meeting called to approve the financial statements for their third year of office; they may be re-elected.

The appointment of Auditors is governed by Article 30 of the By-laws, in which a full description of the relevant provisions is given<sup>16</sup>.

#### Slate voting

The Board of Statutory Auditors is appointed on the basis of slates submitted by the Shareholders and, in any case, in accordance with applicable regulatory provisions on equal access by the less represented gender to corporate bodies.

#### Entitlement to submit, file and publish slates

Shareholders are entitled to submit slates only if they represent – individually or collectively with other Shareholders – at least 1% of the share capital or such other percentage, if lower, that is established by CONSOB in the CONSOB Regulation related to the appointment of the Board of Directors.

The provisions of the By-laws for the appointment of the Board of Directors (see paragraph 2.2.4 above), as well as the applicable regulations, apply to the presentation, filing and publication of slates.

<sup>16</sup>The By-laws are available on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com), in the Section "Ethics and Governance - Corporate Governance System".

### Composition of slates

Candidates must be listed in sequential order in the slates, in a number not exceeding the number of members to be elected.

The slates are divided into two sections: one for candidates for the office of Standing Auditor and the other for candidates for the office of Alternate Auditor. The first candidate in each section must be enrolled in the Roll of Statutory Auditors and must have at least three years of experience in statutory auditing.

Furthermore, the slates which, considering both sections, have a number of candidates equal to or greater than three must include, both in the first two places in the section of the slate relating to the Standing Auditors and in the first two places in the section of the list relating to the Alternate Auditors, candidates of a different gender, so as to ensure that the composition of the Board of Statutory Auditors complies with current legislation on gender balance.

### Procedure for appointments

Auditors are elected as follows:

- a) two Standing Auditors and two Alternate Auditors are drawn from the slate that obtained the highest number of votes, in the sequential order in which they are listed in the sections of that slate;
- b) the remaining Standing Auditor and the remaining Alternate Auditor are appointed in accordance with current legislation and the procedures provided for in the By-laws for the appointment of Directors drawn from minority slates (for which reference should be made to paragraph 2.2.4 above), to be applied separately to each of the sections in which the other lists are divided.

The Chairman of the Board of Statutory Auditors is appointed by the Shareholders' Meeting from the Statutory Auditors elected by the minority.

The slate voting procedure described above applies only where the entire Board of Statutory Auditors is appointed.

### Replacement

If it should prove necessary during the year to replace one of the Auditors drawn from the slate that obtained the highest number of votes, the first of the Alternate Auditors drawn from that slate will be appointed instead. If this replacement procedure does not allow a Board of Statutory Auditors to be reconstituted in conformity with applicable gender balance rules, then the second of the Alternate Auditors drawn from that slate will be appointed in place of the outgoing Auditor.

If it should prove necessary to replace the other Auditor drawn from the slate that obtained the highest number of votes, the first of the Alternate Auditors drawn from that slate will be appointed in place of the outgoing Auditor.

If it should prove necessary to replace the Chairman, this office will be assumed by the Alternate Auditor who has been appointed by the same procedures as the Chairman.

### 2.4.3 Tasks of the Board of Statutory Auditors

Pursuant to Article 149 of the Italian Consolidated Law on Finance (TUF), the Board of Statutory Auditors monitors: (i) compliance with the law and with the By-laws; (ii) compliance with the principles of sound management; (iii) the adequacy of the Company's organisational structure for the matters under its responsibility, of the ICRMS and of the administrative-accounting system, and the ability of that system to reliably and accurately represent the operations carried out; (iv) the procedures for the concrete implementation of the corporate governance rules set out in the Corporate Governance Code, including those concerning resolutions approving remunerations and other benefits; (v) the adequacy of the instructions given by the Company to its subsidiaries to ensure the correct fulfilment of disclosure obligations required by law.

Additionally, Article 19, paragraph 1, of Legislative Decree No. 39 of 27 January 2010 (as amended by

Legislative Decree No. 135 of 17 July 2016<sup>17</sup> confers upon the Board of Statutory Auditors additional tasks as "internal control and auditing Committee". In that capacity, the Company's Board of Statutory Auditors is tasked with: (a) informing the Board of Directors of the outcome of the statutory audit and transmitting to the Board the additional report referred to in Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014<sup>18</sup>, accompanied by observations if any; (b) monitoring the financial reporting process and submitting recommendations or proposals with a view to ensuring its integrity; (c) monitoring the effectiveness of the Company's internal quality control and risk management systems and, if applicable, of its internal auditing process, insofar as the Company's financial reporting process is concerned, without violating its independence; (d) monitoring the statutory audit of the financial statements and consolidated financial statements, also taking into account the results and conclusions of CONSOB's quality controls, as relevant; (e) determining and monitoring the independence of external auditors or audit firms, particularly in the context of the adequacy of the provision of services other than auditing services; and (f) responsibility for the procedure to select external auditors or audit firms, and to recommend external auditors or audit firms for appointment.

Pursuant to Article 13, paragraph 1 of Legislative Decree No. 39 of 27 January 2010, the Board of Statutory Auditors is responsible for drawing up a reasoned proposal for the Shareholders' Meeting on the appointment of an independent auditor and determining the appropriate fees. The Board of Statutory Auditors is also requested to give its views to determine the remunerations of Directors holding certain offices, under Article 2389, paragraph 3, of the Italian Civil Code and to appoint the Officer in Charge under Article 154-bis, paragraph 1, of the Italian Consolidated Law on Finance (TUF).

In line with the recommendations of the Corporate Governance Code, the Board of Statutory Auditors:

- is consulted by the Board of Directors: (i) for the purposes of approving the Audit plan drawn up by the Head of Internal Auditing; (ii) in relation to the results presented by the independent auditor in the letter of suggestions, if any, and in the report on key issues arising during the statutory audit; and (iii) for the appointment of the Head of Internal Auditing, and also for ascertaining that the latter has adequate resources to carry out the relevant duties and that the remunerations provided are consistent with Company policy;
- is consulted by the Control and Risk Committee for purposes of assessing the correct application of accounting standards;
- receives, through the Chairman, the periodic reports that the latter receives from the Head of Internal Auditing.

The Standing Auditors (also acting individually) may, for the above purposes, request the Company's Internal Auditing Department to check specific operating areas or company transactions/operations. The Board of Statutory Auditors also ensures that information is promptly exchanged with the Control and Risk Committee, which is relevant to enable them to perform their respective tasks.

The Board of Statutory Auditors monitors compliance with the law and with the By-laws, compliance with the principles of sound administration, and specifically the adequacy of the organisational, administrative and accounting structure adopted by the Company and its proper functioning.

Within the scope of their activities, the Statutory Auditors may request the Internal Auditing Department to conduct checks on specific operational areas or company operations. The Board of Statutory Auditors and the CRC shall promptly exchange information relevant to the fulfilment of their duties.

In application of Article 19 of Legislative Decree No. 39/2010, the Company has set up the Internal Control and Audit Committee, which is identified with the Board of Statutory Auditors and which, in public interest entities, oversees:

- the process of financial information;
- the effectiveness of internal control systems, internal audit and risk management;
- the statutory audit of annual and consolidated accounts;
- the independence of the external audit firm, specifically with regard to the provision of non-audit services rendered to the Company subject to the statutory audit.

<sup>17</sup> Pursuant to Article 27, paragraph 9, of Legislative Decree No. 135 of 17 July 2016, the amendments to Article 19 apply from 1 January 2017.

<sup>18</sup> This Regulation, which is directly applicable also in Italy, contains the regime of "special requirements related to the external statutory audit of accounts of public interest entities".



#### 2.4.4 Meetings of the Board of Statutory Auditors

During 2020, the Board of Statutory Auditors met 9 times, including 4 meetings through 9 June 2020 and 5 meetings from 10 June 2020 through 31 December 2020. These meetings lasted on average about 148 minutes. On average, 100% of the Standing Auditors attended the meetings.

As of the date of this Report, 1 meeting has already been held in the 2021 financial year.

**Table 2** attached to this Report specifies the attendance record (expressed as a percentage) of each Standing Auditor at the meetings of the Board of Statutory Auditors.

#### 2.4.5 Remuneration

The remuneration of the standing members of the Board of Statutory Auditors is determined by the ordinary Shareholders' Meeting at the time of appointment. Information on the remuneration of Statutory Auditors is contained in the Report on the policy regarding remuneration and fees paid drawn up by the Company pursuant to Article 123-ter of the Italian Consolidated Law on Finance (TUF) and available on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com) in the "Ethics and Governance - Remuneration" Section and the "Ethics and Governance - Shareholders' Meetings - Shareholders' Meeting 2021" Section.

#### 2.5 Training initiatives for Directors and Statutory Auditors

During 2020, the Company – through the Chairman of the Board of Directors who played a coordinating role – promoted Directors' and Auditors' participation in initiatives to develop knowledge of the sectors of activity of Fincantieri and of the latter's strategies, and to promote knowledge of topics related to the Company's organisation and of the main elements of the regulatory framework for listed companies (known as board induction).

The training programmes were given by trainers with competence in the abovementioned sectors, including the Heads of the various Departments, and with the support of specific documentation provided by Directors and Auditors.

### 3. Internal Control and Risk Management System

The Company's internal control and risk management system ("ICRMS") consists of a set of tools, organisational structures and corporate procedures (codified in a special "Organisational Handbook" that is periodically updated and disseminated within the Company) which seek to contribute – by a process of identifying and managing and monitoring the main risks within the Company – to the Company being managed soundly and correctly and in a way that is consistent with the predetermined objectives defined by the Board of Directors.

The Company's ICRMS is incorporated in the more general organisational and corporate governance structures adopted by the Company and takes into account the reference models, the recommendations of the Corporate Governance Code and existing best practices on the subject at national and international levels.

Fincantieri has adopted the "CoSO" framework (Internal Control Integrated Framework) and the "COBIT 5" framework (Control Objectives for Information and related Technology) as the main company-wide tools for assessing the ICRMS, particularly with reference to financial reporting.

The ICRMS also facilitates identifying, measuring, managing and monitoring the main risks, as well as the credibility, accuracy, reliability and promptness of the financial reporting.

Fincantieri is cognizant that an effective ICRMS contributes toward managing the enterprise consistently with the corporate objectives determined by the Board of Directors, facilitating the adoption of fully informed resolutions. More specifically, the ICRMS contributes to safeguarding corporate assets and optimising efficient and effective corporate processes, ensuring the provision of reliable information to the corporate bodies and the market, and ensuring compliance with applicable legislative and regulatory provisions and with the Company's By-laws and Company procedures.

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

- 1<sup>st</sup> level: the operating Departments identify and assess risks and implement specific actions to manage them;
- 2<sup>nd</sup> level: the Departments responsible for risk management define risk management methods and tools, and conduct monitoring activities;
- 3<sup>rd</sup> level: the Internal Auditing Department independently assesses the entire system.

#### 3.1 Main features of the ICRMS

The ICRMS guidelines (the "Guidelines") of the Company, aligned with the Corporate Governance Code, in its most updated version, were approved by the Board of Directors on 26 September 2016.

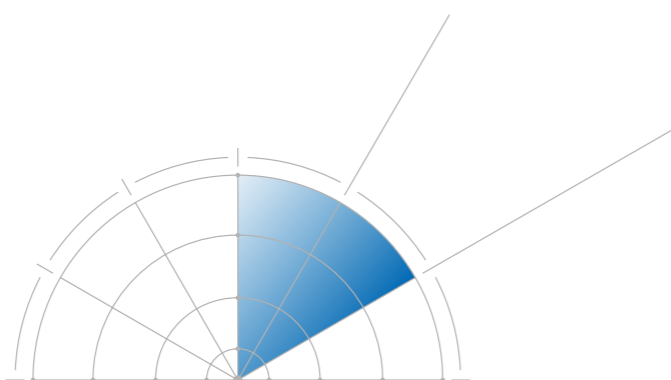
To develop and optimise the risk management system, launched in 2015, the position of Risk Officer has been identified, a role held by the Head of Internal Auditing, whose tasks are:

- to support the Director in Charge of the ICRMS with determining the methodologies to identify, evaluate and monitor the main business risks;
- to coordinate the activities of risk management and of support to management, verifying compliance with the Company's Enterprise Risk Management ("ERM") methods;
- to issue periodic reports to the various organisational levels.

As part of the ERM process, the Risk Management Model, which maps the persons responsible for managing and monitoring risks, was updated in 2019 in agreement with the Director in Charge of the ICRMS.

In the specific area of contract risk management, the operational process of identifying, evaluating and managing contract risks is supported by a specific application that guarantees consistency with the logic and methods of ERM and which allows the related information to be historicised over time in a structured manner, making it part of the Company's proprietary information over both the short and medium/long term thanks to a variety of reports.

The audit plans prepared by the Internal Auditing Department are based on the analysis and prioritisation of risks resulting from the periodic assessments conducted at the company level.



The guidelines approved by the Board of Directors identify the main parties involved in preparing and implementing an effective ICRMS, defining their duties and responsibilities and providing for a system of information flows that can maximise the results.

Fincantieri's internal control and risk management system involves the following bodies/officers, each within their own purview: (i) Board of Directors; (ii) Control and Risk Committee; (iii) Director in charge of the ICRMS; (iv) Risk Officer; (v) Head of Internal Auditing and the Internal Auditing Department; (vi) Officer in Charge of preparing the company's financial reports; (vii) Supervisory Body; and (viii) Board of Statutory Auditors.

Furthermore, all of the Group's personnel – within the purview and responsibilities of each – are expected to actively participate in the maintenance, updating and proper functioning of the ICRMS, as defined by the Group's internal rules and procedures.

Subject to the provisions of paragraphs 2.2.5 and 2.3.1 relating to the internal control and risk management responsibilities assigned to the Board of Directors and the Control and Risk Committee, respectively, and subject to the observations made below with specific reference to the other subjects involved, the main features of the ICRMS adopted by the Company will be described below.

#### Identification of risks

The risks are identified based on the following criteria:

- a) nature of the risk, with particular reference to operating and financial risks, risks related to accounting rules (reporting risks) and to compliance risks that could significantly impact upon the Company's reputation;
- b) significant extent of the risk;
- c) significant likelihood that the risk will materialise;
- d) limited ability of the Company to reduce the risk's impact on its operations.

#### Implementation of the ICRMS

The ICRMS consists of and refers to policies, procedures and conduct that, considered together, enable the Group:

- a) to make its operations more efficient, enabling it to react appropriately to operating, financial, legal or other risks that impede the achievement of its business objectives;
- b) to ensure the quality of its internal and external reporting system. This requires using an effective registration system, as well as processes that generate a flow of relevant and reliable information inside and outside the organisation;
- c) to facilitate compliance with applicable legislative and regulatory provisions as well as internal procedures;
- d) to safeguard the Company's assets from loss or from inappropriate or fraudulent use.

To this end, the Director in Charge of the ICRMS ensures that the ICRMS:

- a) is an integral part of the Group's business ethic and operations, to this end implementing appropriate information, communications and training processes as well as disciplinary and reward systems which incentivise the proper management of risks and discourage conduct that is contrary to the principles dictated by those processes;
- b) can react promptly to significantly risky situations arising within the Group or arising from changes in the Group's operating environment;
- c) includes procedures for reporting immediately to the relevant level of the Group hierarchy, to this end implementing organisational solutions that ensure access by the Departments directly involved in the ICRMS to the necessary information and to the Company's senior managers;
- d) regularly verifies the effectiveness of the ICRMS and the possibility of activating specific controls if weaknesses in the ICRMS are reported;
- e) facilitates the identification and prompt implementation of corrective actions.

#### Assessing the effectiveness of the ICRMS

The periodic verification of the adequacy and effective operation of the ICRMS – and its updating as appropriate – represents an essential activity of the ICRMS, aiming to ensure that this system is functioning properly and completely.

The Board of Directors is responsible for conducting this periodic verification, with the support of the Control and Risk Committee. When conducting this verification, the Board of Directors ensures that it not only verifies the existence and implementation of ICRMS within the Company, but also periodically conducts a detailed examination of the structure of the system itself, its suitability and its effective and proper functioning.

To this end, the Board of Directors receives an information briefing on the audit activities conducted (already examined by the Control and Risk Committee), from the Head of Internal Auditing to verify whether the Company's ICRMS is actually effective in pursuing its objectives and whether any shortcomings reported indicate a need to improve the system.

The Board of Directors, at its meeting to approve the financial statements, also:

- examines the material business risks as notified by the Director in Charge of the ICRMS, and assesses the manner in which these risks have been identified, assessed and managed. To this end, particular attention is devoted to examining the changes that occurred during the last financial year of reference, analysing the nature and extent of the risks and assessing the Company's response to these changes;
- assesses the effectiveness of the ICRMS in dealing with such risks, focusing particular attention on any reported inefficiencies;
- considers what actions have been taken or should be promptly taken to remedy any shortcomings identified;
- prepares any additional policies, processes and rules of conduct that would enable the Company to react appropriately to new risk situations or those that have not been properly managed so far. The periodic verification of the adequacy and effective operation of the ICRMS – and its updating as appropriate – represents an essential activity of the ICRMS, aiming to ensure that this system is functioning properly and completely.

#### Information flows

In order to enable the various parties involved in the ICRMS to adequately carry out their duties within that system, special information flows are defined between the various levels of control and the competent management and control bodies, suitably coordinated in terms of content and times.

In addition to the information flows described in the paragraphs below, special information flows are also established between the corporate Departments assigned to second and third level controls. In particular, the Managers of the second level control Departments notify the Head of Internal Auditing of the critical issues found while carrying out their activities, which could be of interest to the Internal Auditing Department in conducting the checks within its purview. In turn, the Head of Internal Auditing informs the Managers of the other control Departments about any inefficiencies, weaknesses or irregularities found during the verifications conducted on specific areas or matters falling within the purview of such Departments.

#### Main characteristics of existing internal control and risk management systems in relation to the financial reporting process (Compliance System pursuant to Law No. 262/2005)

The Internal Auditing Department has developed the Compliance System pursuant to Law No. 262/2005 to analyse the significant items of Fincantieri's consolidated financial statements and to trace these back to the corporate processes that help with the formation/preparation of economic-financial information. This Compliance System defines, among other things: i) the specific components of administrative-accounting disclosure, envisaging a system of administrative-accounting procedures that is supported and, occasionally, suitably supplemented by "risk and control Matrices"; and ii) procedures and timetables for the administrative-accounting risk assessment process, to identify the most important processes for the purposes of accounting and financial disclosure.

The 2020 Compliance System was shared with the Control and Risk Committee during the meeting held on 14 May 2020.

Fincantieri adopted the following program of tasks to support the certifications due under Law No. 262/2005:

- Scoping: identification of the area to be analysed, i.e., the selection of the Companies, accounts and processes that materially affect items on the financial statements, using quantitative and qualitative parameters. Scoping activities also aim to identify the companies, processes and sub-processes that are relevant for the purposes of the Fincantieri Group’s financial statements, by applying quantitative and qualitative analyses. The quantitative analysis has been conducted beginning with the consolidated financial statements of Fincantieri for the year ended 31 December 2018. Qualitative analysis was used to validate the results of the quantitative analysis and to identify the Group companies most vulnerable to significant risks or impacts, irrespective of the implications for the consolidated financial statements.
- Assessment of “entity level” controls: assessment of controls implemented at the level of the entity identified during the scoping phase, to verify whether they have been properly defined and operate effectively. Entity level controls are those controls on which management relies to ensure appropriate conduct in line with the Company’s approach and to maximise the effectiveness of corporate bodies and departments considered critical from the point of view of financial reporting integrity (such as the Group Accounting and Administration and Project Management Departments as well as the Board of Statutory Auditors and the Board of Directors). For the CoSO framework, this type of controls includes those relating to risk management, change management, integrity and ethical values, as well as controls relating to the active involvement of the Board of Directors and its Committees (if any), corporate philosophy and operations, and the effectiveness of corporate communication, policies and procedures.
- Assessment of “process level” controls: assessment of controls put in place at the process level to verify whether they are properly defined and operate effectively, in relation to the entities identified during the scoping phase. The management responsible for preparing the Company’s accounting records must identify the processes and controls of business activities that are of critical importance for the financial statements and for the financial reporting process, and then document these processes and controls as a basis upon which to assess the control system and its operational effectiveness. To be effective, the internal controls must be correctly designed. In addition, the internal controls necessary to provide reasonable assurance that the Company’s accounting records are accurate must be put in place and performed by suitably qualified personnel who have the authority and responsibility to implement them (process owners). Based on the verification of the documentation relating to the processes taken into consideration, the Internal Auditing Department provides the Officer in Charge with its assessment of the effectiveness of the process control design.
- Assessment of IT level controls: assessment of IT controls implemented within the organisation to verify whether they have been properly defined and operate effectively. Transaction flows generally involve the use of application systems to automate the processes and to support high transaction volumes. These application systems are based upon various different IT support systems, including corporate networks, databases, operating systems and other. Collectively, these define the IT systems involved in the financial reporting process and, consequently, they should be considered in the design and evaluation of internal controls. For these reasons, IT controls have a pervasive effect on the achievement of many control objectives. The IT General Controls (ITGC) are controls used to manage and control IT activities as well as the IT environment. Automated control procedures and manual control procedures using information generated by IT systems (“Application Controls”), depend on the effectiveness of the ITGC. The relationship between the Application Controls and the ITGC is based on the fact that the latter are necessary to support the operation of the Application Controls, and both are necessary to guarantee the complete, accurate and valid processing of information. The corporate organisations require IT support to ensure that the general control environment as well as the application controls exist and adequately support the compliance objectives of the corporate activity. Since 2015, Fincantieri adopted COBIT 5 as a reference model for the assessment of internal controls in the IT area; this – the latest version of that framework – can provide a representation of IT governance that reflects the central role of information and technology in creating value for the

enterprise. The Corporate Disclosure Systems Department (CO or COCIO), supported by the Internal Auditing Department, is responsible for assessing the level and adequacy of internal controls in the IT environment. The assessment process developed by Fincantieri to assess ITGC compliance is based upon the following key activities:

- selecting control objectives: assessing the significance and application of the control objectives proposed by the reference framework that are relevant to support the certificates required pursuant to Law No. 262/2005;
  - identifying existing IT GCC, based on interviews with IT management and examination of existing documentation, and their association with the Governance & Management Practices of COBIT 5;
  - verifying the coverage level of the controls, in relation to the control objectives identified as applicable and relevant;
  - designing additional control schemes for the relevant test procedures where gaps have emerged in the context of the control objectives identified.
- Testing: activities conducted by the Internal Auditing Department to assess the effectiveness of the ICRMS by conducting audit activities preparatory to certification by management. Once the control schemes have been shown to be effective, the controls must then undergo effectiveness tests to prove their operational status. This assessment is applied to each control individually and the following are the main steps involved in reaching the assessment: (i) defining the test plan; (ii) testing activities; (iii) identifying operating deficiencies in the controls; and (iv) discussing and identifying corrective measures. The Internal Auditing Department



carries out these activities at the parent company and at the relevant judging entities downstream of the scoping process, makes the test results official by communicating them to the relevant companies/entities/process owners and monitors the implementation of the action plans agreed to mitigate the deficiencies identified. The process owners are responsible for implementing the action plans with a view to improving the internal control environment, on the basis of which management in charge of drafting the corporate accounting documents makes its certification;

- Self-certification by control owners: self-assessment process by which the control owners certify the effective operation of the controls within the processes/sub-processes of direct relevance.
- Internal certifications (Fincantieri): made available by process owners to accompany the self-certifications (preceding paragraph);
- External certifications (subsidiaries included in the area of consolidation): the process by which the management certifies the formal assessment of the effectiveness of the internal control structure and the related procedures.

The activities of testing, the self-certification of control owners and the issuance of the internal and external certifications represent the totality of the verification activities associated with the compliance program. The Control and Risk Committee and the Board of Directors are notified of the results of these activities when approving the half-year report and the annual financial statements.

### 3.2 Persons involved in the ICRMS and associated responsibilities

With reference to the tasks and activities conducted by the Board of Directors, by the Control and Risk Committee and by the Board of Statutory Auditors in relation to the ICRMS, please refer to the descriptions provided in paragraphs 2.2.5, 2.3.1 and 2.4.3 above.

#### 3.2.1 Director in charge of the ICRMS

The Director in charge of the ICRMS is responsible for:

- identifying the main business risks, taking into account the nature of the activities of the Company and its subsidiaries, and ensuring that they are periodically examined by the Board of Directors;
- implementing the guidelines defined by the Board of Directors, looking after the design, realisation and management of the ICRMS, and verifying its adequacy and effectiveness on an ongoing basis;
- adapting the ICRMS to operational dynamics and to the legislative and regulatory environment;
- formulating proposals for the Board of Directors – with the agreement of the Chairman – relating to the appointment, removal and payment of the Head of Internal Auditing, taking care to ensure that the latter has adequate means and resources to perform the relevant tasks and is remunerated consistently with company policies;
- requesting the Internal Auditing Department to check specific operating areas and verify compliance with internal rules and procedures when carrying out company transactions/operations, simultaneously notifying same to the Chairman of the Board of Directors, the Chairman of the Control and Risk Committee and the Chairman of the Board of Statutory Auditors;
- reporting to the Board of Directors in good time about any problematic and critical issues that have emerged during the course of the Director's activities or that have come to the latter's attention, thus enabling the Board itself to take the appropriate action.

During 2020 and in the first few months of 2021, the Director in Charge of the ICRMS:

- implemented the ICRMS Guidelines, overseeing the planning, realisation and management of the ICRMS and ensuring its adequacy and effectiveness on an ongoing basis, also taking into account operating conditions as well as the legislative and regulatory environment;

- with the support of the Risk Officer, oversaw the identification, assessment and mitigation of the Company's main risks, and invited the Risk Officer to present them to the Control and Risk Committee and the Board of Statutory Auditors at the meeting of 9 March 2020, then submitted them to the examination of the Board of Directors at the meeting held on 10 March 2020;
- as required by the updated ERM procedure, requested the performance of interim checks on the reliability of existing controls and the achievement of planned control objectives, inviting the Risk Officer to present the results of these checks to the Control and Risk Committee at its meeting on 15 October 2020;
- received and examined the periodic reports submitted by the Head of Internal Auditing.

#### 3.2.2 Head of Internal Auditing and the Internal Auditing Department

The Head of Internal Auditing is Stefano Dentilli, whose office was confirmed by the Board of Directors' meeting of 18 April 2019, on a proposal from the Director in charge of the ICRMS, having received a favourable opinion from the Control and Risk Committee and consulted with the Board of Statutory Auditors.

On 10 March 2020, the Board of Directors, after having received the views of the Director in charge of the ICRMS, as well as a favourable opinion from the Control and Risk Committee and consulted with the Board of Statutory Auditors, ascertained that the Head of Internal Auditing has adequate means and resources to carry out the relevant responsibilities.

The Internal Auditing Department's mission is to monitor the adequacy of the internal control system of the Parent Company and the subsidiaries, ensuring that its efficiency and effectiveness are improved on an ongoing basis by carrying out independent and objective activities of verification, validation and consultancy.

The Board of Directors has appointed the Head of Internal Auditing to perform the following tasks and responsibilities:

- to verify – on an ongoing basis and also depending on specific requirements – the operational status and suitability of the ICRMS within the Group, with reference to company procedures, the management of risks and the measures implemented to safeguard against those risks, by means of an Audit plan approved by the Board of Directors, based upon a process of analysis and prioritisation of the most important risks;
- to prepare periodic reports containing adequate information on the activities of the Head of Internal Auditing, on the manner in which the risk management activities are carried out, and on compliance with the plans drawn up to contain those risks. The periodic reports contain an assessment of the suitability and adequacy of the ICRMS;
- to draw up reports on particularly important events in good time;
- to submit its periodic reports to the Director in Charge of the ICRMS, to the Control and Risk Committee, to the Board of Statutory Auditors and to the Board of Directors;
- to verify, in the context of the Audit plan, the reliability of the information systems including the accounting systems, and the separation of tasks;
- to analyse substantiated reports of problems associated with the financial statements, the internal and/or external Audit and with accounts auditing in general;
- to assist the Boards of Statutory Auditors of the Company and of the Group in the preliminary selection and assessment of the external auditors' proposals pertaining to the statutory audit of accounts;
- to assist the Supervisory Bodies (under Legislative Decree No. 231/2001) of the Company and the Group in the performance of their duties;
- to compare and exchange information with the Director in charge of the ICRMS, the Supervisory Body, the Board of Statutory Auditors, the Officer in Charge and the external auditors.

Depending upon the tasks assigned, the Head of Internal Auditing:

- has no responsibility over any operating area, and reports to the Board of Directors;
- holds no corporate offices of any kind (except as member of the Supervisory Body) in the Company and/or any of its operating subsidiaries;

- has ongoing, unconditional access to all company information, data, persons, databases and assets that may be useful for performing the tasks assigned to him/her;
- submits a report to the Board of Directors on his/her activities at least twice a year, liaising with the Director in charge of the ICRMS, with the Control and Risk Committee and with the Board of Statutory Auditors and, in carrying out his/her tasks, also interacts with the Supervisory Body and with the Officer in charge;
- independently manages the expenditure budget determined for his Department and for the Supervisory Body, both approved by the Board of Directors, subject to agreement with the Director in charge of the ICRMS;
- may assign an external consultancy firm – independent from the Company and the Group – to perform a number of activities related to his Department, if specific technical expertise is required which the Internal Auditing Department cannot provide.

During 2020 and in the first few months of 2021, the Head of Internal Auditing:

- verified – on an ongoing basis and also in relation to specific requirements and in accordance with international standards – the operational status and suitability of the ICRMS, by means of an audit plan approved by the Board of Directors that is based on a structured process of analysis and prioritisation of the most important risks;
- has had direct access to all information useful for performing the assignment;
- prepared periodic reports containing adequate information on the activities carried out, and sent them to the Director in charge of the ICRMS, to the Control and Risk Committee and to the Board of Statutory Auditors,



- and gave the Board of Directors its assessment of the suitability and adequacy of the ICRMS, in its annual report on the audit plan implemented;
- verified, in the context of the audit plan, the reliability of the information systems including accounting systems;
- performed a maintenance and testing of the General Computer Controls, developed according to the reference framework COBIT 5 – IT Control Objectives for Sarbanes-Oxley (with the support of an outside party);
- conducted the audits provided for in the audit plan, as well as those required by Top Management, or deemed necessary during the year on the basis of their remit and responsibilities;
- coordinated audit activities at companies that qualified within the scope of work of Law No. 262/2005;
- provided operating support in optimising the framework of controls under Law No. 262/2005 in the Group companies;
- provided support for the activities of the Supervisory Body in accordance with Legislative Decree No. 231/2001;
- conducted targeted assessments on the implementation status of the SoD governance and provided support on developing adequate reporting.

The Head of Internal Auditing, in carrying out his duties, has adequate financial resources assigned in the budget to this Department, which are necessary to ensure that the activities can be carried out independently or with the use of external support.

### 3.2.3 Risk Officer

The role of Risk Officer, currently held by the Head of Internal Auditing, was created by the Company's CEO on 22 November 2016. These two roles are compatible, since the Risk Officer does not perform operational risk management tasks, but is involved exclusively in coordinating and in supporting management in the area of risk assessment tools and methodologies, and collecting and consolidating of risk mitigation outcomes. More specifically, the Risk Officer is responsible for:

- supporting the Director in Charge of the ICRMS in identifying the main risks to which the Companies is exposed, taking into account the nature of the Company's operations and activities, and also those of its subsidiaries, and ensuring that they are submitted on a regular basis to the Board of Directors for its examination;
- supporting the Director in Charge of the ICRMS in defining integrated analysis methodologies for the measurement of risks, to ensure that those risks can be viewed in a comprehensive manner and are uniformly evaluated, and also accurately measured and monitored on an ongoing basis;
- supporting the operational activities of the Director in Charge of the ICRMS and of the Control and Risk Committee by means of periodic information briefings and suggestions, ensuring compliance with the ERM methodology used at all phases of the risk management process;
- liaising on an ongoing basis with Departmental Managers to monitor Risk Management activities;
- ensuring the correct application of risk management procedures;
- reporting regularly to the bodies responsible for the ICRMS on the risk management process.

During 2020 and in the first few months of 2021, the Risk Officer:

- updated, together with the Director in Charge of the ICRMS, the Risk Management System, which maps the persons responsible for managing and monitoring the risks identified;
- at the meetings of 9 and 10 March 2020, submitted to the Control and Risk Committee and to the Board of Directors, at the request of the Director in Charge of the ICRMS, the risk assessment report as at 31 December 2019, and the interim checks on the reliability of the controls in place and on the

achievement of the control objectives planned at the Control and Risk Committee meeting held on 15 October 2020;

- presented to the Control and Risk Committee the results of an internal survey aimed at detecting the level of maturity in terms of ERM, as well as management's perception on various aspects related to Fincantieri's Risk Management system;
- met with management to explore risk management issues in greater depth.

### 3.2.4 Officer in Charge of preparing the Company's accounting records

The role of officer in charge (the "Officer in Charge") of drawing up the corporate accounting documents was assigned to Felice Bonavolontà, Head of the Group Accounting and Administration Department, by the Board of Directors at its meeting of 18 April 2019, after consultation with the Board of Statutory Auditors, to expire only when the acting Board of Directors ceases from office.

In compliance with the provisions of Article 26 of the By-laws, the abovementioned Officer in Charge is an expert in the areas of administration, finance and control, and satisfies the integrity requirements imposed on Directors by applicable regulatory provisions.

The above-mentioned Officer in Charge has implemented suitable administrative and accounting procedures for preparing the financial statements and consolidated financial statements, and any other communications of a financial nature.

The Company's acts and communications disclosed to the market pertaining to accounting information, including annual reports, must be accompanied by a written declaration by the Officer in Charge certifying that they correspond to the data contained in the Company's accounting books and records.

More specifically the Officer in Charge, together with the CEO, certifies the following, in a special report on the annual financial statements, on the consolidated financial statements and on the short-form half-year financial statements:

- that the administrative and accounting procedures applied during the period to which the documents refer are adequate and have been effectively applied;
- that the documents are drafted in compliance with applicable international accounting standards recognized in the EU pursuant to EC Regulation No. 1606/2002 of 19 July 2002, of the European Parliament and Council;
- that the documents correspond to the data contained in the accounting books and records;
- that the documents truthfully and accurately represent the capital, profit and loss and financial position of the Company and of all of the companies included in the consolidation;
- for the annual financial statements and the consolidated financial statements, that the management report includes a reliable analysis of the business performance and operating result, and of the situation of the Company and all of the companies included in the consolidation, as well as a description of the main risks and uncertainties facing same;
- for the abbreviated half-yearly financial statements, that the interim management report contains a reliable analysis of the information referred to in Article 154-ter, paragraph 4, of the Italian Consolidated Law on Finance (TUF).

To facilitate information flows, the Officer in Charge may attend Board of Directors' meetings where issues arise pertaining to accounting matters.

He prepares periodic reports on the planning of activities required, and on the results of controls carried out, which are made available to the Board of Directors.

He opens a direct and reciprocal information channel with the Board of Statutory Auditors, by organising regular meetings to examine significant administrative issues and to assess the results of the work carried out; he opens a similar channel with the Supervisory Body, by sending it periodic reports on the results of the controls carried out where these are of relevance to the Supervisory Body's specific purview.

### 3.2.5 The Organisation Model under Legislative Decree No. 231/2001 and the Supervisory Body

Fincantieri has adopted its own Organisation, Management and Control Model under Legislative Decree No. 231/2001 ("Organisation Model"), approved by the Board of Directors on 10 March 2020, and subsequently amended on 30 July 2020 and, most recently, on 28 January 2021. The Organisation Model consists of a "General Part", in which the principles, functions and essential components of the Organisation Model are illustrated, and "Special Parts", in which are identified, for each type of crime considered relevant, the activities at risk of crime, the principles of conduct and control procedures.

The Organisation Model is available on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com), in the "Ethics and Governance" Section.

The Company's Supervisory Body is established, under the Organisation System, in the form of a collegial body with an adequate level of independence, professional expertise and continuity of action. In particular, the Supervisory Body consists of:

- two members (one of whom acts as Chairman) selected outside the Company from persons of proven experience, independence and professional expertise;
- one member from within the Company, who holds the role of Head of the corporate Department that is most involved in the activities provided by law (Internal Auditing Department).

The Supervisory Body is appointed by the Board of Directors and remains in office for three years.

The Supervisory Body operates on the basis of "Rules governing the Supervisory Body's Activities" that it adopts independently, and that are transmitted to the Board of Directors for its information. These rules establish the procedures to be followed by the Supervisory Body in formulating an annual spending budget that is duly approved together with the annual budget.

The following are the main activities within the Supervisory Body's purview:

- monitoring the efficacy of the Organisation System, which consists in verifying that actual conduct is in line with the System established;
- reviewing the adequacy of the Organisation System i.e. its actual (and not merely formal) capacity in general to prevent undesirable conduct;
- analysing whether the Organisation System continues, over time, to satisfy the requirements of reliability and practicality;
- updating the Organisation System dynamically, as required, in cases where audits conducted point to the need for corrections or adjustments. This last activity is generally carried out in two distinct but integrated stages:
  - submitting proposals to adapt the System to the corporate bodies/Departments capable of effectively implementing them within the Company;
  - following up i.e. ascertaining the implementation and actual operation of the solutions proposed;
- monitoring the effectiveness of the internal procedures and rules of corporate governance;
- examining any reports originating from the control bodies or from any employee, and organising any investigations considered necessary.

Furthermore, the Supervisory Body may support the corporate Departments in charge of promoting initiatives aimed at raising awareness of the Organisation System and reporting the need for disciplinary measures in the event of breach of the same and of the Code of Conduct.

To perform its tasks, the Supervisory Body has free access to all of the corporate Departments and may request that such Departments provide – on a periodic basis and/or upon request – information, data and news that are considered useful for the performance of its duties.

The verifications are conducted with support from the Internal Auditing Department and also, for specific topics, other corporate Departments and external consultants.

The Supervisory Body receives reports on alleged breaches of the Code of Conduct and of the Organisation System from members of the corporate bodies, from Departmental Managers and from employees, external collaborators, suppliers and customers, also anonymously. The Supervisory Body decides whether to carry out more in-depth investigations or to dismiss and file away the report, giving adequate reasons for its decision. At the end of each year, the Supervisory Body drafts a report on activities carried out, which it sends the Board of Directors and the Board of Statutory Auditors. For further information on the requisites, tasks and responsibilities of the Supervisory Body, see the Organisation System that is available on the abovementioned website. The Supervisory Body, currently in office for the three-year period 2018-2020 and duly appointed in office by the Board of Directors on 25 January 2018, consists of:

- Guido Zanardi (external member and Chairman);
- Giorgio Pani (external member);
- Stefano Dentilli (Head of Internal Auditing).

During 2020 and in the first few months of 2021, the Supervisory Body:

- continued to promote the maintenance and updating of the Organisation Model by the Company, with reference to the risk profiles associated with the new predicate crimes included in Legislative Decree No. 231/2001;
- examined a number of suggestions for improvements to the 231 Model and the Code of Conduct that emerged in the context of an assignment entrusted by the company to a consultant, the purpose of which was to analyse the internal control system relating to the purchasing process and the related control system in accordance with Legislative Decree No. 231/2001;
- verified and confirmed the validity of Fincantieri's 231 Model, also with regard to the potential effects deriving from the COVID-19 health emergency, and examined the draft of the new Model prepared by the Company, which includes the new tax-related offences; this new Model, approved at the meeting of the Board of Directors held on 28 January 2021, was considered valid and adequate to prevent the conduct sanctioned by Legislative Decree No. 231/01;
- with reference to the aforementioned audit on the purchasing process, the Supervisory Body was informed of the results of the activity and the improvement initiatives in the internal control system implemented by the company;
- in the area of anticorruption controls, the Supervisory Body shared the process started by the Company which led in December 2020 to the attainment of the ISO 37001 anticorruption certification, as well as the activities carried out to implement the Management System for the Prevention of Corruption;
- requested and received information about the continuation of the 231 training programme in 2020. This programme was supplemented during the year by the general and specific training plan developed and administered by the company on the subject of corruption, as required by the ISO 37001 anticorruption management system. Overall, the company provided 6,093 training events involving 5,017 employees;
- provided support to the corporate bodies at their request for the interpretation and correct application of the Company's Code of Conduct and Organisation, Management and Control Model;
- during all the meetings held in 2020, the head of the Group HSE Department, as well as the Legal Affairs Department, provided updates, each for its own area of responsibilities, on the evolution of the Safety and Environment auditing, on any inspection visits to production units and on the actual or potential legal implications, from the point of view of Decree 231. The information obtained was used to direct the independent verification activities in the area of safety and the environment; during the meetings with the head of the Group HSE Department and a member of the CMT (Crisis Management Team) control room set up by the company to manage company initiatives regarding the Coronavirus issue, the initiatives developed by the company in response to the pandemic emergency were discussed in detail;

- on 4 February 2020, the Supervisory Body met with the auditing firm PricewaterhouseCoopers S.p.A., whose appointment ended with the approval of the 2019 financial statements; on 28 September 2020, the Chairman, Zanardi, representing the entire Supervisory Body, met with the company's Board of Statutory Auditors;
- focused on the issue of occupational safety and the environment, both by monitoring the causes of accidents through special reports and by intervening in situ, alongside the competent department during Safety and Environmental audits at the facilities. As a result of the health emergency situation due to COVID-19, these interventions were carried out remotely;
- assessed the periodic "warning reports" issued by the Company Departments and, on the basis of the results, carried out (where deemed necessary) special in-depth analyses and/or issued recommendations to comply with Company procedures;
- monitored the company's management of potential conflicts of interest, which were identified on the basis of the structured process of requesting employees and third parties to disclose any situation that might fall into this category;
- examined all reports received through dedicated channels; after carefully evaluating these, those worthy of attention were examined in depth through activities specifically requested and conducted by the Internal Auditing Department;
- approved its annual report for 2019 at its meeting on 4 February 2020 and for 2020 at its meeting on 4 February 2021.



### 3.2.6 Management system for the prevention of corruption and Head of the Anticorruption Department

In the process of continuous evolution and improvement of the Company's anticorruption system, in 2020 the UNI ISO 37001 certification was obtained for the Management Systems for the prevention of corruption, an objective included in the Company's Sustainability Plan. At an organisational level, in order to oversee the construction and operation of the Company's anticorruption system, in accordance with the provisions of the UNI ISO 37001 standard, the Board of Directors identified and appointed a compliance department for the prevention of corruption, known as the "Anticorruption Department", to report directly to it; consequently, during the meeting held on 28 January 2020, it appointed Stefano Dentilli as the head of this Department. In detail, the Head of the Anticorruption Department is responsible for:

- ensuring the monitoring of anticorruption legislation and case law, as well as the evolution of leading practices at national and international level;
- supervising the design and implementation of the Anticorruption Management System in accordance with the applicable regulations and the requirements of the UNI ISO 37001 standard;
- coordinating the process of identifying and assessing risks (risk assessment) in the anticorruption area and identifying controls to protect against such risks;
- carrying out checks on the implementation of the Anticorruption Management System;
- promoting and supporting the competent corporate functions in the definition and implementation of training programmes on Anticorruption and the functioning of the relative Management System;
- providing consultancy support, specialist assistance and guidance to employees of the Company and other Group companies on the subject of the Anticorruption Management System and on issues related to corruption;
- providing specialist assistance in activities relating to the verification of the reliability of counterparties, the management of any critical issues that emerge and the development of the relative control measures in areas at risk of corruption;
- guaranteeing periodic information and overseeing the preparation of performance reports of the Anticorruption Management System to the Board of Directors, the Chief Executive Officer and the other Corporate Bodies to which specific information flows are necessary;
- informing, whenever deemed appropriate, the Board of Directors and the Chief Executive Officer if any issue or suspicion needs to be raised in relation to acts of corruption or the Anticorruption Management System;
- supporting the process of analysis and assessment of reports of violations and/or offences (e.g., in accordance with Legislative Decree No. 231/2001) or, in any case, behaviour that is not in line with the rules of conduct adopted by the Company in relation to the prevention of corruption.

During 2020 and in the first few months of 2021, the Head of the Anticorruption Department:

- promoted, with specific consulting support, the adoption of procedures related to the ISO 37001 Anticorruption Management System;
- supported the Human Resources department in the creation and delivery of a general anticorruption course for company employees and a specific course for attorneys;
- provided support to the certifying body in the verification process of the ISO 37001 management system, which led to the obtaining of the certification in December 2020;
- carried out the risk assessment activity required by the ISO 37001 standard;
- monitored the Anticorruption Management System, bringing the results to the attention of Senior Management and the Governing Body;
- carried out audits on the implementation of procedures related to the anticorruption system.

Fincantieri defines, documents, implements, maintains and periodically reviews its Anticorruption Management

System, including processes common to other systems, in accordance with the requirements of UNI ISO 37001:2016, from an integrated perspective, with the tools at organisational, managerial and documentary level required by legislation that pursue the same purposes as the UNI ISO 37001:2016 system.

In this context, there are synergies existing with the system adopted by the Company in compliance with the regulations set forth in Legislative Decree No. 231/2001. The Company has adopted an Organisation, Management and Control Model in accordance with Legislative Decree No. 231/2001 which governs the administrative liability of entities for certain specific offences, including corruption. Although this Model has a specific content with reference to bribery, committed by directors, employees or collaborators, in Italy or abroad, in the interest or to the advantage of the Company, its field of application partially overlaps with that of the UNI ISO 37001:2016 system with which it shares the main elements: analysis, planning and implementation of control measures, checks, periodic monitoring, etc.

More specifically, the Company provides for the performance of an activity of identification, analysis and assessment of risks in the area of corruption for the purposes of Legislative Decree No. 231/2001, and this allows coordination with the ISO 37001:2016 risk assessment with specific integrations aimed at the management of corruption.

The risk assessment activity is carried out by the Anticorruption Department periodically or annually in consideration of the evolution of the internal and external context. The results of the risk assessment process are used to design or improve the Anticorruption Management System, allowing for the planning of new actions, improvement opportunities or the supplementing of existing anticorruption actions.

In order to carry out this activity, the Department proceeds to:

- the identification, on the basis of company processes, of the types of risk scenarios that indicate those activities in which corrupt activities could potentially be committed. To this end, interviews are periodically conducted with the Heads of corporate Departments and the internal organisation charts are analysed as well as the internal procedures relating to these activities;
- the identification and assessment of the control measures necessary to mitigate the risk of corrupt activities being committed.

Ultimately, the Anticorruption Management System ensures:

- the implementation of the Anticorruption Policy in corporate strategies;
- the identification of the Company's processes that are susceptible to the risk of corruption;
- the attribution of appropriate responsibilities and the performance of appropriate process controls;
- the implementation of anticorruption communication flows;
- the identification, analysis and assessment of corruption risks in a manner consistent with the activities and context of Fincantieri;
- the adoption of "reasonable and appropriate" measures to prevent, detect and deal with corruption;
- the performance of a revision of the Anticorruption Management System as a result of potential or actual changes in the context, and in any case periodically with a view to continuous improvement;
- the fulfilment of the requirements set out in the current Anticorruption Manual and in the mandatory legislation on the prevention of corruption applicable to the context of the Company.

Since 2009, the instruments that the Company has adopted to prevent the risk of corruption include a system for the "Reporting of infringements to the Supervisory Body" ("whistleblowing"), defined in the Organisation Model, which allows employees and third parties to report problems relating to non-compliance with the provisions of the Code of Conduct, the Organisation Model, company procedures adopted by the Company or with legal regulations. The main characteristics of the Company's "whistleblowing" system provide for:

- two information channels, one of which is a computer networking channel, open to employees and third parties;



- guarantee of confidentiality of information and on the complainant's identity, without prejudice to the obligations under the law;
- commitment not to carry out retaliatory (disciplinary measures, downgrading, suspension, dismissal) or discriminatory actions in respect of the staff of the Company who made the reports in good faith;
- application of the system of penalties against persons who violate the commitments, obligations and protections guaranteed by the Company.

The whistleblowing computer system adopted by the company uses an independent platform that allows reports to be sent with or without registration on the system and ensures the confidentiality of the sources and information communicated.

This system complies with the relevant legislative provisions (Law No. 179 of 30 November 2017).

For more information on the "whistleblowing" system and all the existing anticorruption procedural tools, refer to the "Ethics and Governance" Section of the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com).

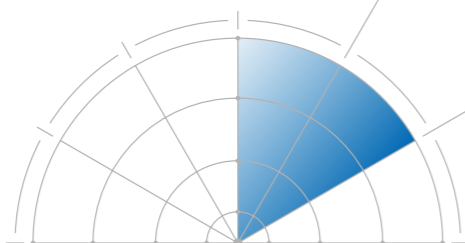
### 3.2.7 Board of Statutory Auditors

For a description of the specific activities of the Board of Statutory Auditors on the matter, refer to the contents cited in paragraph 2.4 of this Report.

### 3.2.8 External auditors

The external audit of accounts is entrusted by law to an external auditor appointed by the Ordinary Shareholders' Meeting, on a proposal (duly justified) from the Board of Statutory Auditors.

In consideration of the tender procedure launched by Cassa Depositi e Prestiti S.p.A. for the identification of a single Group auditor, the Shareholders' Meeting of the Company of 15 November 2019, resolved to approve the consensual termination of PricewaterhouseCoopers S.p.A.'s appointment to conduct the statutory audit, as per the reasoned advice of the Board of Statutory Auditors, with effect from the approval of the financial statements as at 31 December 2019 and to appoint, on the Board of Statutory Auditors' proposal, the external audit firm Deloitte & Touche S.p.A. to audit Fincantieri for the years 2020-2028.



## 4. Regulation on related party transactions and other corporate governance documents

### 4.1 Regulation on related party transactions

In compliance with the provisions of Article 2391-*bis* of the Italian Civil Code and with CONSOB rules on related party transactions, on 5 May 2014 the Company's Board of Directors adopted the "Regulation governing related party transactions" (the "RPT Regulation"), which identifies the principles that Fincantieri adheres to in order to ensure the transparency and the substantive and procedural propriety of the Company's related party transactions, engaged in directly or through its subsidiaries.

On 3 December 2015, the Company also adopted the "Management of Related Party Transactions" procedure (the "Procedure") with a view to describing and defining the process and the terms and operating procedures to accurately manage related party transactions, defining the responsibilities of the various corporate organisational units involved in such transactions, engaged in by Fincantieri directly or through its subsidiaries under the RPT Regulation.

On 8 November 2018, the Company's Board of Directors, following the opinion of the Committee for Transactions with Related Parties, expressed its favourable opinion regarding the adequacy and effectiveness of the Company's regulations in relation to transactions with related parties, consisting cumulatively of the RPT Regulation and the Procedure.

The RPT Regulations – available in full version on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com) in the "Ethics and Governance - Internal control and risk management system - Synthetic illustration of the system" Section – distinguishes between:

- (i) "More Significant Transactions" i.e. related party transactions that surpass the thresholds described in Articles 6.1 and 6.2 of the RPT Regulation; and
- (ii) "Less Significant Transactions" i.e. related party transactions that do not reach the thresholds of significance referred to in point (i) above.

The provisions of the RPT Regulation apply to the abovementioned transactions, except where they fall within any of the exclusions provided for by that Regulation or where exemptions under that Regulation apply in relation to: (i) transactions involving small amounts; (ii) remuneration plans based on financial instruments approved by the Shareholders' Meeting; (iii) resolutions concerning the remuneration of Directors holding special offices (as well as other Executives with Strategic Responsibilities) that are consistent with the Company's current Remuneration Policy; (iv) ordinary transactions concluded on terms equivalent to market or standard conditions; (v) transactions with or between subsidiaries and associated companies; and (vi) urgent transactions.

#### Less Significant Transactions

According to the RPT Regulation, Less Significant Transactions are approved by delegated bodies ("Delegated Bodies") that are granted competence in relation to a specific Less Significant Transaction, based on powers granted to them under the Board resolution appointing them as delegated bodies. Where no Delegated Bodies exist, competence for the approval of Less Significant Transactions rests with the Company's Board of Directors.

Less Significant Transactions are approved through the non-binding opinion of a Committee set up within the Board of Directors (the "RPT Committee") comprised of non-executive Directors, the majority of whom are independent.

Bodies that approve Less Significant Transactions fully brief the Board of Directors and the Board of Statutory Auditors about the implementation of those transactions, on a quarterly basis at least.

The minutes of resolutions approving Less Significant Transactions should give adequate reasons justifying the Company's interest in the transaction and the suitability and substantive fairness of the relevant conditions.

If the RPT Committee issues a negative opinion on one or more Less Significant Transactions, the Company (no later than fifteen days from the end of each financial quarter) shall disseminate a document specifying the counterparty, the subject matter and the consideration pertaining to all Less Significant Transactions approved in the relevant quarter notwithstanding the abovementioned negative opinion, and also stating the reasons for distancing itself from that opinion. By the same deadline, the RPT Committee's opinion is made available to the public as an attachment to the information document or on the Company's website.

#### More Significant Transactions

According to the RPT Regulation, responsibility for resolving upon More Significant Transactions rests exclusively with the Board of Directors, which makes this decision after an in-depth examination of the transactions and their typical conditions. This examination should be supported by adequate documentation illustrating the reasons for the Transactions, their appropriateness and the substantial fairness of the conditions under which they are concluded. The Board of Directors resolves upon More Significant Transactions subject to the favourable opinion (duly justified) of the RPT Committee, composed exclusively of non-executive and independent Directors.

The company representative or officer that commenced the negotiations – or, as relevant, the Board of Directors (through its Chairman or any of its members) – promptly informs the RPT Committee of the commencement of the negotiations and the status thereof. The RPT Committee or one or more members delegated by it ("Member(s) Delegated to Negotiations"), participate in the phase of negotiations and in the preliminary investigatory phase relating to the More Significant Transactions, by promptly receiving a full flow of information, with the entitlement to request information and to make observations to the Delegated Bodies and to the individuals assigned to lead the negotiations or the preliminary investigatory phase.

The Delegated Body of the Company responsible for implementing individual More Significant Transactions fully briefs the Board of Directors, the Board of Statutory Auditors and the RPT Committee on the implementation of those transactions, at least every quarter.

The minutes of resolutions approving More Significant Transactions should give adequate reasons justifying the Company's interest in the transaction and the suitability and substantive fairness of the relevant conditions. The Board of Directors may approve More Significant Transactions despite the RPT Committee's warning against it, provided that the execution of such RPTs is authorised, pursuant to Article 2364, paragraph 1, number 5) of the Italian Civil Code, by the Shareholders' Meeting. In accordance with the provisions of Article 11, paragraph 3, of the CONSOB Regulation on Related Party Transactions ("whitewash mechanism"), the resolution of the shareholders' meeting is deemed to have been approved on condition that: (i) the *quora* required by the Company's By-laws are reached; and (ii) if the non-related shareholders present at the Shareholders' Meeting represent at least ten per cent of the share capital with voting rights, the majority of the unrelated voting shareholders do not vote against the transaction (see also paragraph 2.1.1 above)<sup>19</sup>.

The provisions of the RPT Regulation (available on the abovementioned website) should be consulted for additional information related to the following, inter alia: (i) the definition of "related party" and "related party transaction"; (ii) cases of exemption from the application of the RPT Regulation; (iii) the RPT Committee and equivalent remedies; (iv) procedures in the case of the Shareholders' Meeting's remit or authorisation; (v) procedures for transactions carried out by the Company through subsidiaries; (vi) disclosure obligations connected with More Significant and Less Significant Transactions; and (vii) the adoption of "framework resolutions", to which reference is made in the RPT Regulations, available at the above address.

In consideration of the issuance, on 10 December 2020, by CONSOB of Resolution No. 21624 containing amendments to the CONSOB Regulation on Related Party Transactions, the Company is carrying out the necessary in-depth studies aimed at implementing the amendments introduced within the timeframe envisaged by the Resolution itself.

### 4.2 Inside Information

On 11 June 2014, the Company's Board of Directors, in accordance with the provisions of Article 1.C.1, letter j) of the Corporate Governance Code, approved the "Procedure for the management and market disclosure of corporate

<sup>19</sup>The same quorum also applies to transactions falling within the competence of the Shareholders' Meeting in urgent cases associated with company crises.

information". The Company also adopted a procedure for keeping and updating the "Insiders Register" and an "Internal Dealing Procedure".

On 21 June 2016, the Board of Directors was provided with extensive information regarding the innovations introduced by the new EU regulations set forth in Regulation (EU) No. 596/2014 of the European Parliament and Council of 16 April 2014 (the Market Abuse Regulation or MAR) and the related implementing regulations, with which the Company has substantially complied in a timely manner even in the absence of a formal amendment to the cited procedures.

On 31 July 2017, the Company took steps to update the above procedures, in line with the abovementioned European ranking legislation, with the Italian Consolidated Law on Finance (TUF) and the Issuers' Regulations, where applicable.

The internal Company procedures "Procedure for the management and market disclosure of corporate information", "Insiders' Register" and "Internal Dealing Procedure" shall also take account of the guidelines issued on the subject by the European Securities and Market Authority (ESMA) and by CONSOB and the recommendations of the Corporate Governance Code.

Subject to the foregoing, note that the "Procedure for the management and market disclosure of corporate information" defines the terms and procedures for Fincantieri's internal management and public disclosure of corporate information in relation to the Company and its subsidiaries, particularly taking into account: (i) the obligation to publicly disclose inside information to the market, (ii) the obligation to restore parity of information in the event that inside information is prematurely disclosed to third parties or not bound by confidentiality obligations arising from laws, regulations, By-laws or contracts, and (iii) the need to ensure prudent, efficient and confidential management of all corporate information, including information other than inside information.

From a general standpoint, the internal management of inside or relevant information (i.e. information that may subsequently become inside information) is referred to the CEO's responsibility. To ensure the confidentiality of such information, all members of the corporate bodies as well as managers and employees are, in any case, bound by a general confidentiality obligation, and they are forbidden from disclosing outside the corporate information and documentation that is obtained during the performance of their duties. More specifically, all such persons shall: (i) maintain the utmost confidentiality of information acquired in the performance of their work duties and, in particular, of inside information and confidential information; (ii) keep and file with the utmost diligence the confidential documentation obtained in the performance of their work duties, in order to ensure that authorised persons alone can access the same; (iii) adopt all necessary precautions to ensure that the information circulates internally without negatively impacting the privileged or "insider" or confidential nature thereof, and also in compliance with personal data protection laws and regulations in force; (iv) ensure that the information may be disclosed exclusively in accordance with procedure and, in any case, in compliance with the principles of correctness, transparency, veracity and protection of the integrity of such information.

The public disclosure of inside information directly involving the Company and its subsidiaries shall occur promptly and in accordance with the following principles: clarity, symmetry of information, consistency and promptness.

For further information on the procedure in question, please refer to the document available in full version on the Company's Internet website at [www.fincantieri.com](http://www.fincantieri.com) in the "Ethics and Governance - Internal control and risk management system - Synthetic illustration of the system".

#### 4.3 Code of Conduct

All of the Company and Group activities are conducted in compliance with the law, with International Conventions (e.g. the OECD Anti-Bribery Convention of 1997) and in strict accordance with the human rights enshrined in the UN Universal Declaration.

Fincantieri operates according to the principle of fair competition, with honesty, integrity, fairness and good faith, respecting the legitimate interests of Shareholders, employees, customers, commercial and financial partners and of the general public and local communities in which the Company conducts its activities.

More specifically, Fincantieri promotes and fosters Corporate Social Responsibility, whereby the Company

integrates its social and environmental concerns into its strategic vision, disclosing its initiatives in this context in Sustainability Budget.

All those who work for Fincantieri, without exception or distinction, are committed to observing and ensuring the observance of such principles in the context of their own tasks and responsibilities.

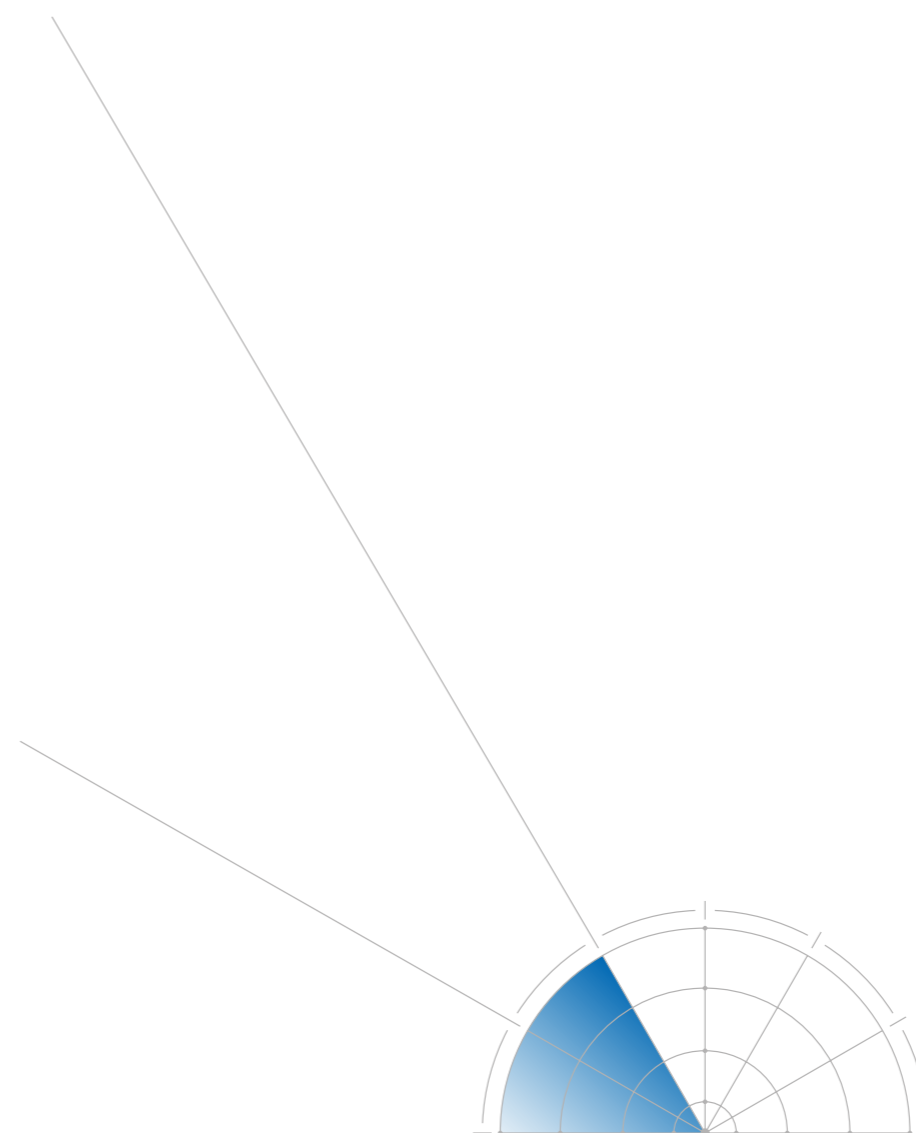
For the purposes of the foregoing, the Company has adopted a Code of Conduct. Compliance with this Code of Conduct by all company employees is of fundamental importance for the smooth operation, reliability and reputation of the Group, factors that represent a key asset for the Company's ongoing success.

Specifically, Fincantieri's employees, in addition to fulfilling their general duties of loyalty, fairness and good faith in implementing their employment agreements, shall refrain from activities that are in competition with the Group's activities, comply with the Company's rules and regulations and adhere to the principles of the Code of Conduct. Relations between employees, at any level, should be characterised by principles of transparency, honesty, fairness and mutual respect.

Directors and all persons working in the Company shall familiarise themselves with the Code of Conduct, contribute actively to its implementation and report any shortcomings and instances of non-compliance.

The Board of Directors and the company management is responsible for verifying the Code of Conduct's implementation and application, and these corporate bodies/officers may also make proposals to supplement or amend its provisions.

For a description of the contents of the code of conduct, please refer to the contents of the code itself, available in full version on the Company's website at [www.fincantieri.com](http://www.fincantieri.com) in the "Ethics and Governance" Section.



## 5. Relations with Shareholders and stakeholders

In accordance with the Corporate Governance Code's recommendations, the Company has had an ongoing dialogue with its shareholders, institutional investors and other stakeholders since the date when its shares were listed on the Electronic Share Market (MTA), and the aim of this dialogue is to ensure that these figures promptly receive full information on its activities.

To this end, the Company has a special corporate structure dedicated to managing relations with shareholders and the market (Investor Relations & Capital Markets Department).

With the main aim of fostering constant dialogue with shareholders and stakeholders, the Company has set up and maintains on its website a special "Investor Relations" Section and an "Ethics and Governance" Section, inside which the information of greatest interest to the market can be found.

Specifically, the "Investor Relations" Section includes the main economic and financial data and documents relating to the Company (such as financial statements, half-yearly and quarterly reports, financial calendar, presentations to the financial community, data on share performance, financial press releases) on the eMarket SDIR Storage platform.

The function also makes two specific e-mail addresses - monitored on a daily basis (investor.relations@fincantieri.it, azionisti.individuali@fincantieri.it) - available to current or potential institutional investors and individual shareholders.

Events, significant transactions and economic-financial results are circulated through press releases, meetings and conference calls with institutional investors and financial analysts, and are promptly made available also on-line.

The "Ethics and Governance" Section includes documents and information on the Company's corporate governance structure, such as: the By-laws, information on the composition of corporate bodies, the remuneration of Directors, Statutory Auditors and Executives with Strategic Responsibilities and the internal control and risk management system. This Section includes a special area dedicated to Shareholders' Meetings. All documents relating to the subsequent Shareholders' Meeting are published in this area and further information is provided to facilitate Shareholders' participation in the Meeting.

In continuity with the activity of dialogue with Shareholders, institutional investors and stakeholders performed to date, during 2021, the engagement policy will be prepared in implementation of the new Corporate Governance Code.



## Annex 1

### Curricula vitae of the Members of the Board of Directors



**Year of birth:** 1954  
**Place of birth:** Warsaw (Poland)  
**Role:** Chairman of the Board of Directors since March 2016

Born in Warsaw (Poland) in 1954, he graduated in Political Science, with a specialisation in international politics, at the Libera Università Internazionale degli Studi Sociali (LUISS, formerly Pro Deo) in Rome in 1976.

He has been Chairman of the Board of Directors of FINCANTIERI S.p.A. since May 2016.

He is a Cavaliere di Gran Croce (i.e., highest ranking honour for meritorious service or achievement) of the Order of Merit of the Italian Republic.

**Positions:** Main Councilman of the "Società Dante Alighieri".

Member of the Board of Directors of the Italian Society for International Organisation (SIOI), of the Board of Directors of the Istituto Affari Internazionali (IAI), of the Executive Committee of ASPEN Institute Italia, of the Assonime Council, of the Advisory Board of LUISS Alumni, of the Italian Trilateral Commission Group, of the Advisory Board of Studio Legale Gatti Pavesi Bianchi and of the Executive Committee of the International Chamber of Commerce of Paris and of the Advisory Board of the Atlantic Council of Washington DC.

President of the Strategic Committee of the degree course in "Global Governance" at the University of Rome Tor Vergata, of the Scientific Committee of the "Festival della Diplomazia", of the Istituto Studi Politica Internazionale (ISPI), of the EURISPES International Observatory.

Holder of the course "National interest, national security in a complex world" at Sciences Po University in Paris and of the course "National interest, national security and international relations" at the School of Government of LUISS University in Rome.

**Career:** In 1977/78 he worked for FIAT in Turin, dealing with "country risk" analysis and support for the Group's international activities. He joined the diplomatic service in May 1978 and has held posts at the Embassy to the Holy See, the Embassy in Moscow and the Permanent Representation to the European Union in Brussels (as Italian spokesperson in the working groups for environmental and energy policy, for State aid and industrial policy). He was then Deputy Diplomatic Adviser to the President of the Council of Ministers and, since June 1994, Head of the President's Secretariat. In June 1996, he entered the Ministry of Foreign Affairs as Head of the Press and Information Service and the Minister's Spokesperson. In 2004, he became Director General for Multilateral Political Affairs and Human Rights and then Head of Cabinet of the Minister of Foreign Affairs. On 2 January 2006 he was appointed Ambassador and became Director General of Personnel. In September 2007 he was appointed Secretary-General of the Ministry of Foreign Affairs, the highest appointment in the Italian diplomatic career. From April 2008 to 31 December 2009, he was appointed as personal representative (Sherpa) of the President of the Council of Ministers for the G8 and the G20 Forums and was *inter alia* responsible, in that capacity, for coordinating the general topic of the Italian Council for the G8 Forum in 2009 and the preparation of the Summit in L'Aquila. On 11 May 2012, he was appointed by the President of the Council as Director General of the Department of Information for Security, a position he held until May 2016.



**Year of birth:** 1944  
**Place of birth:** Pizzoni (VV)  
**Role:** Chief Executive Officer since April 2002

Born in Pizzoni (VV) on 23 March 1944. Married with two children, he graduated in 1970 in Business Economics at the University of Messina with a thesis on "Budget and Multi-year Plans in a Large Company".

On 20 October 2006, he was awarded an honorary degree in Naval Engineering from the University of Genoa.

He held the chair of "Management Control Systems (Programming and Control)" at LUISS - Free International University of Social Studies of Rome until 2010.

He is a member of the RUC (the Italian Register of Official Auditors).

On 23 May 2014, he was decorated with the Italian Order of Merit for Labour (Cavaliere del Lavoro).

In January 2017, he was awarded the honour of Knight of the Legion of Honour (Cavaliere della Legion d'Onore) and in June of the same year he received the 2017 Italian Personality Trophy from the French Chamber of Commerce in Italy.

In November 2017, he was awarded an honorary MBA in International Business by the MIB Trieste School of Management.

In December 2018, he was awarded honorary citizenship of the city of Trieste.

In December 2020, he received the Transatlantic Award from the American Chamber of Commerce in Italy.

**Positions:** Since April 2002 he has been the Chief Executive Officer of FINCANTIERI S.p.A.

From October 2000 to April 2002 he was Chief Executive Officer and General Manager of Finmeccanica, and since 1997 General Manager, as well as interim manager of some companies of the Group, such as Alenia Difesa and Ansaldo.

Since 2018, he has been the Chairman of Fondazione Nord Est.

From October 2016 to January 2018, he was the President of Promostudi. Since 2015, he has been a member of the General Council of Confindustria. From 2014 to March 2016 he was Director of the Italian Strategic Fund. From March 2013 to September 2016 he was Chairman of Vard Holdings Ltd. and from January 2013 to September 2016 he was Chairman of VARD Group AS. Since 2013, he has been the Chairman of Confindustria Friuli Venezia Giulia. From 2012 to 2014, he was Chairman of Confindustria Gorizia.

**Career:** In 1963, he attended a training course in administration and on management control at Fiat-Finmeccanica.

From 1963 to 1971, he was the person in charge of general accounting, financial statements, business planning and management control in Omeca (Fiat-Finmeccanica Group and from 1968 in EFIM).

From 1971 to 1993, he worked at EFIM where he held positions with increasingly more responsibility: Deputy Director of Programs and Management Control; General Manager of SOPAL (food industry); Chief Executive Office of Aviofer (defence and transport industries), until he became, in 1991, General Manager of the company itself. Specifically, within the scope of EFIM's Management Inspectorate and Management Control, he developed the Group's strategic planning system and management control, organising a unified information system, using standard industrial accounting procedures.

He devised the processing of the consolidated balance sheet of the Group by adopting a programme for the consolidated chart of accounts and for standard accounting principles (first organic body of such principles in Italy), participating, *inter alia*, in the Committee established ad hoc at the Ministry of State Holdings. Giuseppe Bono joined Finmeccanica in 1993, and after having held the position of Director of Central Planning and Administration and Finance Control, he was appointed in December 1997 as General Manager and interim head of Alenia Difesa and Ansaldo. In October 2000, he was appointed as Chief Executive Officer and General Manager of the Group.

Bono held those positions until April 2002 when he was appointed Chief Executive Officer of Fincantieri, one of the most important shipbuilding groups in the world and a leader in diversification and innovation. Under his leadership, the company became a world leader in the design and construction of cruise ships and a reference operator in all the sectors of high-technology shipbuilding, from military vessels to offshore vessels, from special vessels and highly complex ferries to mega-yachts, as well as in ship repairs and transformations, manufacture of systems and components and in the offer of after-sales services.

In response to the crisis, which since 2008 has not spared even the shipbuilding sector, a plan was launched to expand and reposition the Group on a global scale, focusing on a strategy of diversification of business. In 2009, the American group Marinette was acquired, which is a reference supplier for the U.S. Navy and the U.S. Coast Guard. The Group's internationalisation process continued in 2013 with the acquisition of Stx Osv, currently Vard, a leader in the construction of support vessels for the oil and natural gas extraction and production, with factories in Norway, Romania, Vietnam and Brazil. Fincantieri, which in the meantime under the guidance of Bono was listed on the stock exchange in 2014, became the only Western producer capable of competing with the Asian giants. With a turnover of EUR 5.8 billion, it has 18 shipyards operating in four continents, 8 in Italy alone, employing almost 20,000 people, of which more than 9,500 in Italy with an allied industry of almost 50,000 workers at the national level alone.

The company's international projection has grown further by virtue of the agreement signed between Italy and France on the margins of the bilateral agreement between the two countries held in Lyon in September 2017, aimed at strengthening cooperation in naval matters in both civil and military fields. This understanding led to the establishment of an alliance between Fincantieri and Naval Group, which also finds its foundations in Naval Group's participation in the shareholding structure of Chantiers de l'Atlantique, in Saint-Nazaire, which specialises in the construction of large cruise ships and military surface vessels, and for which Fincantieri signed an agreement in 2018 giving it control of the company, suspended in agreement by the Italian and French Governments in January 2021 due to the scenario determined by the pandemic emergency. While a year earlier Naviris, the 50/50 joint venture set up by Fincantieri and Naval Group, became fully operational, focusing on bilateral and export projects with the aim of creating a European shipbuilding champion.



BARBARA  
ALEMANNI

**Year of birth:** 1964  
**Place of birth:** Acqui Terme (AL)  
**Role:** Director since April 2019

Born on 22 November 1964, she graduated in Economics in 1989 from L. Bocconi University and obtained her MSC in Finance from City University Business School in London in 1993. Since 2005, she is the chair of Economics of Financial Intermediaries at the University of Genoa and also carries out research and scientific consultancy at SDA Bocconi.

**Positions:** Since 2020, she has been an independent non-executive Director of Italiana assicurazioni S.p.A. Since 2020, she has been an independent non-executive Director of Cerved Credit Agency. She has been a member of ESMA's Securities and Markets Stakeholders Group (MSG) since 2020. Since 2019, she has been a member of the Investment Committee of IIT (Fondazione Istituto Italiano di Tecnologia). Since 2018, she has presided over the Lasallian Committee of the University of Genoa. Since 2017, she has been an independent non-executive Director of Borsa Italiana S.p.A. Since 2017, she has been a member of the joint CONSOB-Università work group on Fintech. From 2014 to 2017, she was an independent non-executive Director of Aletti Gestielle SGR. Since 2013, she is scientific advisor in MEFOP (Development Market of Pension Funds).

**Career:** She began her professional career in 1994 providing consulting, scientific and training activities at Borsa Italiana S.p.A., the European Commission, Assogestioni, and other banks and fund managers. From 1994 to 2000, she was a researcher in Economics of Financial Intermediaries at the L. Bocconi University of Milan. From 2000 to 2005, she was associate professor of Economics of Financial Intermediaries at the L. Bocconi University in Milan, also directing the CEMS-MIM Master's program between 2003 and 2005. Since 2005, she has been a professor at SDA Bocconi School of Management and a researcher at the Carefin-Baffi research centre at L. Bocconi University in Milan.



MASSIMILIANO  
CESARE

**Year of birth:** 1967  
**Place of birth:** Naples  
**Role:** Director since May 2014

Born in Naples on 24 March 1967, he graduated in Law from the University "Federico II" of Naples and has been a lawyer since 1997. Since May 2014, he has been a Director of FINCANTIERI S.p.A. and has also served two terms as Chairman of the Control and Risk Committee.

**Positions:** Chairman of the Board of Directors of Banca del Mezzogiorno - Mediocredito Centrale since April 2015, confirmed in September 2017. Chairman of the Board of Directors of F2i - Fondi Italiani per le Infrastrutture since November 2017, with subsequent confirmation in March 2019.

**Career:** In 2013, he was Economic and Legal Advisor to the Chairman of the Board with responsibility for relations with Italian companies and corporations. During the Letta Government (April 2013 - February 2014), he represented the Presidency in relations with the under secretariat and the economic ministries. He has worked on turnaround operations in financial stress situations. Specifically, he has overseen the filing and managing composition with creditors and bankruptcy procedures, acquisitions and corporate governance. An expert in commercial law, with a particular focus on corporate law and corporate litigation, he was legal trustee of the bankruptcy division of the Court of Naples. In the course of his legal activity, he has acted as the custodian of companies and assets on behalf of the Court of Naples and the Public Prosecutor's Office, he has administered real estate and corporate assets seized from the clans, up to their confiscation. He has also collaborated with the government commission set up to develop proposals for the fight, including assets, against crime (April 2013 - February 2014).





**Year of birth:** 1966  
**Place of birth:** Milan  
**Role:** Director since April 2019

Born in Milan in 1966, he graduated with honours in Political Economics with a specialisation in Monetary and Financial Economics from the Bocconi University in Milan in 1989. He is an economist, a former manager of the International Monetary Fund, with over 30 years of professional experience in the public, private and academic sectors. He is fluent in English, French and Spanish.

Since April 2019, he has been a Director of FINCANTIERI S.p.A. and a member of the Nomination Committee and the Sustainability Committee.

**Positions:** He is a member of the European Association of Economists and the American Association of Economists.

Since 2020 he has been a Senior Fellow at SDA Bocconi School of Management, as well as a lecturer and member of the Advisory Board for the Executive Master in Management of International Organisations.

Since 2016, he has taught at the School of Economics of the University of International Studies in Rome.

Since 1995, he has been a Statutory Auditor and registered in the Register of Statutory Auditors of the Ministry of Economy and Finance.

Since 1993, he has been a Chartered Accountant registered with the Milan Chamber of Certified Public Accountants and Accounting Experts.

**Career:** Since 2016, he has owned an associate firm in Washington, D.C. that provides independent analysis and evaluation on macroeconomic and sustainable development support policies and programmes; international financial relations; economic-financial and statistical matters; and strategy, governance, risk management, and reorganisations in complex international, domestic, and corporate settings.

From 1994 to 2016, he was part of the staff of the International Monetary Fund (IMF) where he held positions with increasing responsibilities, from Economist to Division Head, and was extensively involved in all main activity areas – surveillance, funding programmes, and technical/training assistance – following a wide range of countries in Africa, Europe, the Middle East, Latin America, Asia and the Far East. He has represented the IMF in G-20 expert groups and high-level international governance bodies including the Financial Stability Board Secretariat. At the IMF he also covered primary institutional responsibilities such as strategic planning, budgeting, and management control (risk and performance). The offices he has held include heading the Financial Institutions Division and the Strategy, Standards and Analysis Division.

From 2001 to 2003 he was a member and representative of the IMF in the Secretariat of the Financial Stability Board in Basel where he has coordinated wide-ranging international economic policy, architecture and financial stability initiatives including the development of the macro-prudential regulatory system for systemically important global financial institutions, the monitoring of offshore financial centres, and the revision of the OECD principles on corporate governance.

From 1991 to 1994, at Mediobanca Financial Service S.p.A. in Milan, he was involved in strategic consulting, mergers and acquisitions, capital increases and stock market listings and was a Standing Auditor of companies in the Mediobanca Banking Group.

From 1989 to 1991, he was assistant professor of Finance Science in the Department of Political Economics at L. Bocconi University and researcher at the Public Sector Economics Research Centre.



**Year of birth:** 1949  
**Place of birth:** Imperia  
**Role:** Director since May 2016

Born in Imperia (IM) in 1949, she graduated with honours in Architecture from the Polytechnic of Turin in 1973. She has been a Director of FINCANTIERI S.p.A. since May 2016.

**Positions:** Chairman of the Board of Directors of 2iRete Gas.

She has been a member of the Board of Directors of Fimit SGR, a member of the Kairos Centauro Fund Advisory Committee, Chairman of the Investment Committee of Sub-Fund Two of the Real Estate Fund Inarcassa RE and Independent Director and Member of the Nominations and Remuneration Committee of Enel Green Power.

**Career:** She is qualified as an architect and has been a member of the Order of Architects of the Province of Imperia since February 1974.

During her career, she developed many urban development projects and infrastructure construction and service industry projects, including the project for the marina of Santo Stefano al Mare (IM), with a berth capacity of a thousand vessels, and the project for the new headquarters of the Chamber of Commerce of Imperia, which included renovating an industrial building from the 1920s.

From 1985 to 1996, she was President of the Imperia Order of Architects and was elected INARCASSA delegate for the Liguria Region in 1990. In 1995, she was appointed Deputy Chairman of the Board of Directors of INARCASSA. From 2000 to 2015, for three successive terms, she was Chairman of INARCASSA, engaged in the development of INARCASSA's financial assets (the first Asset Allocation was prepared at the beginning of her tenure as Chair in 2000).

With the adoption of financial management based on risk control, she achieved significant results on the securities investment front; she led the reforms that ensure the financial sustainability of INARCASSA at 50 years of age as required by the "Salva Italia" Decree. She was also a member of the Board of Directors of ADEPP, the trade association for private pensions.

She has been speaker at many conferences on welfare and financial issues.

She has participated in continuing education courses at Assogestioni on related party transactions, remunerations and responsibilities of the directors and statutory auditors in listed companies.





**Year of birth:** 1963  
**Place of birth:** Varazze (SV)  
**Role:** Director since April 2019

Born on 25 October 1963, she graduated with honours in Electronic Engineering from the State University of Genoa in 1987.

After a career in the technical field, she developed extensive experience as General Manager and Chief Executive Officer of complex realities. Over the last 10 years, she has further consolidated her extensive experience as a non-executive Director in important Italian and foreign companies, chairing Advisory Committees and holding the role of Lead Independent Director.

**Positions:** Since May 2019, she has been Chairman of Sagat S.p.A., the managing company of Turin airport. Since April 2018, she has been an independent Director of ERG S.p.A., and a member of the Control and Risk Committee and of the Strategic Committee.

Since April 2019, she has been an independent Director of FINCANTIERI S.p.A., a member of the Remuneration Committee and Chairman of the Sustainability Committee.

Since September 2019, she is also an independent Director of Trevi Finanziaria Industriale S.p.A., Chairman of the Nominations and Remuneration Committee and member of the Committee for Related Party Transactions.

Since April 2019 she has been a non-executive Director of Stella S.p.A.

She is Founder and President of the Furio Solinas Onlus Foundation, a non-profit organisation with charitable purposes. In 2016 Federmanager - Aldai awarded her the "Merit and Talent" prize. She is Cavaliere al Merito of the Italian Republic.

**Career:** She developed her career in Marconi S.p.A., a leading company in telecommunications technologies, gradually acquiring roles of increasing responsibility and becoming Senior Vice President for Strategies of Marconi Mobile S.p.A.

In 2001, she joined the Sirti Group, a leader in the field of engineering and plant engineering of telecommunications networks, initially holding the position of Director of Strategies and Business Development. She was subsequently appointed General Manager of the Group and finally Chief Executive Officer.

From 2011 to 2019, she was CEO of Gruppo Fabbri Vignola S.p.A., a leader in the food packaging sector for fresh products, which received the award of "Excellent Company" from the SME/Global Strategy by virtue of the profitability results achieved in the 2012-2016 five-year period.

From 2011 to 2014, she was an independent Director of ATM - Azienda Trasporti Milanesi, also holding the position of Chairman of the Supervisory Body.

From 2012 to 2016, she was a non-executive Director of Eutelsat S.A. and a member of the Audit Committee.

From 2014 to 2018, she was a non-executive Director of Banca Farmafactoring S.p.A., chairing both the Remuneration Committee and the Committee for Transactions with Related Parties.

From 2012 to 2019, she was an Independent Director of Gedi S.p.A., acting as Lead Independent Director, Chairman of the Control and Risk Committee and member of the Committee for Transactions with Related Parties.

From 2010 to 2019 she was an independent Director of SNAM, of which she was – at different times – Chairman of the Audit, Risk and Related Party Transactions Committee and Chairman of the Remuneration Committee.



**Year of birth:** 1971  
**Place of birth:** Perugia  
**Role:** Director since May 2016

Fabrizio Palermo, 49, since 2018, he has been holding the office of Chief Executive Officer and General Manager of Cassa Depositi e Prestiti S.p.A.

He has a degree with honours in Economics and Commerce, obtained from the University La Sapienza of Rome. He has been a Director of FINCANTIERI S.p.A. since May 2016.

**Positions:** Since 2018, he has been holding the office of Chief Executive Officer and General Manager of Cassa Depositi e Prestiti S.p.A. He is also Chief Executive Officer of CDP Reti S.p.A., a member of the Board of Directors of Assonime, a member of the Board of Directors of Centro Studi Americani and Co-Chairman of the Italy-China Business Forum, as well as a member of the Advisory Board of the Italian Presidency of the B20.

Since 2017, he has been a member of the Italian-French Commission for the alliance project between Fincantieri and Naval Group, aimed at creating a European shipbuilding champion.

**Career:** He began his professional career in the London offices of Morgan Stanley, in the Investment Banking Division.

In 1998 he continued his career at McKinsey & Company, specialising in restructuring, transformation and re-launching transactions of major industrial and financial groups.

In 2005 he began his experience in the Fincantieri Group, where he held various senior positions, including that of Business Development and Corporate Finance Director, directly reporting to the Chief Executive Officer, subsequently assuming the position of Chief Financial Officer (2006-2014) and Deputy General Manager (2011-2014).

In 2014, he joined Cassa Depositi e Prestiti, where he held the position of Chief Financial Officer, before being appointed CEO in 2018.

During his career he has also been Chairman of the Board of Directors of CDP Equity S.p.A., member of the Board of Directors of Fincantieri USA Inc., VARD Group AS, Vard Holdings Limited, Open Fiber S.p.A., Risparmio Holding S.p.A., Equam S.p.A., member of the Investors Committee of the Italian Recovery Fund and of the Investors Committee of Fondo Atlante.





FEDERICA  
SANTINI

**Year of birth:** 1983  
**Place of birth:** Rome  
**Role:** Director since April 2019

Born on 29 April 1983, she graduated with honours from LUISS Guido Carli University in 2007. Since 2018, she is Chairman of Trenord S.r.l., a company owned by Trenitalia (Gruppo FS Italiane) and FNM (Ferrovie Nord Milano).

**Positions:** Since 2017, she has held the position of Director of Strategies, Innovation and Information Systems of Italferr S.p.A., a company belonging to the Gruppo Ferrovie dello Stato Italiane, and is responsible for business plans, extraordinary transactions, competitive positioning and business development, market analysis, institutional relations, innovation, sustainability, quality, environment and security, as well as information systems and digitalisation.

She has been a Director of Trenitalia UK Ltd., Vice President of TSGA, TAP and TSI Services Governance Association, and is currently a member of the GROW (Generating real opportunities for women) Committee of LUISS Business School, a member of the Scientific Committee of Telma Mobility Lab, board member of the LUISS Digital Advisory Board and of the Marisa Belisario Foundation.

She is also Vice President of Agens, the Confindustria association of transport companies.

From 2016 to 2017, she was Director of Strategic Planning at Trenitalia S.p.A., reporting directly to the CEO, with responsibility for business plans, Mergers & Acquisitions, internationalisation, international relations, competitive positioning, market research, customer satisfaction analysis and Voice of Customer, coordination for the innovation of sales channels between Trenitalia Business Units, coordination for CRM between Trenitalia Business Units, strategic commercial partnerships with external partners, such as Enjoy, My Taxi, and others, sustainability, energy, innovation, and subsidised financing.

**Career:** In 2008, after graduating, she began her professional career at the Cabinet of the Ministry of Foreign Affairs, Analysis and Planning Unit, carrying out foreign policy watch tasks.

Then, in 2008, she joined Ernst&Young Financial Business Advisors S.p.A., where she remained until 2016 and where, as Senior Manager, she oversaw numerous projects for different Italian and international clients, from both the private and public sectors, including Ferrovie dello Stato Italiane, Trenitalia, Fondazione Ferrovie dello Stato Italiane S.p.A., Rete Ferroviaria Italiana S.p.A., the Ministry of Infrastructure and Transport, Ministerul Transporturilor (Romania), European Commission - Directorate General TREN - Motorways of the Sea, European Commission - Directorate General Transport.



FEDERICA  
SEGANTI

**Year of birth:** 1966  
**Place of birth:** Trieste  
**Role:** Director since April 2019

Born on 29 May 1966 in Trieste, she holds a PhD in Finance from the School of Finance (University of Trieste, Udine, Florence and L. Bocconi University in Milan) and an MBA in International Business, with High Honours from the MIB Trieste School of Management.

Since 1991, she has been a Professor of Finance at the Core Faculty of the MIB Trieste School of Management and since 2016 she is a Professor of Banking and Insurance Technology at the University of Udine.

**Positions:** Since 2019, she has been Executive Chairman of Friulia S.p.A. and Director of Finest S.p.A., a company of the Friulia Group.

She has been an independent Director of Autostrada Pedemontana Lombarda S.p.A. since 2018.

Since 2017, she has been an independent Director of Hera S.p.A. and an independent Director of InRete S.p.A., a Hera Group company.

Since 2013, she has been an independent Director of Eurizon Capital SGR S.p.A.

She has also held numerous positions over the years, including: member of the Occupational Pensions Stakeholder Group of EIOPA (European Insurance and Occupational Pensions Supervisor), from 2010 to 2016; member with permanent delegated powers of ECOS, between 2010 and 2013; member of the Consultative Panel of CEIOPS (European Insurance and Occupational Pensions Authority) from 2008 to 2010; Commissioner COVIP (Pension Funds Supervisory Commission) between 2003 and 2008; member of the Executive Committee of ITACA from 2001 to 2003; Director of Autovie Servizi S.p.A., between 1995 and 1997; Director of Autovie Venete S.p.A. between 1994 and 1997; Chairman of Adriatic Business Company S.r.l., from 1993 to 1997.

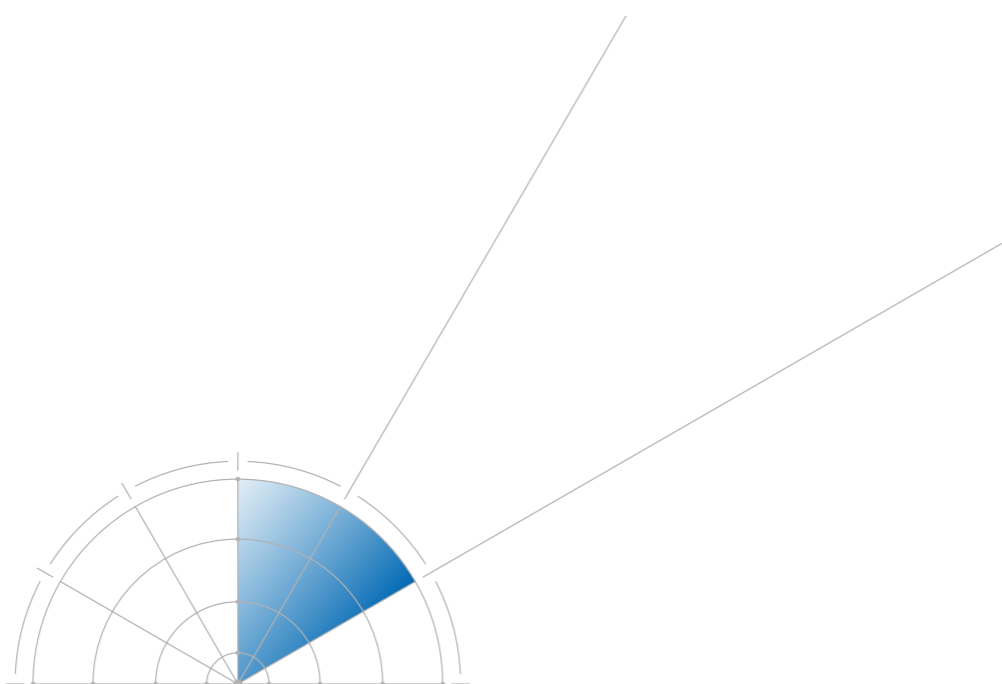
**Career:** She began her academic career in 1991 as Professor of Finance at the Core Faculty of the MIB Trieste School of Management and from 1995 to 1998 she was Teaching Coordinator of the Master's programme in Transport, Intermodality and Logistics at the same institute.

In the meantime, between 1992 and 1993, she was a member of the work group consisting of Finporto S.p.A., Fiat Impresit S.p.A. and Italferr S.p.A.

Between 1997 and 1999, she taught the course in Transport Economics at the University of Trieste.

Between 2000 and 2004, she was Director of the Project Financing specialisation course at the MIB Trieste School of Management and since 2003, she is Programme Director of MIRM (Master in Insurance & Risk Management) at the same institute.

She has also carried out institutional activities, holding different positions, including: Member of the Trieste Fund Commission to the Government Commissioner of the Friuli - Venezia Giulia Region (1998-2003); Councillor for Building, Public Works and Spatial Planning in the Autonomous Friuli - Venezia Giulia Region (2001 - 2003); Councillor for Spatial Planning, Local Self-Government and Security, Community Affairs and International Relations in the Autonomous Friuli - Venezia Giulia Region (2008 - 2010); Councillor for Productive Activities with delegated power for Local Police and Security in the Autonomous Friuli - Venezia Giulia Region (2010 - 2013).



## Annex 2

### Curricula vitae of the members of the Board of Statutory Auditors



**GIANLUCA  
FERRERO**

**Year of birth:** 1963  
**Place of birth:** Turin  
**Role:** Chairman of the Board of Statutory Auditors since May 2014

Chairman of the Board of Statutory Auditors of FINCANTIERI S.p.A. since May 2014.

Born in Turin in 1963, he graduated in Business Economics in 1988 and is a chartered accountant in the field of tax and corporate law.

Since 1989 he has been a member of the Turin Chamber of Certified Public Accountants and Accounting Experts and since 1995, he has been on the Register of Statutory Auditors. He is also a Court Technical Expert at the Court of Turin.

He is Chairman of the Board of Statutory Auditors of Luigi Lavazza S.p.A., Praxi Intellectual Property S.p.A., P. Fiduciaria S.r.l., Emilio Lavazza S.a.p.a., and GEDI Gruppo Editoriale S.p.A.

He also acts as Standing Auditor in Fenera Holding S.p.A. and in Techwald Holding S.p.A.

He is Deputy Chairman of the Board of Directors of Banca del Piemonte S.p.A., Sole Director of San Carlo 2016 Immobiliare S.r.l., member of the Board of Directors of Italia Independent Group S.p.A., LOL S.r.l., Pygar s.r.l. and Merope S.r.l. Finally, he is a member of the Supervisory Body of Il Sole 24 Ore S.p.A.



**PASQUALE  
DE FALCO**

**Year of birth:** 1964  
**Place of birth:** Naples  
**Role:** Standing Auditor from June 2020

He has been a Standing Auditor of FINCANTIERI S.p.A. since 9 June 2020.

Born in Naples in 1964, he graduated in Economics and Commerce in the academic year 1991/92 after obtaining a classical high school diploma from the Liceo Classico Statale "Vittorio Imbriani" in Pomigliano d'Arco. He is a chartered accountant. Since 1999, he has been enrolled in the Register of Statutory Auditors and in the Register of Chartered Accountants of Nola. Since 2003, he has been enrolled in the Register of Court Technical Experts of the Court of Nola.

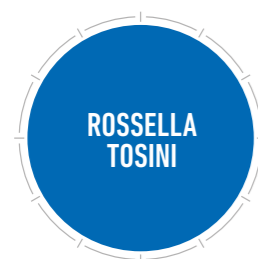
Starting from 2003, he was an auditor of public limited companies until 2010. Since 2000, he has worked as a bankruptcy trustee, judicial custodian of real estate, professional delegate to real estate sales and a Court Technical Expert at the Court of Nola.

Since 2019, he has been a member of the Board of Statutory Auditors of the Local Health Authority of Salerno and the company Aeroporti di Roma S.p.A. From 2003 to 2010 he was a member of the Board of Statutory Auditors of Enam S.p.A. and from 2003 to 2006 of the Agenzia Metropolitana per la Cultura S.p.A.

Since 2009, he has been acting as judicial custodian and delegated professional in numerous real estate enforcement procedures at the Court of Nola. From 2000 to 2018, he served as a trustee in bankruptcy at the Court of Nola, managing numerous bankruptcy proceedings until closure, with liquidation of movable and immovable property, while he serves as a Court Technical Expert at the same court, with expertise in accounting and banking asset appraisals. From 2005 to 2011 he was also judicial custodian of companies seized by the Court of Nola.

He has lectured both in the course of bankruptcy law organised by the AIGA (Young Lawyers Italian Association) of Nola and the Association of Accountants of Nola, and in the course for professional delegates organised by the Association of Accountants of Nola.

Since the beginning of his professional experience, he has attended numerous training courses, mainly in the areas of statutory audit, enforcement procedures, bankruptcy and insolvency law, as well as tax law. From 1992 to 1999 he worked as an employee of Banco di Napoli. More specifically, from 1992 to 1993 he worked in the Securities Office of the parent branch in Nola and from 1993 to 1994 he worked in the Credit Office. Subsequently, from 1994 to 1995 he worked at the Debt Recovery Office, in direct contact with clients and external legal advisors, taking care of the various stages of recovery: drafting of repayment plans, monitoring of debt outflows, initiation of the most appropriate legal action. From 1995 to 1999 he worked as an employee in the Credit Office, in direct contact with customers and with the function of coordinating other employees as well as acting as an interface for the positions of competence of the DG between the parent branch in Nola and the Creditalia Central Service. From September to December 1999, he was a small business manager at a credit centre consisting of three branches, acting as the proposing body for credit facilities, as well as the first-person management of in bonis and watchlist credit relationships.



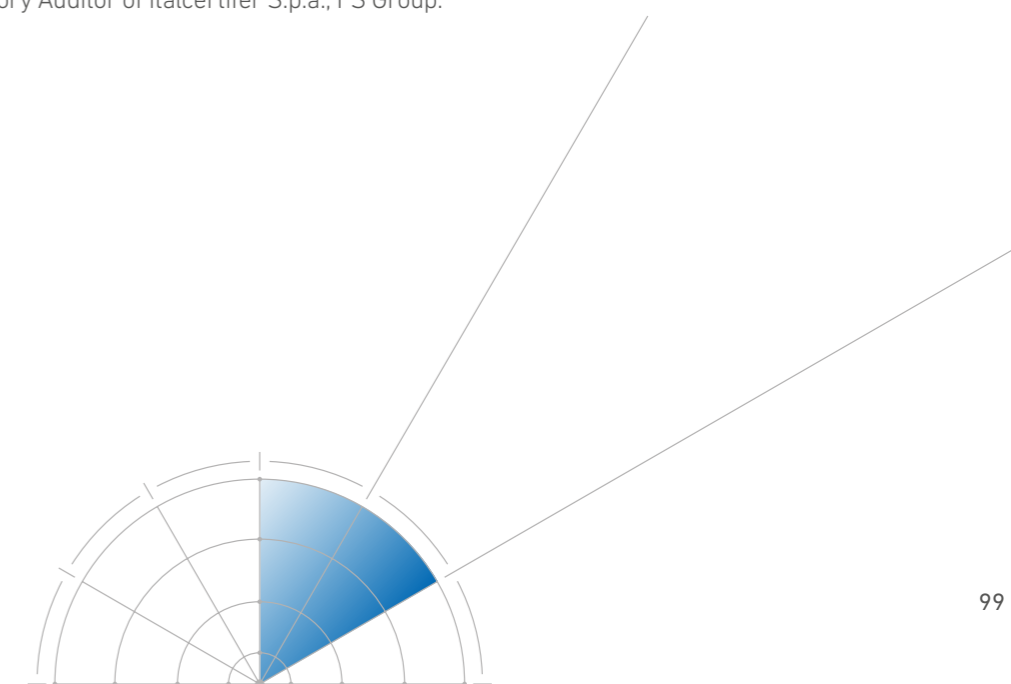
**Year of birth:** 1959  
**Place of birth:** Sarzana (SP)  
**Role:** Standing Auditor from June 2020

From 9 June 2020 has been a Standing Auditor of FINCANTIERI S.p.A.  
 Born in Sarzana (SP) in 1959, she graduated in Economics in the academic year 1983-1984 and is a chartered accountant and statutory auditor.  
 From 1995 to 2001 she was a Director and from 2001 to 2007 Deputy Chairman of the Order of Chartered Accountants for the District of the Court of La Spezia; from 2008 to 2016 she was a Director of the Order of Chartered Accountants and Accounting Experts of La Spezia and from 2008 to 2013 she was an Alternate Director of the National Council of Chartered Accountants and Accounting Experts.  
 From 2000 to 2003 she was a member and since 2003 she has been Chairman of the Board of Auditors of the Association of Chartered Accountants Alto Tirreno of Pisa. From 2003 to 2006 she was a component auditor of the Municipality of Santo Stefano di Magra, from 2006 to 2013 she was the Chairman of the Board of Auditors and from 2013 to 2018 she was a component of the evaluation nucleus of the same Municipality.  
 From 2014 to 2019, she was a member of the Board of Statutory Auditors of Centro Agroalimentare Levante Ligure e Lunigiana S.r.l. in Sarzana.  
 From 2014 to 2020, she was a standing member of the Board of Statutory Auditors of ATC Esercizio S.p.A., while since 2017 she has been an alternate auditor of I.C.A S.r.l. and Spezia Risorse S.p.A.  
 From 2013 to 2016, she was a member of the study commission of the National Council of Chartered Accountants "Commission of concordato preventivo in continuità".  
 She serves as a trustee in bankruptcy proceedings, as a body for the settlement of over-indebtedness crises, and as a Court Technical Expert at the Civil Criminal Court of La Spezia.



**Year of birth:** 1967  
**Place of birth:** Rome  
**Role:** Alternate Auditor since June 2021

Alternate auditor of FINCANTIERI S.p.A. since 9 June 2020. Born in Rome in 1967, he is an accountant and a statutory auditor.  
 He has been a member of the Rome Chamber of Certified Public Accountants and Accounting Experts since 1993 and a member of the Register of Auditors since 1999. He is also registered in the bankruptcy receivers register at the Court of Velletri, as well as in the register of Court Technical Experts at the same Court.  
 Since 1993 he has been working professionally. From 2003 to 2015 he was administrative and tax advisor to a corporate pension fund of Merck Sharp & Dohme; he was also tax advisor, from 2005 to 2012, to the Istituto Superiore per la Protezione e la Ricerca Ambientale ("ISPRA", formerly "APAT") and from 2006 to 2008 to the Telematic University Unitelma. Since 2012 he has been VAT consultant for the Secretariat of the Presidency of the Italian Republic. Since 2017, he has been a Tax Advisor to the Municipality of Marino.  
 Since 1997 he has worked as a bankruptcy curator, commissioner and Court Technical Expert at the Court of Velletri.  
 From 2015 to 2017, he was an accounting and tax consultant in the context of Extraordinary Administration procedures of companies in accordance with Legislative Decree No. 270 of 8 July 1999. From 2018 to 2019, he was Consultant to the Extraordinary Administration Procedure of Condotte S.p.A., an assignment received by the Extraordinary Commissioners Mi.SE (Ministry of Economic Development).  
 From 1992 to 2001, he was a statutory auditor, from 2001 to 2009 Chairman of the Board of Statutory Auditors, from 2009 to 2013 chairman of the Board of Directors of Banca di Credito Cooperativo di Marino.  
 From 2000 to 2007, he was a statutory auditor of C.I.S. Compagnia Italiana Strade S.p.A. of Turin.  
 From 2009 to 2013, he was standing auditor of the Federation of Cooperative Credit Banks of Lazio Umbria Sardegna. From 2009 to 2017, he was standing auditor of Unaprol-Consorzio Olivicolo Italiano.  
 From 2017 to 2020, he was chairman of the Board of Statutory Auditors of Cife S.p.A.  
 Since 2018, he has been a statutory auditor of Banca di Credito Cooperativo di Nettuno as well as a statutory auditor of Inso S.p.A., upon appointment by the Extraordinary Commissioners of Condotte S.p.A. From 2018 to 2019, he was a Standing Auditor of Sof S.p.A., again upon appointment by the Extraordinary Commissioners of Condotte S.p.A.  
 Since 2020, he has been a Standing Auditor of Cife S.p.A. in Liquidation.  
 Since 2020, he has been a Statutory Auditor of italcertifer S.p.a., FS Group.





**Year of birth:** 1958  
**Place of birth:** Rome  
**Role:** Alternate Auditor since May 2017

Alternate Auditor of FINCANTIERI S.p.A. since May 2017.

Graduated in Business Economics in 1981, Certified Public Accountant and Auditor. From March 1982 to May 1983, he was a reserve officer of the Guardia di Finanza (Italian Finance Police).

From July 1983 to November 1997, he worked for the Studio di Consulenza Legale Tributaria —the correspondent of Anderson Worldwide) where he was partner from 1994. From 1998 to 2012, he was a partner of CBA legal and tax consultancy firm. Since 2013, he has been a partner of Legalitax Studio Legale e Tributario with offices in Rome, Milan, Padua and Verona.

He mainly provides advice on the corporate and tax aspects of restructuring and merger and acquisition operations made by national and international corporate groups, having specific expertise with corporate valuations in both the industrial and the financial sectors.

He was Standing Auditor of Acea S.p.A., Telecom Italia Media S.p.A., F2i SGR S.p.A., STA S.p.A. (Mobility Agency of the Municipality of Rome), Società Italiana Cauzioni S.p.A., Ergo Assicurazioni S.p.A. and Ergo Previdenza S.p.A. (Munich RE Group), and Chairman of the Board of Statutory Auditors of Ama S.p.A.; Statutory Auditor of Tim Real Estate S.r.l. (Telecom Italia Group); Deputy Commissioner of the Italian Equestrian Sports Federation; Member of the Board of Directors of Assicurazioni di Roma Mutua Assicurazione of the Municipality of Rome; Member of the Board of Directors and member of the Control and Risk Committee of Rai Way S.p.A. (a company listed on the Italian Stock Exchange) and of Engineering Ingegneria Informatica S.p.A.; member of the Board of Auditors, representing the Ministry for Policies on Youth and Sports, of the public body Sportass Pension Fund for Sports Insurance and member of the Supervisory Committee of Faro Assicurazioni e Riassicurazioni S.p.A. in compulsory liquidation.

He is currently Chairman of the Board of Statutory Auditors of Banca Finnat S.p.A. (a company listed on the Italian Stock Exchange - Star segment), Vianini S.p.A. (a company listed on the Italian Stock Exchange), Compagnia Ferroviaria Italiana S.p.A., Consorzio per i servizi di telefonia mobile S.C.p.A. (a company belonging to the Posteitaliane Group), Olivetti S.p.A., AIM Group International S.p.A. and Engineering D.Hub S.p.A., Standing Auditor of Atlantia S.p.A. (a company listed on the Italian Stock Exchange), Autostrade per l'Italia S.p.A. and sole auditor of Lottomatica Giochi e Partecipazioni S.r.l.. He is also a member of the Board of Directors and of the Management Control Committee of Nexen S.p.A.

He is Chairman of the Board of Auditors of CONI.

He is Chairman of the Supervisory Body of Banca Finnat S.p.A., EF Solare Italia S.p.A., Olivetti S.p.A., Persidera S.p.A. a s.u., Rai Way S.p.A. and is a member of Acea Produzione S.p.A., Acea AT02 S.p.A. as well as the "A. Gemelli" Polyclinic Foundation.

He is a member of the Management and Regulatory Commission of the Credit and Financial Institutions of the Rome Chamber of Certified Public Accountants and Accounting Experts.



**Year of birth:** 1955  
**Place of birth:** Milan  
**Role:** Alternate Auditor since June 2020

She has been an Alternate Auditor of FINCANTIERI S.p.A. since 9 June 2020.

Born in Milan in 1955, she graduated in Business Economics in 1980 and is a chartered accountant.

Since 1982, she has been the owner of Studio Scuteri, based in Milan, which specialises in corporate, tax and accounting consultancy for resident and European tax litigants.

In the course of her professional activity, she has been mainly involved in the preparation of ordinary and consolidated financial statements - with particular attention to highlighting the issues related to the application of correct financial statement disclosures and the accounting of corporate and group events - as well as in carrying out activities related to tax litigation. She has also managed the preparation of interventions of economic and financial restructuring of companies and improvement of business activities, and has served as liquidator in bankruptcy proceedings, also participating in the preparation of the phase of admission to the procedures themselves.

She provides tax and accounting consultancy and auditing services.

Since 2019, she has been a Standing Auditor of Società per Azioni Esercizi Aeroportuali S.E.A, member of the Board of Auditors of the Pinacoteca di Brera, as well as Chairman of the Board of Statutory Auditors of AMSC S.p.A. Since 2018, she has been an Alternate Auditor of Cremonesi Workshop S.r.l.

Since 2020, she has been Chairman of the Board of Statutory Auditors of POSTE ASSICURA SPA.

She has also been serving as Sole Director of Montanino S.r.l. since 1992 and of Gaia S.r.l. since 2006. She is an Alternate Auditor of Aemme linea ambiente S.r.l.

She was Chairman of the Board of Statutory Auditors of Portoverde S.r.l., as well as standing auditor of Elvetia Engineering S.r.l., Atir Immobiliare S.p.A., Nicolao della Flue S.r.l. and F2i Reti Logiche S.r.l.

She was an alternate auditor of Connect Information Technology S.p.A., SEA S.p.A., Bloom S.p.A., Leoni Felisi S.r.l. and Global Impact Italia S.p.A.

Table 1

## Structure of the Board of Directors and Committees in 2020

OFFICE	MEMBERS	YEAR OF BIRTH	DATE OF FIRST APPOINTMENT	IN OFFICE SINCE	IN OFFICE UNTIL	LIST	EXEC.	NON-EXEC.	INDEP. CODE	INDEP. TUF	No. OF OTHER OFFICES*	BOARD OF DIRECTORS					COMMITTEES						
												BOD	CRC	RC	NC	SC	BOD	CRC	RC	NC	SC		
BoD Chairman	Giampiero Massolo	1954	19/05/2016	05/04/2019	Meeting to approve financial statements 2021	Fintecna S.p.A.	✓	-	-	-	-	100	-	-	-	-	-	-	-	-	-	-	-
CEO	Giuseppe Bono	1944	29/04/2002	05/04/2019	Meeting to approve financial statements 2021	Fintecna S.p.A.	✓	-	-	-	-	100	-	-	-	-	-	-	-	-	-	-	-
Director	Barbara Alemanni	1964	05/04/2019	05/04/2019	Meeting to approve financial statements 2021	Fintecna S.p.A.	-	✓	✓	✓	3	100	100	X	100	X	-	-	-	-	-	-	-
Director	Massimiliano Cesare	1967	03/07/2014	05/04/2019	Meeting to approve financial statements 2021	Fintecna S.p.A.	-	✓	✓	✓	2	76.9	100	C	-	-	66.7	X	-	-	-	-	-
Director	Luca Errico	1966	05/04/2019	05/04/2019	Meeting to approve financial statements 2021	Institutional Investors	-	✓	✓	✓	-	100	-	-	-	-	66.7	X	83.3	X	-	-	
Director	Paola Muratorio <sup>1</sup>	1949	19/05/2016	05/04/2019	Meeting to approve financial statements 2021	INARCASSA	-	✓	✓	✓	-	100	-	X <sup>1</sup>	100	C	-	-	100	X	-	-	
Director	Elisabetta Oliveri	1963	05/04/2019	05/04/2019	Meeting to approve financial statements 2021	Institutional Investors	-	✓	✓	✓	2	92.3	-	-	87.5	X	-	-	100	C	-	-	
Director	Fabrizio Palermo	1971	19/05/2016	05/04/2019	Meeting to approve financial statements 2021	Fintecna S.p.A.	-	✓	-	-	2	30.8	-	-	12.5	X	66.7	X	-	-	-	-	
Director	Federica Santini	1983	05/04/2019	05/04/2019	Meeting to approve financial statements 2021	Fintecna S.p.A.	-	✓	-	-	-	92.3	81.8	X	-	-	-	-	66.7	X	-	-	
Director	Federica Seganti	1966	05/04/2019	05/04/2019	Meeting to approve financial statements 2021	Fintecna S.p.A.	-	✓	✓	✓	4	100	90.9	X	-	-	100	C	-	-	-	-	
												<b>BOD</b>	<b>CRC</b>	<b>RC</b>	<b>NC</b>	<b>SC</b>							
<b>No. of meetings held in 2020</b>												13	11	8	3	6							
<b>Average duration of meetings</b>												127 min.	90 min.	76 min.	63 min.	108 min.							
<b>Quorum required for the submission of slates by minorities to elect Directors (under Article 147-ter of the Italian Consolidated Law on Finance (TUF)): 1%</b>																							

CRC: Control and Risk Committee.  
 RC: Remuneration Committee.  
 NC: Nomination Committee.  
 SC: Sustainability Committee.  
 (C): Chairman of the Committee.  
 (✓): Requirement possession.  
 (X): Member of the Committee.  
 (-): Not applicable.

<sup>1</sup> Member of the CRC in place of the non-independent Director when the Committee, convened in its capacity as RPT Committee, examines transactions with related parties of greater significance.

\* This column indicates the number of offices held by the relevant party as director or auditor in other companies listed on regulated markets (including foreign markets), in financial companies, banks, insurance companies or companies of significant size, as at 31 December 2020.

\*\* This column indicates Directors' participation rate (as a percentage) at meetings of the Board of Directors and of the Advisory Committees during 2020.

\*\*\* This column indicates the Director's role inside each Committee: "C" for Chairman; "X" for member.

Table 2

### Structure of the board of Statutory Auditors in 2020

BOARD OF STATUTORY AUDITORS IN OFFICE FROM 9 JUNE 2020											
OFFICE	MEMBERS	YEAR OF BIRTH	DATE OF FIRST APPOINTMENT	IN OFFICE SINCE	IN OFFICE UNTIL	LIST	INDEP.	% PARTICIPATION IN MEETINGS OF THE BOARD OF STATUTORY AUDITORS*	% PARTICIPATION IN MEETINGS OF THE BOARD OF DIRECTORS**	No. OF OTHER ASSIGNMENTS IN LISTED COS.	No. OF OTHER OFFICES***
Chairman	Gianluca Ferrero	1963	28/05/2014	09/06/2020	Meeting to approve financial statements 2022	INARCASSA	✓	100	100	1	14
Standing Auditor	Pasquale De Falco	1964	09/06/2020	09/06/2020	Meeting to approve financial statements 2022	CDP Industria S.p.A.	✓	100	100	-	1
Standing Auditor	Rossella Tosini	1959	09/06/2020	09/06/2020	Meeting to approve financial statements 2022	CDP Industria S.p.A.	✓	100	100	-	2
Alternate Auditor	Alberto De Nigro	1958	19/05/2017	09/06/2020	Meeting to approve financial statements 2022	INARCASSA	✓	-	-	3	11
Alternate Auditor	Aldo Anellucci	1967	09/06/2020	09/06/2020	Meeting to approve financial statements 2022	CDP Industria S.p.A.	✓	-	-	-	5
Alternate Auditor	Valeria Maria Scuteri	1955	09/06/2020	09/06/2020	Meeting to approve financial statements 2022	CDP Industria S.p.A.	✓	-	-	-	5

No. of meetings held in 2020: 5 (as of the Shareholders' Meeting on 9 June 2020).

Average duration of meetings held in 2020: 93 min. (as of the Shareholders' Meeting of 9 June 2020).

Quorum required for the submission of states by minorities to elect Auditors (under Article 148 of the Italian Consolidated Law on Finance (TUF)): 1%.

BOARD OF STATUTORY AUDITORS IN OFFICE UNTIL 9 JUNE 2020											
OFFICE	MEMBERS	YEAR OF BIRTH	DATE OF FIRST APPOINTMENT	IN OFFICE SINCE	IN OFFICE UNTIL	LIST	INDEP.	% PARTICIPATION IN MEETINGS OF THE BOARD OF STATUTORY AUDITORS*	% PARTICIPATION IN MEETINGS OF THE BOARD OF DIRECTORS**	No. OF OTHER ASSIGNMENTS IN LISTED COS.	No. OF OTHER OFFICES***
Chairman	Gianluca Ferrero	1963	28/05/2014	19/05/2017	Meeting to approve financial statements 2019	INARCASSA	✓	100	100	1	14
Standing Auditor	Roberto Spada	1963	19/05/2017	19/05/2017	Meeting to approve financial statements 2019	Fintecna S.p.A.	✓	100	100	2	100
Standing Auditor	Fioranna Vittoria Negri	1958	28/05/2014	19/05/2017	Meeting to approve financial statements 2019	Fintecna S.p.A.	✓	100	100	-	17
Alternate Auditor	Alberto De Nigro	1958	19/05/2017	19/05/2017	Meeting to approve financial statements 2019	INARCASSA	✓	-	-	3	11
Alternate Auditor	Massimiliano Carlo Nova	1967	19/05/2017	19/05/2017	Meeting to approve financial statements 2019	Fintecna S.p.A.	✓	-	-	-	7
Alternate Auditor	Flavia Daunia Minutillo	1971	28/05/2014	19/05/2017	Meeting to approve financial statements 2019	Fintecna S.p.A.	✓	-	-	3	21

No. of meetings held in 2020: (until the Shareholders' Meeting of 9 June 2020).

Average duration of meetings held in 2020: 217 min. (until the Shareholders' Meeting of 9 June 2020).

Quorum required for the submission of states by minorities to elect Auditors (under Article 148 of the Italian Consolidated Law on Finance (TUF)): 1%.

\* This column specifies the Auditors' participation rate (as a percentage) at meetings of the Board of Statutory Auditors during 2020.

\*\* This column specifies the Auditors' participation rate (as a percentage) at meetings of the Board of Directors during 2020.

\*\*\* This column indicates the number of other offices relevant for the purposes of Article 148-bis of the Italian Consolidated Law on Finance (TUF), including those in listed companies, as at 31 December 2020. CONSOB publishes the full list of offices on its website under Article 144-quinquiesdecies of the Issuers' Regulation.



# FINCANTIERI

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**EY YELLO**







**FINCANTIERI**