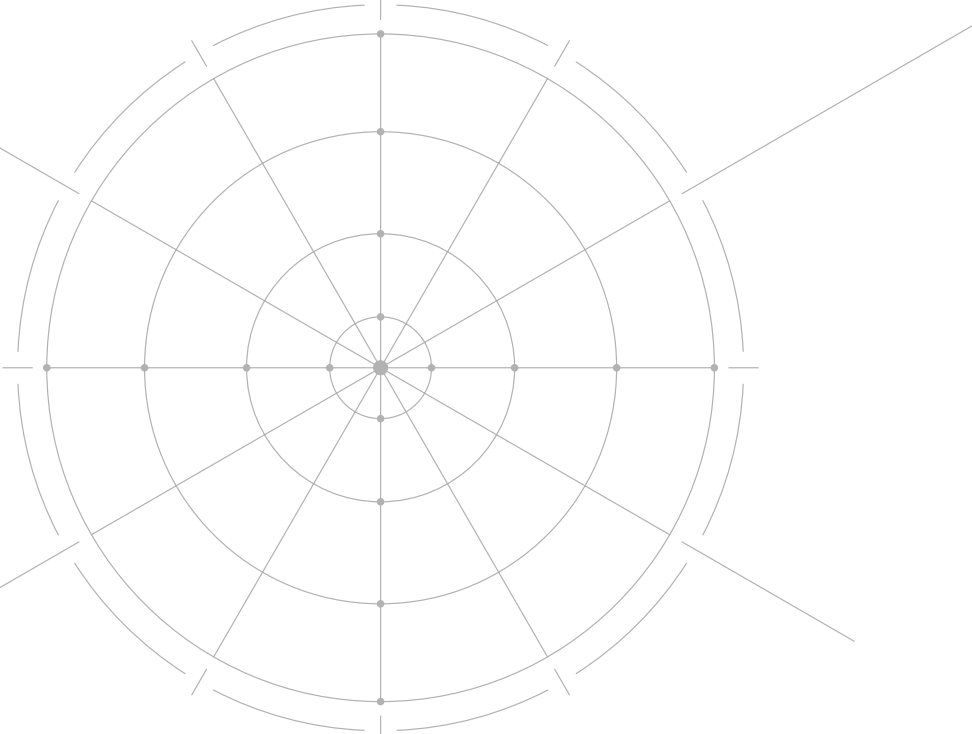


## **REPORT ON THE POLICY REGARDING REMUNERATION AND FEES PAID**

according to Article 123-*ter* of Legislative Decree no. 58 of February 1998 (Italian Consolidated Financial Law - TUF) and pursuant to Article 84-*quater* of CONSOB Resolution no. 111971 of 14 May 1999 ("Issuers' Regulation") Approved by the Board of Directors on 23 March 2022

# REPORT ON THE POLICY REGARDING REMUNERATION AND FEES PAID

according to Article 123-*ter* of Legislative Decree no. 58 of February 1998 (Italian Consolidated Financial Law - TUF) and pursuant to Article 84-*quater* of CONSOB Resolution no. 111971 of 14 May 1999 ("Issuers' Regulation") Approved by the Board of Directors on 23 March 2022



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Glossary

Directors

Members of the Board of Directors

Executive Directors

Directors who have been assigned special duties by the Board of Directors, specifically the Chairman and the Chief Executive Officer

Claw-back clauses

Contractual agreements that allow the Company to demand the restitution, in whole or in part, of the variable components (sums or shares) of remuneration paid (or to withhold the variable components subject to deferment), determined on the basis of data that later turned out to be manifestly incorrect or false, or in cases of fraud or in relation to fraudulent or negligent conduct in breach of rules, including those of a regulatory nature, and company regulations, provided that the verification of the above cases takes place on the basis of data proven by the competent company functions, within three years from the date of attribution, or by the courts, within the limitation period of the various cases. Similarly, in compliance with the Group’s ethical principles, the return of the incentive paid will be required in the event that the targets associated with the incentives are acquired through conduct in breach of the regulations on corruption and corporate criminal offences that entail the administrative liability of the Company, under Articles 25 and 25-ter of Legislative Decree no. 231/01, subject to the time limits defined above

Corporate Governance Code or Code

The Corporate Governance Code for listed companies promoted by the Corporate Governance Committee set up by Borsa Italiana S.p.A., ABI, Ania, Assonime, Confindustria and Assogestioni

Remuneration Committee or Committee

The Remuneration Committee established by the Board of Directors of Fincantieri, under the Corporate Governance Code

Board of Directors or Board

The Board of Directors of Fincantieri

General Manager

The General Manager of Fincantieri

Key Executives

The following executives of Fincantieri, who hold organisational positions having a significant impact on the achievement of corporate targets:

- Head of Merchant Vessels
- Head of Military Vessels
- Head of Offshore and Special Vessels Division
- Head of Electronics, Systems & Software
- Chief Financial Officer
- Head of Corporate Business Development
- Head of Operations and Strategic Planning
- Head of Accommodation
- Head of Infrastructure
- Head of Social Infrastructure

- Head of Human Resources and Industrial Relations
- General Counsel
- Chief Information Officer
- Head of Procurement
- Head of Military Vessels Operations
- Head of Military Vessels Business
- Head of Merchant Vessels Operations
- Head of Monfalcone Plant
- Head of Marghera Plant
- Head of the Integrated Military Yard Plant

Where applicable, Key Executives may be included in the definition of Top Management (see definition of Top Management)

Executives with Strategic Responsibilities

“Those persons who have the power and responsibility, directly or indirectly, to plan, direct and control the affairs of the company, including Directors (whether executive or otherwise) of the company”

The following Key Executives have also been identified as Executives with Strategic Responsibilities, under Annex 1 of Consob Regulation no. 17221 of 12 March 2010:

- Head of Merchant Vessels
- Head of Military Vessels
- Head of Offshore and Special Vessels Division
- Head of Electronics, Systems & Software
- Chief Financial Officer
- Head of Corporate Business Development
- Head of Operations and Strategic Planning

Executives with Strategic Responsibilities are included in the definition of Top Management (see definition of Top Management)

EBITDA

Earnings before interest expense, taxes, depreciation and amortisation of tangible and intangible assets

EBITDA Margin

The ratio of EBITDA to revenues in the reference period

Adjusted FTSE Italia All Share

The FTSE Italia All Share index, the value of which is published daily by Italian Stock Exchange, has been modified to exclude companies whose main or exclusive business is banking, insurance or asset management

Fincantieri

Fincantieri S.p.A.

Group

Fincantieri and its subsidiaries, under Art. 93 of the TUF

Sustainability index

The tool used to measure the achievement of sustainability targets that the company has set itself, in combination with and/or in addition to those of economic and financial performance, in order to align with the growing expectations of the financial community for sustainable development

**MBO**

Management by Objectives, i.e. the short-term variable component of remuneration consisting of an annual cash bonus to be paid on the basis of the achievement of pre-established annual targets

**Target objective**

Standard level of achievement of the target entitling to 100% of the incentive (except for other multiplier or discretionary parameters)

**International Peer Group**

Panel of companies listed on international markets and indicated as reference parameter in the Information Document relating to the LTI Plans

**Performance Share Plan 2016-2018 or LTI Plan 2016-2018 or Plan 2016-2018**

Medium/long-term variable incentive instrument providing for the free assignment to beneficiaries of rights to receive a predetermined quota of Fincantieri ordinary shares without nominal value, depending on the achievement of specific performance targets, approved by the Shareholders' Meeting of 19 May 2017

**Performance Share Plan 2019-2021 or LTI Plan 2019-2021 or Plan 2019-2021**

Medium/long-term variable incentive instrument providing for the free assignment to beneficiaries of rights to receive a predetermined quota of Fincantieri ordinary shares without nominal value, depending on the achievement of specific performance targets, approved by the Shareholders' Meeting of 11 May 2018

**Performance Share Plan 2022-2024 or LTI Plan 2022-2024 or Plan 2022-2024**

Medium/long-term variable incentive instrument providing for the free assignment to beneficiaries of rights to receive a predetermined quota of Fincantieri ordinary shares without nominal value, depending on the achievement of specific performance targets, approved by the Shareholders' Meeting of 8 April 2021

**LTI Plans or Plans**

Will mean collectively, the 2016-2018 Performance Share Plan, the 2019-2021 Performance Share Plan and the 2022-2024 Performance Share Plan

**Remuneration Policy or Policy**

The Remuneration Policy approved by the Board of Directors and described in the first Section of this Report

**Committee Regulations**

The Regulations of the Remuneration Committee

**Issuers' Regulations**

The Regulations issued by Consob with resolution no. 11971 of 14 May 1999 on Issuers, as subsequently amended and supplemented

**Report on the policy regarding remuneration and fees paid or Report**

This Report on the policy regarding remuneration and fees paid, drawn up in accordance with Art. 123-ter of the TUF

**Company**

Fincantieri S.p.A.

**Top Management**

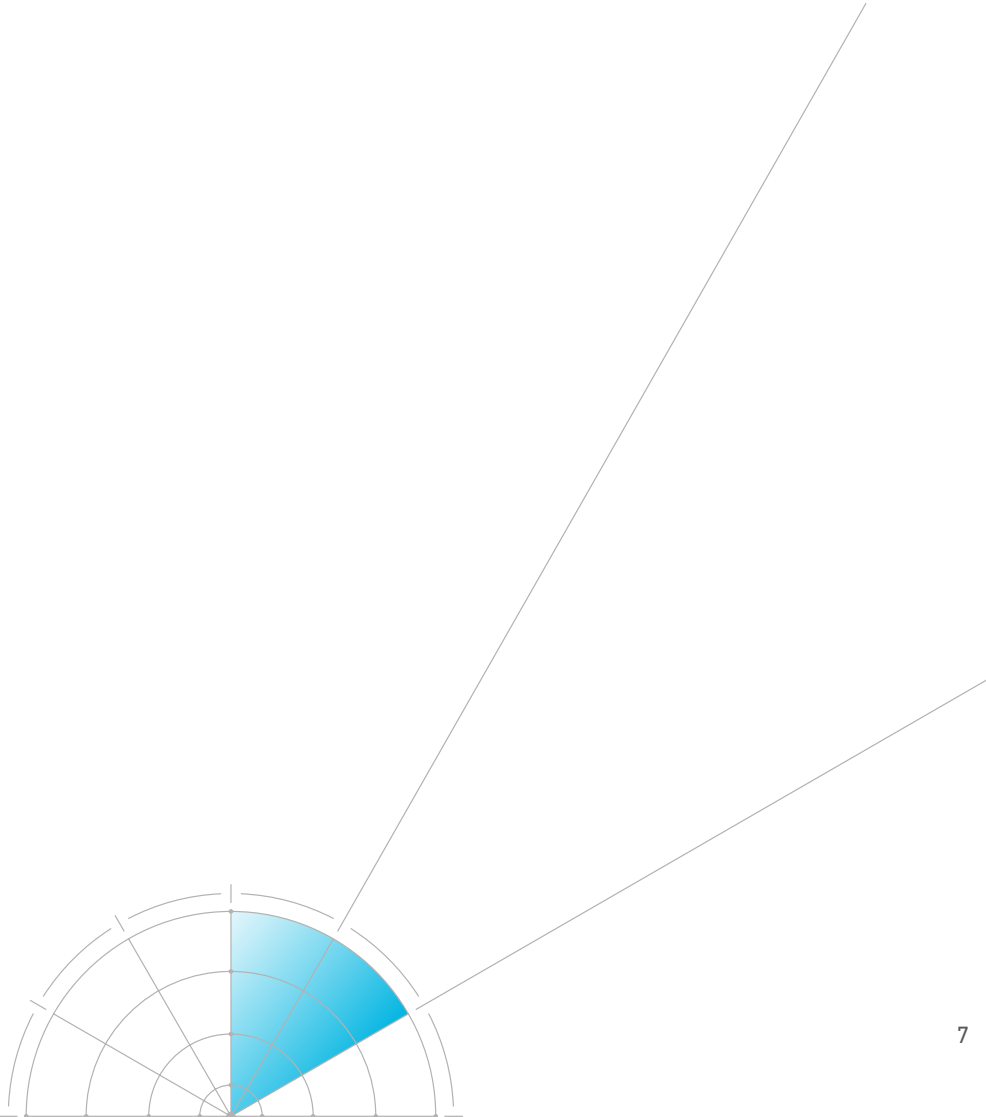
As provided for by the "Procedure for the preparation of the Remuneration Policy and for the assessment of the consistency of the remuneration paid", this category includes Executives with Strategic Responsibilities; in addition, Key Executives and the key resources may also fall within this perimeter

**TSR**

The return for an investor calculated by taking into account both the changes in the share price over a given period and the dividends distributed over the same period, assuming that these dividends are reinvested at the time of detachment in the Company's own shares

**TUF**

Legislative Decree no. 58 of 24 February 1998 (and subsequent amendments and additions), containing the "Consolidated Law on Financial Intermediation"



Letter from the Chairman of the Board of Directors  
and from the Chairman of the Shareholders’  
Remuneration Committee

Dear Shareholders,

The Remuneration Policy report that we present to you illustrates the Remuneration Policy of Fincantieri for the financial year 2022 as well as the remuneration paid to Directors, members of the Board of Statutory Auditors, General Manager, Executives with Strategic Responsibilities and other Key Executives of the Company in the financial year 2021.

The above document, defined in accordance with the governance model adopted by the Company and the recommendations of the Corporate Governance Code, was approved by the Board of Directors on data 23 March 2022 on the proposal of the Remuneration Committee examined on 8 March 2022.

The Remuneration Policy of Fincantieri aims to attract, motivate and retain the most suitable resources to successfully manage the Company, in order to support retention, provide incentives to achieve the strategic goals creating in a medium/long term sustainable value. This process would imply a benefit for the shareholders, taking into account the interests of the other stakeholders considerable for the Company.

In this respect, during the three financial years of office, the Remuneration Committee, with the competent support of the Company's Human Resources and Industrial Relations Department, has consistently promoted and developed a Remuneration Policy for the Company aimed at:

- 1. increasingly promoting the variable component of management remuneration over the fixed component and, in particular, the medium/long-term component over the short-term one;
- 2. monitoring the remuneration position of the Company's management with respect to the market trend, with the aim of avoiding misalignments, both in magnitude and in quality, which may impair the incentive and retention effect of the remuneration systems adopted;
- 3. promoting and supporting the link between remuneration, risk and sustainability of performance, in line with the growing expectations of shareholders and investors, increasingly strengthening the trust, reputation and appreciation of stakeholders.

With reference to the first point, the Company, in implementation of its own Policy, starting from 2019 has pursued the target of increasingly favouring the variable component of management remuneration over the fixed component through a progressive evolution of the pay mix which has led, compared to the 2019 financial year, to a marked increase in the average weight of the long-term variable component, from 30.7% to 36.3% of the 2022 pay mix, against a reduction in the weight of the fixed component, whose average percentage weight over the same period has gone from 46.8% to 42.5%.

In this respect, it should be noted that in the financial year 2021, on the proposal of the Remuneration Committee, after consulting the Board of Statutory Auditors, the Board of Directors:

- on 10 June 2021 resolved to activate the 3rd cycle (2021-2023) of the LTI Plan 2019-2021, determining the number of rights to be assigned to beneficiaries;
- on 10 June 2021, since the performance period of the 3rd cycle (2018-2020) of the LTI Plan 2016-2018 ended on 31 December 2020, summarised the percentage of achievement of the targets and determined the number of shares to be awarded to each beneficiary. In accordance with the provisions of the Plan Regulations, the shares were allocated to each beneficiary on 2 July 2021;

- on 25 February 2021 resolved to submit to the Shareholders' Meeting the LTI Plan for the three-year period 2022-2024, which the Shareholders' Meeting approved on 8 April 2021.

With reference to the second point concerning remuneration positioning, in consideration of the evidence emerging from the update of the assessment relating to the weighting of managerial positions and the relevant benchmark with the reference market, carried out in 2020 with the support of the consulting firm Mercer, Fincantieri continued the process of monitoring remuneration levels, in order to maintain a correct positioning with respect to the market.

Moreover, during the financial year 2021, the Company carried out an analysis with the support of the consulting firm EY aimed to assess the gender pay gap, with the objective of highlighting any critical issues in Fincantieri with regard to salary differences between women and men, taking into account the entire corporate population. In spite of the large numerical disparity between the two genders, the results illustrate statistically insignificant salary differences between men and women, which are again, particularly highlighted in the younger age groups, where there are more women, partly as a result of the careful gender balance policies adopted by the Company. With regard to the third point, also in consideration of the growing expectations of the financial community on sustainability and transparency, the Company, during 2021, carried out a project, with the support of the consultancy firm Mercer, aimed at identifying the most correct reporting mechanisms and related KPIs of the "Environmental, Social and Governance" targets applied to the LTI Plans. In consideration of the analysis, it was decided to propose the adoption of a sustainability index, linked, as a condition of access, to the maintenance of certain ratings by agencies specialised in the sector, in conjunction with the percentage achievement of all the targets set out in the Sustainability Plan that the Company has set for the reference period.

Dear Shareholders, in light of the above, the Remuneration Policy that we submit for your approval confirms, as hallmark features, the pursuit of a balanced pay-mix of the managers' remuneration package, linking the variable component to clear, predetermined and measurable performance objectives, also with a view to sustainability, the ongoing monitoring to ensure that the choices and tools adopted regarding remuneration are adequate and in line with the best market practices. For these reasons, we believe that the Remuneration Policy set out in this Report is consistent with the objectives pursued, i.e. to attract, retain and adequately remunerate the company's key resources, in order to ensure the creation of value for shareholders over the medium to long term. We would like to take this opportunity to thank you in advance for your votes at the next Shareholders' Meeting.

Paola Muratorio  
THE CHAIRMAN  
OF THE REMUNERATION COMMITTEE



Giampiero Massolo  
THE CHAIRMAN  
OF THE BOARD OF DIRECTORS





## Introduction

This Report, drafted in accordance with applicable regulatory provisions and the Corporate Governance Code, taking into account the recent recommendations of the Italian Corporate Governance Committee on remuneration<sup>1</sup>, was approved by the Board of Directors on 23 March 2022 on the proposal of the Remuneration Committee. In compliance with the provisions of Art. 123-ter of the Consolidated Law on Finance, the Report is divided into two sections:

- the **first section** illustrates the Policy adopted by Fincantieri regarding the remuneration of the members of the Board of Directors, the members of the Board of Statutory Auditors, the General Manager, the Executives with Strategic Responsibilities and the other Key Executives, with reference to the financial year 2022 and until the approval of a new Remuneration Policy, and the procedures used for the adoption and implementation of that Policy; in accordance with the provisions of Article 123-ter of the Consolidated Law on Finance (TUF), this section is subject to the binding vote of the Shareholders' Meeting called to approve the annual accounts as at 31 December 2021;
- the **second section** provides detailed information on the remuneration paid to the above-mentioned persons and to the members of the Board of Statutory Auditors in the financial year 2021; in accordance with the provisions of Article 123-ter of the Consolidated Law on Finance (TUF), this section is subject to the advisory vote of the Shareholders' Meeting convened to approve the annual accounts as at 31 December 2021.

This Report is available to the public at Fincantieri's registered office (Via Genova, 1 - Trieste), on the Company's website ([www.fincantieri.com](http://www.fincantieri.com)) and on the authorised storage mechanism called eMarket STORAGE ([www.emarketstorage.com](http://www.emarketstorage.com)).

## Section I

### 1. Remuneration Policy for members of the Board of Directors, members of the Board of Statutory Auditors, the General Manager and Executives with Strategic Responsibilities

#### 1.1 Procedures for the adoption and implementation of the Remuneration Policy

##### 1.1.1 Bodies and subjects involved in the preparation, approval and implementation of the Policy

The Remuneration Policy of Fincantieri is approved annually by the Board of Directors of the Company on the proposal of the Remuneration Committee, in accordance with the specific internal procedure that provides for (i) an initial phase in which the competent Company's Departments submit a first draft of said Policy to the Remuneration Committee; (ii) subsequent review of the document by the Committee, with the support of the competent Company's Departments and, if necessary, of independent external consultants; (iii) approval of the Policy by the Board of Directors and (iv) the vote by the Shareholders' Meeting.

This Policy, in the firm conviction of its role as an essential lever to ensure the implementation of the corporate strategy, is aimed at: (i) attracting, motivating and retaining the most suitable resources to successfully manage the company; (ii) encouraging the achievement of strategic targets; (iii) aligning the interests of Top Management with the priority objective of creating sustainable value for shareholders in the medium/long term, focusing

attention and commitment on strategic and specific targets such as those related to sustainability and (iv) promoting the company's mission and values.

The same aims of the Policy, with particular reference to motivating persons, adherence to the Company's mission and values, the pursuit of targets and the creation of value in a sustainable manner, were also pursued by the Company with regard to the bulk of employees, taking due account of the particular working conditions that characterised the year 2021, due to the continuation of the COVID-19 pandemic.

During the year, the Company, in line with what has been done in the year 2020, implemented a series of articulated actions aimed at making its people safe and minimising the impact of the health emergency as much as possible, including specific income support initiatives for its employees, such as, for example, the extension of the insurance coverage taken out for its resources, specifically designed for the COVID-19 health emergency, the extension of the terms for the use of welfare benefits provided for by current national and company agreements, the widespread application of smart working, and the company's decision to implement the recruitment plan necessary for the development of production plans, and to implement a targeted meritocratic policy for the most deserving people.

The corporate body responsible for the proper implementation of the Remuneration Policy is the Board of Directors, which is supported by the Remuneration Committee, which has propositional and advisory functions in this regard and periodically evaluates the adequacy, overall consistency and concrete application of the Remuneration Policy of the relevant people in accordance with the recommendations of the Corporate Governance Code and the provisions of the Remuneration Committee Regulations.

In order to ensure that the remuneration paid is consistent with the principles and criteria set out in the Policy, in light of the results achieved and other circumstances relevant to its implementation, the Board, with the support of the Remuneration Committee, shall carry out a review of the status of implementation of the Policy, on an annual basis or at a different frequency as may be determined by the Board.

For this purpose:

- the concrete application of the approved Policy to executive Directors and other Directors who hold special offices is assessed, verifying whether the tools used and the remuneration positioning achieved are in line with it and with the Company's strategic targets;
- the actual achievement of the performance targets, to which the variable component of the remuneration of executive Directors and other Directors who hold special offices is linked, whether in the short or medium/long term, is verified, also on the basis of the documentation available or requested and filed in the Company's records;
- the concrete application of the Remuneration Policy is monitored and the achievement of the performance targets of Executives with Strategic Responsibilities is verified at an aggregate level;
- the adequacy and overall consistency of the Remuneration Policy of Directors and Top Management is periodically assessed.

At the end of its assessments, the Remuneration Committee consolidates the results in a document that it sends to the Board, which approves the results relating to the actual achievement of the performance targets by the executive Directors and the other Directors who hold special offices and, if it deems it necessary, any proposal made by the same Committee.

The management of the Remuneration Policy for the General Manager, Executives with Strategic Responsibilities and other Key Executives is delegated to the Chief Executive Officer, with the support of the Company's Human Resources and Industrial Relations Department. The verification of the level of achievement of quantitative and qualitative performance targets and the consequent determination of the sums of money due to those concerned is carried out after the approval of the annual accounts, subject to verification by the Chief Executive Officer.

<sup>1</sup> Letter from the President of the Italian Corporate Governance Committee to the Chairmen of the administrative bodies of Italian listed companies dated 3 December 2021.

## 1.2 Remuneration committee: composition, operating procedures, tasks and activities performed

The composition, duties and operating procedures of the Remuneration Committee are governed by specific Regulations approved by the Board of Directors.

As required by the Regulation, as at 31 December 2021 and as at the date of this Report, the Remuneration Committee comprises four non-executive Directors, the majority of whom are independent, namely the Directors Paola Muratorio (independent) who serves as Chairman, Barbara Alemanni (independent), Elisabetta Oliveri (independent) and Fabrizio Palermo, all appointed by the Board of Directors on 18 April 2019. All members have appropriate knowledge and experience in financial or remuneration policy matters.

Under the Regulations, the Remuneration Committee meets periodically at a frequency appropriate to the proper performance of its functions. Meetings are convened by the Chairman of the Committee or, when requested, by at least two of its members, for the discussion of specific topics they deem particularly important.

The Committee is validly convened in the presence of the majority of the members in office and decides by an absolute majority of those present. In the event of a tie, the vote of the Chairman of the Committee will take precedence.

The Chairman of the Committee may invite to individual meetings the Chairman of the Board, the Chief Executive Officer, the other Directors and, by notifying the Chief Executive Officer, the representatives of the relevant company departments and the Secretary of the Board, if the latter does not act as Secretary of the Committee; the members of the Board of Statutory Auditors may also attend the meetings. With reference to the representatives of the competent corporate functions, the head of the Department of Human Resources and Industrial Relations usually attends the meetings. No director attends Committee meetings at which proposals are made to the Board of Directors regarding his own remuneration.

The Remuneration Committee, as envisaged by the Corporate Governance Code, contributes with the other Internal Committees to support the Board in the objective of creating value in the long term for the benefit of shareholders, taking into account the interests of other stakeholders relevant to the Company.

The Committee performs investigative, propositional and advisory activities whenever the Board has to make assessments or decisions on the remuneration of Directors, of members of the supervisory body or on the remuneration policy for Executives with Strategic Responsibilities ("Top Management").

More specifically, in accordance with the Corporate Governance Code and its Regulations, the Committee:

- assists the Board in the development of the Policy, performing the duties assigned to it by the Code and by the "Procedure for the preparation of the Remuneration Policy and the assessment of the consistency of the remuneration paid";
- presents proposals or expresses opinions to the Board on the remuneration of executive Directors and other Directors who hold special offices, and on the setting of performance targets for the variable component of this remuneration;
- supports the Board in verifying the consistency of the remuneration paid with the principles and criteria defined by the Policy, performing the tasks provided by the Procedure for such purpose;
- monitors on annual basis, or on a different basis established by the Board, the effective application of the approved Policy, verifying, in particular, the effective achievement of the performance targets relating to the variable component of the remuneration of executive Directors or other Directors with specific duties;
- periodically assesses the adequacy and overall consistency of the Remuneration Policy for Directors and Top Management;
- assesses the outcome of the vote of the Shareholders' Meeting on the Remuneration Policy.

In the exercise of these functions and within the scope of its responsibilities, the Committee prepares and submits to the Board of Directors proposals relating to medium/long-term incentive systems for Top Management, including share-based remuneration plans, and monitors their application.

The Committee is also assigned the functions of Committee responsible for Related Party Transactions in the case of resolutions on remuneration.

The Committee: (i) has the right to access, through the Committee Secretariat, the information and the Company Functions necessary for the performance of its duties; (ii) in order to perform its duties, may avail itself of external consultants through the Company structures, provided that they are adequately bound to confidentiality and (iii) if it deems it necessary, prepares an annual budget for the activities within its competence to be proposed to the Board of Directors.

During 2021, the Remuneration Committee held 6 meetings, in the scope of which it:

- i. drafted the contents of the Remuneration Policy, submitted to the approval of the Board of Directors and to the binding vote of the Shareholders' Meeting convened to approve the annual accounts for the financial year 2020 and expressed its opinion on the second section of the Report on remuneration paid;
- ii. analysed the outcome of the vote of the Shareholders' Meeting on the Remuneration Policy and the remuneration paid;
- iii. with respect to the short-term variable component of the Chairman and Chief Executive Officer's remuneration, reported on the Company's performance and other MBO-related goals for 2020 and established MBO-related performance goals for 2021;
- iv. with reference to the medium/long-term variable component of remuneration:
  - a. LTI Plan 2016-2018: verified and validated the proposal relating to the finalisation of the results of the economic-financial targets and the proposal relating to the number of shares to be assigned to each beneficiary of it, to be submitted for approval to the Board of Directors, in relation to the 3rd cycle (2018-2020) of the above-mentioned Plan;
  - b. LTI Plan 2019-2021: identified the beneficiaries of the 3rd cycle of the Plan and determined the number of rights to be allocated to them in order to submit it to the Board of Directors for approval;
- v. was engaged in the activity of analysis and adaptation of the Corporate Governance Code, with particular reference to the amendments to the Regulations of the Remuneration Committee and the drafting of the Procedure for the preparation of the Remuneration Policy and the assessment of the consistency of the remuneration paid;
- vi. carried out an in-depth analysis and evaluation of the implementation of sustainability targets within the LTI Plans with the support and assistance of the consulting firm Mercer;
- vii. examined and instituted the LTI Plan 2022-2024, the new medium/long term share incentive plan for the three-year period 2022-2024.

Moreover, in the first months of 2022, the Committee assessed the results of the in-depth analysis, carried out in 2021, aimed at identifying the possible presence of the gender pay gap within Fincantieri, performed with the support and assistance of the consulting firm EY.

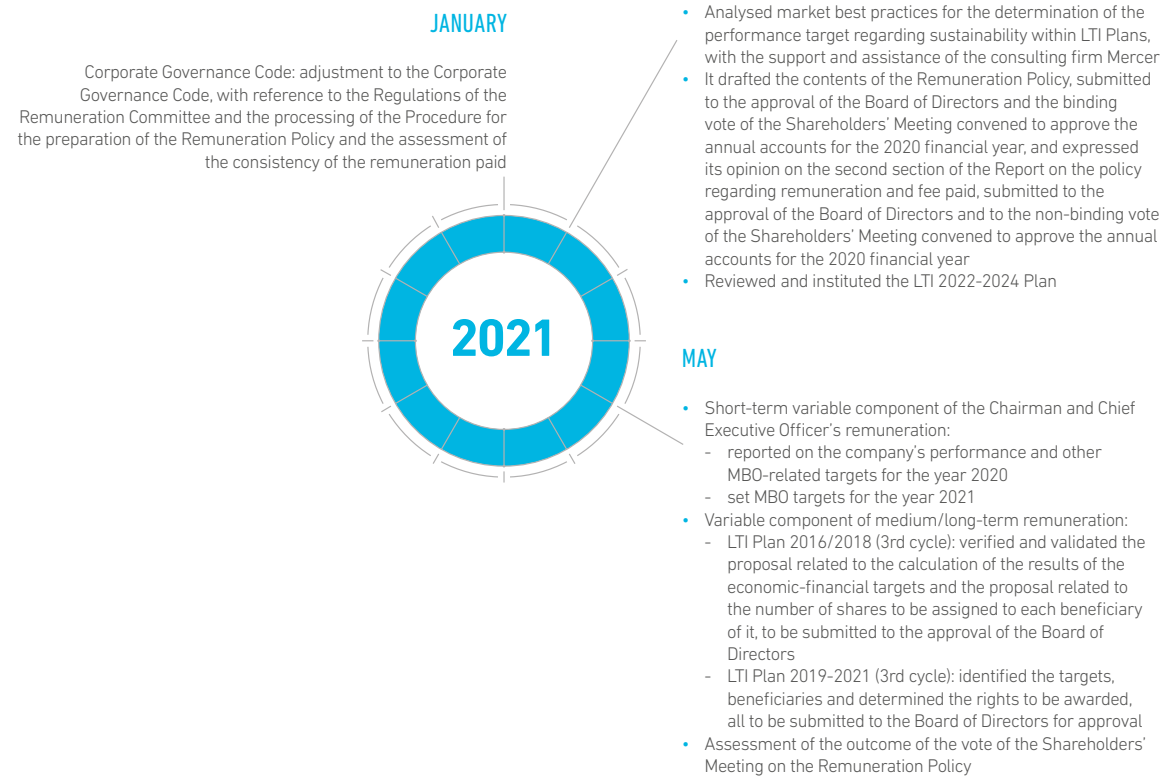
Finally, the Committee has also formulated the proposal of this Remuneration Policy to be submitted to the Board of Directors for approval and a binding vote at the Annual Shareholders' Meeting convened to approve the annual accounts for the financial year 2021 and provided its opinion on the second section of this Report on remuneration paid in financial year 2021.

In exercising its functions, the Committee had the possibility of accessing the information and company departments necessary for the performance of its duties, had financial resources available and the possibility of making use of external consultants, verifying in advance that they were not in situations of conflict that would compromise their independence of judgement, within the terms established by the Board.



The main activities performed in 2021 are outlined below.

### SIGNIFICANT EVENTS OF 2021



### 1.3 Independent experts involved in the preparation of the Remuneration Policy and guidelines for the use, as a reference, of the remuneration policies of other companies

The Company was supported by the consulting firm Mercer in the process of identifying and updating the operating mechanisms of the sustainability targets applied in Fincantieri's LTI Plans.

In addition, the Company, which is strongly committed to diversity and inclusion, used the consultancy firm EY to carry out an in-depth analysis of the gender pay gap in Fincantieri - as better described in paragraph 2.1 - and, on the basis of the results of the analysis, has put in place a series of actions aimed at further improving its remuneration systems with particular reference to parenting.

## 2. Characteristics of the Remuneration Policy

### 2.1 Targets pursued by the Remuneration Policy, principles underlying it and changes with respect to the policy adopted for the financial year 2021

The Company's Remuneration Policy is defined annually consistently with the adopted governance model and the recommendations of the Corporate Governance Code, with the target of (i) contributing to the pursuit of the Company's strategy; (ii) promoting the long-term interests and (iii) supporting the sustainability of the Company. In line with these targets, the Remuneration Policy aims to attract, motivate and retain management with high professional qualities, capable of successfully and profitably managing the Company, and to align the interests of such management with the priority objective of creating value for the Company's shareholders, in the medium/long term, ensuring that remuneration is based on results actually achieved.

The 2022 Remuneration Policy is aligned and in line with the 2021 Policy adopted by the Company, also in consideration of the wide approval of the same by the Shareholders' Meeting of 2021, equal to 98.89%.

The 2022 Remuneration Policy, with the specific aim of pursuing the above-mentioned targets, provides that:

- there is an adequate balance between fixed and variable components and, within the latter, between short-term and medium/long-term variable components;
- the fixed component is sufficient to remunerate the performance of the person concerned in the event that the variable component is not paid due to the failure to achieve the performance targets;
- a significant part of the remuneration of the people concerned derives from three-year incentive plans;
- the remuneration of these Plans is paid subject to the achievement of performance targets, which also have a three-year duration;
- these targets are predetermined, measurable and indicative of the Company's operating efficiency, and its ability to remunerate the capital invested and create value for its shareholders in the medium and long term;
- the Company has the right to request the return, in whole or in part, of the variable components (sums or shares) of the remuneration paid (or to withhold the components subject to deferment) by virtue of the Claw back clauses as defined in the glossary attached to this Report.



The Remuneration Policy as described above is therefore aimed at strengthening sustainable performance and the achievement of the Company's strategic priorities.

In defining the different components of the Policy, the Company refers, where appropriate, to market practices on remuneration policies, so as to ensure an adequate level of competitiveness and attractiveness of its remuneration systems and levels in the employment market.

The remuneration of both executive and non-executive Directors, and of the Statutory Auditors is defined taking into account the remuneration practices most common in the market.

In accordance with the recommendations of the Corporate Governance Code, the remuneration of non-executive Directors is linked to the commitment required of each of them, to their skills and professional expertise, also taking into account their participation in one or more Committees established within the Board of Directors, and does not include any variable component.

Furthermore, for the remuneration of non-executive Directors and of the Statutory Auditors, the Company made reference to the specific study on the remuneration of the Boards of Directors of the companies of the FTSE MIB, prepared by the consultancy firm Mercer.

Compared to the previous year, the LTI Plan 2022-2024, approved by the Shareholders' Meeting on 8 April 2021, will be activated in 2022, in line with the LTI Plan 2016-2018 and the LTI Plan 2019-2021, further confirming Fincantieri's willingness to favour medium/long-term incentive tools for its management.

In addition, as mentioned above, in 2021, the Company, with the support of the consulting firm Mercer, updated the operating mechanisms of the sustainability targets applied to Fincantieri's LTI Plans. Said update has been implemented following an analysis of market benchmarks, which particularly focused on the dissemination, weight, number and methods of calculating sustainability targets in comparison to a panel of Italian and foreign companies identified for this purpose<sup>2</sup>.

After carrying out the necessary in-depth analyses and considering the best market practices analysed, a specific sustainability index was identified, to be applied to the LTI Plans, linked to the achievement of a specific rating by international agencies in the sector, in conjunction with the achievement of the targets set out in the corporate Sustainability Plan, for the reference period.

Finally, it is worth mentioning here that, in accordance with the principle of guaranteeing fair treatment and equal pay between women and men, during the year 2021 the Company carried out an initial survey, in collaboration with the consulting firm EY, aimed at verifying and examining the possible existence of the gender pay gap.

The study sampled the corporate population divided into different clusters, such as: age, category levels and qualification<sup>3</sup>, professional family, geographical location and presence of children.

The results showed, despite the large numerical disparity between the two genders, statistically insignificant salary differences between men and women. This is more evident among younger age groups, where there are more women, partly as a result of the company's careful gender balance policies. In light of the results of the analysis, Fincantieri has decided to implement mitigation actions aimed at positively affecting gender balance and equal pay, with particular reference to parenting, female leadership, and employer branding to attract young female students to STEM disciplines.

## 2.2 Changes made to the Remuneration Policy for the financial year 2022 compared to the financial year 2021

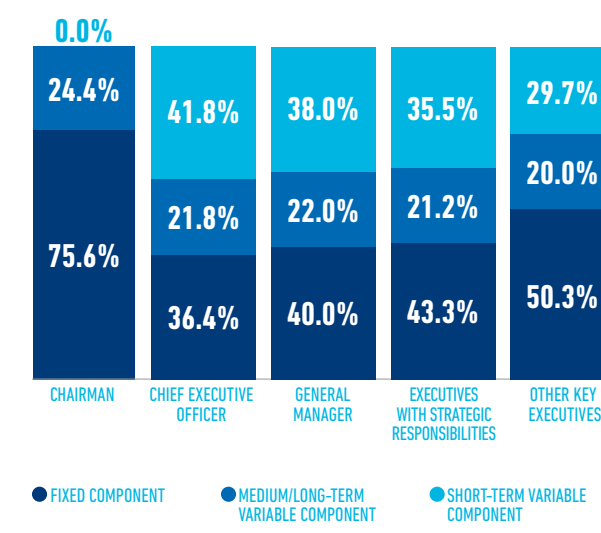
The Remuneration Policy for the year 2022 does not envisage significant changes compared to that of the previous year, with the exception of the introduction of the new medium/long term incentive plan for the three-year period 2022-2024, approved by the Shareholders' Meeting on 8 April 2021.

## 2.3 Remuneration structure: fixed and variable components and performance targets on the basis of which the variable components are assigned and information on the link between the change in performance and the change in remuneration

The remuneration of the Chief Executive Officer, the Chairman, the General Manager, the Executives with Strategic Responsibilities and the other Key Executives is defined in such a way as to align their interests with the pursuit of the priority objective of creating value for shareholders in the medium/long term. In addition, as shown in the following table, the pay-mix shows a balanced distribution between the fixed and variable components of remuneration, favouring, for the latter, the medium/long-term component, whose relative weight increases for positions of greater responsibility, thus resulting consistent with the strategic objectives and the Company's risk management policy, taking into account the sector in which it operates and the characteristics of the business activity actually carried out.

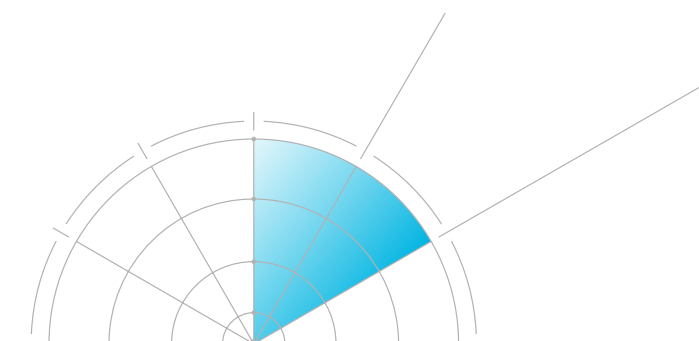
Below is the graphical representation of the pay-mix:

**PAY-MIX LTI PLAN 2019-2021**  
**TABLE 1**



In the graphs above, the values of the variable components have been calculated as follows:

- short-term variable component: the annual values of the incentives obtainable on achievement of the target are indicated;
- medium/long-term variable component: the value of the incentive has been indicated in terms of the number of shares obtainable in the event of achievement of all on-target objectives in the third three-year cycle of the LTI Plan 2019-2021. These incentives were quantified by taking as a reference the value of the shares at the time of grant, assuming that the beneficiaries participate in all three cycles of each Plan and that they continue to participate after the end of the three cycles of each Plan.

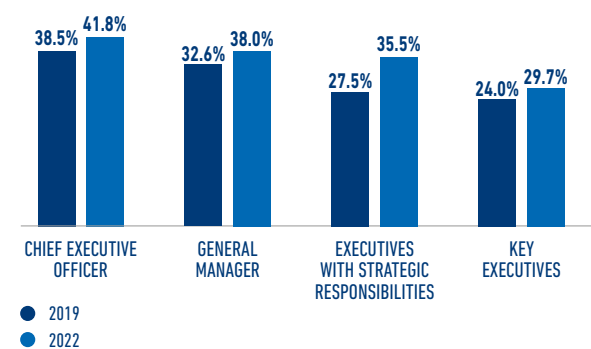


<sup>2</sup> The integrated panel used is composed of the following Italian and foreign companies: Saipem, Ferrari, Leonardo, Atlantia, Italgas, Terna, Recordati, Tim, Snam, A2A, Pirelli, Tenaris, Amplifon, Moncler, Nexi, Hera, Campari, CNH Industrial, FCA, Buzzi Unicem, Prysmian, Juventus, Salvatore Ferragamo, Enel, DiaSorin, Eni, Brembo, Webuild, Maire Tecnimont, Alstom, Balfour Beatty, Huntington, Rolls-Royce, Saab, Vallourec, Kongsberg Gruppen, Wartsila.

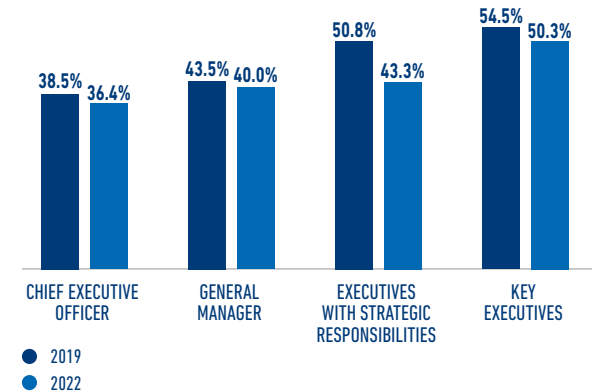
<sup>3</sup> With the exception of the qualification "blue collar workers" where the female population is almost absent.

In this regard, more generally, it should be noted that the Policy, during the term of the current Remuneration Committee, has pursued the objective of increasingly favouring the variable component of management remuneration over the fixed component through a progressive evolution of the pay-mix. Specifically, the variable component of remuneration increased from an average weight of 53.2% in 2019 to 57.5% in 2022. The growth of the medium/long-term variable component, for which there was an increase of 18%, rising from an average weight of 30.6% in 2019 to 36.3% in 2022, is even more marked. On the other hand, as a result of the above, there was a reduction in the weight of the fixed component, whose average percentage over the same period fell from 46.8% to 42.5%. The change in the pay-mix in favour of the medium/long-term variable component, as shown in tables 2 and 3, concerned both the Chief Executive Officer and the rest of the Top management.

**MEDIUM/LONG-TERM VARIABLE COMPONENT 2019-2022**  
**TABLE 2**



**FIXED COMPONENT 2019-2022**  
**TABLE 3**



In light of the above, the Chief Executive Officer, the Chairman, the General Manager, the Executives with Strategic Responsibilities and the other Key Executives receive a remuneration package structured as follows:

INSTITUTION	PURPOSE	POPULATION INVOLVED
Fixed remuneration	It remunerates the role and, in particular, the responsibilities assigned to the recipients, taking into account, among other things, experience, the quality of the contribution made to the achievement of company results and the level of excellence with respect to the functions assigned.	<ul style="list-style-type: none"> <li>Chairman</li> <li>Chief Executive Officer</li> <li>Non-executive Directors</li> <li>General Manager</li> <li>Executives with Strategic Responsibilities</li> <li>Other Key Executives</li> </ul>
Short-term variable remuneration (annual MBO)	It remunerates the results achieved in the short term and is aimed at translating the strategies of the business plan into a series of annual individual and corporate targets, capable of having a decisive impact on the performance of the executives involved.	<ul style="list-style-type: none"> <li>Chairman</li> <li>Chief Executive Officer</li> <li>General Manager</li> <li>Executives with Strategic Responsibilities</li> <li>Other Key Executives</li> </ul>
Medium/long-term component (Performance Share Plan)	It remunerates the results achieved in the medium to long term and is designed to improve the alignment of the interests of beneficiaries with those of shareholders and to support the retention of key resources.	<p>Recipients are identified individually by the Board of Directors, after consultation with the Remuneration Committee, from the following individuals:</p> <ul style="list-style-type: none"> <li>Chief Executive Officer and, in addition, on the proposal of the Chief Executive Officer, among the following persons:</li> <li>General Manager</li> <li>Executives with Strategic Responsibilities</li> <li>Other Key Executives</li> </ul>

### 2.3.1 Fixed component

The fixed component of remuneration is adapted to the role, the commitment required and the relative responsibilities and is sufficient to remunerate work performance even in the event of non-payment or partial payment of the variable components, where applicable. It is determined by taking into consideration the level of experience acquired by the individual, the professional contribution made to the achievement of company results and the level of excellence with respect to the functions assigned.

The fixed component is also such as to guarantee adequate competitiveness compared to the remuneration levels recognised by the market for the specific position.

In line with the recommendations of the Corporate Governance Code and with the purposes described in paragraph 2.1 above, the Policy stipulates that the fixed component of remuneration consists of:

- for the **Chief Executive Officer**:
  - the remuneration approved by the Shareholders' Meeting on 5 April 2019 for the office of member of the Board of Directors, under Article 2389, paragraph 1 of the Italian Civil Code;
  - the remuneration approved by the Board of Directors, under Article 2389, paragraph 3, of the Italian Civil Code, on the proposal of the Remuneration Committee, having heard the opinion of the Board of Statutory Auditors, for the office of Chief Executive Officer;
- for the **Chairman of the Board of Directors**:
  - the remuneration approved by the Shareholders' Meeting on 5 April 2019 for the Chairman, under Article 2389, paragraph 1 of the Italian Civil Code;
  - the remuneration approved by the Board of Directors, under Article 2389, paragraph 3 of the Italian Civil Code, on the proposal of the Remuneration Committee, having heard the opinion of the Board of Statutory Auditors, in view of the extent and nature of the specific powers conferred;
- for **non-executive Directors**:
  - the remuneration approved by the Shareholders' Meeting on 5 April 2019 for the office of member of the Board of Directors, under Article 2389, paragraph 1, of the Italian Civil Code;
  - the amounts approved by the Board of Directors, after consultation with the Board of Statutory Auditors, for the chairs and members of the Board's Internal Committees;
- for the **Board of Statutory Auditors**:
  - the remuneration approved by the Shareholders' Meeting of 9 June 2020 for the office of Chairman and Board of Statutory Auditors Member, under Art. 2402, paragraph 1 of the Civil Code;
- for the **General Manager, Executives with Strategic Responsibilities** and the other **Key Executives**:
  - the fixed gross annual salary provided for in the individual contract signed, in accordance with the provisions of the collective regulation applied. These executives are also entitled to the allowances due for travel, both domestic and international, in line with the provisions of the national collective employment agreement for executives and the supplementary company agreements.

### 2.3.2 Variable component

It is designed to remunerate management and executive Directors for results achieved in the short and medium to long term. The direct correlation between the results achieved and the payment of incentives makes it possible, on the one hand, to take into account the results of the Company and the Group and, on the other, to strengthen the principle of meritocracy, differentiating the contribution of each individual and motivating resources at the same time. The pay-mix relating to the variable portion of remuneration consists of:

- a short-term component based on short-term variable incentive plans on annual basis (MBO); and
- a medium/long-term component, based on equity plans (LTI Plans).



Variable remuneration uses different incentive programs and tools depending on the population involved and the period of time considered, so as to mitigate the assumption of risk by management and provide incentives for the creation of sustainable value for shareholders in the medium/long term.

The recipients of short-term variable remuneration are: the Chief Executive Officer, the Chairman, the General Manager, Executives with Strategic Responsibilities and other Key Executives.

The recipients of medium/long-term remuneration are identified individually by the Board of Directors, having consulted the Remuneration Committee, insofar as it is responsible, with regard to the Chairman and the Chief Executive Officer, and on the basis of the indications of the Chief Executive Officer with regard to the General Manager, Executives with Strategic Responsibilities, other Key Executives and other key resources identified for incentive and retention purposes, in accordance with the provisions of the regulations relating to the LTI Plans.

#### Short-term component

The use of a short-term variable incentive plan on annual basis (MBO) is designed to translate business plan strategies into a series of annual targets. The MBO can have a decisive impact on the performance of the executives involved. In accordance with the principles of transparency and ethics that the Company has adopted, Fincantieri's MBO system is applied with the same mechanisms, e.g. proportionality with respect to fixed remuneration and the Claw back clause, to all high risk employees, i.e. executives and middle managers identified as attorneys of the company, as well as to the rest of the target company population. The targets, identified in line with the business plan, are predetermined and measurable and are assigned annually by means of sheets communicated to the individual recipients.

Based on the level of achievement of targets, the executives involved receive a bonus consisting of a predefined percentage of their base salary which, depending on the MBO band they belong to, ranges from a minimum of 35% for achieving on-target objectives (increasable up to 38.2% in the case of over performance) to a maximum of 55% for achieving on-target objectives (increasable up to 59.25% in the case of over performance).

The short-term incentive for the Chief Executive Officer is 60% of the annual fixed component, relative to the target and in any case not more than 65%, in the event of over performance. The short-term incentive for the Chairman is approved in a fixed amount by the Board of Directors, on the recommendation of the Remuneration Committee.

For the General Manager, the MBO percentage is 55% of his base salary for achieving on-target objectives, increasable up to 59.25% in the event of over performance.

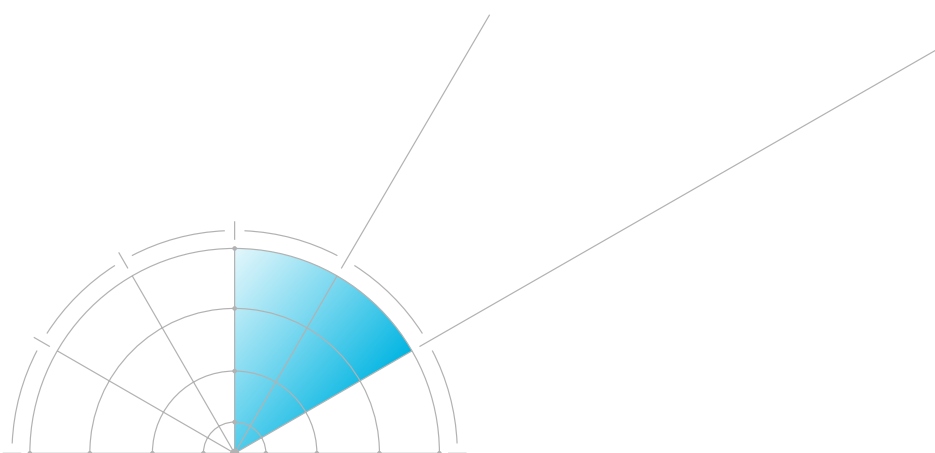
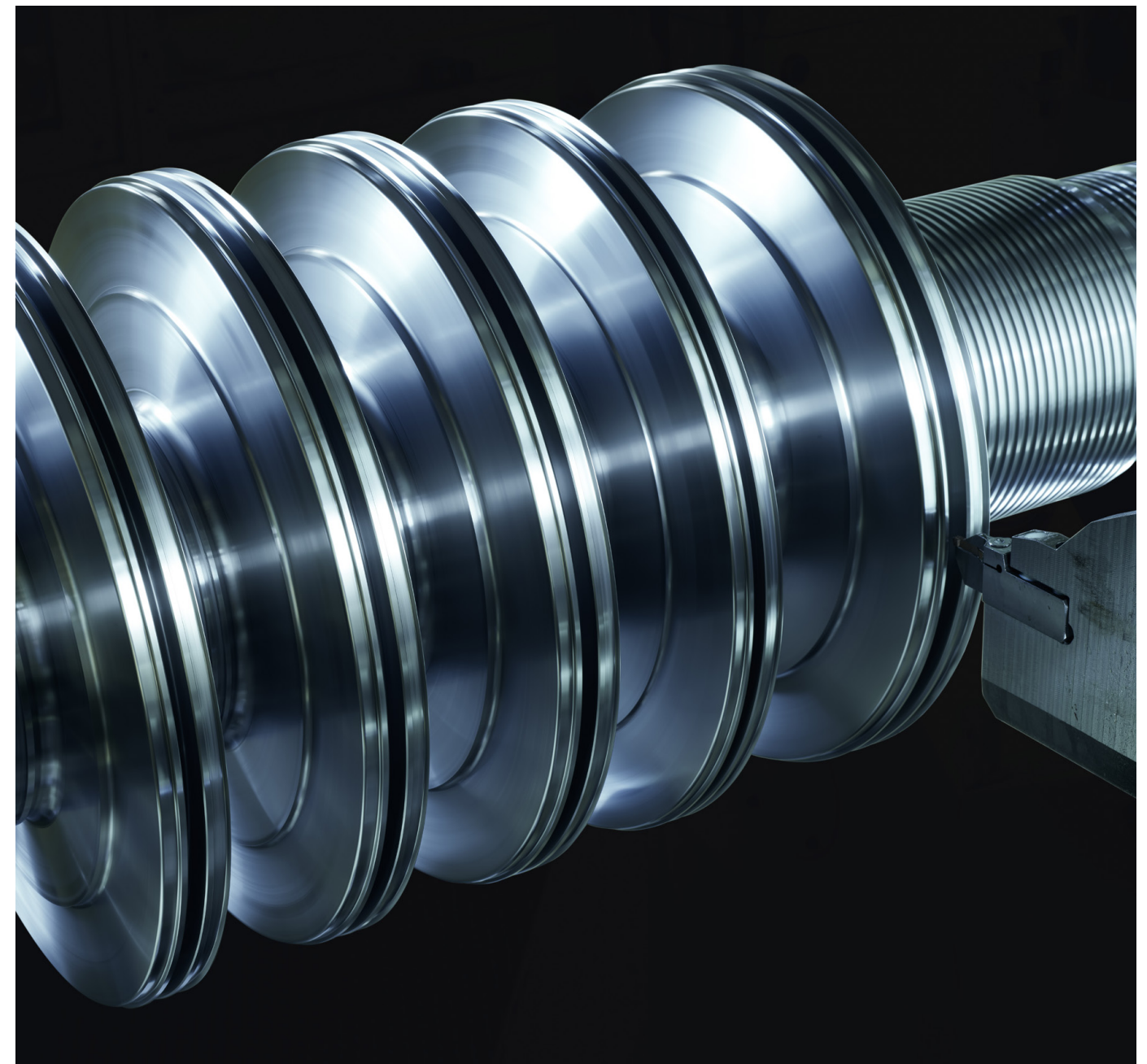
For all of the above roles, the minimum performance for any single target required for bonus payment is 80% of the target value.

MBO is subject to Claw-back clauses (as defined in the glossary of this Report).

#### Medium/long-term component

Without prejudice to what is specified in paragraph 2.1 of this Report, the Remuneration Policy also includes a medium/long-term variable component (LTI Plans) aimed at pursuing the following targets:

- to improve the alignment of the interests of the beneficiaries with those of the shareholders, linking the remuneration of management to specific multi-year performance targets, the achievement of which is closely linked to the improvement of the Company's performance, the growth of its value in the medium/long term and the combination of the Company's economic and financial performance with sustainability targets;
- to support the retention of key resources, aligning the Company's Remuneration Policy to the best market practices, which typically provide for medium/long-term incentive tools.



In particular, this component provides for the free assignment, to each of the beneficiaries identified in accordance with the regulations of the LTI Plans, of rights to receive free shares of the Company without nominal value at the end of a given performance period and subject to:

- the achievement of performance targets; and
- the other conditions laid down in the regulations governing the LTI Plans.

In the financial year 2021, the LTI Plan 2016-2018 was completed, with the allocation of shares to the beneficiaries of the 3rd Cycle.

In particular, the performance period of Cycle 3 (2018-2020) of the Plan 2016-2018 ended on 31 December 2020. At its meeting of 10 June 2021, the Board of Directors, having consulted with the Remuneration Committee, on the proposal of the Chief Executive Officer, summarised the business results and other targets of the 3rd cycle of the LTI Plan 2016-2018 and determined the number of shares to be awarded to each beneficiary of it in relation to the degree of achievement of the targets and the percentage of incentive awarded to each. In accordance with the provisions of the Regulations governing the Plan, the grant of rights to each beneficiary occurred on 2 July 2021. Fincantieri has been supported by BNP Paribas Securities Services in carrying out the administrative and banking services relating to the granting of the rights.

There are currently two LTI Plans in place: the LTI Plan 2019-2021 and the LTI Plan 2022-2024, the details of which are set out in (a) and (b) below:

a) The **LTI Plan 2019-2021**, which essentially follows the same structure as the previous Plan, features the following elements:

- it is based on the assignment to beneficiaries of Fincantieri shares without nominal value according to the achievement of specific performance targets;
- it consists of three cycles, each lasting three years;
- there is a three-year performance period for each of the three cycles (2019-2021 for cycle 1; 2020-2022 for cycle 2; 2021-2023 for cycle 3);
- there is a minimum three-year vesting period;
- currently, performance targets are envisaged, both of an economic-financial nature (EBITDA, with a weight of 65%), and linked to share performance (TSR with respect to both the FTSE Italia All Share Modified index, with a weight of 7%, and an International Peer Group, with a weight of 13%), and, as a novelty with respect to the previous Plan, linked to a sustainability index (obtaining a specific rating from international agencies in the sector, the achievement of a specific rating by international industry agencies, also in conjunction with the achievement of the sustainability targets set out in the Corporate Sustainability Plan for the reference period, with a weight of 15%), the achievement of which is subject to the assignment of shares to each beneficiary at the end of the performance period, without prejudice to compliance with all the other conditions set out in the Plan regulations. These targets are identified by the Board of Directors, after consultation with the Remuneration Committee;
- there is a lock-up period during which, subject to exceptions authorised by the Board of Directors, after consulting the Remuneration Committee, beneficiaries who are members of the Board of Directors, the General Manager or Executives with Strategic Responsibilities are required to hold and not to dispose in any way of a portion of the shares granted under the Plan (equal to 20% of the shares granted under the Plan, less any shares required to meet tax obligations arising from the delivery of such shares) for a maximum period of two years (in the case of permanent employment contracts) or until the end of their term of office or contract (in the case of directorships or fixed-term employment contracts).

b) The **LTI Plan 2022-2024**, which essentially follows the same structure as the previous Plan, features the following elements:

- it is based on the assignment to beneficiaries of Fincantieri shares without nominal value according to the achievement of specific performance targets;
- it consists of three cycles, each lasting three years;
- there is a three-year performance period for each of the three cycles (2022-2024 for cycle 1; 2023-2025 for cycle 2; 2024-2026 for cycle 3);
- there is a minimum three-year vesting period;
- performance targets are envisaged both of an economic-financial nature (EBITDA, with a weight of 55%), and linked to share performance (TSR with respect to both the FTSE Italia All Share Modified index, with a weight of 10%, and an International Peer Group with a weight of 15%) and linked to a Sustainability Index (the achievement of a specific rating by international rating agencies together with the achievement of the sustainability targets set out in the Corporate Sustainability Plan during the reference period, with a weight of 20%), the achievement of which determines the allocation of shares to each beneficiary at the end of the performance period, subject to compliance with all the other conditions set out in the Plan regulations. These targets are identified by the Board of Directors, after consultation with the Remuneration Committee;
- there is a lock-up period during which, subject to exceptions authorised by the Board of Directors, after consultation with the Remuneration Committee, beneficiaries who are members of the Board of Directors, the General Manager or Executives with Strategic Responsibilities are required to hold and not dispose in any way of a portion of the shares granted under the Plan (equal to 51% of the shares granted under the Plan, after deducting any shares necessary to satisfy tax obligations arising from the delivery of such shares) for a period of at least two years.

For further details on the description of the targets, their weight, the calculation methods used to determine them and any (adjusted) elements, reference is made to the information documents governing the respective Plans referred to above, published on the Company's website.

#### Pay-mix of variable components

On the basis of the above, with regard to the variable components of remuneration, the pay-mix of the Chief Executive Officer, the Chairman, the General Manager, the Executives with Strategic Responsibilities and the other Key Executives is composed as follows:

- for the **Chief Executive Officer**:
  - MBOs with annual targets that are both quantitative, of an economic-financial nature, and qualitative, linked to the achievement of specific results, such as: EBITDA Margin (weight 50%), Orders (weight 30%), Sustainability Index (weight 15%) and specific projects and organisational development (weight 5%)<sup>4</sup>. The on-target percentage was set by the Board of Directors, on the proposal of the Remuneration Committee and subject to the opinion of the Board of Statutory Auditors, at 60% of the fixed annual component, which can be raised to 65% in the event of over performance. The incentive accrued is paid subject to verification by the Board of Directors, after consulting the Remuneration Committee, that the targets set following approval of the annual accounts for the year in question have been achieved and in accordance with the provisions of the relevant Plan.
  - LTI Plan 2019-2021 with multi-year targets, economic and financial in nature and linked to share performance and a Sustainability index. The allocation of the number of rights to receive free shares in the Company, in respect of the LTI Plan 2019-2021, equal to 115% of the fixed component of remuneration in the event of on-target performance, increasable up to 173% in the event of over performance, will be subject to subsequent approval by the Board of Directors. The incentive accrued is awarded after the Board

<sup>4</sup>The targets and related weights refer to the 2021 MBO Plan. In principle, and subject to possible reshaping, similar targets will be taken as reference in the definition of the 2022 targets, without prejudice to the prevalence in terms of percentage weight of the targets linked to the business.

of Directors, having consulted the Remuneration Committee, has verified that the targets set after the approval of the annual accounts for the last financial year of reference for each cycle of the Plan have been achieved, and the occurrence of all the other conditions set out in the regulations of the LTI Plan 2019-2021 and is therefore paid in accordance with the provisions of the same regulations.

- for the **Chairman**:
    - a short-term variable incentive plan with annual targets (MBO), in relation to the powers granted, such as: Sustainability and Risk Management (weight 25%), Fincantieri Audit Plan (weight 20%), Institutional Relations (weight 35%) and Corporate Security (weight 20%)<sup>5</sup>. The amount is defined as a fixed sum by the Board of Directors, on the proposal of the Remuneration Committee and subject to the opinion of the Board of Statutory Auditors and is paid following a specific resolution in relation to the achievement of the annual targets set.
  - for the **General Manager, Executives with Strategic Responsibilities** and other **Key Executives**:
    - MBO plan with annual quantitative, economic-financial and qualitative targets, both corporate and individual, that take into account the role held: EBITDA (20% weighting), Free Cash Flow (10% weighting), Sustainability (20% weighting) and additional role and segment targets for the remaining weight <sup>6</sup>. The on-target amount for the short-term variable component of the General Manager's remuneration (MBO) is 55% of the fixed component of remuneration, which may be increased to 59.25% in the event of over performance. The maximum on-target amount for the short-term variable component of remuneration (MBO) of Executives with Strategic Responsibilities and other Key Executives varies, depending on the MBO band to which they belong, from a minimum of 35% to a maximum of 55% of base salary; in the event of over performance, these percentages will range, depending on the MBO band to which they belong, from a minimum of 38.2% to a maximum of 59.25%. The incentive accrued is assigned and paid after verification by the Chief Executive Officer of the degree of achievement of the targets set following approval of the annual accounts for the financial year in question and in accordance with the provisions of the relevant Plan.
    - LTI Plan 2019-2021 with multi-year targets, both economic and financial in nature, linked to share performance as well as to a Sustainability index. The accrued incentive is awarded subject to verification by the Board of Directors, having consulted with the Remuneration Committee, on the proposal of the Chief Executive Officer, of the achievement of the targets set following the approval of the annual accounts for the last financial year of reference for each cycle of the Plan, and the occurrence of all the other conditions set out in the regulations of the LTI Plan 2019-2021 and is then paid in accordance with the provisions of the same regulations. The amount of the incentive is equal to the following percentage of the fixed component of remuneration linked to the recipient's band, determined by the Board of Directors, having consulted the Remuneration Committee at the proposal of the Chief Executive Officer, on the basis of the impact of the relevant position on the company results:
- for the **General Manager**: 95% in the case of on-target objectives, increasable to 143% in the case of over performance;
  - for **Executives with Strategic Responsibilities** and other **Key Executives**: it varies depending on the band to which they belong from a minimum of 33% to a maximum of 85% in the case of on-target objectives; in the case of over performance these percentages will range from a minimum of 50% to a maximum of 128% depending on the band to which they belong.

For all detailed aspects, reference is made to the contents of the Information Documents of the LTI Plan 2019-2021, prepared under Art. 114-*bis* of the TUF and Art. 84-*bis* of the Issuer Regulations and published by the Company.

#### Extraordinary remuneration

Exceptionally and extraordinarily, with reference to the context of the Remuneration Policy and in order to attract key figures from the market or to motivate and retain the best resources, specific benefits may be granted at the time of hiring or during the employment relationship.

These benefits, envisaged only for selected high-profile managerial figures, may consist of (a) entry bonuses linked to economic losses deriving from the termination of the previous employment relationship that prejudice the entry/hiring of the new key resource (such as, for example, the recognition of short/medium-term incentives, etc.); (b) retention bonuses linked to the commitment to maintain an employment relationship with the company for a given period; (c) variable components guaranteed only for the first year of employment; (d) success fees linked to extraordinary transactions and/or results (such as, for example, disposals, acquisitions, mergers, reorganization or efficiency-boosting processes), of such importance as to have a substantial impact on the value and volume of the Company's business and/or its profitability and, as such, not capable of finding an adequate match in the ordinary variable remuneration systems, so as to justify such further disbursement. These benefits are envisaged in an amount not exceeding the amount of the short-term variable component, to an extent consistent with the most common market practices on the matter, in accordance with the provisions of Article 123-*ter*, paragraph 3-*bis* of the TUF.

These extraordinary components of remuneration, when intended for the Chairman or the Chief Executive Officer, are subject to a resolution of the Board of Directors, on the recommendation of the Remuneration Committee. For the General Manager, Executives with Strategic Responsibilities and other Key Executives, disbursement is referred to the evaluations of the Chief Executive Officer.

The above was also defined with reference to the recent recommendations of the Italian Corporate Governance Committee.

#### 2.3.3 Non-monetary benefits

The Chief Executive Officer, the Chairman, the General Manager, Executives with Strategic Responsibilities and other Key Executives are granted the use of a company car for mixed use and the relative fuel within predetermined limits and, if necessary, as an alternative to a hotel, the use of accommodation for long stays and in any case limited in time, according to economic criteria.

#### 2.3.4 Criteria used to assess the performance targets underlying the allocation of variable components of remuneration and information aimed at highlighting the consistency of the Remuneration Policy with the pursuit of the Company's long-term interests and the risk management policy

The performance targets indicated in the Remuneration Policy for the payment of the variable component of remuneration are identified taking into account the specific activities carried out by the Company and the related risk profiles.

In particular, the payment of the variable component of the short-term incentive plan is linked to the achievement of predefined economic and financial performance targets referred to the annual budget. The comparison of the actual figures with the targets assigned determines the amount of the variable remuneration component to be paid.

The payment of the medium/long term variable component, on the other hand, aimed at creating value for all shareholders in the medium/long term, is linked to the achievement of predefined economic and financial performance targets referred to the business plan and/or phases thereof or, if share-based, linked to the performance of the stock and/or the economic return for shareholders in the medium/long term, and linked to the performance of Sustainability index.

<sup>5</sup> The targets and related weights refer to the 2021 MBO Plan. In principle, and subject to possible reshaping, similar targets will be used as a reference for setting the 2022 targets.

<sup>6</sup> The targets and related weights refer to the 2021 MBO Plan. In principle, and subject to possible reshaping, similar targets will be used as a reference for setting the 2022 targets.



### 2.3.5 Deferred payment systems, including deferral periods and the criteria used to determine these periods and ex-post correction mechanisms

A vesting period of at least three years and a lock-up period is envisaged for the medium-long term variable component, unless an exception is authorised by the Board of Directors, after consulting the Remuneration Committee, as indicated in point 2.3.2 above.

Claw-back clauses (as defined in the glossary attached to this Report) apply to all variable components of remuneration.

### 2.3.6 Severance Policy in the event of termination of office or termination of the employment relationship

There are no specific individual arrangements for Directors in the event of termination of office.

For the General Manager and the Executives with Strategic Responsibilities, specific individual agreements may be envisaged; such benefits may not, however, exceed the maximum limits envisaged by the National Collective Employment Agreement in force for Executives of Companies producing Goods and Services; the fixed components of remuneration and the average short-term incentive referred to the last three financial years are used to determine the amount of the monthly payments.

Under Article 2125 of the Italian Civil Code, specific remuneration may also be envisaged for cases in which it is necessary to conclude non-competition agreements for members of the Board of Directors, the General Manager, Executives with Strategic Responsibilities and other Key Executives.

With reference to the effects of the termination of the relationship on the rights awarded under the existing share incentive plans, reference should be made to the relevant information documents made available on the Company's website.

The above takes place in compliance with the provisions of Article 123-ter of the TUF.

### 2.3.7 Information on the presence of insurance, or social security or pension coverages, other than compulsory

Specific insurance coverages are provided for the Chairman and Chief Executive Officer.

The General Manager, Executives with Strategic Responsibilities and other Key Executives, and other Executives of the Company, enjoy more favourable treatments than that established by the CCNL (National Collective Employment Agreement) for their category in terms of insurance, social security and supplementary pension coverage.

### 2.3.8 Remuneration Policy followed with reference to: (i) Independent Directors, (ii) participation in Committees and (iii) the performance of specific assignments

The remuneration of independent Directors is the same as that described in paragraph 2.3.1. above with reference to Non-Executive Directors.

For Directors who participate in Committees within the Board of Directors, the Remuneration Policy stipulates that they receive for their participation in each Committee an additional remuneration determined by the Board of Directors, on the proposal of the Remuneration Committee, as indicated in paragraph 2.3.1 above.

## Section II

### Remuneration received in the 2020 financial year by the members of the Board of Directors and Board of Statutory Auditors, by the General Manager, as well as Key Executives/Executives with Strategic Responsibilities.

#### First Part Items making up remuneration

With respect to financial year 2021, in this part of Section II of the Report, we explain the following: (i) by name, the remuneration due to people who, during the course of the financial year, held - even for a fraction of the year - the position of Director, Board of Statutory Auditors Member, General Manager and (ii) overall, the remuneration due to Key Executives/Executives with Strategic Responsibilities. The same items are also summarised in the tables in the second part of this section.

#### 1. Board of Directors

##### 1.1 Chairman of the Board of Directors

Throughout the 2021 financial year, the position of Chairman of the Board of Directors was held by Ambassador Giampiero Massolo. The remuneration due to Ambassador Massolo, relating to the financial year 2021 (1 January to 31 December 2021), is as follows:

- **Fixed component:** an amount equal to EUR 310,000, on annual basis, of which:
  - EUR 50,000, on annual basis, as remuneration, approved by the Shareholders' Meeting of 5 April 2019, for the position of Chairman of the Board of Directors, under Article 2389, paragraph 1 of the Italian Civil Code; this amount will be paid in 2022;
  - EUR 260,000, on annual basis, as the remuneration approved by the Board of Directors on 20 July 2016, under Article 2389, paragraph 3 of the Italian Civil Code, on a proposal by the Remuneration Committee, and after hearing the opinion of the Board of Statutory Auditors, in view of the scope and nature of the specific powers granted; this amount was paid in 2021.
- **Short-term variable component:**
  - 2021 MBO Plan: as defined by the Board of Directors on 20 July 2016 and subsequently confirmed on 13 May 2021, on the proposal of the Remuneration Committee and subject to the opinion of the Board of Statutory Auditors, the short-term variable component is EUR 100,000, with adjustment up to a maximum of EUR 120,000 in the event of over performance; verification of the achievement of the targets and determination of the actual incentive accrued will be carried out by the Board of Directors during 2022, on the proposal of the Remuneration Committee, based on the results of the 2021 annual accounts and specific reports. Any amount will be disbursed in 2022.

In 2019-2020-2021, the Chairman's remuneration remained unchanged, i.e., EUR 310,000 as annual fixed remuneration and EUR 120,000 as short-term incentive (MBO), where the average remuneration related to employees increased from EUR 40,200 in financial year 2019, to EUR 40,870 in financial year 2020 and to EUR 41,511 in financial year 2021. Compared to the same period, revenues and income stood at EUR 5.8 billion in FY 2019, at EUR 5.9 billion in FY 2020 and at EUR 6.9 billion in FY 2021, while the total workload increased from EUR 32.7 billion in FY 2019, to EUR 35.7 billion in FY 2020 and EUR 35.5 billion in FY 2021.

The fees actually paid to Ambassador Massolo during the financial year 2021 are:

- **Fixed component:** an amount equal to EUR 310,000 of which:
  - EUR 50,000, as remuneration for the financial year 2020 as resolved by the Shareholders' Meeting on 5 May 2019 for the office of Chairman of the Board of Directors, under Article 2389, paragraph 1 of the Italian Civil Code;
  - EUR 260,000, as remuneration, relating to the financial year 2021, approved by the Board of Directors on 20 July 2016, under Article 2389, paragraph 3 of the Italian Civil Code, on the proposal of the Remuneration Committee, and after hearing the opinion of the Board of Statutory Auditors, by virtue of the extent and nature of the specific powers conferred.
- **Short-term variable component:**
  - 2020 MBO Plan: as defined by the Board of Directors on 20 July 2016 on the proposal of the Remuneration Committee and subject to the opinion of the Board of Statutory Auditors, the short-term variable component had been set at an amount equal to EUR 100,000, with adjustment up to a maximum of EUR 120,000 in the event of over performance; the Board of Directors of 13 May 2021, on the proposal of the Remuneration Committee, ascertained that the specific conditions of over performance had been fully achieved, consequently determining the payment of the amount of EUR 120,000 in 2021.
- **Non-monetary benefits:**
  - the use of a company car for mixed use and related fuel, supplementary health care, insurance coverages and other minor benefits, for a total value of EUR 2,423, calculated on a taxable basis.

No payments are due in the event of termination of office.



## 1.2 Chief Executive Officer

Throughout the year 2021, the position of Chief Executive Officer was held by Mr Giuseppe Bono. Bono's remuneration for financial year 2021 (1 January through 31 December 2021) is as follows:

- **Fixed component:** an amount equal to EUR 973,000, on annual basis, of which:
  - EUR 50,000, as remuneration, on annual basis, approved by the Shareholders' Meeting of 5 April 2019 for the office of member of the Board of Directors, under Article 2389, paragraph 1 of the Italian Civil Code; this amount will be paid in 2022;
  - EUR 923,000, on annual basis, as remuneration, approved by the Board of Directors on 20 July 2016, under Article 2389, paragraph 3 of the Italian Civil Code, on a proposal by the Remuneration Committee and the prior opinion of the Board of Statutory Auditors, for the position of Chief Executive Officer; this amount was paid in 2021.
- **Short-term variable component:**
  - MBO 2021 Plan: as defined by the Board of Directors on 20 July 2016 and subsequently confirmed on 13 May 2021 on the proposal of the Remuneration Committee and subject to the opinion of the Board of Statutory Auditors, the short-term variable component is equal to EUR 583,800 (corresponding to 60% of the annual fixed component), on achievement of the target, with adjustment up to a maximum of EUR 632,450 (corresponding to 65% of the annual fixed component) in the event of over performance. The verification of the achievement of the targets and the determination of the actual incentive accrued will be carried out by the Board of Directors, on the proposal of the Remuneration Committee, during 2022 on the basis of the results of the 2021 annual accounts and specific reports. Any amount will be paid in 2022.

In 2019-2020-2021, the Chief Executive Officer's remuneration remained unchanged, i.e. EUR 973,000 as fixed remuneration and EUR 632,450 as short-term incentive (MBO), where the average remuneration related to employees increased from EUR 40,200 in the financial year 2019 to EUR 40,870 in the financial year 2020 and to EUR 41,511 in the financial year 2021.

Compared to the same period, revenues and income stood at EUR 5.8 billion in the financial year 2019, at EUR 5.9 billion in the financial year 2020 and EUR Euro 6.9 billion in the financial year 2021, while the total workload increased from EUR 32.7 billion in the financial year 2019 to EUR 35.7 billion in the financial year 2020 and to EUR Euro 35.5 billion in the financial year 2021.

- **Long-term variable component:**
  - LTI Plan 2019-2021: on 11 May 2018, the Shareholders' Meeting approved the LTI Plan 2019-2021 on the proposal of the Board of Directors; with reference to the 3rd cycle (2021-2023) of the above Plan, the Board of Directors, on the proposal of the Remuneration Committee, having heard the opinion of the Board of Statutory Auditors, on 10 June 2021, provided for the free assignment of 1,402,544 rights to receive Fincantieri ordinary shares, in the event that all on-target objectives are achieved and subject to the occurrence of the conditions set out in the Plan Regulations. In the event of over performance, this number of rights may be increased by up to 50%. The eventual allocation of the first cycle will take place in 2024.

The actual fees paid to Bono during financial year 2021 are:

- **Fixed component<sup>7</sup>:** an amount equal to EUR 973,000, of which:
  - EUR 50,000,00 as remuneration for the financial year 2020 as resolved by the Shareholders' Meeting on 5 April 2019 for the office of member of the Board of Directors, under Article 2389, paragraph 1 of the Italian Civil Code;

<sup>7</sup> It should be noted that the total of EUR 973,000 does not include the fees for other positions held by Bono in subsidiaries and affiliates, as they are paid directly in favour of Fincantieri.

- EUR 923,000, by way of remuneration, relating to the financial year 2021, as resolved by the Board of Directors on 20 July 2016, under Article 2389, paragraph 3 of the Italian Civil Code, on the proposal of the Remuneration Committee and subject to the opinion of the Board of Statutory Auditors, for the position of Chief Executive Officer.

- **Short-term variable component:**

- 2020 MBO Plan: as defined by the Board of Directors on 20 July 2016, on the proposal of the Remuneration Committee and subject to the opinion of the Board of Statutory Auditors, the short-term variable component, is equal to EUR 583,800, on achievement of the target, with adjustment up to a maximum of EUR 632,450 in the event of over performance; the Board of Directors of 13 May 2021, on the proposal of the Remuneration Committee, ascertained that the specific conditions for over performance had been fully achieved, consequently determining the payment of the amount of EUR 632,450 in 2021.

- **Long-term variable component:**

- LTI Plan 2016-2018: the performance period of the 3rd cycle (2018-2020) of this Plan ended on 31 December 2020. The Board of Directors, on the proposal of the Remuneration Committee, having consulted the Board of Statutory Auditors, finalised the business results and other targets of the 3rd cycle of the LTI Plan 2016-2018 and determined the number of shares to be granted to each beneficiary of it in relation to the degree of achievement of the targets. In accordance with the provisions of the regulations governing the Plan, the grant of rights to each beneficiary occurred on 2 July 2021.

As a result of the above, the Board of Directors, on the proposal of the Remuneration Committee and having heard the opinion of the Board of Statutory Auditors, resolved to assign to the Chief Executive Officer a total number of 609,431 ordinary Fincantieri shares, gross of withholding taxes.

- **Non-monetary benefits:**

- the use of a company car for mixed use and related fuel, supplementary health care, insurance coverages and other minor benefits, for a total value of EUR 2,453, calculated on a taxable basis.

- **Accommodation:**

- during his stay in Trieste, as an alternative to the hotel, Dr. Bono has the availability of accommodation, according to economic criteria.

No payments are due in the event of termination of office.

### 1.3 Other members of the Board of Directors

The Board of Directors, appointed by the Shareholders' Meeting on 5 April 2019 for the three-year period 2019-2021, was in office for the full year 2021.

In addition to the Directors Ambassador Giampiero Massolo and Giuseppe Bono, the following Directors held the office of members of the Board of Directors:

- Barbara Alemanni (independent), Massimiliano Cesare (independent), Luca Errico (independent), Paola Muratorio (independent), Elisabetta Oliveri (independent), Fabrizio Palermo (non-independent), Federica Santini (non-independent) and Federica Seganti (independent).

On 18 April 2019, the Board of Directors appointed the Internal Committees, their members and determined their respective remuneration.

Specifically, throughout financial year 2021, these Internal Committees are composed as follows:

- Audit and Risk Management Committee, consisting of: Massimiliano Cesare (Chairman), Barbara Alemanni, Federica Seganti and Federica Santini. This Committee also serves as the Committee for Transactions with Related Parties and, if this Committee analyses Highly Significant Transactions, Santini is replaced by Paola Muratorio;
- Remuneration Committee, consisting of: Paola Muratorio (Chairman), Barbara Alemanni, Elisabetta Oliveri and Fabrizio Palermo;
- Appointments Committee, consisting of: Federica Seganti (Chairman), Massimiliano Cesare, Luca Errico and Fabrizio Palermo;
- Sustainability Committee, consisting of: Elisabetta Oliveri (Chairman), Luca Errico, Paola Muratorio and Federica Santini.

On 5 April 2019, the Shareholders' Meeting approved remuneration for all Directors of EUR 50,000 on annual basis.

In financial years 2019-2020-2021, the remuneration of the members of the Board of Directors remained unchanged, while the average remuneration related to employees increased from EUR 40,200 in financial year 2019 to EUR 40,870 in financial year 2020 and to EUR 41,511 in financial year 2021.

Compared to the same period, revenues and income stood at EUR 5.8 billion in the financial year 2019, at EUR 5.9 billion in the financial year 2020 and EUR 6.9 billion in the financial year 2021, while the total workload increased from EUR 32.7 billion in the financial year 2019 to EUR 35.7 billion in the financial year 2020 and to EUR 35.5 billion in the financial year 2021.

The approved remuneration for the above members of the Board of Directors, for the year 2021, consists only of a fixed portion that will be paid during the year 2022.

Specifically:

- With reference to Director Barbara Alemanni, the remuneration for the year 2021 is EUR 100,000, of which:
  - EUR 50,000 by way of remuneration, on annual basis, resolved by the Shareholders' Meeting of 5 April 2019, for the position of member of the Board of Directors;
  - EUR 25,000 as remuneration, on annual basis, for the office of member of the Internal Control and Risk Management Committee;
  - EUR 25,000 as remuneration, on annual basis, for the office of member of the Remuneration Committee.
- With reference to the Director Massimiliano Cesare, the remuneration for the year 2021 is equal to EUR 110,000, of which:
  - EUR 50,000 by way of remuneration, on annual basis, resolved by the Shareholders' Meeting of 5 April 2019, for the position of member of the Board of Directors;
  - EUR 35,000 as remuneration, on annual basis, for the office of Chairman of the Internal Control and Risk Management Committee;
  - EUR 25,000 as remuneration, on annual basis, for the office of member of the Appointments Committee.
- With reference to the Director Luca Errico, the remuneration for the year 2021 is equal to EUR 100,000, of which:
  - EUR 50,000 by way of remuneration, on annual basis, resolved by the Shareholders' Meeting of 5 April 2019, for the position of member of the Board of Directors;
  - EUR 25,000 as remuneration, on annual basis, for the office of member of the Appointments Committee;
  - EUR 25,000 as remuneration, on annual basis, for the office of member of the Sustainability Committee.
- With reference to Director Paola Muratorio, the remuneration for the year 2021 is EUR 113,000, of which:
  - EUR 50,000 by way of remuneration, on annual basis, resolved by the Shareholders' Meeting of 5 April 2019, for the position of member of the Board of Directors;
  - EUR 35,000 as remuneration, on annual basis, for the office of Chairman of the Remuneration Committee;
  - EUR 25,000 as remuneration, on annual basis, for the office of member of the Sustainability Committee.



- EUR 3,000 as remuneration, on an annual basis, for the office of member, replacing Ms. Santini in the event of incompatibility for the latter, of the Internal Control and Risk Management Committee.
- With reference to the Director Elisabetta Oliveri, the remuneration for the year 2021 is equal to EUR 110,000, of which:
  - EUR 50,000 by way of remuneration, on annual basis, resolved by the Shareholders' Meeting of 5 April 2019, for the position of member of the Board of Directors;
  - EUR 35,000 as remuneration, on annual basis, for the office of Chairman of the Sustainability Committee;
  - EUR 25,000 as remuneration, on annual basis, for the office of member of the Remuneration Committee.
- With reference to the Director Fabrizio Palermo, the remuneration for the year 2021 is EUR 100,000, of which:
  - EUR 50,000 by way of remuneration, on annual basis, resolved by the Shareholders' Meeting of 5 April 2019, for the position of member of the Board of Directors;
  - EUR 25,000 as remuneration, on annual basis, for the office of member of the Remuneration Committee;
  - EUR 25,000 as remuneration, on annual basis, for the office of member of the Appointments Committee.
- With reference to Director Federica Santini, the remuneration for the year 2021 is EUR 100,000, of which:
  - EUR 50,000 by way of remuneration, on annual basis, resolved by the Shareholders' Meeting of 5 April 2019, for the position of member of the Board of Directors;
  - EUR 25,000 as remuneration, on annual basis, for the office of member of the Internal Control and Risk Management Committee;
  - EUR 25,000 as remuneration, on annual basis, for the office of member of the Sustainability Committee.
- With reference to Director Federica Seganti, the remuneration for the year 2021 is EUR 110,000, of which:
  - EUR 50,000 by way of remuneration, on annual basis, resolved by the Shareholders' Meeting of 5 April 2019, for the position of member of the Board of Directors;
  - EUR 25,000 as remuneration, on annual basis, for the office of member of the Internal Control and Risk Management Committee;
  - EUR 35,000 as remuneration, on annual basis, for the office of Chairman of the Appointments Committee.

There is no remuneration in the event of termination of office.

#### 1.4 Members of the Board of Directors' Internal Committees

On 18 April 2019, the Board of Directors approved additional remuneration for the members of the Internal Committees in the amount of EUR 35,000 for the Chairmen and EUR 25,000 for the other regular members. The 2021 remuneration for committee Chairmen and members was explained in the previous paragraph.

## 2. Board of Statutory Auditors

The Board of Statutory Auditors, appointed by the Shareholder's Meeting of 9 June 2020, was composed of the Full Members Gianluca Ferrero (Chairman), Rossella Tosini and Pasquale De Falco.

The remuneration approved for the members of the Board of Statutory Auditors by the Shareholders' Meeting held on 9 June 2020 is as follows:

- EUR 37,000, on annual basis, for the Chairman; and
- EUR 26,000, on annual basis, for each of the Full Members.

These financial year 2021 amounts will be disbursed in financial year 2022.

The financial year 2020 amounts were disbursed in 2021, namely:

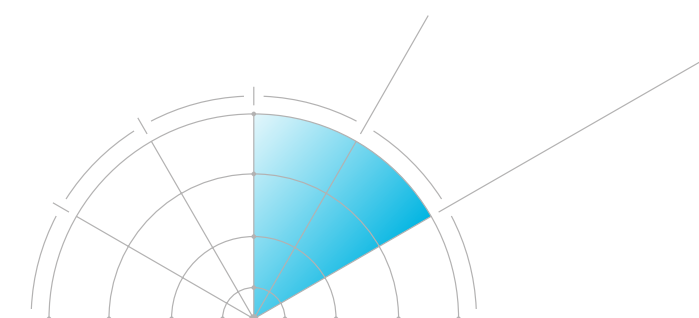
- with reference to Rossella Tosini, the remuneration, pro rata temporis, (period 10 June - 31 December 2020) is EUR 14,562.84;
- with reference to Pasquale De Falco, the remuneration, pro rata temporis, (period 10 June - 31 December 2020) it is EUR 14,562.84;
- With regard to Gianluca Ferrero (Chairman) who held office through the year 2020, the remuneration for the financial year 2020, on annual basis, is EUR 37,000.

## 3. General Management

For the entire financial year 2021, the position of General Manager of the Company was held by Fabio Gallia.

The remuneration of Fabio Gallia is composed as follows:

- **Fixed component:** the amount of EUR 670,018.21, was paid in 2021.
- **Short-term variable component:**
  - 2020 MBO Plan: the incentive accrued was disbursed in 2021 following the completion of the relevant reporting process and, in particular, after the Shareholders' Meeting called to approve the annual accounts 2020. The MBO amount disbursed was equal to EUR 130,000.
  - 2021 MBO Plan: any incentive accrued will be paid during 2022, once the process of calculating the assigned targets has been completed, after the Shareholders' Meeting called to approve the annual accounts 2021. The short-term variable component is EUR 357,500 (corresponding to 55% of the annual fixed component) when the target is reached, with an adjustment up to a maximum of EUR 385,125 (corresponding to 59.25% of the annual fixed component).
- **Long-term variable component:**
  - LTI Plan 2019-2021: on 11 May 2018, the Shareholders' Meeting approved the LTI Plan 2019-2021 on the proposal of the Board of Directors; with reference to the 3rd cycle (2021-2023) of the above Plan, the Board of Directors, on the proposal of the Remuneration Committee, having heard the opinion of the Board of Statutory Auditors, on 10 June 2021, provided for the free assignment of 774,004 rights to receive Fincantieri ordinary shares, in the event that all on-target objectives are achieved and subject to the occurrence of the conditions set out in the Plan Regulations. In the event of over performance, this number of rights may be increased up to a maximum of 50%, equal to 1,161,005 rights to receive Fincantieri ordinary shares. The eventual allocation of the first cycle will take place in 2024.
- **Non-monetary benefits:**
  - the use of a company car for mixed use and related fuel, supplementary health care, insurance coverages and other minor benefits, for a total value of EUR 34,274.79, calculated on a taxable basis.



- **Accommodation:**

- Fabio Gallia has accommodation available in Rome for long-term stays.

The remuneration due to the General Manager, on an annual basis, for the financial year 2021 remained unchanged compared to the financial year 2020, while the average remuneration related to employees increased from EUR 40,870 in financial year 2020 to EUR 41,511 in financial year 2021. Compared to the same period, revenues and income stood at EUR 5.9 billion in the financial year 2020 and at EUR 6.9 billion in the financial year 2021, while the total workload increased from EUR 35.7 billion in the financial year 2020 to EUR 35.5 billion in the financial year 2021.

#### 4. Key Executives/Executives with Strategic Responsibilities

During 2021, managerial changes, in terms of hires/terminations and entrants/exits from the role for the year in question, resulted in the total presence, during the year or part of the year, of 23 Key Executives, including 8 Executives with Strategic Responsibilities.

The remuneration of Key Executives is shown at an aggregate level and, within this aggregate, the remuneration of Executives with Strategic Responsibilities is specified, again in aggregate terms, as none of the Executives with Strategic Responsibilities received total remuneration in excess of the highest total remuneration received by the members of the Board of Directors, the Board of Statutory Auditors and the General Manager. The following is an aggregate description of each of the items comprising the remuneration of Key Executives, with details for Executives with Strategic Responsibilities, during financial year 2021:

- **Fixed component:** EUR 4,949,720.13 as gross annual remuneration, of which EUR 2,302,665.77 for Executives with Strategic Responsibilities; these amounts were paid in 2021.

- **Short-term variable component:**

- 2020 MBO Plan: a total amount of EUR 2,072,764.80 was disbursed, corresponding to a percentage between 35%, in the case of on-target performance, and 59.25% in the case of over performance (of which EUR 1,050,985.77 related to Executives with Strategic Responsibilities), relating to the financial year 2020. Verification of the achievement of the targets under the 2020 MBO Plan was carried out by the Chief Executive Officer, based on the financial year 2020 annual accounts and specific reports. The payment of the incentive was subject to exceeding an access threshold linked to the achievement of the strategic target, determined by the Board of Directors, identified in the achievement of the target related to the EBITDA Margin, i.e. the ratio between EBITDA and Group Revenues in the reference year (year 2020), not less than 80% of what was forecast in the 2020 Budget. Failure to meet this threshold would have resulted in the cancellation of the entire incentive.
- 2021 MBO Plan: any incentive accrued will be paid during 2022, once the process of calculating the assigned targets has been completed, after the Shareholders' Meeting called to approve the annual accounts 2021. Assuming full achievement of all targets, the maximum amount of MBO payable in 2022 is EUR 2,071,151.75, of which EUR 1,046,281.75 relates to Executives with Strategic Responsibilities.

- **Medium/long-term variable component:**

- LTI Plan 2016-2018: the performance period of the 3rd cycle (2018-2020) of this Plan ended on 31 December 2020. The Board of Directors, having consulted with the Remuneration Committee, to the extent of its competence, and on the proposal of the Chief Executive Officer, summarised the business results and other targets of the 3rd cycle of the LTI Plan 2018-2018 and determined the number of shares to be allocated to each beneficiary of it in relation to the degree of achievement of the targets and the percentage of incentive allocated to each. In accordance with the provisions of the Plan Regulations, the

grant of rights to each beneficiary occurred on 2 July 2021. Following the above, the Board of Directors, on the proposal of the Remuneration Committee and having heard the opinion of the Board of Statutory Auditors, resolved to assign a total number of 963,697 ordinary Fincantieri shares, gross of withholding by law, of which 434,406 related to Executives with Strategic Responsibilities.

- LTI Plan 2019-2021: on 11 May 2018, the Shareholder's Meeting approved the LTI Plan 2019-2021 on the proposal of the Board of Directors; with reference to the 3rd cycle (2021-2023) of the above Plan, the Board of Directors, on the proposal of the Remuneration Committee, having heard the opinion of the Board of Statutory Auditors, on 10 June 2021, provided for the free assignment of no. 3,974,361 rights to receive ordinary Fincantieri shares (of which 2,163,880 for Executives with Strategic Responsibilities), in the event of achievement of all the on-target objectives and subject to the occurrence of the conditions set out in the Plan Regulations. In the event of over performance, this number of rights may be increased by up to 50%. The eventual allocation of the first cycle will take place in 2024.

- **Extraordinary remuneration:**

- in line with the provisions of paragraph 2.3.2, Section I of this document - which provides for the possibility for the Company to recognise, on an exceptional and extraordinary basis, with respect to the context of the Remuneration Policy and with a view to attracting key figures from the market or motivating and retaining the best resources, specific benefits during the recruitment phase or during the employment relationship - in 2021 an amount of EUR 200,000 was paid as an entry bonus to Executives with Strategic Responsibilities, in order to make the recruitment offer more attractive and appealing.

- **Non-monetary benefits:**

- these include a company car for mixed use and the relative fuel, in some cases the use of accommodation for long stays and in any case limited in time, insurance, social security and pension coverage, and additional and more favourable benefits in addition to those provided for by the national collective employment agreement for the category applied, for a total value, according to a taxability criterion, of EUR 112,711.07 (of which EUR 32,813.46 for Executives with Strategic Responsibilities).

#### 5. Agreements providing for remuneration in the event of early termination

There are no specific individual arrangements for Directors in the event of termination of office.

A specific agreement is in place with the current General Manager and three Executives with Strategic Responsibilities which provides for an indemnity in the event of early termination of the relationship, corresponding to 36 gross monthly salaries, including thirteenth month's salary, in the event of dismissal other than for just cause, resignation for just cause or consensual termination of the relationship.

## Second Part

Table 1

## Table on the remuneration paid to the members of the Board of Directors and the Board of Statutory Auditors, the General Manager as well as the Key Executives/ Executives with Strategic Responsibilities during the 2021 financial year

The amounts shown in this table and in the related notes follow both the accrual and cash flow principles, in accordance with current regulations.

VARIABLE REMUNERATION NON EQUITY													
(euro)													
FIRST NAME AND SURNAME	POSITION <sup>1</sup>	PERIOD FOR WHICH THE POSITION HAS BEEN HELD	END OF TERM		FIXED REMUNERATION	REMUNERATION FOR PARTICIPATION IN COMMITTEES	BONUSES AND OTHER INCENTIVES	PROFIT SHARING	BENEFITS IN KIND	OTHER REMUNERATION	TOTAL	FAIR VALUE REMUNERATION <sup>2</sup>	SEVERANCE/ PENSION BENEFITS
Gianpiero Massolo	Chairman of the Board of Directors	01.01.2021 31.12.2021	Meeting to approve 2021 Financial Statements	Remuneration from Fincantieri	310,000.00 <sup>3</sup>	-	120,000.00 <sup>4</sup>	-	2,423.00	-	432,423.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	310,000.00	-	120,000.00	-	2,423.00	-	432,423.00	-	-
Giuseppe Bono	CEO	01.01.2021 31.12.2021	Meeting to approve 2021 Financial Statements	Remuneration from Fincantieri	973,000.00 <sup>5</sup>	-	632,450.00 <sup>6</sup>	-	2,453.00	-	1,607,903.00 <sup>7</sup>	1,194,878	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	973,000.00	-	632,450.00	-	2,453.00	-	1,607,903.00	1,194,878	-
Barbara Alemanni	Director/ Member of the ICRMC/ Member of the RC	01.01.2021 31.12.2021	Meeting to approve 2021 Financial Statements	Remuneration from Fincantieri	50,000.00 <sup>8</sup>	50,000.00 <sup>9</sup>	-	-	-	-	100,000.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	50,000.00	50,000.00	-	-	-	-	100,000.00	-	-
Massimiliano Cesare	Director/Chairman of the ICRMC/ Member of the AC	01.01.2021 31.12.2021	Meeting to approve 2021 Financial Statements	Remuneration from Fincantieri	50,000.00 <sup>8</sup>	60,000.00 <sup>10</sup>	-	-	-	-	110,000.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	50,000.00	60,000.00	-	-	-	-	110,000.00	-	-
Luca Errico	Director/ Member of the AC/ Member of the SC	01.01.2021 31.12.2021	Meeting to approve 2021 Financial Statements	Remuneration from Fincantieri	50,000.00 <sup>8</sup>	50,000.00 <sup>11</sup>	-	-	-	-	100,000.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	50,000.00	50,000.00	-	-	-	-	100,000.00	-	-
Paola Muratorio	Director/ Chairman of the RC/Member of the SC	01.01.2021 31.12.2021	Meeting to approve 2021 Financial Statements	Remuneration from Fincantieri	50,000.00 <sup>8</sup>	63,000.00 <sup>12</sup>	-	-	-	-	113,000.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	50,000.00	63,000.00	-	-	-	-	113,000.00	-	-
Elisabetta Oliveri	Director/ Member of the RC/ Chairman of the SC	01.01.2021 31.12.2021	Meeting to approve 2021 Financial Statements	Remuneration from Fincantieri	50,000.00 <sup>8</sup>	60,000.00 <sup>13</sup>	-	-	-	-	110,000.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	50,000.00	60,000.00	-	-	-	-	110,000.00	-	-
Fabrizio Palermo	Director/Member of the RC/Member of the AC	01.01.2021 31.12.2021	Meeting to approve 2021 Financial Statements	Remuneration from Fincantieri	50,000.00 <sup>8</sup>	50,000.00 <sup>14</sup>	-	-	-	-	100,000.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	50,000.00	50,000.00	-	-	-	-	100,000.00	-	-
Federica Santini	Director/ Member of the ICRMC/ Member of the SC	01.01.2021 31.12.2021	Meeting to approve 2021 Financial Statements	Remuneration from Fincantieri	50,000.00 <sup>8</sup>	50,000.00 <sup>15</sup>	-	-	-	-	100,000.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	50,000.00	50,000.00	-	-	-	-	100,000.00	-	-
Federica Seganti	Director/ Member of the ICRMC/ Chairman of the AC	01.01.2021 31.12.2021	Meeting to approve 2021 Financial Statements	Remuneration from Fincantieri	50,000.00 <sup>8</sup>	60,000.00 <sup>16</sup>	-	-	-	-	110,000.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	50,000.00	60,000.00	-	-	-	-	110,000.00	-	-

				VARIABLE REMUNERATION NON EQUITY									
(euro)													
FIRST NAME AND SURNAME	POSITION <sup>1</sup>	PERIOD FOR WHICH THE POSITION HAS BEEN HELD	END OF TERM		FIXED REMUNERATION	REMUNERATION FOR PARTICIPATION IN COMMITTEES	BONUSES AND OTHER INCENTIVES	PROFIT SHARING	BENEFITS IN KIND	OTHER REMUNERATION	TOTAL	FAIR VALUE REMUNERATION <sup>2</sup>	SEVERANCE/ PENSION BENEFITS
Gianluca Ferrero	Chairman of the Board of Statutory Auditors	01.01.2021 31.12.2021	Meeting to approve 2022 Financial Statements	Remuneration from Fincantieri	37,000.00 <sup>17</sup>	-	-	-	-	-	37,000.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	
				Total	37,000.00	-	-	-	-	-	37,000.00	-	-
Pasquale De Falco	Full Member of the Board of Statutory Auditors	01.01.2021 31.12.2021	Meeting to approve 2022 Financial Statements	Remuneration from Fincantieri	26,000.00 <sup>17</sup>	-	-	-	-	-	26,000.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	26,000.00	-	-	-	-	-	26,000.00	-	-
Rossella Tosini	Full Member of the Board of Statutory Auditors	01.01.2021 31.12.2021	Meeting to approve 2022 Financial Statements	Remuneration from Fincantieri	26,000.00 <sup>17</sup>	-	-	-	-	-	26,000.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	26,000.00	-	-	-	-	-	26,000.00	-	-
Fabio Gallia	General Manager	01.01.2021 31.12.2021	-	Remuneration from Fincantieri	670,018.21 <sup>18</sup>	-	385,125.00 <sup>19</sup>	-	34,274.79	-	1,089,418.00	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	670,018.21	-	385,125.00	-	34,274.79	-	1,089,418.00	-	-
Key Executives	-	01.01.2021 31.12.2021	-	Remuneration from Fincantieri	4,949,720.13 <sup>20</sup>	-	2,071,151.75 <sup>21</sup>	-	112,711.07 <sup>22</sup>	200,000.00 <sup>23</sup>	7,333,582.95	2,854,917 <sup>24</sup>	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	4,949,720.13	-	2,071,151.75	-	112,711.07	200,000.00	7,333,582.95	2,854,917	-

<sup>1</sup> The following abbreviations have been adopted in the body of the Tables above in relation to the company organs and positions held in Fincantieri: CEO (means the Chief Executive Officer); BoD (means the Board of Directors); ICRMC (means the Internal Control and Risk Management Committee); AC (means the Appointments Committee); RC (means the Remuneration Committee); SC (means the Sustainability Committee); BoSA (means the Board of Statutory Auditors); GM (means the General Manager); KE (means the Key Executives); ESR (means the Executives with Strategic Responsibilities).

<sup>2</sup> It should be noted that the amounts shown result from the sum of the Fair Values of the relevant years within the three-year duration of the LTI Plan 2019-2021, of the first cycle (2019-2021), the second cycle (2020-2022) and the third cycle (2021-2023).

<sup>3</sup> The Chairman's fixed remuneration consists of: (i) EUR 50,000, as remuneration for the office of Chairman of the Board of Directors, approved by the Shareholders' Meeting of 5 April 2019, under Article 2389, paragraph 1 of the Italian Civil Code, relating to the financial year 2021, on an annual basis; this amount will be disbursed in 2022; (ii) EUR 240,000, by way of remuneration, accrued in the financial year 2021, resolved by the Board of Directors on 20 July 2016, under Article 2389, paragraph 3 of the Italian Civil Code, as subsequently confirmed on 30 July 2020, on the proposal of the RC, and after hearing the opinion of the BoSA, by virtue of the extent and nature of the specific powers conferred; this amount was disbursed in 2021. In addition, it should be noted that, in 2021, the following fee of EUR 50,000 was paid as remuneration for the office of Chairman of the Board of Directors, approved by the Shareholders' Meeting of 5 April 2019, under Article 2389, paragraph 1, of the Italian Civil Code, relating to the 2020 financial year.

<sup>4</sup> The amount refers to the 2021 MBO Plan and amounts to EUR 100,000 per target, with an adjustment up to a maximum of EUR 120,000, in the event of over-performance, as indicated in the Table; the amount will eventually be recognised during 2022, subject to verification of the achievement of the performance targets assigned. In addition, with reference to the 2020 MBO Plan, on 13 May 2021, the BoD, on the proposal of the RC, ascertained the full achievement of the specific conditions of over performance, consequently determining the payment of the amount of EUR 120,000, which was paid in 2021.

<sup>5</sup> The CEO's fixed remuneration consists of: (i) EUR 50,000, as remuneration for the office of member of the Board of Directors, approved by the Shareholders' Meeting of 5 April 2019, under Article 2389, paragraph 1 of the Italian Civil Code, relating to the financial year 2021, on an annual basis; this amount will be disbursed in 2022; (ii) EUR 923,000, by way of remuneration, accrued in the financial year 2021, resolved by the Board of Directors on 20 July 2016, under Article 2389, paragraph 3 of the Italian Civil Code, as subsequently confirmed on 30 July 2020, on the proposal of the RC, and after hearing the opinion of the BoSA, for the office of Chief Executive Officer; this amount was disbursed in 2021. In addition, it should be noted that, in 2021, the following fee of EUR 50,000 was paid as remuneration for the office of member of the Board of Directors, approved by the Shareholders' Meeting of 5 April 2019, under Article 2389, paragraph 1, of the Italian Civil Code, relating to the 2020 financial year. Finally, it should be noted that the total of EUR 973,000 does not include remuneration for other positions held by Bono in subsidiaries and affiliates, as these were paid directly to Fincantieri.

<sup>6</sup> With reference to the BoD of 20 July 2016, as subsequently confirmed on 13 May 2021, on the proposal of the RC, the short-term variable remuneration for the year 2021, is equal to EUR 583,800, on achievement of the target, with adjustment up to a maximum of EUR 632,450 in the event of over performance, as per the Table; the disbursement of this amount will possibly take place during the financial year 2022, subject to verification of the achievement of the performance targets assigned. In addition, the BoD, with reference to the 2020 MBO Plan, on 13 May 2021, on the proposal of the RC, ascertained the full achievement of the specific conditions of over performance, consequently determining the payment of the amount of EUR 632,450 which was paid in 2021.

<sup>7</sup> It should be noted that remuneration relating to positions held in subsidiaries and affiliates during 2021 is not included in the remuneration received by Bono, as it was paid directly to Fincantieri (see Note 5).

<sup>8</sup> This amount, on an annual basis, approved by the Shareholders' Meeting on 5 April 2019, relating to the financial year 2021, will be paid during the financial year 2022.

<sup>9</sup> This amount, relating to the financial year 2021, is composed of: (i) EUR 25,000, on an annual basis, as remuneration for serving as member of the ICRMC and (ii) EUR 25,000, on an annual basis, as remuneration for serving as a member of the RC. These amounts will be disbursed during financial year 2022.

<sup>10</sup> This amount, relating to the financial year 2021, is composed of: (i) EUR 35,000, on an annual basis, as remuneration for serving as Chairman of the ICRMC and (ii) EUR 25,000, on an annual basis, as remuneration for serving as a member of the AC. These amounts will be disbursed during financial year 2022.

<sup>11</sup> This amount, relating to the financial year 2021, is composed of: (i) EUR 25,000, on an annual basis, as remuneration for serving as member of the AC and (ii) EUR 25,000, on an annual basis, as remuneration for serving as a member of the SC. These amounts will be disbursed during financial year 2022.

<sup>12</sup> This amount, relating to the financial year 2021, is composed of: (i) EUR 35,000, on an annual basis, as remuneration for serving as Chairman of the RC, (ii) EUR 25,000, on an annual basis, as remuneration for the office of member of the SC and (iii) EUR 3,000, on an annual basis, as remuneration for the office of member of the ICRMC, in replacement of Ms. Santini in case of incompatibility for the latter. These amounts will be disbursed during financial year 2022.

<sup>13</sup> This amount, relating to the financial year 2021, is composed of: (i) EUR 25,000, on an annual basis, as remuneration for serving as member of the RC and (ii) EUR 35,000, on an annual basis, as remuneration for serving as Chairman of the SC. These amounts will be disbursed during financial year 2022.

<sup>14</sup> This amount, relating to the financial year 2021, is composed of: (i) EUR 25,000, on an annual basis, as remuneration for serving as Chairman of the AC and (ii) EUR 25,000, on an annual basis, as remuneration for serving as a member of the RC. These amounts will be disbursed during financial year 2022.

<sup>15</sup> This amount, relating to the financial year 2021, is composed of: (i) EUR 25,000, on an annual basis, as remuneration for serving as member of the ICRMC and (ii) EUR 25,000, on an annual basis, as remuneration for serving as a member of the SC. These amounts will be disbursed during financial year 2022.

<sup>16</sup> This amount, relating to the financial year 2021, is composed of: (i) EUR 25,000, on an annual basis, as remuneration for serving as member of the ICRMC and (ii) EUR 35,000, on an annual basis, as remuneration for serving as Chairman of the AC. These amounts will be disbursed during financial year 2022.

<sup>17</sup> It should be noted that the remuneration of the Statutory Auditors was approved by the Shareholders' Meeting on 9 June 2020.

<sup>18</sup> The amount of the fixed component, referring to the period 01 January 2021 - 31 December 2021, was fully paid in the same year.

<sup>19</sup> The amount refers to the 2021 MBO Plan and amounts to EUR 357,500 per target, with an adjustment up to a maximum of EUR 385,125, in the event of over-performance, as indicated in the Table; the amount will eventually be recognised during 2022, subject to verification of the achievement of the performance targets assigned. In addition, during 2021, the amount of EUR 130,000 referred to the 2020 MBO Plan was disbursed.

<sup>20</sup> Of which EUR 2,302,665.77 for Executives with Strategic Responsibilities. It should be noted that the amount indicated does not include the remuneration received by Key Executives for positions held on the corporate bodies of subsidiaries, since, in line with Group policy, such remuneration is paid to Fincantieri.

<sup>21</sup> The amount relates to the 2021 MBO Plan and will possibly be recognised during 2022, subject to verification of the achievement of the performance targets assigned. Of this amount, EUR 1,046,281.75 relates to Executives with Strategic Responsibilities. In addition, during 2021, the total amount of EUR 2,072,764.80 (of which EUR 1,050,985.77 related to Executives with Strategic Responsibilities) referred to the 2020 MBO Plan was disbursed. The review of the achievement of the 2020 Plan targets was carried out by the Chief Executive Officer, based on the 2020 financial statements and specific reports.

<sup>22</sup> Of which EUR 32,813.46 for Executives with Strategic Responsibilities.

<sup>23</sup> This amount was disbursed in the financial year 2021 in the context of Executives with Strategic Responsibilities, as entry bonus, in line with the provisions of Section I, paragraph 2.3.2, within the extraordinary remunerations of this document.

<sup>24</sup> Of which 1,402,028 for Executives with Strategic Responsibilities.



**Table 2****Table on monetary incentive plans for the Chairman, the Chief Executive Officer, the General Manager and Key Executives / Executives with Strategic Responsibilities**

The remunerations shown in this Table reflect the maximum amount payable; their possible disbursement during the 2022 financial year and its amount are subject to the assessment of the achievement of the underlying targets by the relevant company organs.

		BONUS FOR THE YEAR			BONUS FROM PREVIOUS YEARS		OTHER BONUSES	
FIRST NAME AND SURNAME	POSITION	PLAN	AMOUNT FOR DISBURSEMENT/ DISBURSED	DEFERRED	PERIOD OF REFERENCE	NO LONGER PAYABLE	AMOUNT FOR DISBURSEMENT/ DISBURSED	DEFERRED AGAIN
Giampiero Massolo	Chairman of the Board of Directors	Remuneration from Fincantieri	MBO 2021	120,000.00 <sup>25</sup>	-	-	-	-
		Remuneration from subsidiaries and affiliates	-	-	-	-	-	-
		<b>Total</b>	-	120,000.00	-	-	-	-
Giuseppe Bono	Chief Executive Officer	Remuneration from Fincantieri	MBO 2021	632,450.00 <sup>26</sup>	-	-	-	-
		Remuneration from subsidiaries and affiliates	-	-	-	-	-	-
		<b>Total</b>	-	632,450.00	-	-	-	-
Fabio Gallia	General Manager	Remuneration from Fincantieri	MBO 2021	385,125.00 <sup>27</sup>	-	-	-	-
		Remuneration from subsidiaries and affiliates	-	-	-	-	-	-
		<b>Total</b>	-	385,125.00	-	-	-	-
Key Executives		Remuneration from Fincantieri	MBO 2021	2,071,151.75 <sup>28</sup>	-	-	-	-
		Remuneration from subsidiaries and affiliates	-	-	-	-	-	-
		<b>Total</b>	-	2,071,151.75	-	-	-	-

<sup>25</sup> The amount refers to the 2021 MBO Plan and is equal to EUR 100,000 per target, with an adjustment up to a maximum of EUR 120,000 in the event of over performance; the amount will eventually be recognised during 2022, subject to verification of the achievement of the performance targets assigned.

<sup>26</sup> The amount refers to the 2021 MBO Plan and is equal to EUR 583,800 per target, with an adjustment up to a maximum of EUR 632,450 in the event of over performance; the amount will eventually be recognised during 2022, subject to verification of the achievement of the performance targets assigned.

<sup>27</sup> The amount refers to the 2021 MBO Plan and is equal to EUR 357,500 per target, with an adjustment up to a maximum of EUR 385,125; the amount will be recognised during 2022.

<sup>28</sup> The amount relates to the 2021 MBO Plan and will possibly be recognised during 2022, subject to verification of the achievement of the performance targets assigned. Of this amount, EUR 1,046,281.75 relates to Executives with Strategic Responsibilities.





Section III

Information on the shareholdings of members of the Board of Directors, of the Board of Statutory Auditors, the General Manager and Executives with Strategic Responsibilities

The following table has been prepared in accordance with Article 84-*quater*, paragraph 4, of the Issuers' Regulations and Schedule no. 7-*ter* of Annex 3A of the Issuers' Regulations. This list shows, by name, the shareholdings held by members of the Board of Directors and Board of Statutory Auditors, by the General Manager and, in aggregate form, by Executives with Strategic Responsibilities in Fincantieri and its subsidiaries<sup>29</sup>.

FIRST NAME AND SURNAME	POSITION	PERIOD FOR WHICH THE POSITION HAS BEEN HELD	SUBSIDIARY	NO. OF SHARES HELD AT THE END OF FINANCIAL YEAR 2020	NO. OF SHARES PURCHASED <sup>30</sup>	NO. OF SHARES SOLD	NUMBER OF SHARES HELD AT THE END OF FINANCIAL YEAR 2021
Giampiero Massolo	Chairman of the Board of Directors	01.01.2021 31.12.2021	-	-	-	-	-
Giuseppe Bono	Chief Executive Officer	01.01.2021 31.12.2021	Fincantieri	1,941,925	326,858	-	2,268,783
Barbara Alemanni	Director	01.01.2021 31.12.2021	-	-	-	-	-
Massimiliano Cesare	Director	01.01.2021 31.12.2021	-	-	-	-	-
Luca Errico	Director	01.01.2021 31.12.2021	-	-	-	-	-
Paola Muratorio	Director	01.01.2021 31.12.2021	-	-	-	-	-
Elisabetta Oliveri	Director	01.01.2021 31.12.2021	Fincantieri	1,000	-	-	1,000
Fabrizio Palermo	Director	01.01.2021 31.12.2021	-	-	-	-	-
Federica Santini	Director	01.01.2021 31.12.2021	-	-	-	-	-
Federica Seganti	Director	01.01.2021 31.12.2021	-	-	-	-	-
Gianluca Ferrero	Chairman of the Board of Statutory Auditors	01.01.2021 31.12.2021	-	-	-	-	-
Pasquale De Falco	Full Member of the Statutory Auditors	01.01.2021 31.12.2021	-	-	-	-	-
Rossella Tosini	Full Member of the Statutory Auditors	01.01.2021 31.12.2021	-	-	-	-	-
Fabio Gallia	General Manager	01.01.2021 31.12.2021	-	-	-	-	-
Executives with Strategic Responsibilities		01.01.2021 31.12.2021	Fincantieri	990,563 <sup>31</sup>	232,985	140,079	1,083,469 <sup>32</sup>

<sup>29</sup> No information is disclosed about persons who ceased to hold office before the Company's shares were admitted to trading. It should be noted that, under Article 84-*quater*, paragraph 4 of the Issuers' Regulation, the Remuneration Report must indicate "the shareholdings held in the listed company and its subsidiaries by members of the management and control bodies, by General Manager and by other Executives with Strategic Responsibilities, and by spouses who are not legally separated and minor children, directly or through subsidiaries, trust companies or intermediaries, as resulting from the shareholders' register, from communications received and from other information acquired from members of the management and control bodies, General Manager and Executives with Strategic Responsibilities".

Under Schedule no. 7-*ter* of Annex 3A of the Issuers' Regulations, all persons who during the year in question held, even for a fraction of a year, the position of member of the administration and control bodies, General Manager or Manager with Strategic Responsibilities are included. In this regard, the title of possession and mode of possession are also specified.

<sup>30</sup> The total number of shares purchased also includes the allocation, net of statutory deductions, arising from the 3rd cycle (2018-2020) of the LTI Plan 2016-2018.

<sup>31</sup> The number above is the total number of shares held as at 31.12.2020 by the key management personnel identified for the 2021 financial year. The difference in the number of shares held at 31.12.2020 compared to the previous Remuneration Report is due to the turnover of the various Executives in the role of Executive with Strategic Responsibilities.

<sup>32</sup> The difference in the number of shares held at 31.12.2021 compared to 31.12.2020 is due to the turnover of the various Executives in the role of Executive with Strategic Responsibilities during the year under review.





Table 3A

Incentive plans based on financial instruments, other than stock options, for Members of the Board of Directors, the General Manager and other Executives with Strategic Responsibilities

		FINANCIAL INSTRUMENTS ALLOCATED IN PREVIOUS YEARS AND NOT ACCRUED DURING THE YEAR		FINANCIAL INSTRUMENTS ASSIGNED DURING THE YEAR					FINANCIAL INSTRUMENTS ACCRUED DURING THE YEAR AND NOT ATTRIBUTABLE	FINANCIAL INSTRUMENTS ACCRUED DURING THE YEAR AND ATTRIBUTABLE		FINANCIAL INSTRUMENTS FOR THE YEAR
FIRST NAME AND SURNAME/ POSITION	LTI PLAN 2016-2018 <sup>33</sup>	NUMBER AND TYPE OF FINANCIAL INSTRUMENTS <sup>34</sup>	VESTING PERIOD	NUMBER AND TYPE OF FINANCIAL INSTRUMENTS	FAIR VALUE AT GRANT DATE	VESTING PERIOD	DATE OF ASSIGNMENT	MARKET PRICE AT THE TIME OF ALLOCATION	NUMBER AND TYPE OF FINANCIAL INSTRUMENTS	NUMBER AND TYPE OF FINANCIAL INSTRUMENTS	VALUE AT EXPIRY DATE	FAIR VALUE
CEO remuneration in Fincantieri	10 November 2016 (3rd cycle 2018-2020)	707,530 shares	About 3 years	-	-	-	-	-	-	609,431	0.7540	-
GM Remuneration in Fincantieri	10 November 2016 (3rd cycle 2018-2020)	-	-	-	-	-	-	-	-	-	-	-
KE+ESR Remuneration in Fincantieri	10 November 2016 (3rd cycle 2018-2020)	1,110,215 shares	About 3 years	-	-	-	-	-	-	963,697 <sup>35</sup>	0.7540	-
Total	-	-	-	-	-	-	-	-	-	-	-	-

<sup>33</sup> Date of approval of the Plan by the Board of Directors, subsequently approved by the Shareholders' Meeting convened on 19 May 2017 to approve the annual financial statements for the year ended 31 December 2016, on the proposal of the Board of Directors.  
<sup>34</sup> The shares indicated correspond to the number of assignments to the target. Please note that the shares indicated in the tables attached to the Information Document relating to the LTI Plans correspond to the maximum number of shares allocated.  
<sup>35</sup> Of which 434,406 for Executives with Strategic Responsibilities.

Table 3A

Incentive plans based on financial instruments, other than stock options, for Members of the Board of Directors, the General Manager and other Executives with Strategic Responsibilities

		FINANCIAL INSTRUMENTS ALLOCATED IN PREVIOUS YEARS AND NOT ACCRUED DURING THE YEAR		FINANCIAL INSTRUMENTS ASSIGNED DURING THE YEAR					FINANCIAL INSTRUMENTS ACCRUED DURING THE YEAR AND NOT ATTRIBUTABLE	FINANCIAL INSTRUMENTS ACCRUED DURING THE YEAR AND ATTRIBUTABLE		FINANCIAL INSTRUMENTS FOR THE YEAR
FIRST NAME AND SURNAME/ POSITION	LTI PLAN 2019-2021 <sup>36</sup>	NUMBER AND TYPE OF FINANCIAL INSTRUMENTS	VESTING PERIOD	NUMBER AND TYPE OF FINANCIAL INSTRUMENTS	FAIR VALUE AT GRANT DATE <sup>37</sup>	VESTING PERIOD	DATE OF ASSIGNMENT	MARKET PRICE AT THE TIME OF ALLOCATION <sup>38</sup>	NUMBER AND TYPE OF FINANCIAL INSTRUMENTS	NUMBER AND TYPE OF FINANCIAL INSTRUMENTS	VALUE AT EXPIRY DATE	FAIR VALUE
CEO remuneration in Fincantieri	27 March 2018 (1st cycle 2019-2021)	1,082,219 shares	About 3 years	-	-	-	-	-	-	-	-	351,577 <sup>39</sup>
	27 March 2018 (2nd cycle 2020-2022)	2,742,973 shares	About 3 years	-	-	-	-	-	-	-	-	489,346 <sup>40</sup>
	27 March 2018 (3rd cycle 2021-2023)	-	-	1,402,544	0.7571	About 3 years	10.06.2021 <sup>41</sup>	0.7978	-	-	-	353,955 <sup>42</sup>
GM Remuneration in Fincantieri	27 March 2018 (3rd cycle 2021-2023)	-	-	774,004	0.7571	About 3 years	10.06.2021 <sup>41</sup>	0.7978	-	-	-	195,333 <sup>43</sup>
KE+ESR Remuneration in Fincantieri	27 March 2018 (1st cycle 2019-2021)	2,818,880 <sup>44</sup> shares	About 3 years	-	-	-	-	-	-	-	-	915,760 <sup>45</sup>
	27 March 2018 (2nd cycle 2020-2022)	5,247,540 <sup>46</sup> shares	About 3 years	-	-	-	-	-	-	-	-	936,161 <sup>47</sup>
	27 March 2018 (3rd cycle 2021-2023)	-	-	3,974,361 <sup>48</sup>	0.7571	About 3 years	10.06.2021 <sup>41</sup>	0.7978	-	-	-	1,002,996 <sup>49</sup>
Total	-	-	-	-	-	-	-	-	-	-	-	1,267,337 <sup>50</sup>
	-	-	-	-	-	-	-	-	-	-	-	1,425,507 <sup>51</sup>
	-	-	-	-	0.7571	-	-	-	-	-	-	1,552,284 <sup>52</sup>

<sup>36</sup> Date of approval of the Plan by the Board of Directors, subsequently approved by the Shareholders' Meeting convened on 11 May 2018 to approve the annual financial statements for the year ended 31 December 2017, on the proposal of the Board of Directors.  
<sup>37</sup> The fair value relating to the LTI Plan 2019-2021, 3rd cycle 2021-2023, corresponding to the maximum incentive attributable in the event of full achievement of all performance conditions, was calculated on the basis of the weighted unit value of the following parameters: 20% of the reference book value of TSR (EUR 0.0915) and 15% of the reference book value of the Sustainability Index added to 65% of the reference book value of EBITDA (EUR 0.6656).  
<sup>38</sup> This is the weighted average market price of the shares during the five trading days prior to the date of the Board resolution of 10 June 2021 for the 3rd cycle (2021-2023) of the Plan.  
<sup>39</sup> The amount relates to the year in question within the three-year duration of the entire cycle; the total fair value amount for the entire cycle is 1,054,731.  
<sup>40</sup> The amount relates to the year in question within the three-year duration of the entire cycle; the total fair value amount for the entire cycle is 1,468,039.  
<sup>41</sup> Date on which the Board of Directors approved the number of rights to be granted to recipients of the 2019-2021 Plan for the 3rd cycle (2021-2023) of the Plan.  
<sup>42</sup> The amount relates to the year in question within the three-year duration of the entire cycle; the total fair value amount for the entire cycle is 1,061,866.  
<sup>43</sup> The amount relates to the year in question within the three-year duration of the entire cycle; the total fair value amount for the entire cycle is 585,998.  
<sup>44</sup> Of which 1,076,234 for Executives with Strategic Responsibilities.  
<sup>45</sup> The amount relates to the year in question within the three-year duration of the entire cycle; the total fair value amount for the entire cycle is 2,747,280. Of which 349,633, on an annual basis (1,048,898 for the entire cycle), for Executives with Strategic Responsibilities.  
<sup>46</sup> Of which 2,838,027 for Executives with Strategic Responsibilities.  
<sup>47</sup> The amount relates to the year in question within the three-year duration of the entire cycle; the total fair value amount for the entire cycle is 2,808,483, of which 506,304, on an annual basis (1,518,912 for the entire cycle), for Executives with Strategic Responsibilities.  
<sup>48</sup> Of which 2,163,880 for Executives with Strategic Responsibilities.  
<sup>49</sup> The amount relates to the year in question within the three-year duration of the entire cycle; the total fair value amount for the entire cycle is 3,008,989. Of which 546,091, on an annual basis (1,638,274 for the entire cycle), for Executives with Strategic Responsibilities.  
<sup>50</sup> The amount relates to the year in question within the three-year duration of the entire cycle; the total fair value amount for the entire cycle is 3,802,011.  
<sup>51</sup> The amount relates to the year in question within the three-year duration of the entire cycle; the total fair value amount for the entire cycle is 4,276,522.  
<sup>52</sup> The amount relates to the year in question within the three-year duration of the entire cycle; the total fair value amount for the entire cycle is 4,656,853.

# FINCANTIERI

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Parent Company

Registered office Via Genova no. 1 – 34121 Trieste – Italy

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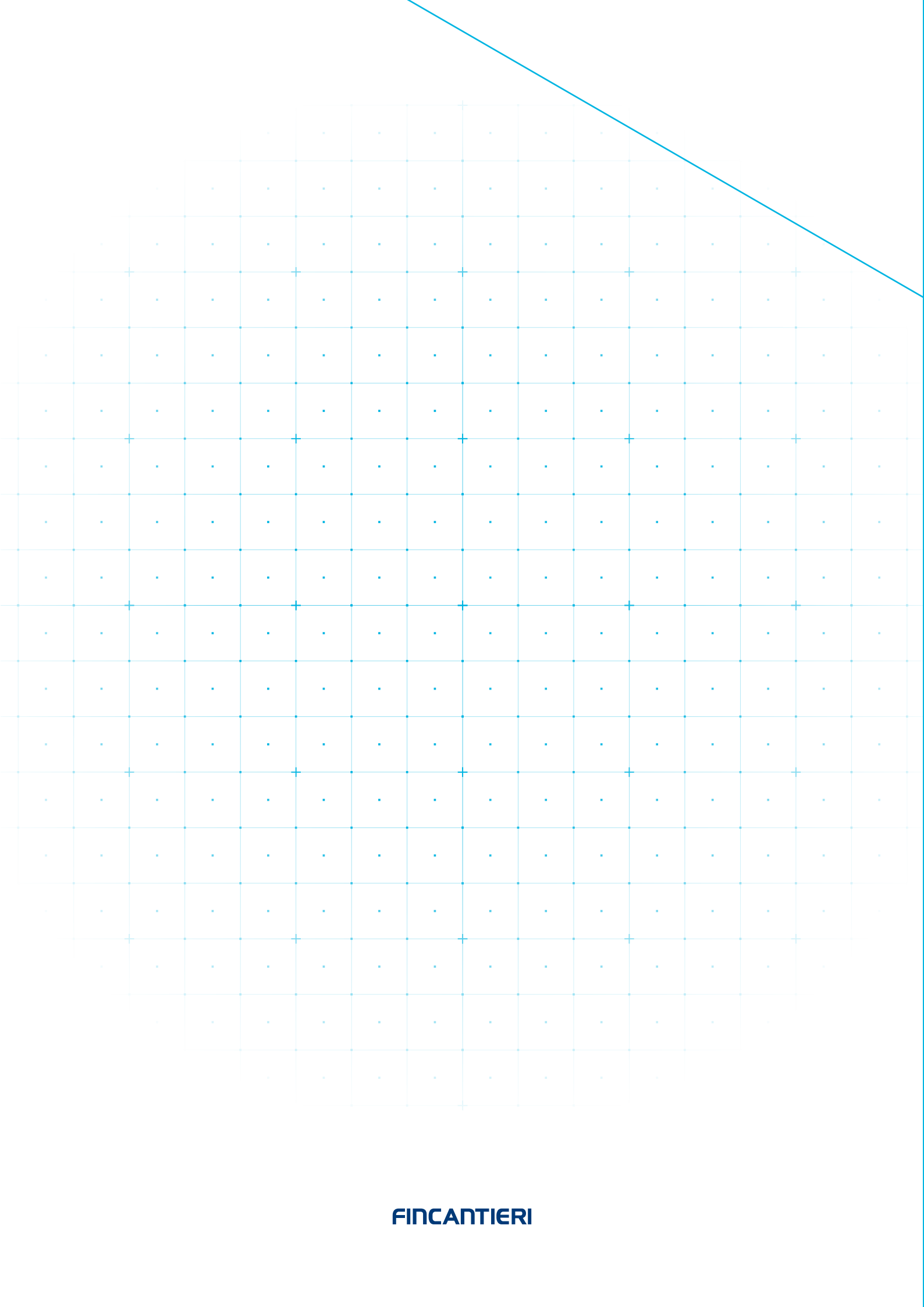
Share capital Euro 862,980,725.70

Venezia Giulia Company Registry and Tax No. 00397130584

VAT No. 00629440322

Graphic design and layout

**EY YELLO**



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