

1.10 GOVERNANCE

Maire Tecnimont’s corporate governance system, established in relation to the Company and the Maire Tecnimont Group’s success in pursuing sustainability, plays a central role in the process of identifying and subsequently implementing the Group’s sustainability initiatives.

More specifically, the Company’s sustainability strategies - defined and monitored by the Board of Directors with the aim of creating long-term value for the benefit of shareholders, taking into account the interests of other stakeholders of relevance to the Company - hold Maire Tecnimont’s corporate Governance system to be the essential tool for developing and managing relevant sustainability issues, in line with the approved Sustainability Plan.

Note that at its meeting on 11 February 2021, the Board of Directors of Maire Tecnimont resolved to adopt the Principles and Recommendations of the “Corporate Governance Code” approved by the Corporate Governance Committee of Borsa Italiana S.p.A. in January 2020, which entered into force on 1 January 2021 (the “**New Code**”).

In passing the above resolution, the Maire Tecnimont’s Board of Directors took into account the importance for stakeholders, in the current global market context, of having a corporate governance system that is always in line with the most recent international best practices, and the Company’s

positive rankings in the main sustainability indices, which is partly thanks to its ratings on corporate governance issues.

Confirming the importance of the corporate governance system for Maire Tecnimont, the Board of Directors has stated its opinion on the opportunity not to take up the option of redefining the Company’s governance by using the exemptions provided for in the New Code for “non-large companies” and “concentrated ownership companies”, a category to which Maire Tecnimont currently belongs.

Consequently, during the 2021 financial year and in compliance with the guidelines established by the Board of Directors, an assessment on the governance of Maire Tecnimont was initiated. This aimed to identify proposals for adapting the Company’s corporate governance system in force at the time to the New Code.

On 16 December 2021, the Board of Directors of the Company therefore approved - after consulting the Control Risk and Sustainability Committee and the Board of Statutory Auditors of the Company, as far as it is competent - the proposals for adaptation formulated following the results of the assessment¹².

Maire Tecnimont’s governance is based on a traditional administration model that includes a Shareholders’ Meeting, a Board of Directors and a Board of Statutory Auditors¹³.

The current Board of Directors and the Board of Statutory Auditors of Maire Tecnimont were appointed at the Ordinary Shareholders’ Meeting on 29 April 2019 according to a slate voting system that protects the rights of the minority shareholders.

The term of the current Board of Directors and the Board of Statutory Auditors will expire when the financial statements at 31 December 2021 are approved.

The Shareholders’ Meeting called for 8 April 2022, at the first call, and, if required, for 11 April 2022, at the second call, will therefore be asked to appoint

the new Board of Directors, after determining the number of members and the duration in office, and the new Board of Statutory Auditors of the Company.

Currently, the number of independent directors (five independents out of 9 appointed directors), all non-executive, exceeds the number required by law and the Maire Tecnimont By-Laws.

DIVERSITY IN THE BOARDS

4	ON THE BOARD OF DIRECTORS
WOMEN	
1	ON THE BOARD OF STATUTORY AUDITORS
WOMAN	
2	ON THE SUPERVISORY BODY
WOMEN	

¹² For further information on the New Code, its adoption by Maire Tecnimont and the process of adapting the Company’s corporate governance system to the Principles and Recommendations of the New Code, which was carried out in 2021, please refer to the “Corporate Governance and Ownership Structure Report for 2021”, which was prepared pursuant to art. 123-bis of the Consolidated Finance Act and is available on the corporate website (www.mairetecnimont.com, “Governance” section) (the “Corporate Governance for the year 2021”).

¹³ Further information on Maire Tecnimont’s corporate governance system can be found in the Corporate Governance and Ownership Structure Report for the year 2021.

The current Board of Directors is composed of nine members (including two Executive Directors) as follows:

BOARD OF DIRECTORS

- 1 **Fabrizio DI AMATO**
CHAIRMAN
- 2 **Pierroberto FOLGIERO**
CEO & COO
- 3 **Luigi ALFIERI**
DIRECTOR
- 4 **Gabriella CHERSICLA**
DIRECTOR
- 5 **Stefano FIORINI**
DIRECTOR
- 6 **Vittoria GIUSTINIANI**
DIRECTOR
- 7 **Andrea PELLEGRINI**
DIRECTOR
- 8 **Patrizia RIVA**
DIRECTOR
- 9 **Maurizia SQUINZI**
DIRECTOR



Similarly, the Committees are composed of non-executive directors, the majority of whom are independent, including the Chairperson.

Regarding gender diversity, the current Board of Directors, in office since 2019, has four women out of nine directors and is fully compliant, including with the most recent legislative provisions, effective from January 2020, on strengthening gender diversity in the Board of Directors and the Board of Statutory Auditors.

The Board of Directors is also well-balanced in terms of educational background, professional

and managerial skills, age, geographical origin and international experience, and meets the diversity criteria defined by the Board of Directors in 2019 when the Board was re-elected, with its term expiring when the financial statements at 31 December 2021 are approved. These criteria are indicated in the relevant Board of Directors' Explanatory Report¹⁴.

Taking into account the expiry of the current Board's term and appointment of the new Board by the Shareholders' Meeting called to approve the financial statements at 31 December 2021, at its meeting of 21 February 2022 the Board

of Directors considered it appropriate to define the guidelines on the optimal quantitative and qualitative composition of the Board of Directors, taking into account the results of the self-assessment process of the Board and its Committees for the 2021¹⁵ financial year. For this purpose it identified the managerial and professional profiles and skills deemed necessary by the Board of the Company, in view also of the characteristics of the Company's sector and considering the criteria of diversity in the composition of the Board itself¹⁶.

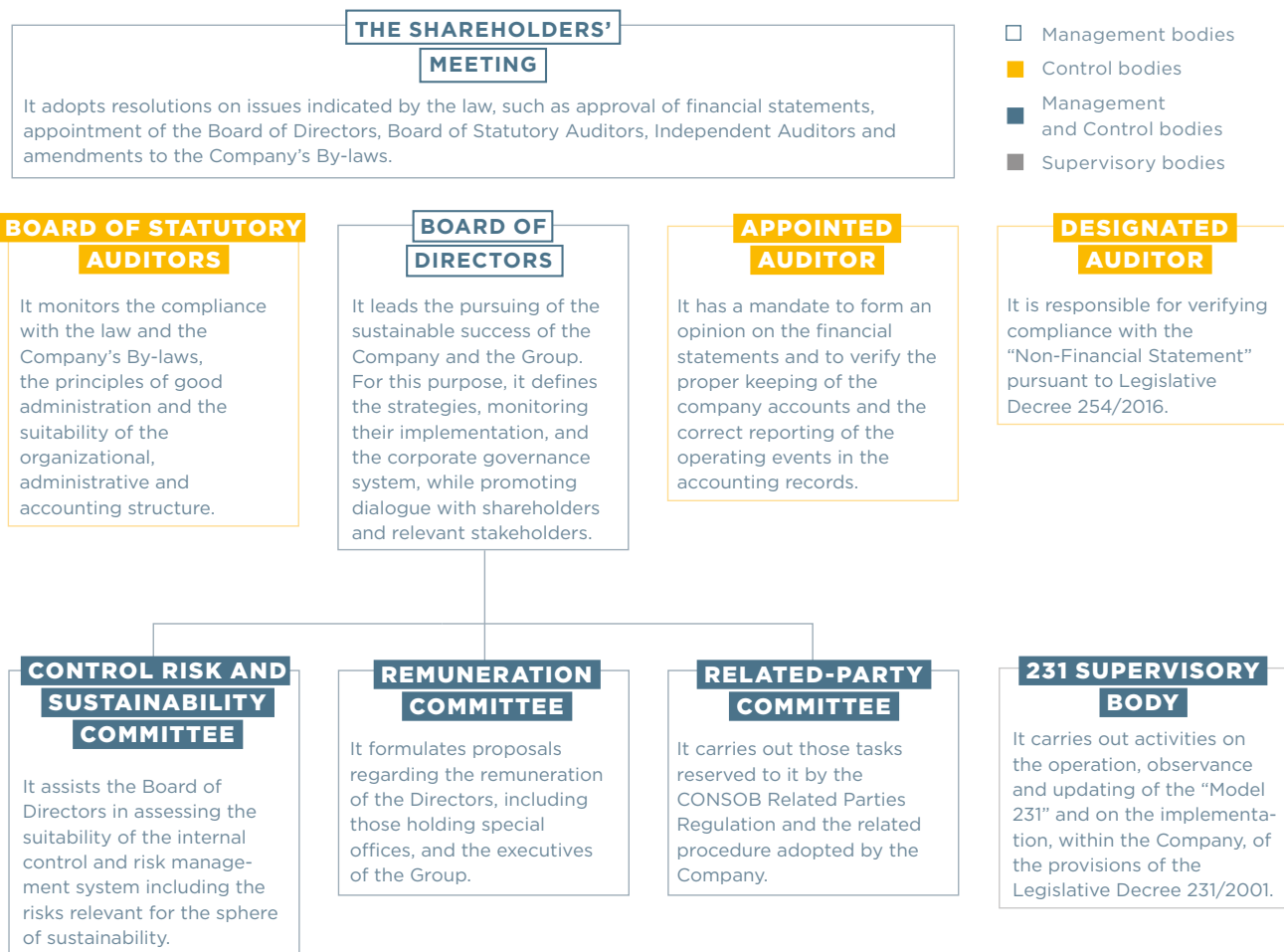
Likewise, **the current Board of Statutory Auditors is also**

¹⁴ For further information, see the Explanatory Report on the second item on the Agenda of the Shareholders' Meeting held on 29 April 2019, which is available on the Company's website (www.mairetecnimont.com, "Governance" section, "Shareholders' Meeting Documents", "2019")

¹⁵ See Art. 4, Recommendation 21 et seq. of the New Code. Note that even though the New Code recommends that only "large companies" other than those with "concentrated ownership" should carry out an annual self-assessment (rather than every three years) of the size, composition and actual functioning of the Board of Directors and its Committees (the "Board Evaluation"), the Company's Board of Directors has decided that the Board Evaluation should be carried out annually.

This decision was made by taking into account the positive results obtained in previous years, following the Board Evaluation, in terms of the Board members' discussions about issues relevant to the Company's corporate governance, also for the purpose of its continuous improvement.

¹⁶ For more information on the guidelines on the optimal quantitative and qualitative composition of the Board of Directors, please refer to the Explanatory Report to the Shareholders' Meeting of 8-11 April 2022 on the second item on the agenda, approved by the Board of Directors and available on the Company's website (www.mairetecnimont.com, "Governance" section, "Shareholders' Meeting Documents", "2022").



well-balanced in terms of diversity and meets the diversity criteria approved by the Board of Directors in 2019 after consulting the Board of Statutory Auditors at the time of re-election of the supervisory body, whose term will expire with the approval of the financial statements at 31 December 2021, as indicated in the Board of Directors' Explanatory Report¹⁷. **The current composition of the Board of Statutory Auditors is also in line with the current legal provisions on gender diversity** (1 woman out of 3 appointed Auditors).

Taking into account the expiry of the term of the current Board of Statutory Auditors and the

appointment of the new Supervisory Body by the Shareholders' Meeting of the Company called to approve the financial statements at 31 December 2021, the Board of Directors, at its meeting of 21 February 2022, in view of the Shareholders' Meeting, established guidelines regarding the composition of the Supervisory Body, with reference also to diversity criteria such as age, gender composition and training and professional background. It did so after consulting the Board of Statutory Auditors and taking into account (i) the Principles and Recommendations of the New Code in terms of the composition of the Supervisory Body, as well as ii) the results of the

self-assessment process for the 2021¹⁸ financial year¹⁹.

The Board of Directors has set up two internal committees with advisory functions: the Control Risk and Sustainability Committee and the Remuneration Committee.

The Board of Directors has also established a Related Party Committee, which is assigned the tasks and duties set out by the Related Parties Regulation issued by CONSOB, the Italian Authority for listed companies.

The Board of Directors has appointed a Supervisory Body ("231 Supervisory Body") involved in the

¹⁷ For further information, see the Explanatory Report on the third item on the agenda of the Shareholders' Meeting held on 29 April 2019, which is available on the Company's website (www.mairetecnimont.com, "Governance" section, "Shareholders' Meeting Documents", "2019").

¹⁸ See Rule Q.1.1 Rules of Conduct for the Board of Statutory Auditors of listed companies.

¹⁹ For more information on the guidelines on the composition of the Supervisory Body, please refer to the Explanatory Report to the Shareholders' Meeting on the third item on the agenda, approved by the Board of Directors and available on the Company's website (www.mairetecnimont.com, "Governance" section, "Shareholders' Meeting Documents", "2022").

operation, observance and updating of the 231 Model and in implementing at the Company the provisions of Italian Legislative Decree 231/2001.

The current Board of Directors carried out the self-assessment process of the Board and its Committees for the 2021 financial year, the last year of the Board's term, with the support of an expert consulting company in the sector. The results of the self-assessment were shared in advance with the Lead Independent Director and presented to the Board of Directors and reported in the 2021 Corporate Governance Report.

The Board of Statutory Auditors also conducted a self-assessment for 2021, the last year of its term, concerning among other matters the adequacy of the composition of the Board of Statutory Auditors, the professional expertise on the Board, and the functioning and climate of its meetings.

The results of the Board of Statutory Auditors' annual self-assessment, conducted with the support of an expert consulting company in the sector, were sent to the Board of Directors and were also reported in the 2021 Corporate Governance Report.

The Chairman of the Board of Directors of Maire Tecnimont, with the support of the Secretary to the Board and the Group Corporate Affairs, Governance & Compliance Function, held a series of induction sessions in order to improve the knowledge of the members of the Board of Directors and the Board of Statutory Auditors, in relation to the activities of the Company and the Maire Tecnimont Group, and on the principles of proper risk management and the applicable regulatory framework²⁰.

The Board of Directors and the Board of Statutory Auditors

periodically receive specific information about all the activities of Maire Tecnimont and the Group, with particular reference to the evolution of corporate dynamics, operating results and the most important economic, financial and equity transactions, ownership structure, financial position and extraordinary transactions.

The reports given to the Board of Directors and Board of Statutory Auditors are coordinated by the Chairman, in agreement with the Chief Executive Officer of Maire Tecnimont and with the support of the Secretary of the Board of Directors and the Group Corporate Affairs, Governance & Compliance function.

GOVERNANCE OF SUSTAINABILITY

The corporate governance of Maire Tecnimont is aligned to the international best practices on sustainability.

The "Control Risk and Sustainability Committee" is tasked among other things with assisting the Maire Tecnimont Board of Directors in evaluating all risks that are relevant to the sustainability of the long-term activities of the Company and the Group. Specifically, this Committee is in charge of:

- examining sustainability matters related to the business and to relations with stakeholders;
- examining the reporting and consolidation system for drafting the Group's Sustainability Report that includes the Non-Financial Statement as per Legislative Decree No. 254/2016 ("NFS");
- examining the Maire Tecnimont Group's proposed Sustainability Plan, which is part of the multi-year Industrial and Strategic

Plan, and giving an opinion prior to its approval by the Board of Directors;

- examining the Maire Tecnimont Group's Sustainability Report, which includes the NFS, and giving an opinion prior to its approval by the Board of Directors;

- supervising the sustainability activities of the Maire Tecnimont Group, including through specific information provided for this purpose by the competent Company and Group Functions;

- monitoring the position of the Company on sustainability topics and in particular on the ethics indicators of sustainability;

- giving opinions on sustainability topics if they are required by Board of Directors.

The **Internal Sustainability Committee**, a strategic advisory body for the Chief Executive Officer of Maire Tecnimont S.p.A., is tasked with assisting in the preparation of policies for the sustainable management of the business and of the related development programmes, guidelines and objectives including those on corporate giving, for monitoring their fulfilment, and for the analysis of interactions with stakeholders.

The **Sustainability Reporting Function**, which reports directly to the Chief Financial Officer, is responsible, with the support of the Group Sustainability Function, for preparing the Group's Sustainability Report containing the Non-Financial Statement referred to in Legislative Decree 254/2016 (NFS) in compliance with the laws and regulations in force. The Function is also responsible for the related preliminary activities and verifying the data collection and consolidation process and information contained therein.

²⁰ Further information about the induction sessions held in 2021 can be found in the Corporate Governance and Ownership Structure Report for 2021.

The **Group Sustainability Function**, part of the Group Institutional Relations, Communication & Sustainability Function of the Company, is responsible for implementing the Group's sustainability strategy, in line with the Sustainable Development Goals (SDGs) defined by the aforementioned Internal Sustainability Committee, liaising with internal and external stakeholders through stakeholder engagement, as well as planning and monitoring sustainability initiatives. The Function is also responsible for managing the Group's philanthropy and cooperation initiatives, as well as contributing, with the project teams and the Region Vice Presidents, to the development of local social engagement plans and communicating social responsibility initiatives externally.

The **Green Acceleration Advisory Board**, which is made up of leading representatives from Industry, Finance and Academia and which serves the Chairman of the Board of Directors and the Company's Chief Executive Officer, assists these bodies in developing their knowledge of the energy transition process and in consolidating the Group's identity as a leading

player in innovating the green chemistry sector.

In 2021, further steps taken to strengthen sustainability governance led to the approval of the Maire Tecnimont Group's **Business Integrity Policy** with the aim of consolidating and streamlining the anti-corruption principles already included in the Group's internal control and risk management system. The Business Integrity Policy and the policies already adopted on Health and Safety, the Environment, Human Resources, Human Rights, the Supply Chain and Quality set out the Maire Tecnimont Group's vision, as well as its reference principles, on Sustainability issues.

For the three-year period 2021-2023, the Maire Tecnimont Group has set up a **Long-Term Incentive Plan** for its Chief Executive Officer and Chief Operating Officer, and for selected Top Managers, in which **10% of targets are linked to**

ESG parameters. Following on from previous experience, Maire Tecnimont intends to introduce for the three-year period from 2022 to 2024, subject to the approval by the next Shareholders' Meeting, a long-term incentive plan with 10% of the objectives related to sustainability issues.



10% TARGETS
LINKED TO ESG PARAMETERS
 MBO & LONG TERM INCENTIVE PLAN

After its suspension in 2020, in 2021 the Group resumed the process of the objectives assignment for the reference period, envisaging, also for the short-term incentive component, **a minimum 10% of objectives dedicated to non-financial aspects that are closely related to ESG topics.** To make these issues even more central, in

2022 Maire Tecnimont intends to introduce (as well as part of the corporate objectives of the MBO system for the Chief Executive Officer and Chief Operating Officer, as well as the Top Managers), an **ESG Group objective, shared by all roles involved, with a weight of 10%.**

