

# **REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE**

Issuer: **WEBUILD S.p.A.**

Website: **[www.webuildgroup.com](http://www.webuildgroup.com)**

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# REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

Pursuant to art. 123-bis of Italian Legislative Decree 58/1998 (Consolidated Finance Act)

Management and Control Model: **traditional**

Issuer: **WEBUILD S.p.A.**

Website: **[www.webuildgroup.com](http://www.webuildgroup.com)**

Year to which the Report refers: **2021**

Date of approval of the Report by the Board of Directors: **25 March 2022**

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## GLOSSARY

**Agreement with CDPE or Investment Agreement:** the agreement signed on 2 August 2019 - and subsequently supplemented and amended on 4 November and 26 December 2019 - between Salini Costruttori S.p.A., CDPE Equity S.p.A. ("**CDPE**") and the Issuer and, limited to certain provisions, Pietro Salini, regarding, *inter alia*, certain rules of corporate governance of the Issuer that are instrumental in the implementation of Progetto Italia, as defined below. As a result of the transfer, by Salini Costruttori S.p.A. (with deed of 3 December 2021 drafted by Andrea De Costa, Notary Public, and filed on 9 December 2021), of its entire equity holding in Webuild S.p.A. to its subsidiary **Salini S.p.A.**, in which it has a 100% interest, the latter is the party with all the rights and obligations deriving from the Investment Agreement, jointly and severally with Salini Costruttori S.p.A. The Agreement came into force on 2 August 2019 (subscription date) and will be valid and effective **until 2 August 2024**, provided no termination has been communicated pursuant to article 18.1 of said Agreement (for further information, please see the Key Information).

**Borsa Italiana:** Borsa Italiana S.p.A.

**Corporate Governance Code/CG Code:** the CG Code of listed companies (January 2020 edition) approved by the Corporate Governance Committee and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria, and made available to the public on the website of the Corporate Governance Committee at <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020-eng.en.pdf>.

**Civil Code:** the Italian Civil Code.

**Control Committee:** the Control, Risks and Sustainability Committee of the Company

**Board/Board of Directors:** the Board of Directors of the Company.

**Issuer/Webuild/Company:** Webuild S.p.A., a joint-stock company incorporated under Italian law, with registered office in Rozzano (MI), Centro Direzionale Milanofiori, Strada 6, Palazzo L, share capital Euro 600,000,000.00, Tax Code and Milan-Monza Brianza-Lodi Business Register number 00830660155, a company subject to the management and coordination of Salini Costruttori S.p.A.

**Financial Year:** the 2021 financial year to which the Report refers.

**Group:** jointly the Issuer and the companies that fall under the scope of consolidation of the latter.

**Key Information:** document drafted in accordance with art. 122 of the Consolidated Finance Act and art. 130 of the Issuers' Regulation and published, in accordance with law, on the website in the section Governance/Other documents, providing key information on the shareholders' agreements set forth in the Agreement with CDPE.

**Progetto Italia:** the industrial initiative for the aggregation and creation of a top player in the Italian infrastructure sector, realised through a market transaction, which would support, *inter alia*, the new entity with guarantees and bonding lines as necessary to the development of the current portfolio and to growth. This transaction has allowed the entry, in the share capital of Webuild S.p.A., of CDP Equity S.p.A. and of major Italian financial institutions (Intesa Sanpaolo, Unicredit, Banco BPM). The Board of Directors, with resolution of 25 March 2022, verified **the completion of Progetto Italia**, as a result of the achievement of all objectives set by this.

**Consob Issuers' Regulation:** the Regulation issued by Consob with Resolution No. 11971/1999 (as subsequently amended) concerning Issuers.

**Consob Market Regulation:** the Regulation issued by Consob with Resolution No. 20249/2017 concerning markets.

**Consob Related-party Regulation:** the Regulation issued by Consob with Resolution No. 17221, March 12, 2010 (and subsequent amendments and supplements) concerning transactions with related parties.

**Report:** this report on corporate governance and ownership structure prepared pursuant to art. 123-bis of the Consolidated Finance Act.

**2022 Remuneration Report:** Report on the Policy on remuneration and compensation paid, drafted pursuant to art. 123-ter of the Consolidated Finance Act, in compliance with (i) art. 84-quater and Annex 3A, Schedule 7-bis and 7-ter of the Consob Issuers' Regulation and made available on the Website, section "*Governance – Remuneration*" and in the Section "*Governance – Shareholders' Meeting*" relating to the next Shareholders' Meeting called to approve the financial statements as at 31 December 2021.

**Salini S.p.A.:** Salini S.p.A., a joint-stock company incorporated under Italian law, with registered office in Milan, Via del Lauro No.3, share capital Euro 10,000,000.00, Tax Code and Milan-Monza Brianza-Lodi Business Register number 12090500963, with Salini Costruttori S.p.A. as sole shareholder.

**Salini Costruttori S.p.A./Salini Costruttori:** Salini Costruttori S.p.A., a joint-stock company incorporated under Italian law, with registered office in Milan, Via del Lauro No.3, share capital Euro 62,400,000.00, Tax Code and Milan-Monza Brianza-Lodi Business Register number 00436420582.

**Spin-off:** the partial proportional spin-off of Astaldi S.p.A. to Webuild S.p.A., approved by the Shareholders' Meeting of 30 April 2021, later completed with deed drafted by Andrea De Costa, Notary Public, on 29 July 2021 (Ref. 12058 Vol. 6470) effective from 1 August 2021 for financial statements, accounting and tax purposes and from 2 August 2021 for stock market purposes.

For more details, reference should be made to the:

(i) Report by the Board of Directors on item 1 of the Extraordinary Shareholders' Meeting of 30 April 2021

[link: <https://salini-pdf-archive.s3-eu-west-1.amazonaws.com/governance/en/shareholders-meeting/2020/may-4-2020/p.to+1+ASS.+STRAORD.+Relazione+CDA+su+denominazione+--FINAL+ING-def.pdf>];

(ii) Spin-off proposal and related documentation

[link: [https://corporatebe.webuildgroup.com/sites/default/files/2021-03/Progetto%20di%20scissione%20Astaldi%20PER%20DEPOSITO\\_firmata%20%28con%20allegati%29.pdf](https://corporatebe.webuildgroup.com/sites/default/files/2021-03/Progetto%20di%20scissione%20Astaldi%20PER%20DEPOSITO_firmata%20%28con%20allegati%29.pdf)];

(iii) Information Document drafted pursuant to art. 70, par. 6, and pursuant to Annex 3B, table No. 2, Consob Issuers' Regulation

[link: [https://corporatebe.webuildgroup.com/sites/default/files/2021-04/Documento%20Informativo%20ex%20art.%2070\\_final%20per%20deposito.pdf](https://corporatebe.webuildgroup.com/sites/default/files/2021-04/Documento%20Informativo%20ex%20art.%2070_final%20per%20deposito.pdf)]

**Website:** the official website of Webuild S.p.A. [www.webuildgroup.com](http://www.webuildgroup.com)

**Consolidated Finance Act:** Italian Legislative Decree No. 58, 24 February 1998 (as subsequently amended and supplemented).

Unless otherwise indicated, the definitions of the CG Code must be understood to be referred to, in regard to: **Directors, Executive Directors, independent Directors, significant shareholder, chief executive officer, (CEO), management body, control body, business plan, company with concentrated ownership, large company, sustainable success, top management.**



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## INTRODUCTION

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This Report, drafted based on the latest format prepared by Borsa Italiana (IX Edition – January 2022), aims at describing the corporate governance Model adopted by Webuild, providing a brief description of the procedures adopted to implement the traditional administration and control Model used by the Issuer.

The corporate governance structure adopted by the Issuer is based on recommendations made at the time by the Corporate Governance Committee as it is believed, on the one hand, that having a well-structured system of corporate governance rules allows the Issuer to operate with the maximum efficiency and, on the other, that ensuring increasingly greater levels of transparency helps increasing investors' confidence in the Issuer.

The Report was approved by the Board of Directors on 25 March 2022 **and was updated with information as at 5 April 2022, taking into consideration the disjointed proxy conferred on the matter by said Board of Directors to the Chairman of the Board of Directors and the Chief Executive Officer.**

This Report has been published in the section *"Governance - Governance System - Corporate Governance Report"* of the Company's Website.

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## 1. ISSUER PROFILE

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### General profile

Webuild S.p.A. (previously Salini Impregilo S.p.A.<sup>1</sup>) is an issuer with shares listed on Euronext Milan, organised and managed by Borsa Italiana. The Company is subject to the management and coordination of Salini Costruttori, pursuant to art. 2497 et seq. of the Italian Civil Code.

Operating in 50 Countries with 80,000 employees (direct and indirect) of more than 100 different nationalities and an order book totalling Euro 45.4 billion at the end of 2021, the Webuild Group is a major global player in building large-scale complex infrastructures for sustainable mobility, clean hydro energy, clean water, green buildings, supporting its customs in attaining the Sustainable Development Goals - SDG.

Recognised for five years by the specialised US magazine Engineering News - Record (ENR) as the leading Group in the world in the construction of infrastructures in the water sector (dams, hydraulic projects and wastewater disposal, purification and desalination plants), on the list of the Top 250 International Contractors, from 2018 it is one of the Top 10 of the environment sector, and it is also a leader in the sustainable mobility sector (in particular, metros and railways plus roads and bridges).

At the end of 2021, the Group recorded 92% of the construction backlog relating to projects related to the advancement of the United Nations Sustainable Development Goals (SDGs).

Sustainability is the key driver of Webuild's business model, together with strong ethical principles and total transparency in its relations with all stakeholders, based on dialogue and a collaborative approach for creating relationships of trust, as described in the Non-Financial Report that the Group has published on its website since 2017<sup>2</sup>.

### Pillars of the corporate identity

In 2021, the Group strengthened its identity system by defining new pillars that consolidate the promise of a company at the service of the community, with a clear commitment to sustainability for the sake of the planet. For the first time, the Group has defined its own "purpose" aimed at creating valuable relationships as a partner for a sustainable future, articulating it through a vision that looks at improving people's lives. Each of Webuild's values underlies the business model and the growth strategy and is made operational in practice with binding documents such as the Code of Ethics. The value system focuses on "respect" for the people, communities and territories in which the Group operates, the safeguard of people's safety, the leveraging and inclusion of all diversity, as well as "excellence", understood as application and development of engineering know-how and techniques. The ability to innovate sustainably also becomes an integral part of the Group's values for the first time.

In recent years, Webuild has strengthened the organisational structure, with in-depth interventions on the corporate culture and on the active involvement of the main decision-making and operational levels, to ensure optimal monitoring of all core processes, from planning to bidding & execution. This control is guaranteed by a centralised governance system, articulated through the Corporate "Competence Centre": these ensure, on the one hand, the application of best practices and Group Guidelines to all subsidiaries and, on the other, the optimisation of operational skills and synergies along the entire value chain, also overseeing reputational risks and brand value and always orienting activities towards the pursuit of sustainability objectives.

### Progetto Italia

On 30 April 2021, the shareholders' meeting of Webuild S.p.A., in extraordinary session, approved the partial proportional Spin-off of Astaldi S.p.A. to Webuild S.p.A. As a result of the Spin-off, all assets of Astaldi relating to construction, infrastructure construction, plant engineering, design, maintenance, facility management and the management of complex systems, aimed at the continuation of the activity

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<sup>1</sup> In accordance with the provisions of the Agreement with CDPE and within the context of Progetto Italia, the extraordinary Shareholders' Meeting, on 4 May 2020 resolved to change the business name of the Issuer from Salini Impregilo S.p.A. to Webuild S.p.A. (see the minutes of the extraordinary Shareholders' Meeting on that date, published on the website [www.webuildgroup.com](http://www.webuildgroup.com), in the section Governance – Shareholders' Meetings - Shareholders' Meeting of 4 May 2020)

<sup>2</sup> Before that, from 2009 onwards, the Group had published an annual Sustainability Report.

as specified in the agreement, was transferred to Webuild, leaving to Astaldi, only the assets, rights and obligations pertaining to the special-purpose equity created by Astaldi.

The completion of the Spin-off of Astaldi to Webuild represents the conclusion of the most significant operation within Progetto Italia, the industrial initiative for the aggregation and creation of a top player in the Italian infrastructure sector, realised also with the capital increase and the entry among the shareholders of CDP Equity and of major Italian financial institutions (Intesa Sanpaolo, Unicredit, Banco BPM). The transaction, besides increasing the size of the Webuild Group, has allowed the aggregation of different companies in the sector and the acquisition of innovative technical and engineering skills to respond promptly to investment programs in the large infrastructure sector promoted by national governments. Programs also aimed at advancing the Sustainable Development Goals (SDGs) defined by the UN and at the fight against climate change.

The merger of the different companies (besides Astaldi, in August 2021 also Seli Overseas S.p.A., a company specialised in tunnelling and acquired as part of the Grandi Lavori Fincosit agreement) has given birth to a new group with solid roots in the country of origin, which will continue to play an active role in relaunching the sector in Italy, also acting as a driving force for the entire supply chain as part of the infrastructure development plan that the Italian government is pursuing.

The Board of Directors, with resolution of 25 March 2022, verified **the completion of Progetto Italia**, as a result of the achievement of all objectives set by this.

#### Responsible and sustainable business model

The effectiveness of the ESG controls put in place by the Company is confirmed by the numerous awards and independent ratings assigned to the Group. Notably, in 2021 the Company was included in the **MIB® ESG Index**, the new ESG sustainability index reserved to Italian blue-chip launched by Borsa Italiana (Euronext Group), which includes the 40 Italian listed companies most important for their effective commitment in terms of environmental, social and governance sustainability

The Company has developed a solid business model that combines the creation of economic value for shareholders, investors and customers with the generation of social and environmental value for the employees and stakeholders of the regions in which it operates, adopting an approach aimed at creating shared value and advancing the **Sustainable Development Goals** (SDGs) defined by the United Nations.

The principles of sustainable development are applied throughout the Group, both in terms of core business and of corporate processes. The management of the Company and the entire Group are committed to operating in accordance with environmental, ethical and professional principles, which comply with the highest international criteria for governance and citizenship.

The Company has adopted a business management and organization Model based on a system of principles (**Code of Ethics, Suppliers' Code of Conduct, Policies**<sup>3</sup>) and management and control instruments (risk management, Models, procedures, controls) aimed at monitoring the significant ESG (Environmental, Social, Governance) issues, in line with the regulations applied in the various countries in which it operates, as well as with main international standards and Guidelines.

On these issues, Webuild is one of the signatories of the Global Compact of the United Nations, the largest global sustainability initiative that commits companies to align their activities and strategies with ten universally recognized principles in terms of human rights, labour, the environment and fight against corruption.

In addition to certified **Quality, Health and Safety, Environmental** management systems, the Company has adopted an **Anti-Corruption Model** (see Section 9.5), an additional and important tool for implementing the Company's Internal Control and Risk Management System, which aims at strengthening some prevention protocols already in place and at expressly stating the need to abide by applicable international regulations, especially the FCPA-Foreign Corrupt Practices Act and the UKBA-UK Bribery Act.

Furthermore, the Company is committed to ensuring respect for **human rights** in compliance with the principles stated in the International Charter of Human Rights, the Fundamental Conventions of the

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<sup>3</sup>The Company's Code of Ethics, Suppliers' Code of Conduct and corporate Policies are published on the Company's website [www.webuildgroup.com](http://www.webuildgroup.com) in the sections "Governance – Internal Control and Risk Management System-Code of Ethics" [link: [https://media.webuildgroup.com/sites/default/files/2021-08/webuild\\_ethics\\_code\\_1.pdf](https://media.webuildgroup.com/sites/default/files/2021-08/webuild_ethics_code_1.pdf)] and "Sustainability-Organisation and Policies" [link: <https://www.webuildgroup.com/en/sustainability/organization>] respectively

International Labour Organization, the United Nations Guiding Principles on Business and Human Rights and the OECD Guide for Multinational Enterprises.

Taken as a whole, the Governance System of Webuild – based on the traditional administration Model and in line with the international best practice standards – represents a fundamental tool to guarantee efficient management of the Group and, at the same time, a tool for effectively controlling all business activities, consistently with the goals of creating value for the shareholders and of protecting the interests of all stakeholders.

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The Company:

- is not included in the definition of SME (Small and Medium Enterprises) pursuant to art.1, par.1, letter w-quater 1) of Consolidated Finance Act and art. 2-ter of the Consob Issuers' Regulation (or the transitional regime provided for by art. 44-bis, par. 2 of Legislative Decree No. 76/2020 converted with Law No. 120/2020);
- is included in the definition of **"large company"** and **"company with concentrated ownership"** given in the CG Code.

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In regard to the flexibility options specified in the CG Code for companies with concentrated ownership, notably:

- the possibility of giving the functions of the nomination committee to the board of directors (**Recommendation 16 of the CG Code**), the Company has chosen not to use it (see Section 7);
- the three-year frequency, in view of the renewal of the board of directors, of the board evaluation (**Recommendation 22 of the CG Code**), the Company has chosen not to use it (see Section 7);
- the possibility not to provide Guidelines on the quantitative and qualitative composition of the Board of Directors, in view of each renewal of this, and consequently not to ask the shareholders for specific information, in the documentation presented for the filing of the list, about compliance of the list with the Guidelines provided by the board of directors (**Recommendation 23 of the CG Code**), the Company has chosen not to use it (see Section 4.3).

## 2. INFORMATION ON OWNERSHIP STRUCTURE (ART. 123-BIS, PAR. 1, CONSOLIDATED FINANCE ACT)

### a) Share capital structure

The share capital of Webuild is equal to Euro **600,000,000.00** fully subscribed and paid-up.

Hereunder the share capital structure is shown, taking into account the emission (following resolution by the Board of Directors of 10 March 2022, exercising the proxy conferred to the Board of Directors by the Shareholders' Meeting of 30 April) of 78,180 Webuild's ordinary shares to be attributed to certain Unexpected Unsecured Creditors of Astaldi as part of the Spin-off.

At the date of publication of the Report, the updated Articles of Association are being filed, taking into consideration the above and the related certification pursuant to article 2444 of the Italian Civil Code, after which the Company will comply with the consequent disclosure requirements provided for in the applicable regulations.

SHARE CAPITAL STRUCTURE AT THE DATE OF THIS REPORT				
	No. of shares	No. of voting rights	Listing Market	Rights and Obligations
<b>Ordinary shares</b>	1,000,022,626	1,000,022,626	Euronext Milan	Voting right in Ordinary and Extraordinary Shareholders' Meetings of the Company. Other rights provided by the applicable provisions of the law and of the Articles of Association <sup>4</sup> .
<b>Preference shares</b>	0	0	-	
<b>Multiple-vote shares</b>	0	0		-
<b>Other categories of shares with voting rights</b>	0	0	-	
<b>Savings shares</b>	1,615,491	1,615,491	Euronext Milan	Voting right in special shareholders' meetings of the sector. Other rights provided by the applicable legal provisions and those of the Company's Articles of Association (art. 8 and 34).
<b>Convertible savings shares</b>	0	0	-	
<b>Other categories of shares without voting rights</b>	0	0	-	
<b>Total</b>	1,001,638,117	1,001,638,117	Euronext Milan	

The Company's shares have no nominal value<sup>5</sup>, are indivisible, registered and issued, in dematerialised form, in the centralised management system of Monte Titoli S.p.A.

<sup>4</sup> The Articles of Association can be found on the Website in the section "Governance – Governance System" [link: <https://corporatebe.webuildgroup.com/sites/default/files/2021-12/statuto-webuild-10-dicembre-2021.pdf> ].

<sup>5</sup> The nominal value of the ordinary shares and savings shares was eliminated in the extraordinary Shareholders' Meeting on October 12, 2004.

OTHER FINANCIAL INSTRUMENTS AS AT THE DATE OF THIS REPORT (granting the right to subscribe newly issued shares)				
	Listed Unlisted	No. <i>instruments in circulation</i>	Categories of shares servicing conversion/exercise	No. shares servicing conversion/exercise
<b>Convertible bonds</b>	NTD	NTD	NTD	NTD
<b>“Warrant Astaldi S.p.A. 2020-2023” also known as <i>Lender Warrants</i><sup>6</sup></b>	unlisted	15,223,311	Newly issued ordinary shares pursuant to art. 7, Articles of Association.	15,223,311
<b>“Warrant Astaldi S.p.A. 2020-2023” also known as <i>Antidilutive Warrants</i><sup>8</sup></b>	unlisted	80,738,448	Newly issued ordinary shares pursuant to art. 7, Articles of Association.	80,738,448

As a result of the issue of 78,180 Webuild's ordinary shares to be attributed to certain Unexpected Unsecured Creditors, a total of 647,203 Antidilutive Warrants will become exercisable, giving the right to subscribe 647,203 Webuild shares with the procedures and in the terms specified by the Regulation of Antidilutive Warrants.

For further details, please see the press release issued on 31 March 2022 and available on the website under section "*Investor Relations - Shareholders and share capital - Warrant - Documents and Communications*" [link: [https://media.webuildgroup.com/sites/default/files/2022-03/2022.03\\_comunicato\\_stampa\\_warrant\\_final\\_eng.pdf](https://media.webuildgroup.com/sites/default/files/2022-03/2022.03_comunicato_stampa_warrant_final_eng.pdf)].

The Company will make a special announcement to the market about further changes that will occur in the structure of the share capital of Webuild described above, after the exercise of said Warrants and the consequent attributions of the Company's ordinary shares.

The Issuer has a stock-based Incentive Plan in the form of Performance Shares which may involve increases, including free, in the share capital (see art. 7 of the Articles of Association, which provides for the right of the Board of Directors, pursuant to art. 2443 of the Italian Civil Code, to increase share capital to service the remuneration plans based on financial instruments in accordance with art. 114-bis of the Consolidated Finance Act).

For more details, please refer to the Remuneration Report 2022, published, in the terms set out in the current laws and regulations, on the Website in the section "*Governance – Remuneration*" and in the section "*Governance – Shareholders' Meeting*" in regard to the next Shareholders' Meeting of 28 April 2022, as well as the Information Document drafted in accordance with art. 84-bis of the Issuers' Regulation, published on the aforementioned Website in the section "*Governance – Shareholders' Meeting*", as an annex to the fourth item on the agenda of the Ordinary Shareholders' Meeting of 4 May 2020 [link: [https://salini-pdf-archive.s3-eu-west-1.amazonaws.com/governance/en/shareholders-meeting/2020/may-4-2020/1.+Relazione+CDA+p.to+4+Ass+Ordinaria+\(Piano+LTI\)+EXECUTION+COPY+v.+30.03.2020+-+ENG.pdf](https://salini-pdf-archive.s3-eu-west-1.amazonaws.com/governance/en/shareholders-meeting/2020/may-4-2020/1.+Relazione+CDA+p.to+4+Ass+Ordinaria+(Piano+LTI)+EXECUTION+COPY+v.+30.03.2020+-+ENG.pdf)].

#### **b) Restriction on voting rights (pursuant to art. 123 bis, par.1:b) Consolidated Finance Act)**

There are no statutory restrictions on the transfer of shares, limits on the number of shares held, nor is provision made for the approval of corporate bodies or shareholders for admitting Shareholders to the shareholding structure.

<sup>6</sup> Issued during the Spin-off For more details, reference should be made to the Regulations of these Warrants, available on the Website of the Company, in the "*Shareholders and Share Capital – Warrants - Documents and Communications*" section.

**c) Significant investments in the share capital (pursuant to art. 123 bis, par. 1, letter c), Consolidated Finance Act)**

Shareholders with investments exceeding 3% of the Issuer's ordinary share capital are, at the date of this Report:

SIGNIFICANT INVESTMENTS IN THE SHARE CAPITAL AT THE DATE OF THIS REPORT				
<i>Declarant</i>	<i>Direct shareholder</i>	<i>No. of shares</i>	<i>% of ordinary share capital</i>	<i>% of voting ordinary share capital *7</i>
Pietro Salini	Salini S.p.A. <sup>8</sup>	401,394,591	40.14%	40.43%
	Pietro Salini	544,658	0.05%	0.05%
	Athena Partecipazioni S.r.l.	1,440,000	0.14%	
Cassa Depositi e Prestiti S.p.A.	CDP Equity S.p.A.	166,666,666	16.67%	16.79%
Unicredit S.p.A.	Unicredit S.p.A.	49,997,995	5%	5.03%
	UniCredit Factoring S.p.A.	1,903,508	0.19%	0.19%
Intesa San Paolo S.p.A.	Intesa San Paolo S.p.A.	47,775,426	4.78%	4.81%

**d) Securities that confer special control rights (pursuant to art. 123 bis, par. 1, letter d), Consolidated Finance Act)**

The Company has not issued any securities that give special control rights.

Pursuant to art. 13 of the Articles of Association, each ordinary share gives the right to one vote.

In derogation to the provision above, art. 13 and art. 13-bis of the Articles of Association in force at the date of this Report provide for special voting rights under the conditions and with the timing specified therein.

On 25 March 2022, the Board of Directors resolved to create a Special List to record those parties that intend to benefit of the special voting rights and to approve its Regulation.

For more details on the conditions and procedures for recording in the Special List, reference should be made to the aforementioned provisions of the Articles of Association, as well as to the Regulation, which shall be published on the Website in the Section "Investors/Shareholders and share capital/Special voting rights".

**e) Employee share ownership: mechanism for the exercise of voting rights (pursuant to art. 123 bis, par.1, letter a) Consolidated Finance Act)**

At the date of this Report, there are no systems for employee share ownership envisaging specific mechanisms for the exercise of voting rights, where not directly exercised by the employees themselves.

**f) Restriction on voting rights (pursuant to art. 123 bis, par.1, letter f) Consolidated Finance Act)**

With reference to the shares constituting the ordinary share capital of the Company, the Articles of Association do not include provisions that determine restrictions on voting rights, terms imposed for exercising voting rights, nor systems where with the cooperation of the Company, the financial rights linked to the shares are separated from shareholding.

Pursuant to art. 8 of the Articles of Association, savings shares do not have voting rights at the ordinary Shareholders' Meetings.

<sup>7</sup> Excluding treasury shares in portfolio at the date of this Report.

<sup>8</sup> Sole proprietorship company Salini Costruttori S.p.A., to which Salini Costruttori has conferred the entire investment held by Salini Costruttori S.p.A. in Webuild S.p.A. (with deed drafted by Andrea De Costa, Notary Public, on 3 December 2021, Ref. 12665, Vol. 6818, filed on 9 December 2021)

**g) Shareholder agreements (pursuant to art. 123 bis, par.1, letter g) Consolidated Finance Act)**

At the date of this report, the Issuer is aware of the shareholders' agreements deriving from the Agreement with CDPE. Certain terms and conditions of this Agreement with CDPE become significant with reference to the Issuer, pursuant to art.122, par. 1 and 5, letters a) and b) of the Consolidated Finance Act. These regard, in particular, certain commitments relating to the new rules of corporate governance of the Issuer, including the voting obligations of Salini Costruttori and CDPE for the appointment of the corporate bodies of the Issuer (for this aspect, see Section 4.2 below) and, more in general, in order to effectively execute the provisions of the Agreement with CDPE.

For more details on to the content of the shareholders' agreements, reference should be made to the Key Information, which can be found on the website in the "Governance/Other documents" section [link: [https://salini-pdf-archive.s3-eu-west-1.amazonaws.com/governance/it/altri-documenti/2019/Aggiornamento+Informazioni+Essenziali+\(dicembre+2019\).pdf](https://salini-pdf-archive.s3-eu-west-1.amazonaws.com/governance/it/altri-documenti/2019/Aggiornamento+Informazioni+Essenziali+(dicembre+2019).pdf)].

In addition to the above, the Company is also aware of shareholders' agreements concerning ordinary shares of **Salini Costruttori S.p.A** (company performing management and coordination activities on Webuild S.p.A. and that controls it indirectly, through its fully-owned subsidiary Salini S.p.A.) and **Salini S.p.A.** (company that, as said above, controls Webuild S.p.A. directly).

These shareholders' agreements mainly concern: (i) voting commitments concerning the appointment of the members of the corporate bodies and the approval of certain amendments to the Articles of Association of Salini Costruttori; and (ii) voting commitments concerning the composition of the corporate bodies of Salini S.p.A. and the approval of certain amendments to the Articles of Association of Salini S.p.A. The object of the shareholders' agreements are all the shares held by the signatories of the shareholders' agreements that are shareholders of this company, representing about 90.01% of the share capital of Salini Costruttori.

For more details, see also excerpt pursuant to art. 122 of Consolidated Finance Act and art. 129 of Consob Issuers' Regulation published on the Website in the "Governance/Other documents" section [link: <https://corporatebe.webuildgroup.com/sites/default/files/2021-11/Avviso%20Pattuizioni%20parasociali%2027%2011%202021%20IL%20SOLE%2024%20ORE.pdf> ]

**h) Change of control clauses (pursuant to art. 123 bis, par. 1:h), Consolidated Finance Act) and provisions of Articles of Association on takeovers (pursuant to art. 104, par. 1-ter and art. 104 bis par. 1)**

The Issuer and its subsidiaries, in pursuing their own strategic goals, have entered into some agreements of a financial nature or contracts, which are amended or terminated in the event of a change of shareholders controlling the Issuer. In particular, some of the loan agreements and the bond regulations contain restrictions on the change of control of the Issuer (change of control clauses), which confer to the lenders or bondholders the right to request the early payment of the sums provided or, in the case of bonds, the right to exercise, vis-à-vis the Issuer, an option on the retrocession of the financial instrument (so-called "put").

An accurate description of the clauses of the loan agreements and contracts, which do not need to be disclosed pursuant to other legal provisions, may be seriously prejudicial to the Company and its subsidiaries.

The regulations of Webuild's bonds known, respectively, as

- "EUR 500,000,000 1.750 per cent. Notes due 26 October 2024";
- "EUR 250,000,000 3.625 per cent. Notes due 28 January 2027";
- "Euro 550,000,000 5.875 per cent. Notes due 15 December 2025";
- "Euro 200,000,000 5.875 per cent. Notes due 15 December 2025", and
- "EUR 400,000,000 3.875 per cent. Sustainability-linked Notes due 28 July 2026".

are available for consultation in English on the Company's website ([www.webuildgroup.com](http://www.webuildgroup.com)) in the section "Investor Relations/Debt and Rating/Bond Issues" and on the website of the Euronext Stock Exchange ([www.euronext.com/en](http://www.euronext.com/en)), in the section "Debt" in the significant listing statements.

In regard to "EUR 400,000,000 3.875 per cent. Sustainability-linked Notes due 28 July 2026" the Sustainability-Linked Financing Framework and the Second Party Opinion are also available for consultation in English on the Company's website in the section "Investor Relations/Debt and Rating/Sustainable Finance".



Webuild's Articles of Association do not depart from the measures regarding the passivity rule pursuant to art.104, par. 1 and 1-bis of the Consolidated Finance Act, nor do they provide for application of the breakthrough rules envisaged by art. 104-bis, par. 2 and 3, of the Consolidated Finance Act.

**i) delegated powers regarding share capital increases and authorisation for the purchase of treasury shares (pursuant to art. 123 bis, par. 1, letter m), Consolidated Finance Act)**

*delegated powers regarding share capital increases*

Article 7 of the Company's Articles of Association provides:

(i) as resolved by the Extraordinary Shareholders' Meetings on 4 May 2020, the Board of Directors with the power, pursuant to art. 2443 of the Italian Civil Code, to be exercised by 3 May 2025 and for a maximum nominal amount of Euro 20,000,000.00 (twenty million), to increase share capital to service the remuneration plans based on financial instruments in accordance with art. 114-bis, par. 1 of the Consolidated Finance Act.

(ii) as resolved by the Extraordinary Shareholders' Meetings on 30 April 2021, as part of the Spin-off, the mandate to the Board of Directors to increase the share capital, with the procedures specified in the Articles of Association.

*Authorisations to purchase treasury shares.*

The ordinary Shareholders' Meetings on 30 April 2021 has authorised the Board of Directors to buy and sell treasury shares. The authorisation to purchase treasury shares had been granted for an 18-month period from the date of the resolution and, therefore, it will expire on 31 October 2022, while the authorisation to sell shares had been granted for an indefinite period.

For further details on terms and conditions of said authorisations, please see the resolution taken by the Shareholders' Meeting of 30 April 2021 published, in the terms set by the regulations in force, on the Website in the "Governance – Shareholders' Meeting" section [link: [https://corporatebe.webuildgroup.com/sites/default/files/2021-03/p.to%204%20ASS.%20ORD.%20Relazione%20CDA%20acquisto%20azioni%20proprie\\_final\\_ENG.pdf](https://corporatebe.webuildgroup.com/sites/default/files/2021-03/p.to%204%20ASS.%20ORD.%20Relazione%20CDA%20acquisto%20azioni%20proprie_final_ENG.pdf)].

On 27 January 2022, the Company announced the start of a programme for the purchase of treasury shares, pursuant to and within the limits of the authorisation resolved by the Shareholders' Meeting of 30 April 2021.

Under this programme, from 27 January 2022 until 1 April 2022, the Issuer bought, in multiple tranches and at an average price of Euro 1.6923, a total of 6,868,129 treasury shares, equal to 0.686% of the ordinary share capital and to 0.685% of the total share capital (including savings shares).

In the year, to date, the Board of Directors did not carry out sales and/or disposals of the treasury shares in the portfolio.

At the date of 1 April 2022, Webuild holds 8,198,974 treasury shares (including 1,330,845 shares from the previous programme for the purchase of treasury shares ended 19 March 2016), equal to 0.819% of the ordinary share capital and to 0.818% of the total share capital (including savings shares).

For more details, we refer to the Press Release of 27 January 2022 published on the website in the section "Media-Press Releases" [link: [https://media.webuildgroup.com/sites/default/files/2022-01/2022\\_01\\_webuild\\_press\\_release\\_buy\\_back\\_eng.pdf](https://media.webuildgroup.com/sites/default/files/2022-01/2022_01_webuild_press_release_buy_back_eng.pdf)]s well as the other communications on the purchases carried out, pursuant to current laws and regulations, published in the "Shareholders and share capital – Treasury shares" section [link: <https://www.webuildgroup.com/en/investor-relations/share/share-buy-back>].

It should also be noted that, on 10 March 2022, the Board of Directors, to allow the Company to continue to have the power to buy and sell treasury shares, resolved to submit to the next Shareholders' Meeting on 28 April 2022, after revocation of the aforementioned authorisation in force, for the part that remained unexecuted, a new authorisation to buy and sell treasury shares, in compliance with current laws and regulations.

For further information, reference should be made to the Directors' Report, drafted pursuant to art. 73 of Consob Regulation No. 11971/99, which shall be published on the Website in the "Governance – Shareholders' Meeting" section, *in regard to the Shareholders' Meeting of 28 April 2022*.

#### **l) Management and coordination (pursuant to art. 2497 et seq. Italian Civil Code)**

The Company is subject to the management and coordination, pursuant to art. 2497 et seq. Italian Civil Code by Salini Costruttori (sole shareholder of Salini S.p.A. that holds directly a controlling interest in Webuild, as indicated in the Section 2, c) above), a company not listed on regulated markets.

As a result of the aforementioned management and coordination activity, art. 16 of the Consob Market Regulation applies, which includes the following provisions, both complied with by Webuild S.p.A.:

- the establishment of a control and risk committee consisting solely of independent directors;
- the exclusive presence of independent directors also in the other committees recommended by the CG Code.

The information required:

- by art. 123-bis, par. 1.i) of the Consolidated Finance Act (*"agreements between companies and their directors ... that provide for compensation in the case of their resignation or dismissal without just cause or if their relationship is discontinued following a takeover bid"*) is provided in the Section 8.1;
- by art. 123-bis, par. 1.l) of the Consolidated Finance Act (*"the rules applicable to the appointment and replacement of directors ... if different to those provided for by law and regulations applicable on a substitute basis"*) is provided in the section of this report on the Board of Directors (Section 4.2);
- by art.123-bis, par. 1.l), second part (*"the rules applicable to the ....changes to the Articles of Association, if different to those provided for by law and regulations applicable on a substitute basis"*) is disclosed in the section of this report on the Shareholders' Meeting (Section 13).

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### **3. COMPLIANCE (pursuant to art. 123 bis, par. 2:a), first part, Consolidated Finance Act)**

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#### **3.1. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

On 26 February 2021, the Board of Directors resolved that the Company would comply with the Corporate Governance Code, available to the public on the website of the Corporate Governance Committee at <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020-eng.en.pdf>

In this Report, the Principles and Recommendations of the CG Code each time affected by the information provided are indicated in brackets and **in bold type**

At the date of this Report, Lane Industries Incorporated is the only subsidiary with strategic relevance for the Company.

The Company and Lane Industries Incorporated are not subject to non-Italian legal provisions influencing the Issuer's corporate governance structure.

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### **4. BOARD OF DIRECTORS**

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#### **4.1 ROLE OF THE BOARD OF DIRECTORS**

Pursuant to the current Corporate Governance Code, the Board of Directors of Webuild has the following tasks and functions:

- to guide the Issuer pursuing its sustainable success; **(Principle I of the CG Code)**;
- to specify the strategies of the Issuer and its Group in line with the pursuit of sustainable success, monitoring their implementation **(Principle II of the CG Code)**;
- to define the corporate governance system most suited to carry out the company's business and to pursue its strategies: (i) taking into account the areas of autonomy offered by the legal system; and (ii) where appropriate, evaluating and promoting the appropriate changes, submitting them, when applicable, to the shareholders' meeting **(Principle III of the CG Code )**;
- to promote, in the most appropriate forms, the dialogue with shareholders and other stakeholders of the Issuer **(Principle IV of the CG Code)**.

In regard to the content of Principle I and II, the Board of Directors of the Company has a key role in ensuring the pursuit of the **sustainable success** of the Group, reviewing and/or approving - on the proposal of the Chief Executive Officer or the internal board committees - the ESG strategy and Plan, the short and long-term incentives, the Consolidated Non-Financial Statement (drawn up by the Company on

a mandatory basis and available inside the Annual Financial Report), the significant projects and initiatives and their progress.

On ESG issues, the Board of Directors is supported in particular by the Control, Risks and Sustainability Committee and by the Remuneration and Appointment Committee.<sup>9</sup>

In 2021, the Board of Directors reviewed the 2021-2023 ESG Plan, including the strategic areas significant for the Group, the action plans to be undertaken and the targets to be achieved. In November 2021, the Board of Directors of the Company approved a “**Sustainability-Linked Financing Framework**”, formalizing the integration of environmental sustainability criteria into the Group's financial funding strategy and further consolidating the ambition to contribute to the achievement of the Sustainable Development Goals (SDGs) set by the United Nations and to the acceleration of the climate transition at the global level.

In regard to the additional tasks envisaged by the CG Code, the main activities carried out by Webuild during the year, also with reference to the Recommendations provided for by the CG Code itself, are described below.

Activities assigned to the BoD, pursuant to the Recommendations of the Corporate Governance Code	Activities of Webuild BoD during the year
review and approval of business plan of the Issuer and its Group, also based on the analysis of the issues significant to the generation of long-term value ( <b>Recommendation 1, letter a of the CG Code</b> )	The business plan of the Company, covering the 2020-2022 period, was approved in 2020.
regular monitoring of the implementation of the business plan, as well as assessment of the general management performance, regularly comparing the results achieved with those planned ( <b>Recommendation 1, letter b of the CG Code</b> )	The Board of Directors, also through the internal Board committees, assessed and monitored, at the meetings called to review the financial reports for the period as well as based on the information provided each time by the delegated bodies, the general management performance, also with respect to the planned objectives.
definition of the nature and level of risk compatible with the strategic objectives of the Issuer, including, in its assessments, all the elements that may be significant in view of the Issuer's sustainable success ( <b>Recommendation 1, letter c of the CG Code</b> )	The Board of Directors, after a preliminary investigation by the Control, Risks and Sustainability Committee, acknowledged the main corporate risks identified during the update of the Group Risk Assessment carried out at the end of 2020, described in the 2021 Audit Plan.
definition of the Issuer's corporate governance system and the structure of the group to which it belongs ( <b>Recommendation 1, letter d, first part, of the CG Code</b> )	<p>During the year, the Board of Directors did not consider it necessary or appropriate to develop reasoned proposals for the definition of a corporate governance system more functional to the needs of the company, to be submitted to the Shareholders' Meeting.</p> <p>In view of the renewal of the Board of Directors by the Shareholders' Meeting of 30 April 2021, though, the Board of Directors has issued Guidelines on the composition of the Board itself [available on the Website, at:  <a href="https://corporatebe.webuildgroup.com/sites/default/files/2021-03/Orientamento%20nomina%20CDA%202021-2023%20final%20ENG.pdf">https://corporatebe.webuildgroup.com/sites/default/files/2021-03/Orientamento%20nomina%20CDA%202021-2023%20final%20ENG.pdf</a>]</p>

<sup>9</sup> The latter in regard to the ESG components of the variable remuneration included in the short and long-term incentive plans, for which reference should be made to the Report on the Policy for Remuneration and Compensation Paid, published on the Website in the “Governance – Remuneration” section.

assessment of the suitability of the organisational, administrative and accounting structure of the Issuer and its strategic subsidiaries, in particular relating to the Internal Control and Risk management System ( <b>Recommendation 1, letter d, second part, of the CG Code</b> )	<p>After a positive review by the Risk, Control and Sustainability Committee, the Board of Directors assessed the suitability of the organisational, administrative and accounting structure of the Issuer and the subsidiary of strategic importance, Lane Industries Incorporated, in particular with regard to the internal control and risk management system.</p> <p>See also Section 9.</p>
decisions regarding the operations of the Issuer and those subsidiaries of significant strategic, economic, patrimonial or financial importance for the Issuer itself, setting the general criteria for identifying the transactions of significant importance ( <b>Recommendation 1, letter e of the CG Code</b> )	<p>The Board of Directors has reviewed the operations of the Issuer with significant strategic, economic, patrimonial or financial importance for the Issuer, as identified based on (i) the powers that the Board of Directors has expressly reserved for itself<sup>10</sup> as well as (ii) the assessments made each time by the Chief Executive Officer, in view of not only the strategic, economic, patrimonial or financial significance of the proposed transaction, but also its impact on the risk profile assumed and the generation of value in the long term.</p> <p>Given the complexity of the factors that can contribute to the qualification in terms of "significance" of the transaction, no general and additional criteria have therefore been set (with respect to the powers that the Board of Directors has reserved for itself) for identifying the "<i>significant transactions</i>".</p>
adoption, on the proposal of the Chair, in agreement with the chief executive officer, of a procedure for the internal management and external communication of documents and information concerning the Issuer, with particular reference to privileged information ( <b>Recommendation 1, letter f of the CG Code</b> )	<p>The Board of Directors has approved:</p> <p>The "<i>Procedure for the Management of Relevant and Privileged Information and the Associated Registers</i>" is available on the Website in the "Governance – Documents" section.  <a href="https://media.webuildgroup.com/sites/default/files/2019-09/2016-procedura-info-privilegiata_en.pdf">https://media.webuildgroup.com/sites/default/files/2019-09/2016-procedura-info-privilegiata_en.pdf</a>. On this point, see also Section 5.</p> <p>- the <i>Policy for the management of dialogue with shareholders in general</i> [available on the Website in the Governance – Documentation section, link: <a href="https://corporatebe.webuildgroup.com/sites/default/files/2021-10/20211014_WBD%20Engagement%20Policy_final%20">https://corporatebe.webuildgroup.com/sites/default/files/2021-10/20211014_WBD%20Engagement%20Policy_final%20</a></p>

<sup>10</sup> The Board of Directors, in its resolutions of 30 April 2021, has reserved for itself, in addition to the powers permanently granted to it by the law and by the Articles of Association (art. 24), the exclusive competence to decide on:

- the exercise of voting rights (a) at extraordinary Shareholders' Meetings of the Company's strategic subsidiaries and (b) at ordinary Shareholders' Meetings of the aforementioned strategic subsidiaries called to appoint their respective corporate bodies;
- the examination and approval of the Budget, the Group Business Plan and the Commercial Plan/Acquisition Plan;
- the completion of all transactions of the greatest significance not within the competence of the Shareholders' Meeting, pursuant to the "Procedure for Related Party Transactions" of the company, in force each time;
- the purchase and sale of equity investments in companies, consortia or other entities, not included in the Group's perimeter, including therein companies or business units, for an amount exceeding Euro 50 million;
- the subscription of derivatives that have (i) a notional value of an amount greater than Euro 1,000,000 and (ii) hedging of corporate risk not as their sole purpose and/or effect;
- the signing of new agreements (or the amendment of the terms of these agreements or, nonetheless, agreements already in place) between Webuild and its directors and top managers aimed at regulating the money due for the legal protection of top managers on verification of certain events connected with any early termination of the relationship with the Company;
- following the reasoned opinion of the Strategic Committee, the transactions of Progetto Italia (as defined in the Articles of Association), as well as any acquisition of enterprises or companies (M&A), in Italy and abroad, that, regardless of their inclusion in Progetto Italia, are in any case able of significantly impacting the implementation of this.

The exclusive competence described above may be reviewed as a result of the Board resolution on the completion of Progetto Italia.

With regard to the additional powers of the Board of Directors on:

- composition of the Board of Directors, we refer to Section 4.3;
- operations of the Board of Directors, we refer to Section 4.4;
- appointment and self-assessment of the Board of Directors, we refer to Sections 4.2 and 4.3;
- remuneration policy, we refer to Section 8;
- internal control and risk management system, we refer to Section 92.

## **4.2 APPOINTMENT AND REPLACEMENT (pursuant to art. 123-bis, par. 1, letter I), first part, Consolidated Finance Act)**

### **Appointment of the Board of Directors**

Pursuant to art. 20) of the Articles of Association of Webuild, the Company is managed by a Board of Directors composed of fifteen members.

The current composition of the Board of Directors – elected on 30 April 2021 - reflects the agreements signed by Salini Costruttori and CDPE, as reported in the Key Information published on the Website of the Company<sup>11</sup>, and in force at the time of the renewal of the Board.

Directors cannot be appointed for a period exceeding three years, which expires on the date of the Shareholders' Meeting called to approve the financial statements of the last year of their term office, and may be re-elected.

The Shareholders' Meeting, prior to the appointment, shall determine the term office of Directors within the above limits.

Taking (and remaining in) office as a Director is subject to meeting the requirements set by the legislation and regulations in force at the time of appointment.

Directors are elected using lists submitted by the shareholders and/or the outgoing Board of Directors in which the candidates are listed in numeric sequence, as specified below, in compliance with applicable legislation on gender equality and minimum number of directors possessing the independence requirements prescribed by law and by the company's Articles of Association, according to the number of members of the Board of Directors.

The lists shall expressly indicate candidates who meet such independence requirements.

The lists shall be deposited, as detailed in the notice calling the meeting, at the Company's registered office at least twenty-five days before the date of the first call of the Shareholders' Meeting.

Individual shareholders, shareholders forming part of significant shareholder agreements as per art.122 of the Consolidated Finance Act, the parent companies, subsidiaries and jointly controlled entities as per art. 93 of the Consolidated Finance Act cannot present, or be involved in presenting, either directly or through third parties or trustee companies, more than one list. They cannot vote, either directly or through third parties or trustee companies, for more than one list and each candidate can only be included in one list or becomes ineligible. Acceptances or votes breaching such prohibition are not assigned to any list.

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<sup>11</sup> In particular, the Agreement with CDPE requires, for the purposes of election of the Board of Directors, CDPE and Salini Costruttori to present a single joint list, to be submitted, pursuant to law, no later than the agreed term of 31 (thirty-one) calendar days before the date of the Shareholders' Meeting on first or single call. The list must be composed of 15 members (indicated according to a progressive order numbered 1 to 15), of which (x) the first 5 members in the progressive order indicated by CDPE with the numbers from 1 to 5 (inserted in the list according to the exact order indicated by CDPE), with the first candidate assuming the office of Chair, (y) the next 9 members indicated by Salini Costruttori with the numbers from 6 to 14 (and will be inserted in the list according to the exact order indicated by Salini Costruttori), while (z) the 15th (and last) member will be indicated by Salini Costruttori with the number 15. CDPE and Salini Costruttori will vote, with all their shares, on the Joint List presented by them. The appointment rights indicated above and all the rights of governance pursuant to the Investment Agreement will rest with CDPE until the earlier between: (i) the date on which CDPE holds an equity investment of less than 10% of the share capital of Webuild, and (ii) the date of completion of Progetto Italia. For more details, reference should be made to the Key Information.

Lists may be filed only by Shareholders who, alone or together with other Shareholders, hold shares representing a total of at least 2% of the share capital with the right to vote at Ordinary Shareholders' Meetings, or a lower percentage that may be required pursuant to mandatory legal or regulatory provisions.

By Managerial Decision No. 60 of January 28, 2022, Consob has set a minimum percentage of participation (1%) required for the presentation of lists for the election of the directors and statutory auditors of Webuild, pursuant to art.144-quarter of the Consob Issuers' Regulation. [link: [https://www.consob.it/documents/46180/46181/det\\_60\\_2022.pdf/e89ad79b-812d-43c3-9ac3-e8fa9e453edc](https://www.consob.it/documents/46180/46181/det_60_2022.pdf/e89ad79b-812d-43c3-9ac3-e8fa9e453edc)].

With each list, and within the timeframe described earlier, shareholders must deposit: (i) statements whereby each candidate accepts his/her candidature and states, under his/her own responsibility, the non-existence of any reasons for ineligibility or incompatibility and the existence of the requirements for the significant offices and any suitability to qualify as independent; (ii) a CV containing the professional and personal profile of each candidate and indication of any offices held as director or statutory auditor in other companies; and (iii) any other information which, required by the legal or regulatory provisions that apply each time, will be indicated in the notice calling the Shareholders' Meeting. At present, the Articles of Association do not specify independence requirements in addition to those set for statutory auditors pursuant to art. 148 Consolidated Finance Act and/or of integrity and/or professionalism for the appointment to the office of director.

A certificate issued by a legally-authorised intermediary must also be filed, within the time limit established in the rules governing the publication of lists by the Company, showing ownership of the number of shares necessary to submit lists at the date of filing of the list with the Company.

Pursuant to art. 20 of the Articles of Association, the lists with a number of candidates equal to or greater than three must include candidates of all genders, to ensure that the composition of the Board of Directors conforms to the provisions currently in force regarding gender balance.<sup>12</sup>

Lists submitted that do not meet the above requirements will be treated as if they had not been submitted.

The procedure for the election of the Board of Directors is described below:

A) if at least one list obtains a number of votes representing at least 29% of the Company share capital entitled to vote at the Ordinary Shareholders' Meeting:

- a) all directors to be appointed, except one, are taken from the list that obtained the highest number of votes, in the progressive order in which they appear in said list;
- b) the remaining Director is taken from the minority list that obtained the highest number of votes who is not connected, in any way, even indirectly, with those who submitted or voted the list that obtained the highest number of votes.

with the proviso that, if the list ranked second in terms of number of votes obtains at least 10% (ten percent) of the votes, 2/3 (two thirds) of the directors to be elected will go to the first list, while the remaining 1/3 (one third) will be reserved for the aforementioned second list.

If the first two lists obtain the same number of votes, from each of said lists, in the order in which they were included in the list itself, an equal number of Directors minus one shall be taken and the remaining Director shall be taken from the list which, in terms of number of votes, came third and is not connected in any way, not even indirectly, with those who submitted or voted the lists that obtained the highest number of votes.

If only two lists have been submitted and these have received the same number of votes, the remaining Director will coincide with the oldest candidate among those not already taken from such lists;

B) If none of the lists receives votes equal to at least 29% of the share capital with voting rights at ordinary Shareholders' Meetings, Directors are taken from all the lists submitted as follows: the votes received by the lists will be divided successively by progressive whole numbers from one to the number of Directors to be elected. The resulting scores shall be assigned to the candidates of each list in consecutive order using the order in which they are included in the lists. The candidates are then included in a single decreasing order list, based on the scores given to each one. Those with

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<sup>12</sup>Pursuant to art. 1, Par. 304 of Italian Law 160 of 27 December 2019, as from the first renewal of the Issuer's board of directors, the new allocation criterion with regard to gender quotas pursuant to art. 147-ter Par. 1-ter of the Consolidated Finance Act and art. 1, Par. 302 of the Italian law of 27 December 2019 will be applied, which states: "The least represented gender must obtain at least two fifths of the elected directors"



the highest score are elected. If more than one candidate has the same score, the one from the list that has not had any director elected from it or has had the smallest number of directors elected is taken.

For the purpose of the allocation of the Directors to be elected, lists that do not obtain a percentage of votes equal to at least half of that set by the Articles of Association for the submission of lists shall not be considered.

If, with the candidates elected in the manner described above, the necessary number of Directors belonging to the less represented gender or the minimum number of directors meeting the independence requirements established by law is not ensured, depending on the number of members of the Board of Directors compliant with the regulations in force at any time, the candidate elected last in sequential order in the list receiving the highest number of votes shall be replaced by the first candidate, as appropriate, of the less represented gender and/or meeting the independence requirements provided for by law, not elected from the same list according to the sequential order.

This replacement procedure shall be continued until the composition of the Board of Directors complies with applicable legislation.

If this procedure does not produce this result, substitution shall take place based on a resolution adopted by a relative majority of the Shareholders' Meeting, after candidates with the necessary requirements are placed in nomination.

Should no list be filed or accepted, the Shareholders' Meeting shall adopt resolutions with the majorities required by law, without complying with the above-mentioned procedure, in order to ensure in any case the presence of the necessary number of Directors who meet the independence requirements prescribed by law, and compliance with the applicable legislation on gender equality.

The list voting procedure is only used when an entire Board of Directors is being appointed.

Pursuant to art. **21)** of the Articles of Association, the Chair of the Board of Directors is the first of the directors drawn from the list that obtained the highest number of votes. The Board of Directors can elect, from among its members, one or two Deputy Chairmen who will replace the Chair in the event of his absence or impediment.

Concerning the composition of the Board of Directors, in particular referring to the representation of minority shareholders and the number and characteristics of the Directors, the Issuer is not subject to further provisions in addition to those of the Consolidated Finance Act.

The Board of Directors, during its renewal, can also express its opinion on managerial figures (not only professional ones), whose presence is deemed adequate, pursuant to [Recommendation 23 of the CG Code](#). Should the Board of Directors itself present a list for its own renewal, it shall involve the Remuneration and Appointment Committee, pursuant to [Recommendation 19, letter d\) of the CG Code](#).

#### **Replacement of Directors.**

Pursuant to art. **20** of the Articles of Association, if, during the year, one or more directors leave, as long as the majority is always composed of Directors appointed by the Shareholders' Meeting, the Board of Directors will replace them pursuant to art. 2386 of the Italian Civil Code. In any case, directors who leave office are replaced by the Board of Directors by ensuring (i) the presence of the necessary number of Directors with the independence requirements established by law and (ii) compliance with the currently applicable legislation on gender equality.

If the majority of Directors appointed by the Shareholders' Meeting cease to be in office, the remaining Directors shall be deemed to be no longer in office, effective as of the date when the Board of Directors is reconstituted through election by the Shareholders' Meeting.

With regard to the role of the Board of Directors and the Board committees in the self-assessment, appointment and replacement of the Directors, we refer to Section 7.

#### 4.3 COMPOSITION (PURSUANT TO ART. 123-BIS, PAR. 2, LETTER D) AND D-BIS), CONSOLIDATED FINANCE ACT)

The Webuild Shareholders' Meeting held on 30 April 2021, appointed the current Board of Directors for three years and, therefore, until the date of approval of the financial statements at 31 December 2023, based on the applications submitted by means of the following 3 lists.

LISTS FOR THE RENEWAL OF THE BOARD OF DIRECTORS (submitted to the Shareholders' Meeting of 30 April 2021)			
Shareholder submitting the list	No. shares - list submission % of ord. share cap. at the list presentation date	Candidates of the list	% vote (of the voting capital)
Salini Costruttori and CDP Equity S.p.A.	568,061,257 63.67%	1. Donato Iacovone* 2. Marina Natale* 3. Barbara Marinali* 4. Pierpaolo Di Stefano* 5. Tommaso Sabato* 6. Pietro Salini* 7. Davide Croff* 8. Nicola Greco* 9. Flavia Mazzarella* 10. Teresa Naddeo* 11. Alessandro Salini* 12. Serena Torielli* 13. Michele Valensise* 14. Laura Zanetti*	90.7668 %
Law Firm Trevisan & Associati <sup>13</sup>	11,943,451 1.33869%	1. Ferdinando Parente*	5.3108 %
Inarcassa	17,835,032 1.999%	1. Gianfranco Agostinetti 2. Ester Maria Rutili	3.9071 %

\* Candidate selected in compliance with the provisions of art. 20 of the Articles of Association (see Section 4.1).

The Board of Directors appointed and currently in office consists of 15 Directors, of which 1 executive and 14 non-executive, as indicated below.

BOARD OF DIRECTORS CURRENTLY IN OFFICE <sup>14</sup>		
<b>Donato Iacovone</b>	Chair	Non-executive independent Director
<b>Pietro Salini</b>	Chief Executive Officer	Non-independent executive Director
<b>Nicola Greco</b>	Deputy Chair	Non-executive non-independent Director
<b>Davide Croff</b>	Director	Non-executive independent Director
<b>Pierpaolo Di Stefano</b>	Director	Non-executive non-independent Director

<sup>13</sup> For the Shareholders: Algebris Ucits Funds Plc Algebris Core Italy Fund; Arca Fondi SGR S.p.A. manager of the funds: Fondo Arca azioni Italia, Fondo Arca Economia Reale Bilanciato Italia 30, Fondo Arca azioni Italia, Fondo Arca Economia Reale Bilanciato Italia 55; Eurizon Capital S.A. manager of the fund Eurizon Fund sub-funds: Italian Equity Opportunities and Active Allocation; Eurizon Capital SGR S.p.A. manager of the funds: Eurizon PIR Italia 30, Eurizon Progetto Italia 20, Eurizon Progetto Italia 70, Eurizon azioni Italia, Eurizon azioni Internazionali, Eurizon azioni PMI Italia, Eurizon Progetto Italia 40, Eurizon PIR Italia azioni; Kairos Partners SGR S.p.A. as Management Company of Kairos International Sicav – Italia sub-fund; Mediolanum International Funds Limited – Challenge Funds – Challenge Italian Equity; Mediolanum Gestione Fondi SGR S.p.A. manager of the funds: Mediolanum Flessibile Futuro Italia, Mediolanum Flessibile development Italia; Pramerica SGR S.p.A. manager of the funds: MITO 25 and MITO 50.

<sup>14</sup> In 2021, before the renewal of the Board of Directors by the Shareholders' Meeting of 30 April 2021, the Board of Directors included: Donato Iacovone (Chair - Independent, Non-executive Director), Pietro Salini (Chief Executive Officer - Non-independent Executive), Nicola Greco (Deputy Chair - Independent, Non-executive Director), Francesca Balzani (Independent, Non-executive Director), Giuseppina Capaldo (Independent, Non-executive Director), Mario Giuseppe Cattaneo (Independent, Non-executive Director), Roberto Cera (Non-independent, Non-executive Director), Pierpaolo Di Stefano (Non-independent, Non-executive Director), Giuseppe Marazzita (Independent, Non-executive Director), Marina Natale (Independent, Non-executive Director), Ferdinando Parente (Independent, Non-executive Director), Franco Passacantando (Independent, Non-executive Director), Laudomia Pucci (Independent, Non-executive Director), Alessandro Salini (Non-independent, Non-executive Director) and Grazia Volo (Non-independent, Non-executive Director).



<b>Barbara Marinali</b>	Director	Non-executive independent Director
<b>Flavia Mazzarella</b>	Director	Non-executive independent Director
<b>Teresa Naddeo</b>	Director	Non-executive independent Director
<b>Marina Natale</b>	Director	Non-executive independent Director
<b>Ferdinando Parente</b>	Director	Non-executive independent Director
<b>Tommaso Sabato</b>	Director	Non-executive non-independent Director
<b>Alessandro Salini</b>	Director	Non-executive non-independent Director
<b>Serena Torielli</b>	Director	Non-executive independent Director
<b>Michele Valensise</b>	Director	Non-executive independent Director
<b>Laura Zanetti</b>	Director	Non-executive independent Director

All Directors have the necessary level of professionalism and expertise for the tasks assigned to them (**Principle V of the CG Code**). The number and the expertise of the non-executive directors are such as to ensure they have a significant weight in the adoption of board resolutions and to ensure effective monitoring of operations.

A significant share of non-executive directors (10 out of a total of 14 non-executive directors) is also independent (**Principle VI of the CG Code**).

Since the end of the financial year, no further change has been made to the Board of Directors.

Further information concerning the composition of the Board of Directors at the end of financial year is provided in Table 1, in the Annex.

With regard to the professional profile of the Directors in office, we refer to the website in the Section "Governance - Board of Directors and Committees" [link: <https://www.webuildgroup.com/en/governance/governance-system/board-of-directors-commitees>].

#### **DIVERSITY CRITERIA AND POLICIES IN THE COMPOSITION OF THE BOARD OF DIRECTORS AND IN THE CORPORATE ORGANISATION**

Pursuant to **Principle VII of the CG Code** of the Corporate Governance Code, the Company applies diversity criteria, including gender-based, for the composition of the Board of Directors, with the priority objective of ensuring adequate competence and professionalism of its members.

On 15 March 2018, the Board of Directors of Webuild, also in light of the clarification provided by the Assonime Circular No. 5 of 16 February 2018, has reserved to itself the power to resolve on Diversity Policies in the composition of the Board of Directors (pursuant to art. 10 of Italian Legislative Decree 254/2016 and art.123-bis, par. h 2, letter d-bis of the Consolidated Finance Act), without prejudice to the preliminary investigation functions of the Remuneration and Appointment Committee and having consulted the Independent Directors.

The tools used by the Board of Directors to define the aforementioned policies are:

- (i) the legislative and regulatory framework in force;
- (ii) the outcome of the regular Board Evaluation (to be able to record the Directors' position, with particular regard to the Independent Directors, in regard to matters of gender diversity, age and educational and professional background);
- (iii) the Board of Directors' position on Shareholders, prepared at the time of the renewal of their offices.

The objectives of the Diversity Policies are represented by the increased effectiveness of the operation of the management body, considering the unique characteristics of the Group's business.

The main information on Webuild's Diversity Policies is provided below.

#### **Gender diversity**

The **recommendation 8 of the CG Code** states: "At least one third of the management body and the control body, where autonomous, is made up of members of the less represented gender".

Art. 147-ter par. 1-ter of the Consolidated Finance Act, as introduced by art. 1 par. 302, of Law No. 160 of 27 December 2019 sets a more stringent criterion than the provisions of the aforementioned Recommendation of the CG Code, requiring that, for six consecutive terms from its entry into force, the less represented gender obtain at least two fifths of the elected directors. The provisions of the Articles of Association (art. 20 and 30) and the current composition of the Board of Directors are in line with the aforementioned provisions, as reported below.

GENDER DIVERSITY IN THE CURRENT BOARD OF DIRECTORS		
	<i>Male Gender</i>	<i>Female Gender</i>
<b>No. Directors</b>	9	6
<b>%</b>	60%	40%

In addition to the above-mentioned provisions of the Articles of Association, the Board of Directors, on 15 March 2018, decided, as a general principle regarding Diversity Policies:

- (i) to take into consideration the aforementioned provisions in presenting its list of candidates at the time of the renewal of the offices, as well as in case of replacement of directors pursuant to art. 20) of the Articles of Association and art. 2386 of the Italian Civil Code;
- (ii) to assess, during the Board Evaluation, the composition of the Board of Directors, also in regard to gender diversity;
- (iii) to recommend to the Shareholders, at the time of the directors' report to the Shareholders on the items on the agenda and/or during the Orientation pursuant to [Recommendation 23 of the CG Code](#), the presentation of lists meeting the applicable rules on gender diversity.

In all these activities, the Board of Directors makes use of the Remuneration and Appointment Committee, which carries out the preliminary investigation and presents its outcome to the Board itself.

#### **Age diversity**

In the Italian legislative system, no specific provision is envisaged that sets age limits on the offices of director and statutory auditor. Equally, the CG Code, in the provisions regarding the composition of the board and its regular self-assessment, does not envisage any reference to the parameters of age.

The company believes that it is useful to think of the concept of age as a component of the broader concept of experience. Given there are no explicit recommendations in the legal or regulatory provisions aimed at blocking the appointment of members who have exceeded specific age thresholds, the company did not see fit to conform to said approach, not putting in place specific policies targeted at indicating given age thresholds for the fulfilment of the engagement and therefore, limiting its role to monitoring the composition, also in terms of age, of the Board, in the hope, nonetheless, of ensuring a balance between the various age brackets.

The current composition of the Board, in terms of age, is as follows.

AGE DIVERSITY OF THE CURRENT BOARD OF DIRECTORS				
	<i>40-50 years old</i>	<i>51-60 years old</i>	<i>61-70 years old</i>	<i>&gt; 70 years old</i>
<b>No. Directors</b>	1	6	6	2
<b>%</b>	7%	40%	40%	13%

#### **Educational and professional background diversity**

Pursuant to [Principle V of the CG Code](#), the administration body is composed of executive and non-executive directors, all with the necessary level of professionalism and expertise for the tasks assigned to them. In particular:

- pursuant to [Recommendation 35 of the CG Code](#), the Control and Risks Committee must possess, as a whole, adequate expertise in the business sector in which the Company operates, for evaluating the associated risks; at least one member of the committee must also have adequate knowledge and experience in accounting and finance and risk management;
- pursuant to [Recommendation 26 of the CG Code](#), at least one member of the remuneration committee must have adequate knowledge and experience in finance or remuneration policies, to be assessed by the administration body at the time of appointment.

The evaluation of the professional characteristics of the members of the Board of Directors is carried out before the renewal of the management body, for the purposes of the preparation of the Guidelines to Shareholders, pursuant to **Recommendation 23 of the CG Code**, on managerial and professional positions whose presence on the Board is considered appropriate. The definition of the Guidelines is in turn carried out by also using the results of the regular Board Evaluation.

With regard to the Board of Directors in office, the Issuer applies diversity criteria, including gender-based, for the composition of this, in respect of the priority objective of ensuring adequate competence and professionalism of its members (**Principle VII of the CG Code**).

To achieve this objective, the Board of Directors, in view of the renewal of the Board of Directors by the Shareholders' Meeting on 30 April 2021, prepared and published an Orientation to Shareholders on the composition of the Board of Directors [link <https://corporatebe.webuildgroup.com/sites/default/files/2021-03/Orientamento%20nomina%20CDA%202021-2023%20final%20ENG.pdf>], making the express recommendation, addressed to Shareholders, to take into account, in preparing the lists, the provisions of the law on gender balance in corporate bodies (in line with the provisions of **Recommendation 23 of the CG Code**).

The Company shall also ensure the continuous training to Directors on the main issues relating to the activities of the Group.

The effectiveness of this training and information activity is verified during the Board Evaluation to identify further training requirements.

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The Issuer also adopts measures aimed at promoting equal treatment and opportunities between genders in its entire company organisation, monitoring their practical implementation (**Recommendation 8 of the CG Code**).

Notably, Webuild is committed to continue to work to create a work environment encouraging the inclusion, recognition and enhancement of all diversity in line with the provisions of the "Policy on Equal Opportunities, Diversity and Inclusion" [link: <https://www.webuildgroup.com/en/sustainability/commitment/promoting-diversity>].

This context includes the initiatives and measures to promote equal treatment and opportunities for all genders, as well as the enhancement of female talent, which take place in three key areas:

#### **Employer Branding**

Webuild has extended and consolidated its commitment to support scholarships and academic programs for women through a partnership with major universities and national and international bodies, in particular through:

- renewal of the programme "Women in Engineering and IT" of the University of Technology of Sydney (UTS) in support of the academic and professional training of female engineers;
- a scholarship to support a female engineering student as part of the "Webuild Women into Engineering Pathway Scholarship" of the *University of Melbourne*;
- sponsorship of the initiative, promoted by CNI (Consiglio Nazionale Ingegneri), *Ingenio al femminile*, an initiative - at the national level and open to students of all degree courses provided in the engineering education system - which awarded the best dissertations in the 2019-2020 academic year on the theme "Sustainability in all engineering sectors for the achievement of the 2030 Agenda Goals".

#### **Selection and acquisition of human resources**

With reference to the selection process, the principle of equal opportunities is enshrined in the Webuild procedure *Planning, selection and acquisition of human resources*, which expressly states that Webuild *"[...] guarantees and promotes equal opportunities in access to employment, excluding any form of discrimination and giving adequate evidence of the criteria and methods adopted in the process of selecting and acquiring human resources[...]"*.

Notably, 2021 saw the start of the programme "inclusion-oriented selection processes", in turn consisting of three sub-programmes, which respectively envisage the presentation of diversity-oriented shortlists (when possible), the assessment of the Working for Inclusion competence described in the Group Leadership Model and the presentation of blind CVs to the Managers involved in the selection, to exclude possible involuntary discrimination at the candidate evaluation stage. In 2021 the programme was implemented in regard to the corporate activities, in 2022 it will also be applied to the Branches and from 2023 it will be extended to all projects in which Webuild has a majority.

## Training and development

With reference to the selection process, the principle of equal opportunities is enshrined in the Webuild procedure *Management of training*, which expressly states that Webuild ““[...] guarantees and promotes equal opportunities in the access to training, excluding any form of discrimination and giving adequate evidence of the criteria and methods adopted in the training process[...]”.

In regard to training and development, the Group promotes specific initiatives to monitor the issues of diversity and inclusion.

In 2021, Webuild became a member of Valore D, the Italian association that promotes gender balance and the culture of inclusion, with activities both of training and of communication and networking. The membership has allowed the Company to participate in many training initiatives, including:

- a mentoring programme, to which Webuild contributed with the involvement of two female employees;
- workshops and training labs aimed at strengthening soft skills, also with a view to supporting the development of leadership skills.

During the year, planning was started for a mentoring programme for female leadership with the aim of supporting the development of women in managerial and/or rising positions.

The promotion of equal opportunities and a culture oriented towards inclusion and the leveraging of diversity also involves awareness-raising and internal communication initiatives on these issues. On the company intranet, the section “Equal Opportunities, Diversity and Inclusion” is aimed at disseminating the awareness of the initiatives launched by the Company on these issues, as well as providing in-depth information on gender diversity issues.

## MAXIMUM NUMBER OF POSITIONS HELD IN OTHER COMPANIES

The Board of Directors, by means of a formal resolution, approved the Guideline on the maximum number of positions that can be held by Directors of Webuild in the administration and control bodies of other “companies of a significant size”<sup>15</sup> and set the criteria for calculating these.<sup>16</sup> The Guideline provides as follows:

<b>Maximum number of positions</b>	✓ <b>4 positions</b> , with regard to Executive Directors
	✓ <b>6 positions</b> , with regard to Non-executive Directors who are members of the Executive Committee (if set up)
	✓ <b>8 positions</b> , with regard to Non-executive Directors who are not members of the Executive Committee (if set up)

The Board will be able to grant derogation, even temporary, on the aforementioned maximum number of positions, duly motivating the derogation and disclosing it in the Report.

At the date of this Report, none of the current Directors had exceeded the aforementioned limits; during the year, the Board was never asked to grant derogations on the maximum number of positions.

## 4.4 OPERATIONS OF THE BOARD OF DIRECTORS (pursuant to art. 123-bis, par. 2, letter d), Consolidated Finance Act)

The Board of Directors, the proceedings of which are governed by Regulations approved by said body, most recently on 12 March 2021, meets regularly and is organised and operates so as to ensure the

<sup>15</sup> Guideline put forward on 12 December 2007 and confirmed on 23 February 2017. Companies of a significant size are understood to be: a) Italian companies listed on Italian or other EU regulated markets and companies issuing financial instruments to the public in significant quantities pursuant to art. 116 of the Consolidated Finance Act; b) banks, financial intermediaries pursuant to art. 107 of Italian Legislative Decree 385 of 1 September 1993, investment companies pursuant to art. 1.1.e) of the Consolidated Finance Act, variable capital investments companies (OEICs) pursuant to art. 1.1. i) of the Consolidated Finance Act, asset management companies pursuant to art.1.1.o) of the Consolidated Finance Act, insurance companies pursuant to art. 1.1.s), t) and u) of Italian Legislative Decree 209 of 7 September 2005, set up as companies as for par. V, VI and VII, section V, chapter V of the Italian Civil Code, different from those under a) above; c) companies as for par. V, VI and VII, section V, chapter V of the Italian Civil Code, other than the companies under a) and b) above, which individually or at group level, if they prepare the consolidated financial statements, present i) revenues from sales and services of more than Euro 500 million or ii) assets in the balance sheet of more than Euro 800 million.

<sup>16</sup> For calculation purposes, account is not taken of: (i) positions in companies that are directly and/or indirectly controlled by Webuild; (ii) positions in companies that directly and/or indirectly control Webuild, or that are directly and/or indirectly subject to common control with Webuild; (iii) positions as alternate statutory auditor. The positions held in “companies of a significant size” within the same group (other than the Webuild Group) are considered to have the following “weight”: one position: 1; two positions: total weight equal to 1.5; three or more positions: total weight equal to 2.

effective performance of its functions, in compliance with the provisions of **Recommendation 11 of the CG Code**.

The Regulations of the Board of Directors contain provisions concerning:

- methods of keeping the minutes of the meetings, providing that, after each board meeting, a draft of the related minutes should be sent to all the Directors and Statutory Auditors for comments, which will be collected by the Board Secretary. The final text of the minutes is then drawn up by the Secretary, submitted for the approval of the Chair and entered in the appropriate company book. The part of the minutes that concern the resolutions adopted that require immediate execution can be certified and excerpted by the President and the Secretary, even before the verification process of the entire minutes is completed.  
The Company's practice is in any case to bring the minutes for approval to the meeting immediately after the meeting that the minutes refer to;
- procedures for managing the flow of information to directors. In this regard, the Regulations provide for the supporting documentation to be prepared based on an executive summary for each item on the agenda containing (i) a summary of the topic under discussion, (ii) the draft of the resolution proposal to be adopted and (iii) the list of the reference documentation. This documentation is then made available to each Director and Statutory Auditor by the third day before the day set for the meeting.

Confidentiality of the documentation concerning the activities carried out by the Board of Directors and the Board Committees, is ensured through the use of an IT platform, in which the preparatory documents for the discussion are placed. This platform ensures advanced technical controls for the best use of the content included in the portal and, at the same time, protection of the confidentiality of the documents.

During the year, the documents and information to be made available in preparation for the board discussion were generally made available by the terms specified. When, due to urgency or other specific requirements of Webuild, other than the simple confidentiality, the pre-meeting documentation was made available at a later time, the Chair made sure that an adequate analysis was carried out during the meetings.

The 2021 Board Evaluation did not show significant critical issues with regard to the provision of timely and adequate information to the directors, despite some indication suggesting a possible further improvement in the timing with which the documentation in preparation for the work of the Board is sent out.

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Information on the meetings of the Board of Directors is provided below

MEETINGS OF THE BOARD OF DIRECTORS		
	2021	2022 to date
<b>Number of meetings</b>	17	6 The 2022 corporate event calendar, limited to the Board meetings called to review the regular information (available on the Website in the section "Governance – Corporate events" [link: <a href="https://www.webuildgroup.com/en/governance/events">https://www.webuildgroup.com/en/governance/events</a> ]), envisages 5 meetings of the Board of Directors. For 2022 as a whole, the overall number of meetings is expected to be in line with those held in 2021.
<b>Average duration</b>	1 hour and 30 minutes	1 hour and 52 minutes
<b>Operations</b>	The operation of the meetings is governed by special regulations, approved most recently by the Board of Directors on 12 March 2021.	
<b>Attendees</b>	The Board meetings were usually attended, besides the Secretary, by the General Manager and Financial Reporting Manager, the CFO and the General Counsel. When appropriate, experts and managers of the Issuer responsible for the competent functions participated in the meetings, depending on the matters to be discussed, to ensure the functional and profitable progress of the meetings and to provide the appropriate in-depth examinations on the items on the agenda.	

In 2021 (and subsequently, to date), the Chair ensured that the items on the agenda were each allowed enough time to guarantee their complete and constructive discussion and to analyse the supporting documentation.

The directors discussed the topics examined by the Board to express their position and contribution with full knowledge of the facts and independently, pursuing the goal of creating value for shareholders in the medium-long term (**Principle I of the CG Code**).

In order to ensure compliance with the provisions of the Public Authorities aimed at containing the Covid-19 pandemic and for obvious precautionary reasons, in 2021 and 2022 to date, the Board meetings have taken place by audio/video link (in compliance with art. 22 of the Articles of Association) and with the presence of the President and Secretary in different locations connected by audio/video link, according to the procedure referred to in rule no. 187 of the Milan Notary Council and in compliance with art. 106, par. 2, of the Decree Law no. 18, 17 March 2020 (converted into law No. 27, 24 April 2020), and subsequent extensions (most recently, Decree Law no. 228, 30 December 2021).

For more information on the percentage of meetings attended by each Director during the year, we refer to Table 1, in the annex.

#### **4.5. ROLE OF THE CHAIR OF THE BOARD OF DIRECTORS**

The Chair of the Board of Directors plays a role of liaison between the executive and non-executive directors and ensures the effective performance of the Board work (**Principle X of the CG Code**).

Notably, in 2021 (and subsequently, to date), the Chair ensured the following:

- the suitability of the pre-meeting information, as well as the complementary information provided during the board meetings, to allow the directors to act in an informed manner in the performance of their role (**Recommendation 12, letter a of the CG Code**), ensuring, also through the Secretary of the Board of Directors, that all the documentation was made available according to the timing set by the Regulations and ensuring, during the board discussion, that all the directors received answers to the questions asked and that no questions remained unanswered, before the vote is taken on the resolution;
- the coordination of the activity of the board committees (with preliminary, propositional and advisory functions) with the activity of the Board (**Recommendation 12, letter b of the CG Code**), ensuring, also through the Secretary of the Board of Directors, the optimal planning of all committee activities with respect to the Board meetings called to take the decisions related to the preliminary activities carried out by these committees and personally acting as supervisor and guarantor with regard to activities of the Control, Risks and Sustainability Committee, of which the Chair is a member. The Chair also ensured that, at each Board meeting, the Committee Chairmen reported to the Board on the results of the preliminary activities and assessments carried out by the committees in their meetings;
- by agreement with the Chief Executive Officer, participation in board meetings of managers in charge of corporate functions significant to the subject discussed, to provide insights on the items on the agenda (**Recommendation 12, letter c of the CG Code**);
- the participation of the members of the administration and control bodies, after the appointment and during the mandate, in initiatives aimed at providing adequate knowledge of the business sectors in which the Issuer operates, of the business trends and their evolution also in view of the sustainable success of the Issuer itself, as well as the principles of correct risk management and the reference regulatory and self-regulatory framework (**Recommendation 12, letter d of the CG Code**). In this regard, an induction session was held during the year on the internal control and risk management system while, due to the restrictions deriving from the Covid-19 pandemic, it was not possible to carry out in 2021, as already done at the beginning of 2020, a visit to the Company's construction sites. This was in any case carried out, at the M4 worksite on 10 March 2022, following the improvement on the pandemic front. Other initiatives will be planned and carried out in the following months;
- the suitability and transparency of the Board's self-assessment process, with the support of the nomination committee (**Recommendation 12, letter and of the CG Code**). In this regard, the Chair of the Board of Directors attended the meeting of the Remuneration and Appointment Committee called for the preliminary investigation regarding the definition of the 2021 self-assessment process as well as the meeting of the same Committee called to review the corresponding findings. On this occasion, the Chair liaised with the Internal Audit Function, put by the Board of Directors in charge of collecting the self-assessment questionnaires filled in, and acquired all the necessary information

regarding the data collection process and the corresponding findings.

During the year and up to the date of this Report, the Chair ultimately ensured - also through the inclusion of a specific item on the agenda - that, in the meetings of the Board of Directors information was provided to the Board by the Chief Executive Officer on the most significant events, including that relating to any significant contents of the dialogue with the Shareholders ([Recommendation 3 of the CG Code](#)).

On this point, we refer to Section 12 below.

## **Board Secretary**

On 30 April 2021, the Board of Directors appointed the Secretary of the Board of Directors, identified in the Head of the Corporate Affairs function.

The appointment and revocation of the Secretary of the Board of Directors pertains to the Board itself, on proposal of the Chair, as set forth in the Regulation approved by the Board of Directors on 12 March 2021. The Regulation also provides the following:

- the qualifications of the Secretary of the Board, who must meet requirements of professionalism and independence of judgement and have gained suitable experience at the Corporate Secretariat of listed companies or be an expert in the field of law concerning listed companies and regulated markets;
- the powers of the Secretary, defined in line with the provisions of the [Recommendation 18 of the CG Code](#). In this regard, pursuant to the Regulation of the Board of Directors, the Secretary assists the Chair and, if appointed, the Deputy Chair in the activities related to the correct operation of the Board of Directors and provides to the Directors, with impartiality of judgement, assistance and advice on Corporate Governance matters and in regard to the rights, powers, duties and obligations of the same to ensure the regular exercise of their powers as well as on every aspect significant to the correct operation of the corporate governance system. Notably, the Secretary assists and supports the Chair in the activities assigned to the Chair, as articulated in the [Recommendation 12 of the CG Code](#) and specified above.

During the year, the Secretary of the Board, also in the functions of Head of the Corporate Affairs function, has taken care of all the activities related to the organisation and conduct of the meetings of the governance bodies, planning their work to ensure better coordination of the respective activities, with particular regard to the preliminary investigations for the benefit of the decisions of the Board of Directors.

The Secretary has therefore supported the activities of the Chair of the Board (in particular in regard to the aspects indicated in [Recommendation 12 of the CG Code](#)) and provided, with impartiality of judgement, assistance and advice to the Board on every aspect significant to the correct operation of the corporate governance system (according to the provisions of [Recommendation 18 of the CG Code](#)).

## **4.6 EXECUTIVE DIRECTORS**

### **CHIEF EXECUTIVE OFFICERS**

Pursuant to art. 25) of the Articles of Association, the Board of Directors appoints a Chief Executive Officer from the list that obtained the highest number of votes, to whom powers of the Board of Directors will be delegated, in whole or in part, that are not reserved to the Board by law and by the Articles of Association, setting the contents, limits and procedures for exercising the powers. The Board can also delegate part of its powers to one or more Directors.

It can also appoint Directors and Representatives, chosen from the persons not on the Board of Directors, determining their powers.

The Board of Directors' meeting on 30 April 2021 appointed Pietro Salini as Chief Executive Officer of the Company, thereby conferring upon him the powers of legal representation of the Company and the signatory powers with regard to third parties and for legal matters, as well as vesting him with the powers for the management of corporate operations, with the right to delegate the responsibility for the organisation and conduct of certain business units.

The Chief Executive Officer, Pietro Salini, is in charge of running the company (Chief Executive Officer).([Recommendation 4 of the CG Code](#))

### **CHAIR OF THE BOARD OF DIRECTORS**

The Chair of the Board of Directors is the first of the directors from the list that obtained the highest number of votes (art. 21 of the Articles of Association).



The Chair of the Company in office is Donato Iacovone, appointed by the Shareholders' Meeting on 30 April 2021.

The Chair has legal representation and signatory powers with third parties and in court pursuant to art. 29 of the Articles of Association. The Chair has not been granted management powers or powers in the definition of corporate strategies.

The Chair in office is not the person in charge of running the Company (Chief Executive Officer) nor the majority shareholder of the Issuer.

#### **DEPUTY CHAIR OF THE BOARD OF DIRECTORS**

Pursuant to art. 21) of the Articles of Association., the Board of Directors can appoint one or two Deputy Chairmen to replace the Chair in the case of absence or impediment.

On 30 April 2021, the Board appointed Nicola Greco as Deputy Chair.

The Deputy Chair has legal representation and signatory powers with third parties and in court pursuant to art. 29 of the Articles of Association in case of absence or impediment of the Chair.

#### **EXECUTIVE COMMITTEE (ART. 123-BIS, PAR. 2, LETTER D), CONSOLIDATED FINANCE ACT)**

At present, the Articles of Association do not provide for the possibility of establishing an Executive Committee.

#### **INFORMATION TO THE BOARD FROM EXECUTIVE DIRECTORS/BODIES**

The Chief Executive Officer, at least on a quarterly basis reported to the Board of Directors and the Board of Statutory Auditors on the activities carried out in the exercise of the powers delegated and the most significant transactions. Notably, at each Board meeting, as part of a specific item on the agenda dedicated to the communications of the Chief Executive Officer, has also provided each time to the Board and to the Board of Statutory Auditors information on the main events occurred and on the most significant activities.

The Board of Directors, according to the provisions of [Recommendation No. 17 of the CG Code](#), has also been informed, at the next meeting, by the Chairs of the Board Committees of the main activities carried out.

The Risk, Control and Sustainability Committee, pursuant to [Recommendation No. 35, letter h\), of the CG Code](#), also reported to the Board of Directors, every six months, on the main activities carried out in the reference period, and on its assessments on the suitability of the internal control and risk management system.

#### **OTHER EXECUTIVE DIRECTORS**

The Board of Directors currently consists of one executive director, who can be qualified as such pursuant to the definitions of the CG Code, who is the Chief Executive Officer. Therefore, the remaining 14 Directors are understood to be non-executive.

#### **4.7. INDEPENDENT DIRECTORS AND LEAD INDEPENDENT DIRECTOR**

The regular evaluation of the requirements of independence of the Directors is carried out by the Board of Directors after a preliminary investigation by the Remuneration and Appointment Committee – acting as Nominating Committee. The Board of Statutory Auditors, as part of the tasks assigned to it by law, therefore accurately checks, the correct application of the assessment criteria and procedures adopted by the Board to evaluate the independence by its members.

For the purposes of alignment with [Recommendation No. 7 of the CG Code](#), on 12 March 2021, and therefore before confirmation of the positions as expected with the Shareholders' Meeting called for 30 April 2021, the Board of Directors, following the preliminary investigation of the Remuneration and Appointment Committee, and with the favourable opinion of the Board of Statutory Auditors, approved the quantitative and qualitative criteria for the assessment of the independence of its directors pursuant to letters c) and d) of the aforementioned Recommendation No. 7 of the CG Code.

In particular, in regard to the circumstance referred to in [Recommendation No. 7, letter c\) of the CG Code](#), Webuild has established that directors are not normally independent if, directly or indirectly (for example, through subsidiaries or companies in which they are an executive director, or partner in a professional practice or an advisory firm) they have or have had, during the course of the three previous financial years, commercial, financial or professional relations with the Company, one of its subsidiaries, or with the significant executive directors or with the top management or an entity that, also together



with others through a shareholders' agreement, controls the Company, or with the associated executive directors or top management, if the total value of said relations exceeds:

- (i) 7% of the turnover of the legal entity, organisation or professional practice, in which the director has control or is a significant representative or partner; or
- (ii) 7% of the annual income of the director as natural person or of the annual turnover generated directly by the director as part of the activities carried out at the legal entity, organisation or professional practice, in which the director has control or is a significant representative or partner.

In addition to the above, in regard to the circumstance pursuant to **Recommendation No. 7, letter d) of the CG Code**, Webuild resolved that it also does not consider independent a director who receives or has received, in the previous three financial years, from the Company, one of its subsidiaries or the parent company, additional compensation exceeding Euro 250,000.00 for year, the maximum threshold envisaged by Webuild's Procedure for Transactions with Related Parties for the qualification, in terms of Transactions involving a Small Amount, of transactions carried out with executives with key management personnel and their close relatives.

At the date of this Report, of the 15 (fifteen) Directors appointed by the Shareholders' Meeting on 30 April 2021 and currently in office, **10 (ten) directors** meet the independence requirements, pursuant both to art. 148, par. 3, letters b) and c) of the Consolidated Finance Act and to the aforementioned Recommendation 7 of the CG Code and the significance criteria identified by the Board of Directors on 12 March 2021. All this was verified, immediately after the appointment, on 30 April 2021, by the Board of Directors (with the related Press Release issued on the same day [link: [https://media.webuildgroup.com/sites/default/files/2021-04/20210430\\_comunicato\\_stampa\\_assemblea\\_v5\\_clean\\_eng.pdf](https://media.webuildgroup.com/sites/default/files/2021-04/20210430_comunicato_stampa_assemblea_v5_clean_eng.pdf)]) and, more recently, by the Board of Directors at the meeting held on 24 February 2022, as part of the annual verification of the ongoing validity of the statements in regard to the independence requirements, taking into account the information available (in particular, the information provided by the directors being assessed).

The Independent Directors in office (the number of which is therefore more than 1/3 of the total number of Directors) are: Davide Croff, Donato Iacovone, Barbara Marinali, Flavia Mazzarella, Teresa Naddeo, Marina Natale, Ferdinando Parente, Serena Torielli, Michele Valensise and Laura Zanetti.

According to the outcome of the Board Evaluation, the number of the Independent Directors and their expertise are adequate to the requirements of the company and to the operation of the Board, as well as to the setup of the Board committees (**Recommendation 5 of the CG Code**), also taking into account the provisions of art. 16 Market Regulation (which apply to the Company as this is subject to management and coordination by another company, as reported in the Section 2).

As for the Chair Donato Iacovone, this was qualified as independent by the Board of Directors of 30 April 2021 and, lastly, on 24 February 2022, taking into account the information by this provided and in the absence of the circumstances that would jeopardise the independence (as set forth in **Recommendation 7 of the CG Code**).

On this point, it should be noted that, in regard to the statements made, at the Board of Directors meeting held on 30 April 2021, by a newly appointed Director concerning the existence of a consulting contract for a significant amount (according to the criteria set by Webuild) between himself and Astaldi S.p.A. (at the time controlled by Webuild), the Board of Directors, having established that this contract, already subject to formal cancellation (in July 2021), was close to the end and that the work was not related to operational/management activities, it resolved to confirm the opinion of independence expressed by the Director himself.

The Board of Statutory Auditors, in a separate meeting, therefore accurately verified the correct application of the assessment criteria and procedures adopted by the Board to evaluate the independence by its members (art. 149, par. 1, letter C-bis, Consolidated Finance Act), without making remarks, as indicated also in the Report of the Board of Statutory Auditors to the Shareholders' Meeting.

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With regard to **Recommendation 5 of the CG Code**, in 2021, a meeting of Independent Directors was held, notably, to carry out assessments on the implementation of the Board Evaluation process for 2021 as well as to perform additional assessments on the role of the Independent Directors. The meeting was coordinated by an Independent Director, chosen by the other attendees. Non-independent Directors did not attend this meeting.

The Independent Directors have not assumed, in the lists for the appointment of the Board, the obligation to maintain their independence throughout their term office and, if necessary, to resign.

#### LEAD INDEPENDENT DIRECTOR

As the requirements of **Recommendation 13 of the CG Code** have not been met, the Board did not choose an independent director as lead independent director.

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## 5. MANAGEMENT OF COMPANY INFORMATION

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Pursuant to **Recommendation 1 letter f) of the CG Code**, to ensure the correct management of company information, the company has adopted a specific *“Procedure for the management of significant and Privileged Information and the associated Registers”*, lastly revised on 19 December 2018.

The Procedure, in particular, sets out the general principles in regard to:

- the definition of subjects involved in the process and classification and rating of the privileged information as well as the implementation of the Procedure;
- identification and management of the specific significant and privileged information;
- management and maintenance of significant and privileged information registers;
- protection of the confidentiality of significant and privileged information;
- external communication of documents and significant and privileged information;
- implementation of the procedure for of delay in communicating privileged information.

Said Procedure is addressed and applies to all those who, due to their work, profession or the functions performed, have access to significant and privileged information concerning the Issuer. In particular, the addressees of the procedure are Webuild’s directors, statutory auditors, managers, and employees, as well as all other persons carrying out their work and/or conducting their professional activities in favour of the Company.

This Procedure also provides specific behavioural obligations for the employees of Webuild, in order to ensure the confidentiality of privileged information potentially obtained, as well as a confidentiality obligation for directors and statutory auditors of Webuild, relating to information and documents acquired by carrying out their tasks, as well as, more generally speaking, the contents of discussions held during the meetings of the Board of Directors and its Committees and the activities of the Board of Statutory Auditors.

The Procedure also provides for the Corporate and Finance General Director to hold the responsibility for the taking of decisions on the identification of the specific significant and privileged information, as well as, after having consulted the Chief Executive Officer, the definition of the timing of publication of the specific privileged information, and the possible activation of the delay procedure (without prejudice to the fact that, in some cases, this decision may be taken directly by the Board of Directors, if it concerns an action within the competence of that body and it complies with the time limits provided by the applicable laws).

The Procedure provides for penalties to be applied to the parties that violate its provisions.

The *“Procedure for the Management of Significant and Privileged Information and the Associated Registers”* is available on the Website in the section *“Governance – Documents”* [link: [https://media.webuildgroup.com/sites/default/files/2019-09/2016-procedura-info-privilegiata\\_en.pdf](https://media.webuildgroup.com/sites/default/files/2019-09/2016-procedura-info-privilegiata_en.pdf)].

\* \* \* \* \*

To ensure transparency to the market about significant transactions concerning the purchase, sale, subscription and exchange of Webuild’s ordinary and saving shares, or of financial instruments related to these, carried out – directly or indirectly – by people in possession of important decision-making powers in the business domain and who have access to privileged information (**“significant parties”**), the Board of Directors of the Company has adopted, since March 2006, a Code of Conduct relating to Internal Dealing (**“Code of Conduct”**), most recently amended on 25 March 2021.

The current Code of Conduct also envisages a Blackout Period (a period during which no transactions involving Webuild’s ordinary and savings shares, or on any financial instruments connected to these, may be performed by significant parties, with a few expressly provided exceptions), lasting 30 calendar days before the communication to the market of the approval by the administrative body, of the draft annual financial statements, the half-yearly report, and of other regular financial reports that must be published in compliance with the applicable law and regulations in force at the time.

The “Internal Dealing Code of Conduct of Webuild S.p.A.” is available on the Website in the section “Governance – Documents” [link: <https://corporatebe.webuildgroup.com/sites/default/files/2021-04/Codice%20Internal%20Dealing%20%28v.25.03.2021%29%20-%20CLEAN%20ENG.pdf>].

The communications concerning the transactions regulated by the Code of Conduct are available on the Website in the section “Governance – Internal Dealing” [link: <https://www.webuildgroup.com/en/governance/internal-dealing>].

## **6. BOARD COMMITTEES (pursuant to art. 123-bis, par. 2, letter d) Consolidated Finance Act)**

The Internal Committees of the Board of Directors established to date, pursuant to art. 26 of the Articles of Association are the following:

- (i) **committees established pursuant to the Code of Corporate Governance**, with preliminary, propositional and advisory functions (**Principle XI and Recommendation 16 of the CG Code**):
  - Remuneration and Appointment Committee (Section 7.2 and 8.2);
  - Risk, Control and Sustainability Committee (Section 9.2).
- (ii) **committees provided for by the laws and regulations**:
  - Committee for Related-Party Transactions (Section 10).

On 25 March 2022, the Board of Directors, with the favourable opinion of the Strategic Committee, pursuant to art. 24 of the Articles of Association, resolved the completion of Progetto Italia, with automatic termination of the Strategic Committee (as Committee in charge of monitoring Progetto Italia), as a result of the entry into force of art. 37 of the Articles of Association, which, in turn, resulted in the automatic expiration of art. 26 letter (iv) of the Articles of Association, which provided for the establishment of this Committee.

For the sake of completeness, we provide below, in any case, the information on the composition, operation and tasks of the Strategic Committee until its termination.

At present, the Articles of Association do not provide for the establishment of an Executive Committee.

The Board of Directors has specified the composition of the committees giving priority to the skills and experience of their members (**Recommendation 17 of the CG Code**) and avoiding, as far as possible, an excessive concentration of mandates.

Each Committee has adopted its own regulations which define its operating rules, also with regard to the minutes and, in the case of the Strategic Committee, to the pre-meeting information. For matters not expressly provided for in the regulations of the individual committees on pre-meeting information, the provisions in the Regulations of the Board of Directors are usually applied.

The 2021 Board Evaluation did not show significant critical issues with regard to the provision of timely and adequate information provided to support the work of the committees.

The composition of the committees of Webuild, as company subject to management and coordination by Salini Costruttori (see Section 2, letter l above) complies with the provisions of art. 16, par. 1, letter d) of the Consob Market Regulation.

The decision to set up just one Committee to combine the nomination and remuneration functions, given the attainment of the underlying objectives is guaranteed, is based on organisational and efficiency requirements as the functions are complementary and is in line with the provisions of **Recommendation 16 of the CG Code**.

The Board of Directors has not reserved to itself functions attributed by the CG Code to one or more of its committees.

**Additional committees (other than those provided for by laws and regulations or recommended by the CG Code)**

**STRATEGIC COMMITTEE (terminated on 25 March 2022 as a result of the Board resolution on the completion of Progetto Italia).**

#### **Composition and operation of the Strategic Committee**

Pursuant to art. 26 of the Articles of Association in force until 25 March 2022, the Board of Directors established a Strategic Committee among its members, with the functions of monitoring and assessing the activities in any way connected with the implementation of Progetto Italia, as well as the investigative and consulting functions vis-à-vis the Board itself for the matters within its competence.

The Strategic Committee consisted of five Directors, identified by the Board of Directors on 30 April 2021:

<b>STRATEGIC COMMITTEE IN OFFICE UNTIL 25 MARCH 2022<sup>17</sup></b>		
<b>Tommaso Sabato</b>	Chair	Non-executive non-independent Director
<b>Barbara Marinali</b>	Member	Non-executive independent Director
<b>Nicola Greco</b>	Member	Non-executive non-independent Director
<b>Marina Natale</b>	Member	Non-executive independent Director
<b>Pietro Salini</b>	Member	Chief Executive Officer, Non-independent, Executive

We provide below information on the meetings of the Strategic Committee, which were coordinated by its Chair.

<b>MEETINGS OF THE STRATEGIC COMMITTEE</b>		
	<b>2021</b>	<b>2022 until 25 March 2022</b>
<b>Number of meetings</b>	9	3
<b>Average duration</b>	1 hour and 53 minutes	55 minutes
<b>Operations</b>	The operation of the meetings was governed by specific regulations, approved most recently by the Board of Directors on 12 November 2019.	
<b>Frequency of meetings</b>	At least monthly and, in any case, always before the meetings of the Board of Directors called to review the operations involving implementation of Progetto Italia as well as acquisitions of undertakings or companies (M&A) in Italy and abroad that, regardless of their inclusion in Progetto Italia, are suited in any case to significantly impact the implementation of said project, and any time the Chair deems it necessary.	
<b>Attendees</b>	The Chair of the Board of Statutory Auditors or an Auditor delegated by the Chair took part in the meetings of the Strategic Committee; the managers responsible for implementing Progetto Italia were also usually invited to attend. The Chair of the Board of Directors, managers, consultants and all others whose presence was considered by the Committee to be suitable for the specific items to be discussed were also able to participate, on invitation of the Chair and according to the matters to be discussed each time at the Committee meeting. In 2021 and this year, until 25 March 2022, the Corporate and Finance General Manager, the Chief Financial Officer and the General Counsel, as well as the Head of the Corporate Affairs function, who performed the functions of Secretary, took part in the meetings of the Strategic Committee.	
<b>Minute-taking</b>	Minutes of the Committee were regularly drawn up and signed by the Chair and by the Secretary.	

<sup>17</sup> In 2021, before the renewal of the Board by the Shareholders' Meeting of 30 April 2021, the Strategic Committee included Pierpaolo Di Stefano (Chair), Francesca Balzani, Nicola Greco, Marina Natale and Pietro Salini.

<b>Information to the Board of Directors</b>	Pursuant to <a href="#">Recommendation 17 of the CG Code</a> , in 2021, the Chair of the Committee reported, at the first possible meeting of the Board of Directors, on the activities carried out in each session of said Committee.
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### Functions of the Strategic Committee

In compliance with the provisions of its Regulation, the Strategic Committee had the following tasks:

- monitoring (a) the activities for the implementation of Progetto Italia, based on the regular reports sent by the Chief Executive Officer and any additional useful information acquired; as well as (b) acquisitions of undertakings or companies (M&A) in Italy and abroad that, regardless of their inclusion in Progetto Italia, are in any case likely to significantly impact the implementation of this project;
- assessing - also in support of the activities within the competence of the Remuneration and Appointment Committee - the progress in the implementation of Progetto Italia in light of - and taking into account - the objectives and key performance indicators applicable at the time in regard to Progetto Italia;
- where deemed necessary, informing the Board of Directors of the progress in the implementation of Progetto Italia;
- monitoring the process of selection and replacement of the Company's Chief Financial Officer, as well as expressing its approval - which cannot be unreasonably denied - in regard to the candidate for the position of Chief Financial Officer indicated by the Chief Executive Officer following said process;
- expressing a preventive opinion - mandatory but not binding - in regard to the (a) the operations involving the implementation of Progetto Italia, including therein each acquisition/business combination envisaged by Progetto Italia; as well as (b) acquisitions of undertakings or companies (M&A) in Italy and abroad that, regardless of their inclusion in Progetto Italia, are suited in any case to significantly impact the implementation of said project;
- expressing a preventive opinion - mandatory but not binding - in regard to any amendments or additions to Progetto Italia, including therein by way of a non-exhaustive example (i) the extension of the scope of subjects to be involved in Progetto Italia and (ii) the associated extension for a further 18 (eighteen) months, if, on expiry of the first term of 18 (eighteen) months, Progetto Italia has not been fully implemented;
- expressing a prior opinion - mandatory but not binding - on the verification of the full completion of Progetto Italia, following the attainment of all the objectives set.

No financial resources of a predetermined amount were allocated to the Committee.

For additional information, see also Table 2 in the annex.

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A specific committee with the task of supporting the Board in the analysis of issues significant for the generation of long-term value was not set up ([Recommendation 1, letter a of the CG Code](#)).

## 7. SELF-ASSESSMENT AND SUCCESSION OF THE DIRECTORS - NOMINATING COMMITTEE

The Board regularly assesses the effectiveness of its own activities and the contribution made by its individual components, through formal procedures of which it oversees the implementation ([Principle XIV of the CG Code](#)).

### 7.1 SELF-ASSESSMENT AND SUCCESSION OF THE DIRECTORS

In regard to the self-assessment for 2021, the Board of Directors, in the meeting of 15 December 2021, having preliminarily acknowledged the qualification of the Company, pursuant to the CG Code, as "large company" with "concentrated ownership" and, therefore, the non-applicability of the recommendation of the annual frequency of the board evaluation ([Recommendation 22 of the CG Code](#)), has in any case discussed the usefulness of the self-assessment, as instrument of analysis and monitoring of the composition and the good operation of the Board and approved, on proposal of the Remuneration and Appointment Committee and having heard the favourable opinion of the Chair of the Board of Directors and the Board of Statutory Auditors, the execution of the 2021 Board Evaluation activities.

As for the methods to use to carry out the 2021 Board Evaluation, the Board agreed to proceed with the use of a self-assessment questionnaire prepared for this purpose by the Company, through its internal

units and further implemented following contributions by Independent Directors, consulted at a meeting called for the purpose.

The self-assessment questionnaire includes questions concerning the composition, size and operation of the Board of Directors and its committees, taking also into account the role played by the Board in defining the strategies and monitoring the management performance and the suitability of the internal control and risk management system.

The Board has also given mandate to the Internal Audit Function to collect the assessments made and prepare a report to the Board of Directors on the outcome, adopting all appropriate measures to protect the confidentiality of the Directors' opinions.

The 2021 board evaluation showed a substantial level of appreciation:

- (i) for the operation of the Board and the Board's committees, although there remains some margin for improvement to be taken into account in future governance activities;
- (ii) for the current qualitative and quantitative characteristics of the Board and its committees, in terms of expertise, professionalism, experience in the sector, commitment, both in terms of time and energy.

The Board also ensures, to the extent of its competence, that the process adopted for the appointment and succession of the Directors is transparent and able to ensure the optimal composition of the Board of Directors ([Principle XIII of the CG Code](#)).

Notably, the Board:

- (i) expressed, in view of its most recent renewal (Shareholders' Meeting of 30 April 2021), a guideline on the qualitative and quantitative composition of this believed to be optimal, taking into account the outcome of its self-assessment. The guideline was published on the website of the Company well in advance of the publication of the notice of call of the Shareholders' Meeting called for the renewal of the Board ([Recommendation 23 of the CG Code](#));
- (ii) asked, in the notice of call of the Shareholders' Meeting of 30 April 2021, those who had presented a list containing a number of candidates greater than half of the members to be elected to provide adequate information, in the documentation accompanying the filing of the list, on the compliance of the list itself to the guideline provided by the Board as well as to indicate its candidate to the position of Chair of the Board ([Recommendation 23 of the CG Code](#));
- (iii) specified a succession plan for the chief executive officer and the Executive Directors that identifies at least the procedure to be followed in the event of early termination, and verified the presence of satisfactory procedures for the succession of top management ([Recommendation 24 of the CG Code](#)).

With respect to [Recommendation 19 letter e\) of the CG Code](#), the Board of Directors approved a Succession Plan for the Executive Director ("Plan"), based also on the proposals made in this regard by the Remuneration and Appointment Committee. The sole Executive Director of the Issuer is the Chief Executive Officer.

The current Plan - approved by the Board of Directors on 19 March 2014 and most recently updated by the Board of Directors on 25 March 2022, following a preliminary assessment made by the Remuneration and Appointment Committee - envisages the applicable procedures to guarantee continuity of the corporate management in any case where the CEO leaves office before his/her mandate has reached its normal expiry, also by taking every necessary decision for the immediate situation, attributing the appropriate proxies and powers to the Chairman of the Board of Directors. The Plan assigns the task of appointing the CEO's successor to the Chair of the Board of Directors. The Chair, after consultation with the Remuneration and Appointment Committee, will also be required to prepare a proposal for the Board of Directors.

According to the provisions of the Plan itself, the Remuneration and Appointment Committee assesses, at least once every three years, whether the Plan should be revised. The Board of Directors may, at any time and where it believes it to be appropriate, ask the Remuneration and Appointments Committee to put forward a revision of the Plan, providing the corresponding guidelines or carry out the revision itself.

## 7.2. REMUNERATION AND APPOINTMENT COMMITTEE

The Board of Directors has pooled, in a single Remuneration and Appointment Committee, the functions specified by the Code in regard of remuneration and appointments.

At the date of this Report, the Remuneration and Appointment Committee of the Company, pursuant to art. 26) of the Articles of Association., consists of the following three Directors, as identified by the Board of Directors on 30 April 2021:

CURRENT REMUNERATION AND APPOINTMENT COMMITTEE <sup>18</sup>		
<b>Ferdinando Parente</b>	Chair	non-executive independent director
<b>Barbara Marinali</b>	Member	non-executive independent director
<b>Laura Zanetti</b>	Member	non-executive independent director

During the year, the Remuneration and Appointment Committee was entirely composed of non-executive independent Directors and was chaired by an independent Director, other than the Chair of the Board of Directors ([Recommendation 20 and Recommendation 7 of the CG Code](#)).

Pursuant to [Recommendation 26 of the CG Code](#), at least one member of the Remuneration and Appointment Committee must have adequate knowledge and experience in financial matters or compensation policies, as ascertained by the Board of Directors during the appointment.

Since the end of the financial year, no change has been made to the Committee.

We provide below information on the meetings of the Remuneration and Appointment Committee, which are coordinated by its Chair.

MEETINGS OF THE REMUNERATION AND APPOINTMENT COMMITTEE		
	2021	2022 to date
<b>Number of meetings</b>	15	5 For the 2022 financial year as a whole, the number of meetings is expected to be less than in 2021.
<b>Average duration</b>	1 hour and 20 minutes	2 hours and 10 minutes
<b>Operations</b>	Minutes are duly taken for the meetings of the Remuneration and Appointment Committee, the operation of which is governed by a specific regulation, approved most recently by the Board of Directors on 12 March 2021.	
<b>Frequency of meetings</b>	Any time the Chair of the Committee believes it to be necessary, with the frequency deemed most suitable to the performance of the Committee's functions. The Committee meets also when the Chair receives a justified request from at least one member of the Committee or from the Chair of the Board of Statutory Auditors.	
<b>Attendees</b>	At certain specific meetings related to specific items of the agenda, upon invitation by the Chair of the Committee, the Chief Executive Officer (CEO), as well as, after informing the latter, the Corporate and Finance General Director, the Financial Reporting Manager, the HR & Organisation & Systems Director and other Directors of the Issuer have taken part, any time the Committee has deemed it to be necessary and functional for a more effective discussion of the items on the agenda. The Board of Statutory Auditors has also attended the meetings of the Remuneration and Appointment Committee ( <a href="#">Recommendation 17 of the CG Code</a> ), and has provided its opinion on the topics discussed, whenever this was required by legal and regulatory provisions. Directors abstain from participating in the Committee regarding proposals related to their own compensation.	
<b>Minute-taking</b>	Minutes of the Committee are regularly drawn up and signed by the Chair and by the Secretary.	
<b>Information to the Board of Directors</b>	Pursuant to <a href="#">Recommendation 17 of the CG Code</a> , the Chair of the Committee reported, at the first possible meeting of the Board of Directors, on the activities carried out in each session of said Committee.	

Further information concerning the percentage attendance of each member of the Remuneration and Appointment Committee at the meetings held during the Financial Year, are shown in the Table 2, attached to this Report.

### Functions of the Committee

<sup>18</sup> In 2021, before the renewal of the Board by the Shareholders' Meeting on 30 April 2021, the Remuneration and Nominating Committee was composed of Ferdinando Parente (Chair), Nicola Greco and Giuseppe Marazzita.



The Remuneration and Appointment Committee carries out the tasks specified in [Recommendations No. 19 and 25 of the CG Code](#), as well as the other tasks set to it by the Board of Directors, as articulated in the Regulations of this Committee. In particular, with regard to:

- **appointments**, the Committee supports the Board of Directors in the following activities:
  - a) self-assessment of the Board of Directors and its committees ([Recommendation 19, letter a of the CG Code](#)), supporting the Chair of the Board in ensuring the suitability and transparency of the self-assessment process ([Recommendation 12, letter e of the CG Code](#));
  - b) definition of the optimal composition of the administration body and its committees ([Recommendation 19, letter b of the CG Code](#));
  - c) identification of the candidates for the office of director in the event of co-optation ([Recommendation 19, letter c of the CG Code](#));
  - d) presentation, if necessary, of a list by the outgoing administration body to be implemented according to the methods that ensure its transparent formation and presentation ([Recommendation 19, letter d of the CG Code](#));
  - e) preparation, update and implementation of any succession plan for the chief executive officer and other executive directors ([Recommendation 19, letter e of the CG Code](#));
- **compensation, the Committee is responsible for:**
  - (a) supporting the Board of Directors in preparing the remuneration policy ([Recommendation 25, letter a of the CG Code](#));
  - (b) periodically assessing the suitability, overall consistency and practical application of the policy for the compensation of directors and top management, making use, in this regard, of the information provided by executive directors; submitting compensation proposals to the Board of Directors ([Recommendation 25, letter d of the CG Code](#));
  - (c) submitting proposals or expressing opinions to the Board of Directors on the remuneration of executive directors and other directors holding special offices ([Recommendation 25, letter b of the CG Code](#));
  - (d) submitting proposals or expressing opinions to the Board of Directors regarding the setting of performance targets related to the variable component of the compensation of executive directors and other directors holding special offices ([Recommendation 25, letter b of the CG Code](#)); expressing opinions on the attainment of quantitative and qualitative key performance indicators based on the accounting statements supplied by the structure;
  - (e) monitoring the practical application of the remuneration policy and verifying, in particular, the actual attainment of the performance targets ([Recommendation 25, letter c of the CG Code](#)).

#### **Activities carried out by the Remuneration and Appointment Committee during the year, and after the end of the year to date**

During the year and to date, the Remuneration and Appointment Committee, regarding Nominations, carried out preliminary activities and submitted proposals regarding the Board Evaluation, the regular assessment of the independence requirements by the Directors and, for the maximum number of positions, preliminary investigation activities for the definition of the significance criteria to assess the independence of directors, as well as on the composition of the Board of Directors, in view of the renewal of the Board occurred at the Shareholders' Meeting on 30 April 2021, also preparing, in this regard, the *Guideline for Shareholders on the composition of the management body*, which was then submitted to the Board of Directors for approval and publication. The Committee was also informed by the Chief Executive Officer in regard to the appointment of new Key Managers at the Company.

In addition, as already reported in Section 7.1., the Remuneration and Appointment Committee, regarding appointments, after the end of the year, reviewed the succession plan for the chief executive officer, updating the provisions of the Corporate Governance Code, and also verified the existence of adequate procedures for the succession of the top management.

For further information on the activities of the Remuneration and Appointment Committee regarding compensation, reference should be made to the 2022 Remuneration Report drawn up pursuant to art. 123-ter of Consolidated Finance Act and available, in compliance with applicable laws, on the Website in the “Governance – Remuneration” section and in the “Governance – Shareholders’ Meeting” section, in regard to the next Shareholders’ Meeting to be held on 28 April 2022.

\* \* \* \* \*



When carrying out its functions, in 2021 and to the date of this Report, the Remuneration and Appointment Committee has had access to the company information and functions needed to carry out its duties, was provided with financial resources and was able to use external consultants, in the terms set by the Board ([Recommendation 17 of the CG Code](#)).

No financial resources with a predetermined amount were allocated to the Remuneration and Appointment Committee, but the Committee had the possibility to autonomously engage external consultants. During the year, the Remuneration and Appointment Committee made use, to support its activities, of external consultants, after verifying the satisfaction of the necessary independence requirements by these parties.

## 8. DIRECTORS' REMUNERATION - REMUNERATION COMMITTEE

### 8.1. DIRECTORS' REMUNERATION

#### Remuneration Policy

For the information on the issues described below, we refer to the corresponding sections of the 2022 Remuneration Report

	Reference 2022 Remuneration Report
Procedure through which the Board of Directors has formulated the policy for the remuneration of directors, statutory auditors and top management ( <a href="#">Principle XVI of the CG Code</a> )	Section 1 Par. 1
Ways in which the policy for the remuneration of the directors, statutory auditors and top management defined by the Board is functional to the pursuit of the sustainable success of the Issuer and takes into account the need to have, retain and motivate individuals with the competence and professionalism required by the position held in the Issuer ( <a href="#">Principle XV of the CG Code</a> ).	Section I
Ways in which, to have available individuals with suitable expertise and professionalism, the remuneration of both executive and non-executive directors and statutory auditors is defined taking into account remuneration practices commonly used in the reference sectors and for companies of similar size, also taking into account comparable foreign experiences and making use of external consultants if necessary ( <a href="#">Recommendation 25 of the CG Code</a> )	Section I Par. 2.1

#### Remuneration of executive directors and top management

Ways in which the Remuneration Policy for executive directors and top management specifies:	Reference 2022 Remuneration Report  (for each Incentive Plan specified by Issuer)
a) a balance between the fixed component and the variable component of remuneration that is satisfactory and consistent with the strategic objectives and the risk management policy of the Issuer, taking into account the characteristics of the business and the sector in which it operates, in any case providing for the variable component to represent a significant part of the overall remuneration ( <a href="#">Recommendation 27, a of the CG Code</a> );	Section I Par. 2.3
b) ceiling to the disbursement of variable components ( <a href="#">Recommendation 27, letter b of the CG Code</a> )	Section I Par. 3.2
c) performance objectives- to which the disbursement of the variable	

components is linked - that are: (i) predetermined, measurable and mostly specified with a long-term horizon; (ii) consistent with the strategic objectives of the Issuer and aimed at promoting its sustainable success, including, where relevant, also non-financial parameters ( <b>Recommendation 27, letter c of the CG Code</b> )	Section I Par. 3.2.
d) a satisfactory time lag - with respect to the time of accrual – for the disbursement of a significant portion of the variable component, in line with the characteristics of the business activities carried out and with the related risk aspects ( <b>Recommendation 27, letter d) of the CG Code</b> )	Section I Par. 3.2
e) the contractual arrangements that would allow the Issuer to request the restitution, full or in part, of the variable components of the remuneration (or to withhold sums accruing with a lag), paid on the basis of data subsequently found to be clearly incorrect and on any other circumstances identified by the Issuer ( <b>Recommendation 27, letter e) of the CG Code</b> )	Section I Par. 3.2
f) clear, pre-established rules for the disbursement of indemnities for the termination of the directorship that: (i) set the maximum total amount that may be paid by linking it to a certain amount or a certain number of years of remuneration and (ii) provide for this indemnity to be withheld if the termination of the relationship is due to objectively inadequate results being achieved ( <b>Recommendation 27, letter f) of the CG Code</b> )	Section I Par. 4.5

#### Share-based remuneration plans

if and how share-based remuneration plans for executive directors and the top management favour the alignment with the interests of shareholders over the long term, specifying in particular whether for a major part of the plan there is an overall period for the accrual of rights and holding of shares assigned of at least five years ( <b>Recommendation 28 of the CG Code</b> ) [see Q. Recommendation 28]	<b>Reference 2022 Remuneration Report</b>  Section I Par. 3.2
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#### Remuneration of non-executive directors

if and how the policy for the remuneration of the non-executive directors provides for a remuneration that is: (i) suited to the expertise, professionalism and commitment required by the tasks assigned to them within the Board, and (ii) not linked, if not marginally, to financial performance objectives ( <b>Recommendation 29 of the CG Code</b> )	<b>Reference 2022 Remuneration Report</b>  Section I Par. 4.3
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#### Accrual and disbursement of remuneration

Indicate how the Board ensures that the remuneration accrued and disbursed is consistent with the principles set in the policy, in light of the results achieved and other circumstances relevant to its implementation ( <b>Principle XVII of the CG Code</b> )	<b>Reference 2022 Remuneration Report</b>  Section I Par. 1
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**Compensation for directors in the case of their resignation, dismissal or termination of the relationship following a takeover bid.**

Presence of agreements between the Issuer and the directors that provide for an indemnity in the case of resignation or dismissal without just cause or if their relationship is discontinued following a takeover bid. If present, indicate the name of the directors, the main terms of the agreement and the amount of the indemnity	<b>Reference 2022 Remuneration Report</b>  There are no agreements with the directors
Information on termination office and/or dissolution of the relationship with an executive director or general manager occurred during the year. – <b>(Recommendation 31 of the CG Code)</b>	In 2021, there were no instances of dissolution of the relationship with executive directors or general managers.

## **8.2. REMUNERATION COMMITTEE**

For the information on the composition and operation of the Remuneration Committee (pursuant to art. 123-bis, par. 2, letter d), Consolidated Finance Act) and its functions, we refer to Section 7.2. above as well as to the Remuneration Report 2022, Section I, par. 1.

## **9. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM – CONTROL AND RISKS COMMITTEE**

Pursuant to **Principle XVIII of the CG Code**, the Internal Control and Risk Management System adopted by the Company consists of a set of rules, procedures and organisational structures aimed at the effective and efficient identification, measurement, management and monitoring of the main risks, in order to contribute to the sustainable success of the Company.

The Internal Control and Risk Management System of Webuild S.p.A. is based on standards that require business activities to be based on applicable internal and external rules, that they can be traced and documented, that the allocation and exercise of powers as part of a decision-making process be matched to the positions of responsibility and/or with the size and/or significance of the underlying economic transactions, that those parties that take or implement decisions, which record transactions and those that are required to perform the controls over such transactions provided for by law and procedures envisaged by the internal control and risk management system be different parties and that confidentiality and compliance with the privacy legislation be ensured.

The parties mainly involved in the operation of the Internal Control and Risk Management System (ICRMS), in line with the provisions of **Recommendation 32 of the CG Code**, are the Board of Directors, the Chief Executive Officer (CEO), the Risk, Control and Sustainability Committee (also "Control Committee"), the Financial Reporting Manager, the Board of Statutory Auditors, the Independent Auditors and the Internal Audit and Compliance Department (which includes the Internal Audit and Compliance functions), each by fulfilling their roles and carrying out their duties on control issues. The Supervisory Body, appointed pursuant to art. 6 of Italian Legislative Decree 231/01, supports the Board of Directors for matters within its competence.

The Risk Management function (for the activities of which we refer to the paragraph that follows), the General Directorates, and the Management are also involved in the operation of the Internal Control and Risk Management System.

\* \* \* \* \*

The sources and principles underlying the Company's Internal Control and Risk Management System consists of the Corporate Governance, Webuild's Code of Ethics (containing the standards of conduct, ethical and basic values that the Group adopts to pursue its objectives); the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01; the Model of administrative, accounting and operational procedures for preparing the Group's financial statements pursuant to Italian Law 262/05; the Anti-Corruption Model; the Business Plan; additional internal regulations, i.e. the set of corporate documents defining roles and responsibilities within the organisation, including the assignment of responsibilities for managing company risks, including, by way of a non-exhaustive example,

Organisation Charts, Organisational Communications and Memos; the Guidelines pursuant to Italian Law 262/05; the Framework, Inter-functional and Operational Procedures; the power and proxy system, structured to award authorisation and signatory powers consistent with the organisational and management responsibilities assigned; and best practices.

Monitoring of the operation of the Internal Control and Risk Management System is assigned to the Internal Audit Function. The Board of Directors approves, at least once every year, the audit plan prepared by the Head of the Internal Audit Function, based on the prior opinion of the Control Committee and having consulted the Chief Executive Officer (CEO) and the Board of Statutory Auditors.

Upon approval of the 2021 draft financial statements, the Control Committee expressed its **favourable opinion** to the Board of Directors following its review of the reports drawn up by the Head of the Internal Audit Function, by the Head of the Compliance Function, by the Supervisory Body and by the Financial Reporting Manager, and the flow of information between them, with the Board of Statutory Auditors, with the Chief Executive Officer (also in the context of the information provided by this to the Board of Directors) and with the Independent Auditors, regarding the current suitability of the organisational, administrative and accounting structure and the Internal Control and Risk Management System of Webuild and of its subsidiary with strategic relevance, Lane Industries Inc, in light of the main company risks.

This assessment was shared by the Board of Statutory Auditors and adopted by the Board of Directors on 17 March 2022.

## ***I Description of the main characteristics of the risk management system***

After approving the business and strategic plan, setting out the Management Team's Strategic Objectives, the Board of Directors defines the nature and level of risk compatible with the Company's strategic objectives, including in its assessments all elements that could be significant in terms of the sustainable success of the Company, in line with [Recommendation 1, letter c\) of the CG Code](#). This process, described in the following paragraphs, also received preliminary support from the Control Committee.

### ***1.1 Risk Management***

In 2015, the Issuer launched a project for the development and implementation of a Risk Management Model able to address and manage risks in accordance with the industry's best practices. The Model is gradually evolving in terms of the approach, methodologies and instruments, as well as extension to all Group operational units.

As part of this project, the Risk Management unit has been set up, a "second level" control function that is independent from the other Business and Corporate functions.

The Risk Management function, in particular, carries out the following activities:

- identification and monitoring, in consultation with the Management (Risk Owners) and in support of the Chief Executive Officer, of the risk factors of significance for the Group, ensuring the implementation of risk mapping and assessment and monitoring of mitigation actions taken by Risk Owners;
- support in strategic and commercial planning, submitting proposals on the corresponding guidelines and the company's risk appetite to the corporate bodies;
- support in operations, with the aim of achieving the strategic goals defined in the Business Plan;
- assurance of the suitability and consistency of the Risk Management framework adopted by developing and updating as needed the risk model and the methodologies and tools to provide effective risk management;
- support in creating and disseminating a risk culture throughout the Group.

In line with the most modern practice and the guidelines issued by the main reference international organizations in the risk area (COSO, WBCSD, ISO 31000, etc.), the Group has acquired an integrated risk management system able of detecting and managing, on a regular basis, the main risks to which the Group is exposed, carrying out an analysis at both the individual (i.e. at the level of individual country, counterparty, contract) and the portfolio level, with a view to assess the risk profile assumed with respect to the risk limits set at an overall level, adopting a proactive, and non-reactive approach, which would allow the Group to promptly manage future dangers and to seize opportunities.

The activity focuses on the identification and categorisation of the risks with a potential impact on business and on the development of methods and tools aimed at managing the dimensions of the

identified risk, with a particular emphasis on risks connected with the counterparts and the country context within which the Issuer conducts its own business.

### ***1.2 Risk Assessment***

The Issuer, as part of the regular Risk Management process, carried out also in 2021 a Risk Assessment aimed at identifying and assessing risks that might impact the Group's operations and, therefore, jeopardise the attainment of Business Plan targets.

The Risk Management Function assessed, in terms of impact and likelihood of risk, the level of exposure to a potentially negative event, in regard to the achievement of strategic and business targets.

The Risk Assessment activity was carried out according to these phases:

#### ***a. Definition of the method and approach***

The method defined for the Group's Risk Assessment system requires the area in which to map and analyse potential risk events, consistently with the Risk Universe adopted, are Group processes. In line with the sector's best practices, Assessment scales were defined which are consistent with the Strategic Plan's targets in order to provide an indication on the potential impact and probability of each identified event.

#### ***b. Identification of risks***

Risks are identified through meetings conducted with all representatives of the function. In particular, the critical elements identified in processes, also by means of a comparison with currently adopted policies and procedures expressing, were analysed in detail, explaining the causes and potential consequences in particular.

#### ***c. Risk analysis***

Risks were assessed consistently with the methods identified and in agreement with the representatives of each Function, also considering the level of protection guaranteed by the existing Control System.

#### ***d. Risk prioritisation***

The risks identified and analysed have been ranked in priority order and shared with the Board of Directors and with the Control Committee, with the Top Management and with the Control Functions, in order to address the subsequent management and mitigation activities. The results of the Group Risk Assessment, in terms of risk events, main generating causes and possible mitigating actions, are addressed (i) to the Board of Directors, to the Control Committee and to the Top Management, in order to give priority to Top Risks and address the interventions and, (ii) to the Control Functions, in order to support and structure the respective Intervention Plans.

#### ***e. Treatment and monitoring of risks***

The Risk Treatment phase is aimed at managing identified risks, identifying the best mitigation strategies or evaluating alternative management strategies, consistently with their priority level. This phase identifies the actions required for reducing the Group's exposure to risks and its gradual implementation is monitored.

Within the Group's organisation and the provisions of the Internal Control and Risk Management System there are various company Bodies and Functions dedicated to the verification of the System's effective operation.

In particular, the Group Risk Officer, according to the global vision of the corporate risk profiles, supports the Risk Owners in preparing the most appropriate risk management strategy and in proposing any necessary additional Risk Management actions to implement in order to execute said strategy. Moreover, the Group Risk Officer coordinates monitoring activities and the Group's overall exposure.

### ***1.3 Main characteristics of the risk management system in regard to the financial reporting process , pursuant to art. 123-bis, par. 2, letter b), Consolidated Finance Act***

The Internal Control and Risk Management System applied to the financial reporting process aims to guarantee credibility, precision, reliability and promptness of said financial reporting. Planning, implementation, monitoring and the updating in time of the system, have been carried out by Webuild according to the Guidelines which take their inspiration from frameworks and international best practices and are dedicated to managing financial reporting.

These Guidelines have been designed specifically to conform to the Issuer's characteristics and its operating units that contribute to the creation of financial reports, both separated (the Parent's) and consolidated. Account was taken of the fact that the Group is composed of entities that are separate in legal terms from the parent for the purposes of the financial reporting referred to herein. The Group in fact consists of both legally separate entities (e.g. Italian and foreign stock companies) as well as entities that, although not legally separate from the parent under Italian law (e.g. foreign permanent establishments), have their own administrative and organisational structures and produce their financial reporting independently.

Within the scope of this classification, the System is based on the dissemination of the application procedures, the training of the personnel involved in the different stages of the process and a monitoring plan, based on the provisions of Italian Law 262/05, whereby the effective use of the application procedures is checked and any developments and additions necessary due to the wide-ranging operating scope in which the Group operates are identified.

The monitoring plan is developed according to a risk-based approach comparable to that applied for the definition of the audit plan prepared by the Head of the Internal Audit Function. The Financial Reporting Manager has assigned a specific mandate to the Internal Audit Function to carry out audits on the financial reporting process.

#### **I.4 Main risks to which the Issuer is exposed**

The Risk Assessment, updated and integrated on a cyclical basis, has been carried out with the involvement of the company's management and made it possible to identify the most sensitive risk factors based on the Group's business activities and on the specific internal and external context in which the Group itself operates, as described below.

##### **Business related risks**

External risks that could compromise the attainment of the company's targets, or all those events that cannot be influenced by company decisions. Risks deriving from a country's macro-economic and socio-political trends, from industry trends and from the competitive scenario, as well as technological innovation and regulations that characterise the industry.

Due to these risks, the Group must rely on its forecasting and managing capacities. In particular, the Issuer integrated risk management within its planning and business processes, by defining commercial and risk guidelines and the structuring of a process aimed at prioritising and selecting initiatives to launch, also and especially on the basis of the evaluation of risks connected to the country and/or sector in which it intends to operate, rather than the counterpart. The control of these risks is also guaranteed by monitoring the progress status of the strategic targets, also in terms of the composition and diversification of the order backlog and its gradual developments in terms of risk profile.

##### **Strategic Risks**

Risks deriving from strategic, business and organisational decisions that can jeopardise Group performance and that could lead to a situation whereby strategic targets are not met. These include risks that derive from the choice of a certain type of business or organisational model through which the Group intends to operate, those deriving from M&A operations, from non-effective order backlog management or relating to relations with the main counterparts (clients, partners, suppliers, sub-contractors, etc.).

The Issuer considers risk to be an essential element for the preliminary assessment of strategic decisions and choices to be taken. It has therefore decided to integrate the process of definition and development of strategies with the risk identification, measurement and management process. Choices concerning the adoption of a business or organisational model, the assessment of whether to go ahead with an extraordinary transaction, rather than establish a relationship with a partner, are subject to preliminary analysis and evaluation of the connected risks/opportunities, at the same time identifying risk strategies and management methods to quickly employ should said risk materialise.

##### **Financial risks**

These incorporate risks connected to the Group's equity availability, influenced by credit and cash management and/or by the volatility of market variables, such as interest and exchange rates.

In particular, cash management pursues the objective of financial independence of the projects that are being carried out, keeping the configuration of consortia and special-purpose entities in mind, which can restrict the availability of financial resources for the implementation of the relevant projects. Moreover, when managing cash, account is taken of the existence of restrictions concerning monetary transfers set by the rules and regulations of certain countries.

The Issuer also considers specific risk areas like the credit standing of the counterpart, the volatility of raw materials prices and the management of the insurance aspects, and also considers it essential to employ effective financial planning tools.

#### **Legal and compliance risks**

Falling into this category are risks connected to legal matters or that derive from compliance with rules or regulations (e.g. fiscal, local regulatory matters, etc.) that is required to operate in the sector and/or in particular countries and risks related to the contractual management with Business Partners. For Webuild, monitoring of contractual matters linked to project management activities and, in particular, relationships with significant counterparts is fundamental. In this category there are also risks connected to fraud, both internal and external, and more generally, compliance with procedures and policies defined by the Company to regulate the operation of its structure.

For this purpose, the Issuer adopts a policy for monitoring and managing regulatory risks, in order to mitigate their effects as much as possible, through multi-level monitoring activity that envisages continuous collaboration and communication with significant counterparts and business units concerned by regulatory developments, and in order to fully evaluate their potential impact.

#### **Operating risks**

Operating risks includes risks that could jeopardise value creation and that are due to inefficient and/or ineffective management of the typical company operations, particularly those connected to bid management and the genuine execution of the projects. The various risk activities that fall under this category include: bid design and planning, the effective management of the supply chain, warehouse logistics and management, risks connected to managing information systems, personnel and planning and reporting.

These risks occur when, during the bidding process and/or during project implementation, company policies or procedures are not adequate for managing risk factors arising from the project's level of complexity or following unmeasurable events.

To that end, the Group intends to monitor these risks from the phase of analysis of the commercial initiative to pursue (bidding) with a view to the risk-return evaluation of the project should the tender be won, and the impact of this bid on the order backlog, both in terms of concentration and overall risk profile. At this juncture, the Issuer, among the other assessments, drafts a pre-Bid Risk Assessment aimed at identifying potential risks and consequent impacts connected to the project, as well as identifying the necessary mitigating and/or contingency actions for coverage purposes. The risk assessment is then carried out once again when the tender is won and then monitored while the project is being executed, in order to promptly identify the development of any risk exposure and quickly adopt the appropriate mitigating actions.

### **9.1. CHIEF EXECUTIVE OFFICER**

Pursuant to [Recommendation 32, letter b\) of the CG Code](#), the Board of Directors of the Company has given to the Chief Executive Officer (CEO) the task of setting up and maintaining the Internal Control and Risk Management System of the Company.

Therefore, the Chief Executive Officer, during the year:

- supervised the identification of the main corporate risks, taking into account the characteristics of the activities carried out by the Company and its subsidiaries ([Recommendation 34, letter a of the CG Code](#)); in this regard, the CEO has supervised the activities of Risk Assessment carried out by the Risk Management function and provided, at each meeting of Board of Directors, the information on most significant events of the Group, also taking into account the corresponding risk profiles;
- implemented the Guidelines specified by the Board of Directors, supervising the design, implementation and management of the Internal Control and Risk Management System, constantly verifying its suitability and effectiveness and overseeing its adjustment to developments in operating conditions and in the legal and regulatory framework ([Recommendation 34, letter b of the CG Code](#)).

During the year, the Chief Executive Officer asked the Internal Audit Function to carry out audits of specific operational areas and to verify the compliance with internal rules and procedures in the execution of corporate operations, in addition to what was already included in the 2021 Audit Plan approved by the Board of Directors on 15 March 2021. ([Recommendation 34, letter c of the CG Code](#)).

During the year, no problems and critical issues were observed in the performance of the Chief Executive

Officer's activity or of which the latter had in any case been informed, of such significance to require promptly reporting to the Control Committee ([Recommendation 34, letter d of the CG Code](#)).

In addition to and in greater detail with regard to the above, the Chief Executive Officer (CEO), in accordance with the Guidelines of the Internal Control and Risk Management System approved by the Company:

- supervised the implementation of the Guidelines of the Internal Control and Risk Management System, ensuring that this would be an integral part of the Group's operations and culture, implementing suitable disclosure, communication and training processes and promoting the adoption of remuneration and sanction systems able to encourage correct management of risk and discourage behaviour conflicting with the principles dictated by such processes;
- ensured that the Internal Control and Risk Management System was able of promptly responding to situations of significant risk arising both within the Group and from changes in the environment where the Group operates.

## 9.2. RISK, CONTROL AND SUSTAINABILITY COMMITTEE

### Composition and operation of the Risk and Control Committee

The Board of Directors has set up among its members a Control, Risks and Sustainability Committee (also "Control Committee") ([Recommendation 16 of the CG Code](#)).

At the date of this Report, the Control Committee, pursuant to art. 26 of the Articles of Association, consists of the following six Directors, as identified by the Board of Directors on 30 April 2021:

CURRENT CONTROL COMMITTEE <sup>19</sup>		
<b>Teresa Naddeo</b>	Chair	non-executive independent director
<b>Donato Iacovone</b>	Member	non-executive independent director
<b>Flavia Mazzarella</b>	Member	non-executive independent director
<b>Marina Natale</b>	Member	non-executive independent director
<b>Ferdinando Parente</b>	Member	non-executive independent director
<b>Serena Torielli</b>	Member	non-executive independent director

During the year, the Control Committee was entirely composed of non-executive independent Directors and was chaired by an independent Director, other than the Chair of the Board of Directors ([Recommendation 35 and Recommendation 7 of the CG Code](#)).

Since the end of the financial year, there was no change in the composition indicated above.

Pursuant to [Recommendation 35 of the CG Code](#), the Board of Directors has verified, at the time of the appointment of this Committee, that at least one of its members is in possession of suitable experience in accounting and financial matters or risk management.

We provide below information on the meetings of the Control Committee, the work of which is coordinated by its Chair.

MEETINGS OF THE CONTROL, RISK AND SUSTAINABILITY COMMITTEE		
	2021	2022 to date
<b>Number of meetings</b>	13	4 For the 2022 financial year as a whole, the number of meetings is expected to be in line with those held in 2021.
<b>Average duration</b>	1 hour and 51 minutes	2 hours and 8 minutes

<sup>19</sup> In 2021, before the renewal of the Control Committee by the Board of Directors on 30 April 2021, this Committee included: Mario Cattaneo (Chair), Francesca Balzani, Nicola Greco, Marina Natale, Ferdinando Parente and Franco Passacantando.



<b>Operations</b>	Minutes are duly taken for the meetings of the Committee, the operation of which is governed by a specific regulation, approved most recently by the Board of Directors on 12 March 2021.
<b>Frequency of meetings</b>	The Control Committee, the work which is coordinated by the Chair, meets as frequently as needed to perform its functions and, in any case, always before the Board of Directors' meetings to review the regular financial reports and any time the Chair considers it to be necessary.  The Committee also meets when the Chair receives a justified request from at least one member of the Committee or from the Chair of the Board of Statutory Auditors.
<b>Attendees</b>	The meetings of the Control Committee were also attended by the Board of Directors as well as, upon invitation by the Chair, after informing the Chief Executive Officer, the Corporate and Finance General Director and Financial Reporting Manager, the Chief Financial Officer & Group Risk Officer, the Head of Internal Audit & Compliance, the General Counsel, and the managers of the various business functions, each time called to provide the Committee with the necessary elements to allow a better understanding of the specific issues discussed.
<b>Minute-taking</b>	Minutes of the Committee are regularly drawn up and signed by the Chair and by the Secretary.
<b>Information to the Board of Directors</b>	Pursuant to <a href="#">Recommendation 17 of the CG Code</a> , the Chair of the Committee reported, at the first possible meeting of the Board of Directors, on the activities carried out in each session of said Committee.

Further information concerning the percentage of attendance of each member of the Committee at the meetings held during the Financial Year is shown in Table 2 attached to this Report.

#### **Risk, Control and Sustainability Committee Functions.**

The Control Committee carries out the tasks as set forth in [Recommendations 32, 33 and 35 of the CG Code](#) and in its own Regulation.

We describe below the main activities carried out by the Control Committee during the year, with reference to the aforementioned Recommendations of the CG Code.

<b>Activities assigned to the Control Committee, pursuant to the Recommendations of the Corporate Governance Code</b>	<b>Activities of the Webuild Control Committee during the year</b>
supporting the Board in the performance of the tasks assigned to the latter by the Code in regard to internal control and risk management ( <a href="#">Recommendation 33 of the CG Code</a> )	<p>During the year, the Control Committee carried out preliminary activities, in support of the resolutions of the Board of Directors, in particular in regard to:</p> <ul style="list-style-type: none"> <li>- assessment, at least once a year, of the effectiveness of the internal control and risk management system and its suitability with respect to the company's characteristics and risk profile;</li> <li>- main corporate risks, including those related to the Covid-19 pandemic. Notably, the Committee reviewed the evolution of the risk profile of the 2016-2021 portfolio and the analysis of the risks related to the 2021 business activity;</li> <li>- approval at least once a year of the audit plan prepared by the Head of the Internal Audit and Compliance Function;</li> <li>- review of the activities and of the reports prepared by the Head of the Internal Audit Function, the Group Risk Officer and the Head of the Function Compliance, as well as of the reports prepared by the Supervisory Body as set forth in the Legislative Decree n. 231/01;</li> </ul>

	<ul style="list-style-type: none"> <li>- appointment of the Supervisory Body pursuant to art. 6, par. 1, letter b) of Legislative Decree no. 231/2001 for the 2021-2023 period;</li> <li>- review of the results of the main audit reports and their implementation;</li> <li>- update of the Company's Code of Ethics;</li> <li>- update of the Guidelines for the design of administrative and accounting processes pursuant to Italian Law 262/2005 and corresponding Risk Control Matrix;</li> <li>- update of the Compliance Mandate;</li> <li>- update of SCIGR Guidelines.</li> </ul>
Assessing, having consulted the Financial Reporting Manager, and after consulting the auditor engaged to carry out the legally-required audit and the Board of Statutory Auditors, the correct application of the accounting policies and their consistency for preparing the consolidated financial statements ( <b>Recommendation 35, letter a of the CG Code</b> )	The Committee carried out this assessment on 17 March 2021, in regard to the Financial Statements as at 31.12.2020 as well as, on 26 July 2021, in regard to the Half-year consolidated financial statements as at 30.06.2021.
Evaluating the suitability of the regular financial and non-financial information to correctly represent the business model, the company's strategies, the impact of its activities and the performances achieved ( <b>Recommendation 35, letter b of the CG Code</b> )	The Committee carried out this assessment on 17 March 2021, in regard to the Financial Statements as at 31.12.2020, and, on 26 July 2021, in regard to the Half-year consolidated financial statements as at 30.06.2021.
Reviewing the content of the regular non-financial information significant for the purposes of the internal control and risk management system ( <b>Recommendation 35, letter b of the CG Code</b> )	
Expressing opinions on specific aspects concerning the identification of the main corporate risks and supporting the assessments and the decisions of the Board on the management of risks deriving from detrimental facts of which the Board has become aware ( <b>Recommendation 35, letter d of the CG Code</b> )	<p>The meetings of the Control Committee were attended by management, in particular the Corporate and Finance General Manager as well as the Financial Reporting Manager, the Head of Internal Audit &amp; Compliance and the CFO &amp; GRO, who provided each time information on the most significant events, also under the risk aspect.</p> <p>The Chair of the Committee has therefore reported to the Board of Directors on the most significant issues, taking also care of the monitoring on the development of the initiatives taken to manage the gaps observed and/or risks identified.</p>
Reviewing the regular reports on the Internal Control and Risk Management system, and those of special significance prepared by the Internal Audit Function ( <b>Recommendation 35, letter e of the CG Code</b> )	The Committee has reviewed and assessed the reports prepared by the Head of the Internal Audit Function, monitoring the progress of the related activities and recommending – where necessary – specific interventions and initiatives.
Monitoring the independence, suitability, effectiveness and efficiency of the Internal	During the year, the Committee has met, at the time of each meeting of the Committee, the Internal Audit Function, monitoring its activities

Audit Function; (Recommendation 35, letter f of the CG Code)	and acquiring information on its structure and operations. Therefore, on 24 February 2021, it has acknowledged in the Report of the Internal Audit Function the assessment provided by the Head of Internal Audit & Compliance on the suitability of the structure of this function and its possession of the knowledge, skills and expertise needed to carry out the 2021 Audit Plan.
Entrusting the Internal Audit Function, where necessary, with carrying out verifications on specific operating areas, at the same time notifying the Chair of the Board of Statutory Auditors (Recommendation 35, letter g of the CG Code)	In 2021, the Committee did not deem it necessary to ask the Internal Audit Function to carry out additional verification with respect to those provided for in the Audit Plan.
Reporting to the Board of Directors, at least at the time of the meetings held to approve the annual and half-yearly financial statements, on its activities and the suitability of the Internal Control and Risk Management System; (Recommendation 35, letter h of the CG Code)	The Committee has fulfilled these requirements at the meetings of the Board of Directors held on 19 March 2021 and 29 July 2021.
Carrying out additional tasks which are attributed to the Committee by the Board of Directors	<p>During the year, the Committee reviewed ESG issues (in particular with regard to the review of the Sustainability Policies and the 2021-2023 ESG Plan) and acquired information in regard to the accident data of the Group reviewing, more in general, the most significant events concerning the health and safety.</p> <p>It also supported, providing investigation activity, the assessments and decisions of the Board of Directors with regard to:</p> <ul style="list-style-type: none"> <li>- review and approval of the impairment test, financial reports, voluntary quarterly disclosure and the 2021 budget;</li> <li>- significant transactions, including the corporate reorganisation carried out with the contribution in kind of the operating branch of the company in favour of Webuild Italia S.p.A.</li> </ul>

\* \* \* \* \*

The Committee, in carrying out its functions, had the chance to access the information and the company functions needed to execute its tasks.

No financial resources of a predetermined amount were allocated to the Committee.

During the year, the Risk, Control Committee did not need to make use of external consultants to carry out its tasks.

### 9.3. Head of the Internal Audit Function

On 14 May 2014, the Board of Directors appointed Francesco Albieri as Head of the Internal Audit Function of Webuild. Subsequently, on 12 November 2016, Francesco Albieri was assigned the role of Head of Internal Audit & Compliance, following the organisational change that merged the Internal Audit and Compliance Functions into one Department.

The Head of Internal Audit & Compliance (who also performs as Internal Audit Function) is in charge of the structure that has been appointed a "third-level" control activity. This is understood as the independent assessment of the structure and operation, as well as the adequacy and consistency with the guidelines defined by the Board, of the Internal Control and Risk Management System as a whole, also by means of monitoring of line controls.

The Board of Directors resolved, after preliminary investigation by the Control Committee and the Remuneration and Appointment Committee, on the remuneration due for the performance of this function, consistently with company policies and made sure that it had adequate resources to carry out its duties.

The Head of the Internal Audit Function, according to the provisions of [Recommendation 33 letter b of the CG Code](#), is not in charge of any area of operations, reports directly to the Board of Directors and has direct access to all the Functions and information useful for the performance of his duties ([Recommendation 36 of the CG Code](#)).

As the person ultimately responsible for the Internal Audit Function, the Head of Internal Audit & Compliance is given a formal mandate to carry out the activities falling within his/her area of responsibility, pursuant to the Corporate Governance Code, both on an ongoing basis, and in regard to specific needs, in full compliance with the international standards for this profession.

The last update of the Mandate was approved by the Board of Directors on 13 May 2021.

During the year, the Board of Directors approved the 2021 Audit Plan prepared by the Head of Internal Audit & Compliance, after preliminary investigation by the Control Committee, having heard the Board of Statutory Auditors and the Chief Executive Officer (CEO) ([Recommendation 33 letter c of the CG Code](#)).

During the year, the Head of the Internal Audit Function, pursuant to the provisions of the CG Code:

- a) verifies, both on an ongoing basis, and in regard to specific needs, in compliance with international standards, the operation and suitability of the Internal Control and Risk Management System, through an Audit Plan, approved by the Board of Directors, based on a structured process of analysis and prioritisation of the key risks ([Recommendation 36 letter a of the CG Code](#));
- b) prepares, based on the results of the Internal Auditing activities, regular reports providing adequate information concerning the activities carried out, the way in which risk management is performed, as well as compliance with the plans specified for their mitigation. The regular reports provide an assessment of the suitability of the Internal Control and Risk Management System ([Recommendation 36, letter b of the CG Code](#));
- c) has prepared in a timely manner additional reports and notes on issues and events of special significance ([Recommendation 36, letter c of the CG Code](#)), on demand of Top Management according to the procedures set out in the Function Manual (since no specific requests were received from the Chief Executive Officer, the Control Committee and the Board of Statutory Auditors);
- d) sent at the same time the reports as set forth under b) and c) to the Chairs of the Board of Directors, the Control Committee, the Board of Statutory Auditors and the Chief Executive Officer ([Recommendation 36, letter d of the CG Code](#));
- e) verified, within the scope of the Audit Plan, the reliability of information systems, including accounting record systems ([Recommendation 36, letter e of the CG Code](#)); In regard to these verifications, the Internal Audit Function carries out an annual activity dedicated to the processes in the Corporate Information Technology area, using internationally accepted control frameworks as a reference.

As for the structure of the Internal Audit Function, this consists of individuals with diversified professional experience and suited to the fulfilment of their duties. Within the budget allocated and approved by the Board of Directors, the Internal Audit Function makes use of external consultants when necessary to fulfil the specific requirements of the Audit Plan.

The Head of Internal Audit & Compliance is financially independent within the budget approved each year by the Board of Directors, after consulting the Control Committee.

Moreover, the Head of Internal Audit & Compliance interfaces with the other control bodies, as explained in the Section 9.8 below.

#### **9.4. ORGANISATION MODEL PURSUANT TO ITALIAN LEG. DECREE 231/2001**

Since 29 January 2003, the Company has adopted the “Organisation, Management and Control Model” required by art. 6 of Italian Legislative Decree 231/01, based on the Confindustria guidelines, approved on 7 March 2002 and updated over the years.

The Model, after the first-time adoption, has been constantly updated due to the changes concerning the crimes to be included, but also as a result of the changes in the company organisation that have occurred in the meantime, the update of the “Areas of activities at risk” and in compliance with the evolution of best practices promoted by Confindustria and by Associazione Nazionale Costruttori Edili (ANCE).

The "Organisation, Management and Control Model", the current version of which was approved by the Board of Directors of Webuild on 14 October 2020, is available, as regards the General Part, on the Website, in the section "Governance - Internal Control and Risk Management System - Organisational Model" [link <https://www.webuildgroup.com/en/governance/internal-control/compliance-system-model>].

To comply with the specific provisions of Italian Legislative Decree 231/01, taking into account the analysis of the company's situation and activities potentially at risk of offence, the following offences are considered significant and therefore specifically considered in the Model: offences committed in relations with the Public Authorities, forgery of coins, public credit notes and revenue stamps, corporate crimes, terrorist acts or subversion of the democratic order, crimes against the individual, market abuse and international crimes, handling of stolen goods, money laundering and use of money, assets or other benefit illegally gained, crimes against safety in the workplace, cybercrimes and unlawful processing of data, organised crime, induction to not make statements or to make false statements to judicial authorities, counterfeiting, crimes against industry and trade, copyright crimes, environmental crimes, employment of third-country nationals without regular work permit, undue incitement to give or promise benefits and corruption between individuals (as reformulated by Italian Legislative Decree 38/2017 with the introduction of the offence of instigation to corruption), self-laundering, false accounting and illegal intermediation and exploitation of labour ("illegal hiring").

The Board of Directors has set (most recently on 29 July 2021) at three the number of members of the Supervisory Body as per art. 6 of Italian Legislative Decree 231/2001, in line with the provisions of the Organisation, Management and Control Model.

Currently, the composition of the Supervisory Body provides for one member to be chosen within the Company, identified in the Head of the Internal Audit Function, and two members to be chosen among experts from outside the Company, identified by their specific expertise in the legal field or in-depth knowledge of the construction sector and corporate organisation. The identification, as component of the Supervisory Body, of the Head of the Internal Audit Function, allows the coordination among the different parties involved in the operation of the Internal Control and Risk Management System (**Recommendation 33, letter e of the CG Code**).

The Board provided for the appointment of the Supervisory Body, most recently on 29 July 2021, for three years and therefore until approval by the Board of Directors of the half-yearly financial report at 30 June 2024. In accordance with the Model, the Chair of the Supervisory Body is chosen among the members from outside the Company. The Supervisory Body consists of individuals with specific expertise in control activities, analysis of control systems and legal issues (in particular, criminal proceedings), to ensure the presence of the expertise needed to perform its functions.

CURRENT SUPERVISORY BODY <sup>20</sup>		
<b>Ugo Lecis</b>	Chair	External expert
<b>Francesco Rocco</b>	Member	External expert
<b>Francesco Albieri</b>	Member	Head of the Internal Audit Function

Lane Industries Incorporated – the only subsidiary of strategic relevance at the date of this Report - is a US company and, therefore, not subject to the provisions of Italian Legislative Decree 231/2001.

The "Code of Ethics", the current version of which was approved by the Webuild Board on 29 July 2021, is an integral part of the Model (available on the Website, in the section "Governance – Internal Control and Risk Management System - Code of Ethics" [link <https://www.webuildgroup.com/en/governance/internal-control/code-of-ethics>].

<sup>20</sup> In 2021, before the renewal of the Supervisory Body by the Board of Directors on 29 July 2021, the Supervisory Body consisted of Ugo Lecis (Chair), Giacomo Marazzi and Francesco Albieri.

## 9.5. ANTI-CORRUPTION MODEL

In compliance with the Code of Ethics and in accordance with the tenth principle of the Global Compact based on which *“companies undertake to fight all forms of corruption, including extortion and bribery”*, Webuild’s fight against corruption is embodied in the Anti-corruption Compliance System.

To this end, on 16 June 2014, the Company implemented the Anti-corruption Compliance System, which summarises the commitment to the principles introduced by the anti-corruption laws and by international Best Practices.

The Model has been most recently updated and approved by the Board of Directors of Webuild on 15 December 2020.

It provides a systematic reference framework of Anti-corruption regulatory instruments and policies, which Webuild intends to pursue to prevent active and passive corruption, in particular, for offers or requests for money, advantages and/or other benefits, or payments, made or received, by anyone acting in the name or on behalf of the Company in relation to business activities, ensuring compliance with anti-corruption legislation. The System thus intends to act as a guide in dealing with any risks of corruption that may arise during the course of business activities.

The System has undergone an analysis by an external certifying body and from July 2017, Webuild obtained the UNI ISO 37001:2016 certification “Anti-bribery Management System”, which complies with the highest international standards for the prevention of corruption and transparent business management.

The Anti-corruption Compliance System is based on the Anti-corruption Model and the Guidelines defining roles and responsibilities of subjects involved in the management of processes at risk of corruption as well as the relative control systems. In order to ensure assistance and consultation on matters of Anti-corruption, the Webuild Compliance Function is responsible for giving specific information and explaining issues concerning the Model and Anti-corruption laws of Italy or of the countries in which the Group operates.

The Company has also adopted a whistleblowing platform, in line with the provisions of Law 179/2017 and EU Directive 1937/2019, which allows employees, contractors, consultants, suppliers and any other third party involved with Webuild to submit, even anonymously, reports of alleged or known violations of applicable laws or regulations, of the Code of Ethics, of the Anti-Corruption Model and/or of the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01.

The scope of application of the Anti-corruption Compliance System refers to Webuild, which promotes its adoption by the companies or entities (consortia, joint ventures, etc.) whom it is part of.

The current Anti-Corruption Model of the Company is published on the Website in the section “Governance – Internal Control and Risk Management - Anti-corruption Compliance System” [link: [https://media.webuildgroup.com/sites/default/files/2021-02/WB\\_ModelloAnticorruzione\\_ENG\\_V02-singole.pdf](https://media.webuildgroup.com/sites/default/files/2021-02/WB_ModelloAnticorruzione_ENG_V02-singole.pdf)].

## 9.6. INDEPENDENT AUDITORS

Based on the reasoned opinion of the Board of Statutory Auditors, at the end of a selection process overseen by the Board reviewing the offers submitted by some of the best known firms in the statutory audit field, the Shareholders’ Meeting held on 30 April 2015 appointed KPMG S.p.A. as the Independent Auditors for the 2015-2023 period pursuant to Italian Legislative Decree 39/10 in force at the time.

Webuild and its main subsidiaries have engaged independent auditors to perform the statutory audit of their financial statements and to verify that their accounting records are kept correctly as required by the Consolidated Finance Act and the Italian Legislative Decree 39 of 27 January 2010, in the version in force at the time, as well as to verify the interim financial reports.

The appointed Independent Auditors exercise accounting control over Webuild, in accordance with the relevant applicable legislation.

As part of the general audit plan for the Group, in addition to the audit engagements assigned pursuant to law, other Group entities have nonetheless engaged the independent auditors on a voluntary basis.

General principles for complying with the requirements provided by European Law on Independent Auditing (EU Regulation 537/2014), also by adopting an internal procedure, have been identified.

Among the innovations, the new rules revise the existing relationships between the Independent Auditors and the Board of Statutory Auditors of a public interest entity, in regard to time limits and responsibilities for the authorisation for Audit and Non-Audit engagements. Special attention is paid to Non-Audit Services, each of which, except the tasks excluded by the applicable laws or the services that may in any case compromise the independence of the Auditor, may be assigned to the Independent Auditors only



with the prior authorisation of the Board of Statutory Auditors, under the Webuild procedure for that kind of engagements.

The Company has adopted a monitoring system for Non-Audit Services assigned to the Independent Auditor and its Network, to provide the safeguards indicated above, as set forth in EU Regulation 537/2014.

During the year, the Independent Auditor have submitted to the attention of the Board of Directors and the Board of Statutory Auditors the additional report on the key issues identified during the audit.

## **9.7. FINANCIAL REPORTING MANAGER AND OTHER COMPANY ROLES AND FUNCTIONS**

Art. 27 of the Articles of Association provides for the Board to appoint, and remove from office, after consulting the Board of Statutory Auditors, a Financial Reporting Manager, setting the term of office and fee of this. The candidates chosen must have at least three years' experience in: (a) administration and finance or administration and control or management functions with responsibility for financial, accounting and control matters, with companies that have a share capital of at least Euro 2 million or consortia of joint-stock companies that have a total share capital of at least Euro 2 million or (b) legal, economic or financial aspects closely related to the company's activities; or (c) management functions in a state body or public administration office active in the credit, financial or insurance sectors or in sectors closely related to that of the Company.<sup>21</sup>

The position of Financial Reporting Manager pursuant to art. 154-bis of the Consolidated Finance Act is currently held, for an indefinite period, by the Corporate and Finance General Manager Massimo Ferrari; this was granted all the powers and authority required to effectively carry out his functions and duties, with spending power within the budget approved each time, most recently, at the Board of Directors' meeting held on 17 March 2022, deemed adequate by the Financial Reporting Manager.

Notably, the Board of Directors granted to Financial Reporting Manager in office the power to:

- directly access all information required to produce accounting data;
- use internal communication channels with no limits, ensuring a correct intra-group exchange of information;
- independently organise his unit in terms of both human and technical resources (materials, IT and any other resources);
- independently define and adopt administrative and accounting procedures, also by availing of the assistance of other company functions;
- assess and modify company policies, procedures and organisational structures that may relate to administrative and accounting processes;
- participate in Board and Committee meetings, especially those which discuss issues related to the activities and responsibilities of the Financial Reporting Manager;
- engage external consultants, when necessary for specific company needs;
- interact with employees with control duties and exchange information to ensure the ongoing mapping of risks and processes and proper monitoring of the correct operation of administrative and accounting procedures.

On 25 February 2015, the Board approved the Guidelines of the design of administrative, accounting and risk assessment processes pursuant to Italian Law 262/2005, further updated with resolution of 18 January 2017. Recent organisational changes at Group level have involved the need to update the Guidelines both for the General and the Special Parts. On 26 February 2021, the Board approved the review of the Guidelines of the design of administrative, accounting and risk assessment processes pursuant to Italian Law 262/05.

The Financial Reporting Manager assigned a specific Mandate to the Internal Audit Function to carry out tests on the suitability of the administrative/accounting procedures.

The Board, lastly on 17 March 2022, expressed its positive opinion on the suitability of the powers and means of the Financial Reporting Manager as well as on the effective respect of the administrative and accounting procedures set up by the latter.

As for the other roles and corporate functions involved in the controls, we refer to Section 9 above.

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<sup>21</sup> The fields and areas of activity closely related to those of the Company business are those identified in art. 30, last paragraph of the Articles of Association. This states: "Pursuant to art. 1, par. 2, letters b) and c) and Par. 3 of Italian Ministerial Decree 162, 30 March 2000, the fields (legal, economic, financial and technical-scientific) and the sectors serving areas of engineering, geology, construction of public and private works, building, and construction in general are considered closely related to the scope of activity of the Company".

During the year, the Board of Directors did not consider it necessary or appropriate to adopt additional measures to guarantee the effectiveness and the independent assessment of the other corporate functions involved in the controls (**Recommendation 33, letter d of the CG Code**).

## **9.8. COOPERATION BETWEEN PARTIES INVOLVED IN THE OPERATION OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

To maximise the efficiency of the internal control and risk management system and reduce duplication of activities, the Board of Directors, as reported in Section 9.1 above, approved specific Guidelines of the Internal Control & Risk Management System, which provide for timely methods to coordinate and exchange information among those involved in the operation of this system.

In particular, it is envisaged that:

- in line con la **Recommendation 37 of the CG Code**, the Control Committee's meetings should be attended by the Chair of the Board of Statutory Auditors or another Auditor appointed by this (the other members of the control body may in any case attend), the Financial Reporting Manager, the Head of Internal Audit & Compliance and the Group Risk Officer. The meetings may also be attended by the Chair of the Board of Directors, the Chief Executive Officer, managers, consultants, and Independent Auditors as well as any other party whose presence is considered by the Committee to be suitable for the specific items to be discussed. This has also the purpose to allow, in particular, the Board of Statutory Auditors and the Control Committee to exchange in a timely manner the information relevant to the performance of their tasks;
- the Head of the Internal Audit Function submits regular reports on the activities performed to the Control Committee, so that the latter may inform the Board;
- the Head of the Internal Audit Function transmits promptly and, normally, at the same time, to the Risk Owners and others involved in the operation of the Internal Control and Risk Management System, the reports prepared at the end of the audit to allow these parties to promptly take the necessary actions within their competence to manage the risks identified;
- the Head of the Compliance Function, the Head of the Internal Audit Function and the Group Risk Officer liaise with each other for the execution of the audits, also by sharing work plans and information, taking into account the existing complementarities.

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## **10. DIRECTORS' INTERESTS AND RELATED PARTY TRANSACTIONS**

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The Company has adopted a procedure for related party transactions.

This procedure was most recently modified with Board resolution of 16 June 2021 to ensure alignment with the amendments to Consob Regulation 17221/2010, in turn the result of the adoption of the European directive on shareholders' rights (Shareholder Rights Directive 2). This resolution was adopted, pursuant to applicable legal provisions, after receiving the favourable opinion of the Committee for Related-Party Transactions and after an assessment of compliance with the principles of the Consob Regulation on Related Party Transactions by the Board of Statutory Auditors.

The Procedure (available on the Website in the section “ <i>Governance – Documentation</i> ”, at the following link <a href="https://www.webuildgroup.com/en/governance/documents">https://www.webuildgroup.com/en/governance/documents</a> ) aims at setting the rules, methods and principles to ensure the transparency and substantive and procedural correctness of Related Party Transactions carried out by the Issuer, either directly or through its subsidiaries.
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To carry out the tasks and functions specified by the Consob Regulation on Related Party Transactions, the Board of Directors, most recently by means of its resolution of 30 April 2021, has set up, among its members, a Committee for Related-Party Transactions, the composition of which, pursuant to art. 26 of the Articles of Association, is as follows:

CURRENT COMMITTEE FOR RELATED-PARTY TRANSACTIONS <sup>22</sup>		
<b>Barbara Marinali</b>	Chair	non-executive independent director
<b>Ferdinando Parente</b>	Member	non-executive independent director
<b>Davide Croff</b>	Member	non-executive independent director

Since the end of the financial year, there was no change in the aforementioned composition. The activities of the Committee for Related-Party Transactions are coordinated by its Chair, who reports, at the first possible meeting of the Board of Directors, on the activities carried out in each session of said Committee.

We provide below information on the meetings of the Committee for Related-Party Transactions

MEETINGS OF COMMITTEE FOR RELATED-PARTY TRANSACTIONS		
	2021	2022 to date
<b>Number of meetings</b>	11	1
<b>Average duration</b>	1 hour and 7 minutes	1 hour
<b>Operations</b>	The performance of the meetings is regulated by the Procedure for Related-party Transactions (published on the Website at the following link: <a href="https://corporatebe.webuildgroup.com/sites/default/files/2021-11/Procedura%20Operazioni%20Parti%20Correlate%20v.%2016.06.2021%20ENG%20-%20per%20sito.pdf">https://corporatebe.webuildgroup.com/sites/default/files/2021-11/Procedura%20Operazioni%20Parti%20Correlate%20v.%2016.06.2021%20ENG%20-%20per%20sito.pdf</a> )	
<b>Attendees</b>	The Chair of the Board of Directors, managers, consultants and any other person whose presence is considered by the Committee to be suitable for the specific items to be discussed may also participate, on invitation of the Chair and based on the matters to be discussed each time at the Committee meeting.	
<b>Minute-taking</b>	Minutes of the Committee are regularly drawn up and signed by the Chair and by the Secretary.	
<b>Information to the Board of Directors</b>	Pursuant to <a href="#">Recommendation 17 of the CG Code</a> , in 2021, the Chair of the Committee reported, at the first possible meeting of the Board of Directors, on the activities carried out in each session of said Committee.	

Further information on the percentage attendance of each member of the Committee for Related-Party Transactions at the meetings held during the year, is provided in Table 2, attached to this Report.

#### Activities carried out by the Committee for Related-Party Transactions during the year and, later, to date

During the year and, later, to date, the Committee:

- (i) reviewed the Register of Related Parties as well as the regular information on transactions with Related Parties to be provided at the time of the Annual and Interim Financial Statements, without identifying critical issues to be submitted to the attention of the Board of Directors;
- (ii) reviewed the Spin-off, expressing on this, pursuant to art. 8 of the Consob Related-party Regulation and art. 7 of the Procedure for Related-party Transactions of the Company, in a special report, its favourable opinion in regard to the interest of the Company to the completion of the transaction, being based on valid economic and strategic reasons, as well as on the convenience and substantial correctness of the related conditions and on the suitability of the exchange ratio of Astaldi shares into Webuild shares;

<sup>22</sup> In 2021, before the renewal of the Board by the Shareholders' Meeting of 30 April 2021, the Committee for Related-Party Transactions consisted of Giuseppe Marazzita (Chair), Ferdinando Parente and Giuseppina Capaldo.

(iii) reviewed and shared the changes to be made the Procedure for Transactions with Related Parties, for the purposes of its alignment with the amendments to Consob Regulation 17221/2010, in turn resulting from the adoption of the European directive on shareholders rights (Shareholder Rights Directive 2);

(iv) reviewed the activities related to the training plan provided for related party transactions, for the benefit of the Company's staff.

\* \* \* \* \*

The Board meeting of 12 March 2007, resolved that, without prejudice to the provisions of art. 2391 of the Italian Civil Code, directors with interests, either directly or on behalf of third parties, in a corporate transaction under review by the Board of Directors or Executive Committee, where established, may participate in the related discussions and vote, as this participation is a reason for taking a responsible decision about a transaction about which the director may have greater knowledge than the other directors; however, the Board of Directors or Executive Committee, where established, may ask each time these directors to leave the meeting during the discussion.

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## **11. BOARD OF STATUTORY AUDITORS**

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### **11.1 APPOINTMENT AND SUBSTITUTION**

Art. **30** of Webuild's Articles of Association provide for the Shareholders' Meeting to elect the Board of Statutory Auditors, consisting of three standing and two alternate statutory auditors.

The current composition of the Board of Statutory Auditors, – elected on 4 May 2020 - reflects the agreements signed by Salini Costruttori and CDPE, as reported in the Key Information published on the Website of the Company<sup>23</sup>, and in force at the time of the renewal of the Board.

The Statutory Auditors must meet the requirements prescribed by law, the Articles of Association and other applicable provisions.

The Board of Statutory Auditors is appointed, in accordance with the applicable legislation governing gender balance, based on lists submitted by the shareholders according to the methods and in respect of the limits indicated in the Articles of Association. Candidates shall be listed in numerical order in each list. Lists have two sections: one for the candidate for the office of statutory auditor and one for the candidate for the office of alternate auditor. They shall include at least one candidate for each position and may comprise up to a maximum of three candidates for the office of statutory auditor and up to two for the office of alternate auditor.

Lists submitted by the shareholders are filed at the Company's registered office to be available for public consultation as indicated in the notice calling the Shareholders' Meeting. They shall be filed at least twenty-five days before the date of first call of the meeting, unless other mandatory terms are established by legislative and regulatory provisions.

The lists that present a total number of candidates equal to or greater than three must include candidates belonging to all genders, to ensure a composition of the Board of Statutory Auditors in compliance with the following provisions of the Articles of Association, in compliance with the rules currently in force on gender balance, as regards candidates both for the office of Standing Auditor and for the office of Alternate Auditor.

Individual shareholders, shareholders forming part of significant shareholder agreements as per art. 122 of the Consolidated Finance Act, its parent, subsidiary and jointly controlled companies pursuant to art. 93 of the Consolidated Finance Act, cannot submit or participate in the submission of more than one list, either directly or through a third party or a nominee, nor can they vote for more than one list, either directly or through a third party or a nominee. Acceptances or votes breaching such prohibition shall not be assigned to any list.

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<sup>23</sup> In particular, the Agreement with CDPE provides as follows: (i) Salini Costruttori to choose 1 (one) statutory auditor and 1 (one) alternate auditor; (ii) CDPE to choose 1 (one) statutory auditor; and (iii) minority shareholders to choose 1 (one) statutory auditor (which will be the Chair of the Board of Statutory Auditors) and 1 (one) alternate auditor, being understood that, if minority shareholders do not present a list, having carried out the necessary formalities to allow them to present candidates during the Shareholders' Meeting called to resolve on the renewal of the Board of Statutory Auditors, the Chair will also be drawn from the majority list, among the candidates chosen by Salini Costruttori. For more details, reference should be made to the Key Information.

Only those shareholders that, either individually or together with other shareholders, at the time of presentation of the list, hold the total equity investment necessary for presenting the lists regarding the election of the members of the Company's Board of Directors are entitled to present lists (see Section 4.1 of this Report).

With each list, and within the time-frame described earlier, shareholders must deposit: (i) information about the identity of the shareholders who presented the lists; (ii) statements whereby each candidate accepts their candidature and states, under their own responsibility, the non-existence of any reasons for ineligibility or incompatibility and the existence of the requirements set out in the provisions in force for the significant offices, including therein compliance with the limits on the maximum number of positions that can be held under the current law and regulations; (iii) a CV of each candidate in which their professional and personal profiles are detailed exhaustively, as well as (iv) any other information required by the applicable law or regulations indicated in the notice calling the Shareholders' Meeting.

A certificate issued by a legally-authorised intermediary must also be filed, within the time limit established in the rules governing the publication of lists by the Company, showing ownership of the number of shares necessary to submit lists at the date of filing of the list with the Company.

Lists submitted that do not meet the above requirements will be treated as if they had not been submitted.

Candidates who are ineligible or incompatible or who do not meet the requirements established by the applicable laws and regulations or hold more offices than the maximum limits established in the applicable laws and regulations cannot be included in the lists.

Statutory Auditors are elected as follows:

1. two Statutory Auditors and one Alternate Auditor are taken from the list that obtains the highest number of votes in the Shareholders' Meeting, according to the numerical sequence in which they are listed in the sections of the list;

2. from the second list which got the largest number of votes at the Shareholders' Meeting and which was submitted and voted on by parties not connected, directly or indirectly, to the reference shareholders as set forth in art. 148, par. 2 of the Consolidated Financial Act based on the progressive order in which the candidates are listed in the sections of this list ("Minority list"). If two lists receive the same amount of votes, the elected candidates shall be taken from the list submitted by the shareholders holding the largest ownership stake or, subordinately, from the list submitted by the largest number of shareholders. If the above method does not ensure the composition of the Board of Statutory Auditors in accordance with the applicable legislation on gender equality, the elected candidates shall be substituted accordingly using the list that obtained the most votes, according to the numerical sequence in which the candidates are listed.

When the list system is not used, shareholders elect statutory auditors by majority vote, without prejudice to observance of the applicable legislation on gender balance.

The candidate listed first on the Minority List shall serve as Chair of the Board of Statutory Auditors.

Statutory Auditors shall cease to hold office in the cases set forth in the applicable laws and regulations and whenever they no longer meet the requirements for election prescribed by these Articles of Association.

When one of the Statutory Auditors needs to be replaced, the Alternate Auditor from the same list is co-opted. If both the Standing and Alternate Auditors from the Minority List are no longer in office, the vacancy shall be filled by the candidate listed next on that list or, if not available, by the first candidate on the Minority List that obtained the second largest number of votes.

In all cases, the replacement procedure detailed above must ensure that the composition of the Board of Statutory Auditors complies with the applicable legislation on gender balance.

The Shareholders' Meeting held pursuant to art. 2401, par. 1, of the Italian Civil Code, shall elect or replace Statutory Auditors in compliance with the principle of necessary representation of minority shareholders and in compliance with the applicable legislation on gender balance.

Outgoing Statutory Auditors may be re-elected.

As required by art. 1, par. 2, letters b) and c) and Par. 3 of Italian Ministerial Decree 162, 30 March 2000, the fields (legal, economic, financial and technical-scientific) and the sectors serving areas of engineering, geology, construction of public and private works, building, and construction in general are considered strictly significant to the scope of activities of the Company.

The Company is not subject to additional laws and regulations, besides the provisions of the Italian Civil Code and the Consolidated Finance Act, in regard to composition of the Board of Statutory Auditors, with special reference to the representation of minority shareholders or the number and characteristics of the statutory auditors.

## 11.2 COMPOSITION AND OPERATIONS (pursuant to art. 123-bis, par. 2, letter d) and d-bis), Consolidated Finance Act)

The Shareholders' Meeting of Webuild held on 4 May 2020 appointed the Board of Statutory Auditors for three years, and therefore, until the date of the Shareholders' Meeting called to approve the Financial Statements as at 31 December 2022, based on the applications submitted through the following two lists.

LISTS FOR RENEWAL OF BOARD OF STATUTORY AUDITORS (presented at the Shareholders' Meeting of 4 May 2020)			
Party submitting the list	No. shares - list submission % of ord. share cap.	Candidates of the list	% vote (of the voting capital)
Salini Costruttori and CDP Equity S.p.A.	568,061,257 63.67%	<u>Statutory Auditors</u> 1. Roberto Cassader* 2. Paola Simonelli*  <u>Alternate Auditors</u> 1. Chiara Segala *	86.439%
Law Firm Trevisan & Associati <sup>24</sup>	11,176,329 1.25271%	<u>Statutory Auditors</u> 1. Giacinto Gaetano Sarubbi*  <u>Alternate Auditors</u> 2. Stefania Mancino*	13.362%

\* Candidate selected in compliance with the provisions of art. 30 of the Articles of Association (see Section 13). Pursuant to the same article the candidate Statutory Auditor selected by the minority list, Giacinto Gaetano Sarubbi, has taken the functions of Chair of the Board of Statutory Auditors.

Further information on the composition of the Board of Statutory Auditors at the end of the year can be found in Table 3 attached to this Report.

Taking into account the composition of the Board, as indicated above, as well as the professional profiles of the members of the Board of Statutory Auditors (available on the Website, in the section "Governance – Board of Statutory Auditors" [link: <https://www.webuildgroup.com/en/governance/governance-system/board-of-statutory-auditors>]), also based on the results of the self-assessment carried out by the Board of Statutory Auditors itself, the composition of this body is believed to be able to ensure the independence and professionalism of its function, since the statutory auditors have an in-depth knowledge of the business and the market in which the Company operates, of accounting standards, of the policies regarding the management of human resources and remuneration, as well as the internal control system and company law, also pursuant to art. 2397 of the Italian Civil Code and art. 148 of the Consolidated Finance Act.

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The Board of Statutory Auditors is convened as required and meetings are not scheduled for each financial year. We provide below information on the meetings of the Board of Statutory Auditors.

MEETINGS OF THE BOARD OF STATUTORY AUDITORS		
	2021	2022 to date
<b>Number of meetings</b>	24	7 For 2022 as a whole, the overall number of meetings is expected to be in line with those held in 2021.
<b>Average duration</b>	1 hour and 31 minutes	2 hours and 13 minutes

<sup>24</sup> For the Shareholders: (1) (1) Arca Fondi SGR S.p.A. manager of the funds: Fondo Arca Economia Reale Bilanciato Italia 30, Fondo Arca azioni Italia; (2) Eurizon Capital S.A. manager of the fund Eurizon Fund sub-funds: Active Allocation, Equity Small Mid Cap Europe, Top European Research; (3) Eurizon Capital SGR S.p.A. manager of the funds: Eurizon Progetto Italia 20, Eurizon PIR Italia 30, Eurizon azioni Internazionali, Eurizon azioni Area Euro, Eurizon azioni Europa, Eurizon Progetto Italia 70, Eurizon PIR Italia azioni, Eurizon azioni PMI Italia, Eurizon Progetto Italia 40; (4) Fideuram Investimenti SGR S.p.A. manager of the funds: Plan azioni Italia, Plan Bilanciato Italia 30, Plan Bilanciato Italia 50; (5) Kairos Partners SGR S.p.A. management company of Kairos International SICAV comparto Italia; (6) Mediolanum Gestione Fondi SGR S.p.A. manager of the fund Mediolanum Flessibile development Italia; (7) Mediolanum International – Challenge Funds – Challenge Italian Equity; (8) Pramerica SGR S.p.A. manager of the funds : Pramerica MITO 25 and MITO 50.

Further information concerning the percentage attendance of each member of the Board of Statutory Auditors at the meetings held during the year is shown in Table 3 attached to this Report.

#### **DIVERSITY POLICIES IN THE COMPOSITION OF THE BOARD OF STATUTORY AUDITORS**

Without prejudice to the content of Section 4.3 regarding the Diversity Policies for the board members, with regard to the methods for defining the Diversity Policies in the formation of the Board of Statutory Auditors, the Company follows the following method:

- verification and self-assessment by the Board of Statutory Auditors on its own composition and operation, considering the aspects significant for gender, age and educational and professional background diversity;
- discussion of the results of this self-assessment with the Board of Directors;
- assessment by the Board of Directors of the need to adopt specific policies, based on the report submitted by the Board of Statutory Auditors.

##### *Gender diversity*

The composition of the Board of Statutory Auditors, at the date of this Report, complies with the current legal provisions with regard to gender quotas of the Board of Statutory Auditors (Italian Law 160/2019). The Company also introduced in its Articles of Association (art. 30) specific provisions aiming at ensuring a balanced representation of both gender in the composition of the Board of Statutory Auditors.

At the time of renewal of said body, the Board of Directors also recommends to the Shareholders, in the Directors' Report on the items on the agenda, the submission of lists which take into account the provisions and indications on the matter of gender diversity.

In the light of the above and having taken into account the indications of the Board of Statutory Auditors within its self-assessment for the Financial Year, no additional policies on gender diversity have been adopted.

##### *Age diversity*

In regard to age diversity, taking into account the indications of the Board of Statutory Auditors in the context of its annual self-assessment - which suggest the suitability of the Board of Statutory Auditors in terms of age diversity - no specific policy has been adopted on the matter.

##### *Educational and professional background diversity*

Taking into account the indications of the Board of Statutory Auditors in the context of its annual self-assessment - which suggest the suitability of the Board of Statutory Auditors in terms of professional expertise of its members, also pursuant to the art. 2397 of the Italian Civil Code and art. 148 of the Consolidated Finance Act - no specific policy has been adopted on the matter.

#### **INDEPENDENCE**

On 4 May 2020, after the appointment of the Board of Statutory Auditors by the Meeting on that day, the Board of Statutory Auditors confirmed that each Statutory Auditor met the independence requirements set out by art. 148 of the Consolidated Finance Act and Application Criterion 8.C.1 of the Corporate Governance Code (July 2018), notifying the Board of Directors for the purposes of the necessary resolutions and the related market disclosure (see Press Release of 4 May 2020, published on the Website [www.webuildgroup.com](http://www.webuildgroup.com) in the section "Media - Press Releases").

After its shareholders' meeting appointment, most recently on 11 February 2022, the Board of Statutory Auditors confirmed that each statutory auditor met said requirements, pursuant to art. 148 of the Consolidated Finance Act and **Recommendation 7 of the CG Code**.

In performing the aforementioned assessments, the Board of Statutory Auditors has applied all criteria provided for by the Code of Corporate Governance also in the light of the independence qualitative and quantitative requirements pursuant to **Recommendation 7 of the CG Code**, specified by the Board of Directors of the Company in the meeting of 12 March 2021, as described in the Section 4.7.

#### **REMUNERATION**

Pursuant to **Recommendation 30 of the CG Code**, the Statutory Auditors' remuneration is appropriate given the expertise, professional skill and commitment required in view of the significance of the position, the dimensions and sector of the Issuer and its position.

For the purposes of the resolution of the current remuneration and to ensure this is appropriate with respect to the commitment demanded by the position, the Board of Directors of Webuild S.p.A., in view of the Shareholders' Meeting of 4 May 2020 - called to resolve on the renewal of the Board of Statutory Auditors and on their remuneration - after a preliminary investigation by the Remuneration and Appointment Committee, has made an express recommendation to the shareholders in regard to the remuneration to be paid out. The remuneration resolved by the aforementioned Shareholders' Meeting is substantially in line with the proposal of the Board of Directors, with a minimal discrepancy.

#### MANAGEMENT OF INTERESTS

The Company complies with **Recommendation 37 of the CG Code**, which provides for statutory auditors who, either directly or on behalf of third parties, have an interest in a specific transaction, to promptly and comprehensively inform the other statutory auditors and the Chair of the Board of the nature, terms, origin and scope of their interest.

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## 12. INVESTOR RELATIONS

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#### ACCESS TO INFORMATION

The Company believes that it is in its interests - and also that it has a duty to the market - to have an ongoing dialogue with its shareholders and institutional investors based on a common understanding of their roles. Such dialogue must be in any case comply with the procedure for the processing of significant and privileged information and the internal procedures for market communications, to ensure that investors and potential investors receive the same information as needed to take informed investment decisions.

Therefore, the function currently known as the Investor Relations was set up, with a dedicated corporate unit that reports to the Investor Relator (currently Amarilda Karaj), whose specific duties include managing relations with investors. The Investor Relator has a dedicated email address to receive communications and requests from shareholders ([investor.relations@webuildgroup.com](mailto:investor.relations@webuildgroup.com)).

A section relating to relations with shareholders, called "Investor Relations" ("Investors" in the Italian site), is also active on the Website, containing all the information of interest to the shareholders, to allow the latter to exercise their powers and rights in an informed manner.

#### DIALOGUE WITH SHAREHOLDERS

The Board of Directors of the Company, on 14 October 2021, has adopted the "policy for the management of dialogue with shareholders" ("**Engagement Policy**") with the aim of spelling out the general principles, the management process and the main content of the dialogue ongoing between the totality of Webuild's institutional investors and retail shareholders, actual or potential ("Investors" or "Shareholders"), on one hand, and the Company itself, on the other ("**Dialogue**").

The Engagement Policy, drawn up in compliance with the provisions of **Recommendation 3 of the CG Code**, takes into account the engagement policies adopted by the main institutional investors and the asset managers of Webuild.

The Policy, notably, provides for the following:

- the promotion of a constructive Dialogue with the shareholders of the Company is one of the objectives of the Board of Directors, which exercises in this regard activity of direction, monitoring and supervision of processes at the top management level;
- the Chief Executive Officer is in charge of the Dialogue with the shareholders, with the support of the Corporate and Finance General Manager;
- the Chair ensures that the Board of Directors is informed - at the first possible meeting if there are significant elements, and in any case every six months, at the time of the discussion of the financial statements - on the development and on the significant content of the Dialogue with the Shareholders;
- the Investor Relations and Corporate Affairs Functions, each to the extent of their respective competence, are the organisational units appointed to receive and collect the requests made by the Shareholders and to ensure the coordination of the activities and contents of the Dialogue with these. Notably, any requests sent directly to Directors and Statutory Auditors shall have to be promptly forwarded to the Corporate Affairs function, which shall process the Dialogue;

- the Board of Directors receives regular updates on market sentiment and consensus, as well as on Webuild's analyst coverage;
- provided the inspiring principles and regulatory constraints of the communication policy adopted by Webuild are complied with, there are no pre-set limits in terms of topics object of engagement with Investors; these, by way of example, may include the operational and economic/financial performance, corporate strategy, risks associated with the business, capital structure and share performance, information on remuneration policies and M&A transactions, the sustainable growth strategy, etc;
- the Company communicates with Investors not only with the usual instruments such as press releases, financial reports and the Shareholders' Meeting, also through roadshows, investor days, participation in sector meetings or other events, meetings, special video calls with one or more investors. The Company makes available and updates a Section of the Group website addressed to investors; special sections are dedicated to governance and sustainability;
- the Shareholders may interact with the Company, also outside the Shareholders' Meeting, requesting a direct interaction with management or members of the Board of Directors, through the Investor Relations function, describing in general terms the topics and the representatives of the parties involved. The Investor Relations Function liaise with the Corporate and Finance General Manager to organise the assessment and the performance of the Dialogue.

The Engagement Policy is available on the Website in the section "*Governance – Documentation*", at the following link: [https://corporatebe.webuildgroup.com/sites/default/files/2021-10/20211014\\_WBD%20Engagement%20Policy\\_final%20ENG%20%281%29.pdf](https://corporatebe.webuildgroup.com/sites/default/files/2021-10/20211014_WBD%20Engagement%20Policy_final%20ENG%20%281%29.pdf).

In compliance with the provisions of the Engagement Policy, the Board of Directors, in the meeting on 17 March 2022, was informed of the dialogue activities carried out with the shareholders, receiving an update on market sentiment and consensus, as well as on Webuild's analyst coverage.

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### **13. SHAREHOLDERS' MEETINGS (art. 123-bis, par. 1, letter l), and par. 2, letter c) of the Consolidated Finance Act)**

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The main provisions of the Articles of Association concerning the Shareholders' Meetings of Webuild are reported below.

**ARTICLE 12** – Shareholders' Meetings may also be called at locations in Italy different from the registered office.

Ordinary meetings are called every year within one hundred and twenty days of the reporting date and, at the very latest, within one hundred and eighty days if the legal conditions for doing so are met.

Ordinary and extraordinary meetings are also called whenever the Board of Directors deems it suitable and when provided for by law. It also takes the authorisation decisions provided by the procedure for Related Party Transactions adopted by the Company, including therein urgent decisions in compliance with the simplified methods permitted by the applicable regulations on that matter.

**ARTICLES 13 and 13-bis)** - Each ordinary share gives the right to one vote unless special voting rights are granted under the conditions and with the timing provided for.

**ARTICLE 14** – Each holder of a right to vote who is eligible to attend a Shareholders' Meeting can be represented at the Shareholders' Meeting by means of a written proxy given to another party, pursuant to the law.

The Chair of the Shareholders' Meeting verifies the validity of the proxies and the rights of those present to attend the Meeting.

The Company, making use of the option provided for by the law, does not appoint the representative referred to in art. 135-undecies of the Consolidated Finance Act, unless the Board of Directors, for a specific meeting, approves this appointment announcing it in the notice of call of the corresponding Shareholders' Meeting.

**ARTICLE 15** – Both ordinary and extraordinary Shareholders' Meetings shall be constituted and pass resolutions according to the law. The conditions for electing members of the Board of Directors and the Board of Statutory Auditors are set out respectively by art. 20 and 30 of the Articles of Association (Sections 4 and 13 of this Report).



**ARTICLE 16** – The Shareholders' Meeting shall be convened by a notice to be published under the terms and conditions of the law. The Ordinary and Extraordinary Shareholders' Meeting shall take place in a single call, unless the Board of Directors, for a given Shareholders' Meeting, has resolved to specify the date for the second and, possibly, third call, providing such information in the call notice.

**ARTICLES 17 – 18 – 19** – The Shareholders' Meeting is chaired by the Chair of the Board of Directors, or in his absence, by one of the Deputy Chairmen. If this is not possible, the Shareholders' Meeting appoints a chair from the directors or shareholders present.

The Chairman of the Shareholders' Meeting has full powers to verify the eligibility of holders of voting rights to attend the meeting and, more specifically, (i) the validity of proxies, (ii) ascertain whether the Shareholders' Meeting is regularly constituted and with the required quorum for passing resolutions, manage and govern the proceedings and establish the procedures for voting and appointing one or more vote-counters.

The Shareholders' Meeting appoints a secretary who need not be a shareholder.

Resolutions are recorded in minutes entered in a special register signed by the Chair, the Secretary and the vote-counters, if appointed.

The minutes of the Shareholders' Meeting, if drawn up by a Notary (public), are subsequently recorded in the aforementioned register.

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In regard to the Ordinary and Extraordinary Shareholders' Meeting held on 30 April 2021, the Board of Directors has prepared the reports on all items on the agenda to ensure that the shareholders received the information necessary to take informed decisions on the matters within their competence.

The controlling shareholder of the Issuer (Salini Costruttori) presented, together with CDPE, the list for the renewal of the Board of Directors as well as, well in advance with respect to the date of Shareholders' Meeting, the proposal on the setting of the remuneration due to the Board of Directors pursuant to art. 2389, par. 1, of the Italian Civil Code.

\* \* \* \* \*

The Company makes available the "Regulation of Shareholders' Meetings" on the Website, in the "*Governance - Shareholders' Meeting*" section, aiming at ensuring the orderly conduct of Shareholders' Meetings, respecting each shareholder's fundamental right to request clarifications on the matters on the agenda, to express opinions and make proposals.

This Regulation was approved, most recently, by the Shareholders' Meeting on 30 April 2021 and is available on the Website "*Governance System - Shareholders' Meeting*", at the following link [https://media.webuildgroup.com/sites/default/files/2021-05/REGOLAMENTO%20ASSEMBLEA%20final\\_ENG\\_30.04.2021.pdf](https://media.webuildgroup.com/sites/default/files/2021-05/REGOLAMENTO%20ASSEMBLEA%20final_ENG_30.04.2021.pdf).

\* \* \* \* \*

The Ordinary and Extraordinary Shareholders' Meeting held on 30 April 2021 via audio-video link, in line with the provisions and procedures aimed at fighting the spread of the Covid-19 pandemic, was attended by 7 Directors (including the Chair and the Chief Executive Officer).

The Board, through the Annual Financial Report and the other Reports on the various items on the agenda, reported on the activities carried out and scheduled and took the necessary steps to ensure that shareholders received the information necessary to take informed decisions on the matters within their competence.

\* \* \* \* \*

During the year, the Board of Directors did not find it necessary to submit proposals to the Shareholders' Meeting on the corporate governance model, the articulation of the administrative and economic rights of shares, and the percentages set for the exercise of the prerogatives aimed at the protection of minority shareholders.

In view of the renewal of the Board of Directors, by the Shareholders' Meeting of the shareholders of 30 April 2021, the Board has instead provided guidelines on the composition, size and duration of this, available on the Website in the section "*Governance System - Shareholders' Meeting*".



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## 14. ADDITIONAL CORPORATE GOVERNANCE PRACTICES (art. 123-bis, par. 2, letter a), second part, of the Consolidated Finance Act)

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### Corporate Social Responsibility Department

The Company's current organisational structure includes the Corporate Social Responsibility Department under the Corporate and Finance General Director. This department specifies and guarantees the implementation of a Sustainability Plan that adheres to the company's targets and that is consistent with international standards. It also prepares the Consolidated non-financial statement.

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## 15. CHANGES SINCE YEAR END

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Since the end of the financial year, no changes were made to the Company's corporate governance structure.

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## 16. COMMENTS ON THE LETTER OF THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE

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The Board of Directors, at its meeting on 15 December 2021, reviewed the Recommendations made in the letter dated 3 December 2021 by the Chair of the Corporate Governance Committee of Borsa Italiana S.p.A., for the purposes of assessing, also through its self-assessment activities, whether to adopt controls and solutions to improve compliance with the provisions of the Corporate Governance Code and/or the disclosures to be issued in this regard within this Report.

With regard to the aforementioned recommendations, we note the following:

### 1. as regards sustainable success

in regard to the recommendation of the Committee to *"provide in the Report on the Corporate Governance satisfactory and concise information on the procedures adopted for its pursuit and on the approach adopted to promote the dialogue with the relevant stakeholders. In this regard, we recommend providing concise information on the content of the policy of engagement with shareholders, notwithstanding the need to publish it fully, or at least in its key elements, on the website of the company."*, we refer to Section 1, in regard to the procedures adopted for the pursuit of sustainable success, and to Section 12, in regard to the dialogue with shareholders;

### 2. as regards proportionality

in regard to the recommendation of the Committee to *"assess the classification of the company with respect to the categories of the Code and the simplification options available to "non large" companies and/or companies "with concentrated ownership", as well as to indicate suitably the choices made"*, the Board of Directors on 25 March 2022, at the time of the approval of this Report, indicated that the Company may be qualified as (i) a "large company", taking into account the capitalisation of the preceding three years, as well as (ii) a "company with concentrated ownership", in the light of the shareholding structure as indicated in the Section 2, letter c) above. As for to the adoption by the Company of the flexibility options provided for by the CG Code for the companies with concentrated ownership, the company decided not to make use of them (see Section 1);

### 3. as regards pre-meeting information

in regard to the recommendations of the Committee to:

- *on 12 March 2021, the Board of Directors, during the most recent review of its own regulation, confirmed that a notice period of at least three days is required to make available supporting documentation for board meetings, unless in case of urgency or for other Company's needs other than the sole confidentiality, in this case providing a detailed discussion of the issues in question during the board meetings. A similar term was also provided for the meetings of the Strategic Committee; in regard to the other committees, this notice period has not been, so far, made explicit in the respective regulations applying, in practice and as far as possible, the term of 3 days provided for the Board of Directors.*
- *"in the preparation of the report on corporate governance.. omitted .. dedicate adequate illustration of the effective compliance with the notice period previously defined and, in the exceptional cases when it was not possible to meet this deadline, explain the reasons and the ways in which in-depth information was provided at meetings"* we refer to Section 4.4 above;

**4. as regards independence**

in regard to the recommendations of the Committee to *“provide in the report on corporate governance the criteria used for the assessment of the significance of professional, commercial or financial relationships and additional remuneration, also with reference to the Chair of the Board of Directors, if the latter has been assessed as independent pursuant to the Code”*, we refer to Section 4.7 above;

**5. as regards nomination and succession of directors,**

in regard to the recommendation of the Committee, addressed to companies without concentrated ownership to *“suitably review the recommendation made to them with respect to the renewal of the Board of Directors”*, this does not apply to Webuild, which, as said above, may be qualified as a company with concentrated ownership. However, the Board of Directors at the time of the most recent renewal resolved by the Shareholders' Meeting on 30 April 2021, provided Guidelines on the quantitative and qualitative composition of the Board of Directors and, therefore, asked shareholders to provide information, in the documentation presented for the filing of the list, on compliance of the list with the guidelines given by the Board of Directors (see Section 4.3);

**6. as regards gender parity**

in regard to the recommendation of the Committee to *“ensure satisfactory information in the report on corporate governance on the effective identification and application of these measures”*, we refer to Section 4.3 above;

**7. as regards remuneration policies**

in regard to the recommendations of the Committee to *“to suitably consider the consistency of the parameters identified for the variable remuneration with the strategic objectives of the business activity and the pursuit of sustainable success, assessing, if necessary, the need to provide non-financial parameters. With special reference to the remuneration parameters linked to the achievement of environmental and social targets, the Committee recommends that companies ensure that these parameters are predetermined and measurable”*, the 2022 Remuneration Policy takes into account this recommendation, as reported in the 2022 Remuneration Report, to which we refer for details.

The Board of Statutory Auditors has monitored the adoption and application of the aforementioned recommendations, also acknowledging it in its Annual Report.

Rozzano, 5 April 2022

On behalf of the Board of Directors of Webuild S.p.A.  
The Chair Donato Iacovone

**TABLE 1**  
**STRUCTURE OF THE BOARD AS OF THE END OF THE FINANCIAL YEAR 2021**

BOARD OF DIRECTORS													
Position	Members	Year of birth	Date of first appointment (*)	In role from	In role until	List (submitters) (**)	List (M/m) (***)	Executive	Non executive	Indep. from Code	Indep. from TUF	No. of other positions (****)	Attendance BoD meetings (*****)
Chairman	Iacovone Donato	1959	06.12.2019	06.12.2019	Approval of the 2023 financial statements	Shareholders	M	-	X	X	X	1	17/17
Deputy Vice Chairman	Greco Nicola	1949	12.09.2013	12.09.2013	Approval of the 2023 financial statements	Shareholders	M	-	X	-	-	2	17/17
CEO/MD •	Salini Pietro	1958	17.07.2012	17.07.2012	Approval of the 2023 financial statements	Shareholders	M	X	-	-	-	2	17/17
Director	Croff Davide	1947	30.04.2021	30.04.2021	Approval of the 2023 financial statements	Shareholders	M	-	X	X	X	3	10/11
Director	Di Stefano Pierpaolo	1969	06.12.2019	06.12.2019	Approval of the 2023 financial statements	Shareholders	M	-	X	-	-	3	17/17
Director	Marinali Barbara	1964	30.04.2021	30.04.2021	Approval of the 2023 financial statements	Shareholders	M	-	X	X	X	2	10/11
Director	Mazzarella Flavia	1958	30.04.2021	30.04.2021	Approval of the 2023 financial statements	Shareholders	M	-	X	X	X	1	10/11
Director	Naddeo Teresa	1958	30.04.2021	30.04.2021	Approval of the 2023 financial statements	Shareholders	M	-	X	X	X	3	11/11
Director	Natale Marina	1962	06.12.2019	06.12.2019	Approval of the 2023 financial statements	Shareholders	M	-	X	X	X	3	14/17
Director	Parente Ferdinando	1961	30.04.2018	30.04.2018	Approval of the 2023 financial statements	Shareholders	m	-	X	X	X	2	17/17
Director	Sabato Tommaso	1972	30.04.2021	30.04.2021	Approval of the 2023 financial statements	Shareholders	M	-	X	-	-	2	11/11
Director	Salini Alessandro	1961	28.04.2016	28.04.2016	Approval of the 2023 financial statements	Shareholders	M	-	X	-	-	2	16/17

Director	Torielli Serena	1969	30.04.2021	30.04.2021	Approval of the 2023 financial statements	Shareholders	M	-	X	X	X	-	11/11
Director	Valensise Michele	1952	30.04.2021	30.04.2021	Approval of the 2023 financial statements	Shareholders	M	-	X	X	X	3	11/11
Director	Zanetti Laura	1970	30.04.2021	30.04.2021	Approval of the 2023 financial statements	Shareholders	M	-	X	X	X	1	11/11

#### DIRECTORS WHO LEFT OFFICE DURING THE FINANCIAL YEAR

Director	Balzani Francesca	1966	06.12.2019	06.12.2019	Approval of the 2020 financial statements	Shareholders	M	-	X	X	X	1	6/6
Director	Capaldo Giuseppina	1969	11.06.2012	11.06.2012	Approval of the 2020 financial statements	Shareholders	M	-	X	X	X	-	6/6
Director	Cattaneo Mario Giuseppe	1930	17.07.2012	17.07.2012	Approval of the 2020 financial statements	Shareholders	M	-	X	X	X	1	6/6
Director	Cera Roberto	1955	17.07.2012	17.07.2012	Approval of the 2020 financial statements	Shareholders	M	-	X	-	-	1	6/6
Director	Marazzita Giuseppe	1966	06.12.2019	06.12.2019	Approval of the 2020 financial statements	Shareholders	M	-	X	X	X	-	6/6
Director	Passacantando Franco	1947	12.09.2013 effective from 15.12.2013	12.09.2013 effective from 15.12.2013	Approval of the 2020 financial statements	Shareholders	M	-	X	X	X	3	6/6
Director	Pucci Laudomia	1961	17.07.2012	17.07.2012	Approval of the 2020 financial statements	Shareholders	M	-	X	X	X	-	6/6
Director	Volo Grazia	1952	16.03.2016	16.03.2016	Approval of the 2020 financial statements	Shareholders	M	-	X	-	-	-	5/6

**No. of meetings held during the Financial Year: 17**

**Specify the required quorum for the submission of lists by minority shareholders for the election of one or more members (pursuant to Article 148 of the TUF): 1%**

#### NOTES

The symbols shown hereunder must be placed in the "Position" column:

• This symbol indicates the director in charge of the internal control and risk management system.

○ This symbol indicates the Lead Independent Director (LID).

(\*) The date of first appointment for each director refers to the date on which the director was appointed for the first time (ever) to the Issuer BoD.

(\*\*) This column indicates whether the list from which each director was selected was submitted by shareholders (indicating "Shareholders") or by the BoD (indicating "BoD")

(\*\*\*) This column indicates whether the list from which the director was selected was a "majority" (M) or "minority" (m) list.

(\*\*\*\*) This column specifies the number of positions as director or statutory auditor held by the person concerned in other companies listed on regulated markets, or companies of significant size. The positions are specified in full in the Corporate Governance Report.

(\*\*\*\*\*) This column shows the attendance of directors in board meetings in relation to the total number of meetings they could have attended.

**TABLE 2**  
**BOARD COMMITTEES STRUCTURE AS AT THE CLOSING DATE OF THE FINANCIAL YEAR**

Board of Directors		Strategic Committee		Committee for Related Party Transactions		Control, Risks and Sustainability Committee		Compensation and Nominating Committee	
Position/Qualification	Members	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Non-executive Director Chairman of the Board - independent pursuant to TUF and from CG Code	Iacovone Donato					8/9	M		
Non-executive Deputy Vice Chairman - non independent	Greco Nicola	9/9	M			4/4	M	9/9	M
Executive CEO - non independent	Salini Pietro	9/9	M						
Non-executive Director – independent pursuant to TUF and CG Code	Croff Davide			2/2	M				
Non-executive Director – non independent	Di Stefano Pierpaolo	3/3	P						
Non-executive Director – independent pursuant to TUF and CG Code	Marinali Barbara	6/6	M	2/2	P			6/6	M
Non-executive Director – independent pursuant to TUF and CG Code	Mazzarella Flavia					7/9	M		
Non-executive Director – independent pursuant to TUF and CG Code	Naddeo Teresa					9/9	P		
Non-executive Director – independent pursuant to TUF and CG Code	Natale Marina	9/9	M			13/13	M		
Non-executive Director – independent pursuant to TUF and CG Code	Parente Ferdinando			11/11	M	13/13	M	15/15	P
Non-executive Director – non independent	Sabato Tommaso	6/6	P						
Non-executive Director – independent pursuant to TUF and CG Code	Torielli Serena					9/9	M		
Non-executive Director – independent pursuant to TUF and CG Code	Zanetti Laura							6/6	M

**DIRECTORS WHO LEFT OFFICE DURING THE FINANCIAL YEAR**

Non-executive Director – independent pursuant to TUF and CG Code	Balzani Francesca	3/3	M			4/4	M		
Non-executive Director – independent pursuant to TUF and CG Code	Capaldo Giuseppina			9/9	M				
Non-executive Director – independent pursuant to TUF and CG Code	Cattaneo Giuseppe					4/4	P		
Non-executive Director – independent pursuant to TUF and CG Code	Marazzita Giuseppe			9/9	P			9/9	M
Non-executive Director – independent pursuant to TUF and CG Code	Passacantando Franco					4/4	M		

**NOTES: (\*)** This column specifies the attendance of directors in board meetings in relation to the total number of meetings they could have attended. **(\*\*)** This column specifies the role of the director within the Committee: "P": Chairman/Chairperson; "M": Member.

**TABLE 3**  
**STRUCTURE OF THE BOARD OF STATUTORY AUDITORS AS OF THE END OF THE FINANCIAL YEAR 2021**

BOARD OF STATUTORY AUDITORS AS OF 31.12.2021									
Position	Members	Year of birth	Date of first appointment (*)	In role from	In role until	List (M/m) (**)	Indep. from Code	Attendance BoSA (***)	Number of other positions (****)
Chairman	Sarubbi Giacinto Gaetano	1963	27.04.2017	04.05.2020	Approval of the 2022 financial statements	m	X	24/24	4
Statutory Auditor	Simonelli Paola	1964	04.05.2020	04.05.2020	Approval of the 2022 financial statements	M	X	23/24	21
Statutory Auditor	Cassader Roberto	1965	27.04.2017	04.05.2020	Approval of the 2022 financial statements	M	X	24/24	13
Alternate Auditor	Segala Chiara	1972	04.05.2020	04.05.2020	Approval of the 2022 financial statements	M			
Alternate Auditor	Mancino Stefania	1963	04.05.2020	04.05.2020	Approval of the 2022 financial statements	m			

**No. of meetings held during the Financial Year: 24**

**Specify the required quorum for the submission of lists by minority shareholders for the election of one or more members (pursuant to Article 148 of the TUF): 1%**

**NOTES**

(\*) The date of first appointment for each Auditor refers to the date on which the auditor was appointed for the first time (ever) to the Issuer BoSA.

(\*\*) This column specifies if the list from which each auditor has been taken is of "majority" (specifying "M") or of "minority" (specifying "m").

(\*\*\*) This column specifies the attendance of the auditors in the meetings of the Board of Statutory Auditors (indicate the number of meetings attended in relation to the total number of meetings in which they could have attended; e.g. 6/8; 8/8, etc.).

(\*\*\*\*) This column specifies the number of positions of director or auditor held by the interested party pursuant to art. 148-bis TUF and the relative implementing provisions contained in the Consob Issuers Regulation. The complete list of assignments is published by CONSOB on its website pursuant to art. 144-quinquiesdecies of the Consob Issuers Regulation.

**There was no outgoing Statutory Auditor during the 2021 Financial Year.**

**LIST OF POSITIONS HELD IN OTHER COMPANIES LISTED ON REGULATED MARKETS OR  
COMPANIES OF SIGNIFICANT SIZE AS OF THE END OF THE FINANCIAL YEAR 2021**

*(not part of the Issuer's Group)*

Director	Company	Position
<b>Donato Iacovone</b>	OPEN CAPITAL PARTNERS SGR S.p.A.	Board Member
<b>Pietro Salini</b>	SALINI COSTRUTTORI S.p.A. SALINI S.p.A.	Chief Executive Officer Chief Executive Officer
<b>Nicola Greco</b>	SALINI COSTRUTTORI S.p.A. SALINI S.p.A.	Chairman Chairman
<b>Davide Croff</b>	CATTOLICA ASSICURAZIONI S.p.A. CREDITO FONDIARIO S.p.A. GENEXTRA S.p.A.	Chairman Deputy Vice Chairman Board Member
<b>Pierpaolo Di Stefano</b>	CDP EQUITY S.p.A. CDP INDUSTRIA S.p.A. FSI INVESTIMENTI S.p.A.	Chief Executive Officer Chief Executive Officer Chief Executive Officer
<b>Barbara Marinali</b>	OPEN FIBER HOLDINGS S.p.A. OPEN FIBER S.p.A.	Chairperson Chairperson
<b>Flavia Mazzarella</b>	BPER BANCA S.p.A.	Chairperson
<b>Teresa Naddeo</b>	DUFITAL S.p.A. PIRELLI S.p.A. VERA VITA S.p.A.	Statutory Auditor Statutory Auditor Statutory Auditor
<b>Marina Natale</b>	AMCO S.p.A. FIERA MILANO S.p.A. NEXI S.p.A.	Chief Executive Officer Board Member Board Member
<b>Ferdinando Parente</b>	BANCA SELLA S.p.A. HYLE CAPITAL PARTNERS SGR S.p.A.	Board Member Board Member
<b>Tommaso Sabato</b>	TREVI FINANZIARIA INDUSTRIALE S.p.A. SOILMEC S.p.A.	Board Member Board Member
<b>Alessandro Salini</b>	SALINI COSTRUTTORI S.p.A. SALINI S.p.A.	Board Member Board Member
<b>Serena Torielli</b>	-	-
<b>Michele Valensise</b>	TIM BRASIL S.p.A. DEFENCE TECH S.p.A. IQERA S.p.A.	Board Member Board Member Board Member
<b>Laura Zanetti</b>	ITALMOBILIARE S.p.A.	Chairperson

## DIRECTORS WHO HAVE LEFT OFFICE

Director	Company	Position
Francesca Balzani	BANCA CONSULIA S.p.A.	Board Member
Giuseppina Capaldo	-	-
Mario Cattaneo	BRACCO S.p.A.	Board Member
Roberto Cera	DEUTSCHE BANK S.p.A.	Member of the Supervisory Board
Giuseppe Marazzita	-	-
Franco Passacantando	EUROCLEAR SA/NV EUROCLEAR HOLDING SA/NV ANTIRION SGR	Deputy Vice Chairman Deputy Vice Chairman Chairman
Laudomia Pucci	-	-
Grazia Volo	-	-