

MAIRE TECNIMONT S.P.A.

Registered office: Rome, Viale Castello della Magliana, 75

Operative office: Milan, Via Gaetano De Castilia, 6A

Share capital Euro 19,689,550.00 fully subscribed and paid-in

TAX ID VAT and registration Rome Companies Register 07673571001

R.E.A. (Economic Administrative Index) 1048169

**REPORT BY THE BOARD OF DIRECTORS OF MAIRE TECNIMONT S.P.A. ON THE PROPOSALS
CONCERNING ITEM 2 ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING OF
MAIRE TECNIMONT S.P.A.**

**CONVENED FOR 28 APRIL 2015, ON FIRST CALL,
AND 29 APRIL 2015, ON SECOND CALL.**

Item 2 on the agenda - Adoption of an incentive plan based on Phantom Stock for the Company CEO and certain Senior Managers of the Group; relevant and consequent resolutions.

Dear Shareholders,

This Report has been prepared pursuant to Art. 114-*bis* and Art. 125-*ter* of Legislative Decree no. 58 of 24 February 1998, as amended (the "TUF", Consolidated Finance Act) and Art. 84-*ter* of Consob's Issuers Regulation adopted by resolution no. 11971 of 14 May 1999, as amended (the "Consob's Issuers Regulation").

The Board of Directors has called, in ordinary for April 28, 2015, and, if necessary, on second call on April 29, 2015, to submit for your approval, pursuant to Art. 114-*bis* of the TUF, the adoption a Phantom Stock Plan for the Company Chief Executive Officer and certain Senior Managers of the Group.

This Report aims to explain the reasons and the content of the proposal related to the Plan above mentioned, referring to the illustration of its analytical contents and details to the Information Document on the 2015-2017 Phantom Stock Plan, pursuant to Art. 114-*bis* of TUF and Art. 84-*bis* of Consob's Issuers Regulation.

1. Reasons for the adoption of the Plan

The main purpose of the Remuneration Policy is to attract and retain those resources with the professional skills required to manage and operate the Company successfully, through the creation of a fair and sustainable rewarding system, in line with the regulatory framework and the stakeholders' expectations. In this context, the Long-Term Incentive Plan is set up with the following purposes:

- a) to ensure the full alignment of the management's interests with the Shareholders' ones;
- b) to support the retention of key resources in the long term;
- c) to put into operation a long-term incentive system capable of creating a strong link between remuneration, business results and value creation for Shareholders.

2. Recipients

The Beneficiaries shall be identified by name in absolute discretion of the Board of Directors and, as for Senior Managers other than Executive Directors, by the person delegated by the Board of Directors for that purpose.

People falling within the following categories shall be eligible as Beneficiaries of the Plan:

- Chief Executive Officers/Managing Directors and Chief Operating Officers;
- subsidiaries' Executive Directors, individually identified by the Board of Directors;
- certain Senior Managers of the Group.

3. Terms and conditions for the implementation of the Plan, specifying whether its implementation is subject to certain conditions and, in particular, to the achievement of certain results.

The Plan is structured as follows:

- a) in order to determine the number of Rights to be awarded to each Beneficiary ("Award"), a mechanism of "co-investment" of the "deferred" component of the annual MBO (under the MBO system currently in place) applies. The Beneficiary shall "co-invest" such component of his/her annual MBO (co-invested MBO) for each year of duration of the Plan (2015, 2016 and 2017). The monetary value of the "co-invested MBO" shall be converted into a number of Phantom Stocks based on the value of the Maire Tecnimont share calculated as the average of the share price recorded over the quarter February-April preceding the co-investment. For each Phantom Stock awarded to the Beneficiary and resulting from such conversion mechanism, the Company shall offer 1.5 Phantom Stocks (so-called "Match") in addition to those determined on the basis of the above mechanism, in the case of the Chief Executive Officer, and 1 Phantom Stock (so-called "Match"), in addition, in the case of the Senior Managers identified as Beneficiaries of the Plan;
- b) the total number of Phantom Stocks awarded to each Beneficiary shall be directly proportional to the value of the "co-invested MBO" for each year of duration of the Plan;
- c) at the end of the Performance Period, the Phantom Stocks deriving from the Match shall be granted ("Grant") to each Beneficiary, provided that certain specific performance conditions based on a pre-established economic-and-financial indicator (the Group Net Profits) have been met, and notified to each Beneficiary. By contrast, the Phantom Stocks derived from co-investment shall be granted to the Beneficiaries irrespective of any performance condition;
- d) the number of the Phantom Stocks deriving from the Match and actually granted at the end of the Performance Period shall depend on the level of achievement of the Performance Objective mentioned above. If the minimum level of performance set is not achieved, the Beneficiary shall not be entitled to be granted any Phantom Stocks other than those derived from the co-investment;
- e) the Phantom Stocks granted to the Beneficiary shall then be converted into cash, based on the value of the Maire Tecnimont share, calculated as the average of the share price recorded over the quarter October-December 2018.

4. Support for the Plan from the Special Fund for Incentivising the Participation of Workers in Businesses under Art. 4, paragraph 112, of Law no. 350 of 24 December 2003.

No support is anticipated from the Special Fund for Incentivising the Participation of Workers in Businesses under Art. 4, paragraph 112, of Law no. 350 of 24 December 2003.

Proposed resolution:

Dear Shareholders,

You are therefore asked to kindly pass the following resolution:

- "the Ordinary Shareholders' Meeting of Maire Tecnimont S.p.A., based on the Report of the Board of Directors prepared in accordance with Art. 114-*bis* and Art. 125-*ter* of the TUF

and the Information Document concerning the 2015-2017 Phantom Stock Plan, prepared in accordance with Art. 114-*bis* of the TUF and Art. 84-*bis* of Consob's Issuers Regulation, which we refer to, noted the proposal of the Remuneration Committee and the favorable opinion of the Board of Statutory Auditors pursuant to Art. 2359 of the Italian Civil Code, having regard to Art. 114-*bis* of the TUF and the regulations issued by Consob

resolved

- to approve, pursuant to Art. 114-bis of the TUF, the adoption of an Incentive Plan based on Phantom Stock (the "Plan") for the Company Chief Executive Officer and certain Senior Managers of the Maire Tecnimont Group, whose terms, conditions and procedures for implementation are described in the Information Document concerning the Phantom Stock Plan 2015-2017, which we refer to;
- to confer upon the Board of Directors, with express power to sub-delegate, the widest powers necessary or appropriate to proceed with the full implementation of the "Plan", including, as example only, the power to: (i) identify the Beneficiaries by name; (ii) set out the details of the mechanism for determinate the number of Rights to be awarded to each Beneficiary; (iii) specify in detail the performance objectives of the Plan and the relevant targets based on which the Phantom Stocks may be granted to the Beneficiaries; (iv) accomplish any act, fulfill any formality or give any notice that may be necessary or appropriate for managing and/or implementing the Plan, in accordance with the terms and conditions described in this Information Document concerning the 2015-2017 Phantom Stock Plan, which we refer to."

Rome, 19 March 2015

On behalf of the Board of Directors
The Chairman
(Fabrizio Di Amato)