



## **Report on Corporate Governance and Ownership Structure**





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## **Report on Corporate Governance and Ownership Structure**

*pursuant to art. 123 bis of the Consolidated Finance Act*

traditional model of administration and control

Issuer: **Maire Tecnimont S.p.A.**

Website: **[www.mairetecnimont.it](http://www.mairetecnimont.it)**

**Financial Year:**

**Approved by the Board of Directors on 21 March 2013**

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## Glossary

**Code/Governance Code:** the Corporate Governance Code of listed companies approved in December 2011 by the Committee for Corporate Governance and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria.

**Civil Code/ c.c.:** the Italian Civil Code.

**Board:** the Issuer's Board of Directors.

**Issuer / Company / Maire Tecnimont:** Maire Tecnimont S.p.A.

**Financial Year:** the financial year closed as at 31 December 2012, to which the Report refers

**Group:** indicates the group of companies headed by Maire Tecnimont.

**Borsa Italiana Regulations:** the instructions for regulating the markets organized and managed by Borsa Italiana S.p.A.

**Stock Exchange Rules and Regulations:** the rules and regulations for the Markets organized and managed by Borsa Italiana S.p.A.

**Issuer Regulation:** the Regulations adopted by CONSOB with resolution No. 11971 of 14 May 1999 and subsequent amendments in the matter of issuers.

**Related Parties Regulation:** the Regulation adopted by Consob with resolution No. 17221 of 2010 and subsequent amendments in the matter of transactions with related parties.

**Report:** the report on corporate governance and ownership structure that companies are obliged to draft pursuant to art. 123-bis of the Consolidated Finance Act. **Consolidated**

**Finance Act:** Italian Legislative Decree No. 58 of 24 February 1998: "Consolidated act on financial intermediation".



## 1. Issuer's profile

Maire Tecnimont S.p.A. ("Maire Tecnimont" or "the Company" or "the Issuer") is organized according to the traditional organisational model, including the Shareholders' Meeting, Board of Directors and Board of Statutory Auditors.

The Board of Directors has established two internal committees having advisory functions - the Remuneration Committee and the Internal Control Committee - pursuant to the provisions set out in the Corporate Governance Code.

Pursuant to art. 155 and the following of the Consolidated Finance Act, the legal auditing of the accounts was entrusted by the Company's ordinary Shareholders' Meeting of 10 July 2007 - on the proposal made by the Board of Statutory Auditors -, to the auditing firm Deloitte & Touche S.p.A. for the years from 2007 to 2015.

Since 26 November 2007, Maire Tecnimont S.p.A. shares are traded on the Mercato Telematico Azionario ("MTA") [Telematic Stock Market] organized and managed by Borsa Italiana S.p.A..

As at the date of this Report, pursuant to art. 93 of the Consolidated Finance Act, Maire Tecnimont S.p.A. is controlled by Fabrizio Di Amato, who holds control of the company through Maire Gestioni S.p.A..

The Company's corporate governance system is essentially aimed at creating value for the shareholders in the medium-to-long term, concentrating upon the core business of the Company and the Group and adequately considering the interests of all the stakeholders involved during execution.

Pursuant to art. 2497 of the Italian Civil Code, the Company exercises direction and co-ordination activities over the subsidiary having strategic relevance, Tecnimont S.p.A. ("Tecnimont"), and over the other subsidiaries Tecnimont Civil Construction S.p.A., Tecnimont KT S.p.A. and MET Newen S.p.A., pursuant to art. 2497 of the Italian Civil Code.

## **2. Information on the ownership structure**

**(pursuant to art. 123 bis, par. 1, of the Consolidated Finance Act)**

**as at 21 March 2013**

### **a) Share capital (pursuant to art. 123 bis, par.1, letter a) of the Consolidated Finance Act)**

The Issuer's fully underwritten and paid up share capital is Euro 16,125,000.00, divided into 322,500,000 ordinary shares with par value equal to zero.

For the purpose of providing the Company with a rapid and flexible tool, that would enable it to seize more efficiently the opportunities emerging from the market in order to identify venture capital, the extraordinary Shareholders' Meeting of 26 April 2012 introduced a provision establishing that the shareholders' option right in relation to newly issued shares and bonds convertible into shares may be excluded by the Shareholders' Meeting, or, in case of assigned powers pursuant to Art. 2443 of the Italian Civil Code, by the Board of Directors, to the limited extent of ten per cent of the pre-existing share capital and concurrently with the other conditions set out in Art. 2441, par. 4, second sub-paragraph, of the Italian Civil Code.

As at the date of this Report, no shares of any class have been issued with voting rights or other rights other than ordinary shares.

As at the date of this Report, no financial instruments have been issued attributing the right to subscribe newly issued shares.

Maire Tecnimont share capital structure is detailed in Table 1, attached to this Report.

As at the date of this Report, no stock option plans are envisaged.

### **b) Stock transfer restrictions (pursuant to art. 123 bis, par. 1, letter b) of the Consolidated Finance Act)**

There are no restrictions on the transfer of company shares.

### **c) Significant equity holdings (pursuant to art. 123 bis, par. 1, letter c) of the Consolidated Finance Act)**

In accordance with disclosure obligations envisaged by art. 120 of the Consolidated Finance Act and other information in the possession of Maire Tecnimont S.p.A., significant holdings in Maire Tecnimont S.p.A. capital are detailed in Table 1, attached to this Report.





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**d) Stocks granting special rights (pursuant to art. 123 *bis*, par. 1, letter d) of the Consolidated Finance Act)**

As at the date of this Report, no stocks conferring special controlling rights have been issued.

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

As at the date of this Report, no employee stock ownership plan is envisaged.

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

As at the date of this Report, no restrictions on voting rights are envisaged.

**g) Shareholders' Agreements (pursuant to art. 123 *bis*, par.1, letter g) of the Consolidated Finance Act)**

'As at the date of this Report, the Issuer is not aware of any shareholders' agreements pursuant to art. 122 of the Consolidated Finance Act.

**h) Change of control clauses (pursuant to art. 123 *bis*, par.1, letter h) of the Consolidated Finance Act)**

The loan contract, stipulated on 23 April 2007, between Tecnimont S.p.A. and WestLB AG, Milan branch, and Intesa San Paolo S.p.A., envisages compulsory early repayment should the following conditions occur: (i) following to company listing on the stock exchange, the Issuer's majority shareholder ceases to be the direct or indirect owner of a shareholding equal to at least 51% of the Issuer's capital; (ii) the Issuer ceases to be the direct owner of a shareholding equal to 100% of Tecnimont S.p.A. capital. The residual loan amount to repay as at 31 December 2012 was equal to Euro 40,000,000.

The loan contract, stipulated on 11 July 2008 between Tecnimont S.p.A. and WestLB AG, Milan branch, and Unicredit Corporate Banking S.p.A., and Centrobanca-Banca di Credito Finanziario ed Immobiliare S.p.A., envisages compulsory early repayment should the following conditions occur: (i) the Issuer's majority shareholder ceases to be the direct or indirect owner of a shareholding equal to at least 51% of the Issuer's capital; (ii) the Issuer ceases to be the direct owner of a shareholding equal to 100% of Tecnimont S.p.A. capital. The residual loan amount to repay as at 31 December 2012 was equal to Euro 30,000,000.

The loan contract, stipulated on 24 September 2009 between Maire Tecnimont S.p.A. and Intesa SanPaolo S.p.A., gives the lending bank the right to withdraw from the contract in the case in which that the current Majority Shareholders lose control – pursuant to art. 2359 of the Italian Civil Code – over the Beneficiary (of the loan) without prior approval from the Bank. The residual loan amount to repay as at 31 December 2012 was equal to Euro 15,200,000.

The loan contract, stipulated on 11 May 2010 between Maire Tecnimont S.p.A. and Intesa SanPaolo S.p.A., gives the lending bank the right to withdraw from the contract in the case in which the current Majority Shareholders lose control – pursuant to art. 2359 of the Italian Civil Code – over the Beneficiary (of the loan) without prior approval from the Bank. The residual loan amount to repay as at 31 December 2012 was equal to Euro 9,642,857.15.

The loan contract, stipulated on 14 May 2010 between Maire Tecnimont S.p.A. and Intesa SanPaolo S.p.A., gives the lending bank the right to withdraw from the contract in the case in which the current Majority Shareholders lose control – pursuant to art. 2359 of the Italian Civil Code – over the Beneficiary (of the loan) without prior approval from the Bank. The residual loan amount to repay as at 31 December 2012 was equal to Euro 15,600,000.

The loan contract, stipulated on 23 June 2010 between Maire Tecnimont S.p.A. and Intesa SanPaolo S.p.A., gives the lending bank the right to withdraw from the contract in the case in which the current Majority Shareholders lose control – pursuant to art. 2359 of the Italian Civil Code – over the Beneficiary (of the loan) without prior approval from the Bank. The residual loan amount to repay as at 31 December 2012 was equal to Euro 18,571,428.56.

The loan contract, stipulated on 30 November 2010 between MGR Verduno 2005 S.p.A. and CentroBanca envisages that should the guarantor – Tecnimont S.p.A. now Tecnimont Civil Construction S.p.A. (replacing Tecnimont S.p.A. as a result of the partial proportional spin-off by assignment of the “civil engineering and infrastructure business” of Tecnimont to the beneficiary Tecnimont Civil Construction S.p.A. with effective date as at 31 March 2011) - lose control over MGR Verduno 2005 S.p.A. without prior approval from the Bank, the latter reserves the right to terminate the loan contract. The residual loan amount to repay as at 31 December 2012 was equal to Euro 5,000,000.

The revolving loan contract stipulated on 10 February 2012 between Tecnimont S.p.A. and Banca IMI S.p.A. – Gruppo Intesa SanPaolo – (as agent and arranger bank), UniCredit S.p.A. (as arranger and lending bank) and Intesa SanPaolo S.p.A. (as lending bank), envisages compulsory early repayment should the following conditions occur: (i) the Issuer’s majority



shareholder ceases to have control over Maire Gestioni, or (ii) Maire Gestioni ceases to have control over Maire Tecnimont S.p.A., or (iii) Maire Tecnimont S.p.A. ceases to have control over Tecnimont S.p.A. The residual loan amount to repay, as at the date of this Report, was equal to Euro 150,000,000.

The Issuer's By-Laws do not include provisions derogating from the provisions concerning the passivity rule envisaged by art. 104, par. 1 and 2, of the Consolidated Finance Act.

The Issuer's By-Laws do not envisage the application of the passivity rules established in art. 104-bis, par. 2 and 3, of the Consolidated Finance Act.

**i) Powers to increase the share capital and authorize the purchase of Treasury shares (pursuant to art. 123 bis, par.1, letter m) of the Consolidated Finance Act)**

As at the date of this Report, Maire Tecnimont Board of Directors has not been authorized to increase the Issuer's share capital pursuant to art. 2443 of the Italian Civil Code, nor to issue share-based financial instruments.

As at 31 December 2012, the Company held no treasury shares in its portfolio.

**l) Direction and co-ordination activities (pursuant to art. 2497 and the following of the Italian Civil Code)**

In the opinion of the Issuer's Board of Directors, the Company is not subject to direction and co-ordination activities by the parent company Maire Gestioni, considering (i) that the decisions relating to the management of the business of the Company and its subsidiaries are made by corporate bodies; (ii) that the Company's Board of Directors has the task, among others, of examining and approving strategic, industrial and financial plans for the Company and the Group; periodic assessment of the financial and economic performance of the Company and the Group; examining and approving the Group organisational structure; evaluating the suitability of the organisational, administrative and accounting structure for the Company and its subsidiary Tecnimont S.p.A. (i.e. with strategic significance), as it will be decided upon by the Company competent bodies; (iii) the existence of a Coordination Committee with the role of supporting the Company Chairman and CEO in the implementation and development of major strategic decisions; (iv) that Maire Gestioni informed the Company that it has ceased to exercise direction and coordination activities.

The Issuer carries out strategy-oriented and co-ordination activities regarding both the industrial setup and the activities performed by subsidiaries. In particular, the Company

provides Group companies with legal, corporate, organisational and human resources development assistance, communications services, business development and industrial safety activities and Group Internal Auditing activities.

The Issuer coordinates Group companies in such matters as industrial relations, acquisitions from third parties, finance and control, management and governance, development of the Group IT platform and oversees strategies concerning also M&A policies.

\* \* \*

The Issuer specifies that:

- information required pursuant to art. 123-bis, first paragraph, letter i) of the Consolidated Finance Act ("*agreements between the company and the directors ... envisaging indemnities in case of resignations or termination of the labour contract without just cause or in case the labour contract is terminated as a result of take-over bid* ") is illustrated in the section dedicated to the Remuneration in this Report (Section 9) and in the Remuneration Report drafted pursuant to art. 123-ter of the Consolidated Finance Act;
- information required pursuant to art. 123-bis, first paragraph, letter l) of the Consolidated Finance Act ("*regulations applicable to the appointment and replacement of directors ... in addition to amendments to the By-Laws, if different from the applicable additional legal and regulatory provisions*") is illustrated in the section dedicated to the Board of Directors in this Report (Section 4.1).

### 3. Compliance

#### (pursuant to art. 123 bis, par. 2, letter a) of the Consolidated Finance Act)

Issuer adheres to the Corporate Governance Code drafted by the Committee for Corporate Governance of Borsa Italiana S.p.A., available for public consultation in Borsa Italiana website ([www.borsaitaliana.it](http://www.borsaitaliana.it)). It should be noted that the Company, in certain cases, has not adhered to the recommendations contained in the Code. The following sections account for said deviations and the underlying reasons.

Some subsidiary companies are not subject to Italian law. However, this does not have any impact on Maire Tecnimont corporate governance.



## 4. Board of Directors

### 4.1 APPOINTMENT AND REPLACEMENT OF DIRECTORS

#### **(pursuant to art. 123 *bis*, par. 1, letter I), of the Consolidated Finance Act)**

In compliance with the provisions of art. 147-*ter* of the Consolidated Finance Act, the Company By-Laws envisages the appointment of directors and statutory auditors by means of a slate-based voting mechanism.

Art. 14 of the By-Laws (as amended by the Board of Directors in the meeting of 26 April 2012 in order to implement the provisions of Legislative Decree 120/2011, including rules aimed at ensuring a balanced proportion between genders in the composition of the board of directors and board of statutory auditors of listed companies) envisages that directors be appointed on the basis of slates submitted by the shareholders (with candidates listed with a progressive number) holding, individually or jointly, at least 2% of the capital represented by shares with voting rights in the ordinary Shareholders' Meeting, or any other shareholding cap as requested by CONSOB regulation. In this respect, it should be noted that such shareholding cap determined by CONSOB for the Issuer, pursuant to art. 144-*quater* of the Issuers Regulation, as stated in resolution No. 18452 of 30 January 2013, is equal to 2.5%.

The slates, signed by the shareholders presenting them, should be filed with the company at least 25 days prior to the date established for the Shareholders' Meeting in first call, along with: (i) a declaration by each single candidate confirming acceptance of candidacy and also confirming, under their own responsibility, the absence of any causes for ineligibility and incompatibility, and the availability of the requirements as specified in the applicable regulations and, if required, the fulfilment of the requisite of independence, (ii) a *curriculum vitae* of each candidate, including specifications regarding any administration and control offices held in other companies, (iii) a certification of ownership, at the time when the slate is filed with the company, of the minimum shareholding envisaged for the presentation of the slates (it should be noted that, in compliance with the provisions of art. 147-*ter*, par. 1-*bis*, of the Consolidated Finance Act, said certification may also be produced subsequent to the filing of the slate, provided that it is within the deadline envisaged for its advertisement).

The clause envisages that the directors to be elected are those listed in the slate that has obtained the largest number of votes except one who shall be selected from the second ranking minority slate in terms of votes received and who is in no way, also indirectly, connected with the shareholders that have presented or voted the majority slate. In this way,

the appointment of a minority director is ensured in compliance with the provisions of art. 147-ter, par. 3, of the Consolidated Finance Act.

The article of in the By-Laws to which reference is made here also regulates the hypothesis in which two or more slates obtain the same number of votes.

The Company By-Laws do not envisage a minimum percentage of votes by slate to allow candidates to run for the appointment of director.

In relation to the balanced proportion between genders, art. 14 of the Company By-Laws envisages that the slates containing the names of at least three candidates be composed of people of both genders so that the least represented gender is given at least one third (rounded up) of the candidates included in the slate and in order to ensure the election and the presence of the least represented gender in the Board of Directors, pursuant to the currently applicable regulation in the matter of balanced proportion between genders.

With regard to the appointment of independent directors, art. 14 envisages a specific mechanism to ensure that the minimum number of directors requested pursuant to art. 147-ter, par. 4, of the Consolidated Finance Act is elected. In particular: (i) each individual slate shall include a minimum number of candidates fulfilling the requisites of independence required by the applicable laws and regulations, and (ii) if among the elected candidates the number of independent directors required under current regulations is not reached, the following procedure applies:

- a) in case of a majority slate, the non-independent candidates (equal to the number of missing independent directors) coming last in progressive order in the majority slate shall be replaced by non-elected independent directors from the same slate according to the progressive order;
- b) if no majority slate is presented, the non-independent candidates (equal to the number of missing independent directors) coming last in the slates from which no independent director was selected, shall be replaced by non-elected independent directors from the same slates according to the progressive order.

Lastly, a replacement procedure is also envisaged in order to ensure (in case this were not guaranteed by the afore mentioned election criteria) that the Board of Directors is composed pursuant to the currently applicable regulation in the matter of balance proportion between genders.

The Company By-Laws do not envisage requisites of independence other than those envisaged by art. 148, par. 3, of the Consolidated Finance Act nor requisites of honorability other than those envisaged by currently applicable law provisions. No professionalism-related requirements are envisaged to hold the position of director.



Should the Board of Directors proceed with the replacement of one or more Directors, it shall do so by co-optation, pursuant to art. 2386 of the Italian Civil Code, of the first non-elected candidate belonging to the slate from which the Director to be replaced was selected and so on and so forth in case of unavailability or ineligibility of the candidate, provided that candidates are still eligible and available to accept the office. Should no non-elected candidates from the slate remain or, in any case, for whatever reason, should it not be possible to meet the afore mentioned criterion, the Board of Directors shall proceed with the replacement, as the subsequent Shareholders' Meeting shall also do, with the legal majority and without voting slates.

In any case, the Board of Directors and, subsequently, the Shareholders' Meeting shall proceed with the appointment so as to ensure (i) the presence of Independent Directors in the minimum total number required by the currently applicable regulation and (ii) compliance with the currently applicable regulation in the matter of balanced proportion between genders.

It should be noted that the Issuer is not subject to any further provisions in relation to the composition of the Board of Directors with respect to the regulations contained in the Consolidated Finance Act.

The Board of Directors did not consider to adopt a plan for the succession of executive directors given the approaching expiry of the mandate of the board of directors coinciding with the Shareholders' Meeting called for the approval of the 2012 financial statements.

## **4.2 COMPOSITION**

### **(pursuant to art. 123 *bis*, par. 2, letter d), of the Consolidated Finance Act)**

Pursuant to art. 13 of the By-Laws, Maire Tecnimont S.p.A. is administered by a Board of Directors made up of no less than five and no more than eleven members, who may also not be the company shareholders.

The Board of Directors holds office from one to three years and until the Shareholders' Meeting called to approve the financial statements of the last year in which it holds office in compliance with the resolution made by the Shareholders' Meeting upon its appointment. The Board of Directors may be re-elected.

The Board of Directors holding office as at 31 December 2012, composed of nine members, was appointed, subject to the specifications here below, by the ordinary Shareholders' Meeting of 28 April 2010 based on the majority slate (submitted by the shareholder Maire Gestioni

S.p.A.), the only slate presented, which obtained the favourable votes of No. 205,565,690 shares, equal to 99.279% of the shares represented in the Shareholders' Meeting.

The current Board of Directors shall remain in office until the Shareholders' Meeting called to approve the financial statements as at 31 December 2012.

It should be noted that on 17 July 2012 the independent non-executive Director Luigi Gubitosi submitted his resignation. The Board of Directors of 1 August 2012 acknowledged Luigi Gubitosi's resignation and appointed Carlo Corradini independent director by co-optation.

It should be noted that Saverio Signori and Carlo Corradini submitted resignation on 26 October 2012 and on 31 October 2012, respectively. The Board of Directors of 31 October 2012 acknowledged Saverio Signori's and Carlo Corradini's resignation and appointed as directors Paolo Tanoni (independent) and Pierroberto Folgiero, already Company's General Manager since 22 May 2012.

On 10 November 2012 the independent Director Just Jansz submitted his resignation. The Board did not consider necessary to proceed with the appointment by co-optation of another Director given the approaching expiry of the Board coinciding with the Shareholders' Meeting called for the approval of the 2012 financial statements and being the operation of the Board ensured.

With regard to information relating to the composition of the Board of Directors, reference should be made to Table 2 attached hereto.

In compliance with the provisions of art. 144-decies of the Issuer Regulation, the personal and professional characteristics of each director are specified in Annex A to this Report.

As from the date of closure of the financial year, none of the board members has resigned nor have there been any changes in the composition of the Board.

#### **Maximum number of offices held in other companies**

The Board has not established any criteria regarding the maximum number of offices held in other companies' board of directors or board of statutory auditors that may be deemed compatible with the role of director with the Issuer, without prejudice to each board member's obligation to assess the compatibility of the offices as director and statutory auditor held in other companies listed on regulated markets, financial institutions, banks, insurance companies or large businesses, with the diligent performance of the tasks undertaken as a Director with the Issuer.





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#### **4.3 ROLE OF THE BOARD OF DIRECTORS**

##### **(pursuant to art. 123 *bis*, par. 2, letter d), of the Consolidated Finance Act)**

In the financial year of reference, 13 Maire Tecnimont S.p.A.'s Board of Directors' meetings have been held with an average duration of 3 hours and 8 minutes.

For the current year 10 Board of Directors' meetings are envisaged.

As of the date of closure of the financial year at 31 December 2012, the Board of Directors met twice on 04 February 2013 and 21 March 2013, respectively.

For the purpose of guaranteeing a prompt and exhaustive discussion, documents regarding the items on the agenda to discuss are regularly circulated to all Board members in due advance before the date scheduled for the meeting.

The Issuer's executive managers and the executive managers of the Group companies responsible for the competent corporate functions as well as Consultants may attend the Board meetings according to the relevant agenda.

The Board of Directors plays a central role in the organization being responsible for the definition and pursue of the strategic objectives of the Company and the Group, in addition to verification of the availability of the controls necessary to monitor the Company and Group Companies performance.

In addition to the powers attributed by law and by the Company By-Laws to the Board of Directors, including those specified in art. 2381, par. 4 of the Italian Civil Code, the Board of Directors has the following powers:

- examination and approval of Company strategic, industrial and financial plans and budgets;
- examination and approval of Group strategic, industrial and financial plans and the consolidated budget;
- examination and approval of Company interim quarterly reports and half-year reports, also in consolidated form;
- evaluation of the suitability of the general organisational, administrative and accounting structure of the Company and the subsidiary having strategic significance, set up by the CEO, with particular reference to the internal control system and the management of conflicts of interest;

- evaluation of the Company performance taking into particular consideration the information received from the relevant competent bodies and comparing results achieved against budget on a periodic basis;
- periodic assessment of the financial and economic performance of the Company and the Group;
- examination and approval of sale and purchase transactions on any account and in any legal form, regarding controlling stakes and businesses or company branches;
- definition of the Company corporate governance and rules and the Group structure;
- establishment and regulation of Board internal committees, with the relevant appointment and determination of remuneration;
- attribution and revocation of powers of attorney to the CEO, the Chairman and other board members, with possible specification of limits and application criteria (for the powers of attorney) and determination of the relevant remuneration;
- examination and approval of the transactions on behalf of the Company and its subsidiaries, when such transactions have significant strategic, financial relevance for the Company. In this respect, it should be noted that the Issuer's Board of Directors of 28 April 2010 resolved that transactions having the characteristics above specified are, by way of example without limitations: (a) transactions to be accomplished by the Issuer or Group company belonging to the Issuer, relating to the establishment of companies and branches or the acquisition, transfer, disposal in any form of investments or companies or going concerns when (i) the relation between net equity involved in the transaction and the Group's consolidated net equity is greater than 5% or (ii) the value of the transaction is greater than 5% of the Group's consolidated net equity; and (b) the issue of personal or real guarantees, of whatever amount, is in the interest of the subsidiary, and in the interest of third parties;
- formulation of a decision, on the CEO's proposal, regarding the exercise of the voting right in subsidiaries having a strategic significance.

The extraordinary Shareholders' Meeting of 26 April 2012, in order to provide the Company with greater flexibility in the cases which may not request its intervention, introduced a provision in art. 15 of the Company By-Laws establishing the possibility of granting to the Board of Directors the power (concurrently with the Shareholders' Meeting) to resolve also in the matter of merger in the cases envisaged by art. 2505 (incorporation of fully owned companies) and art. 2505-*bis* of the Italian Civil Code. (incorporation of companies owned at ninety per cent), as well as spin-offs, when the afore mentioned regulations also apply.

Pursuant to art. 16 of the Company By-Laws, in order for resolutions to be valid, it is necessary that the majority of the directors in office be present and the resolutions are given a favourable vote by the majority of the attendees.



In the meeting of 21 March 2013 the Board has evaluated the suitability of the organisational, administrative and accounting structure of the Issuer and Tecnimont S.p.A., the subsidiary company having strategic significance, as drafted by the CEO, with particular reference to the internal control system, risk management and the management of the conflicts of interest. The evaluation, which had a positive result, was conducted based on the information provided to Directors by the CEO during the relevant meetings.

With regard to the remuneration attributed to directors, each director was reimbursed the expenses borne for the performance of the relevant tasks and was paid an annual compensation as resolved upon by the ordinary Shareholders' Meeting upon appointment, which remains unchanged until resolved otherwise by the Shareholders themselves. During the meeting of 28 April 2010, held subsequent to the Board appointment, the Board of Directors determined the annual remuneration attributed to the CEO, after having examined the relevant proposal and sought the opinion of the Board of Statutory Auditors.

The Board has also assessed on a quarterly basis the general operating performance, taking the information received from the relevant competent bodies into account and periodically comparing the results attained against budget.

In compliance with the provisions of the Regulation adopted by CONSOB by resolution No. 17221 of 12 March 2010 ("**Regulation 17221/2010**"), the Company currently has implemented a Procedure for the Management of Transactions with Related Parties (described in further detail in section 12 below, to which reference should be made), which envisages, among others, that approval of the Highly Significant Transactions (as defined in the Procedure, based on the provisions of Regulation 17221/2010) is reserved to the Company Board of Directors.

In the meeting of 21 March 2013, the Board has evaluated its size, composition and operation. In particular the Board has positively assessed its structure and operation on the basis of considerations regarding, among others, the suitability of the number of Board members and, in particular, of independent Directors, the presence of Directors, who as a whole possess all the skills required by the Issuer and the suitability of the powers granted to the Chairman and CEO.

In anticipation of the appointment of the new Board of Directors by the Shareholders' Meeting called for the approval of the 2012 financial statements, the Board shall specify in the notice call for the shareholders the orientations on the professional profiles, the presence of whom is considered necessary.

In 2012 it was not deemed necessary to organise induction programmes with the participation of Directors and Statutory Auditors, since they are already covering similar roles in other companies in the same sector of activity. Therefore, they have an adequate knowledge of the sector, company mechanisms and their evolution as well as of the relevant regulatory framework.

Regarding the evaluation of the size, composition and operation of the internal Committees, the Board has deemed the number and composition of the Control and Risk Committee and the Remuneration Committee to be adequate. The Board also considers that said committees have made an effective contribution in terms of analysis and content. The independent directors have shared these evaluations.

Maire Tecnimont S.p.A. Shareholders' Meeting has not authorised any derogation of the non-competition provision set forth in art. 2390 of the Italian Civil Code.

#### **4.4 DELEGATED BODIES**

##### **Managing Directors**

Pursuant to art. 17 of the Company By-Laws, the Board of Directors may delegate its powers with the exclusion of those expressly reserved by law, to an Executive Committee and/or to one or more Board members and appoint power of attorney holders, also on a permanent basis, by single deeds or transactions or by categories of deeds and transactions.

On 28 April 2010 the Board of Directors appointed Fabrizio Di Amato Company Chief Executive Officer, vesting him with all the powers for the management of the Company, to be exercised with single signature both in Italy and abroad, with the exception of the powers that are reserved to the Board by law and Company By-Laws and the Board's powers specified in Section 4.3 herein.

The recommendation of the Corporate Governance Code establishing that the Chief Executive Officer of a listed company shall not accept the office of director in another listed company, which does not belong to the same group, whose Chief Executive Officer is a director of the first company, was concretely adopted.

##### **Chairman of the Board of Directors**

The Chairman of the Board of Directors coordinates board activities, calls for board meetings, establishes the agenda and chairs the proceedings, making sure that directors are provided



with the necessary documentation and information in a timely manner in compliance with the Company's By-Laws and applicable laws. The Chairman also verifies the implementation of board resolutions, attends Shareholders' Meetings and has the powers to legally represent the Company.

The Chairman of the Company Board of Directors, Fabrizio Di Amato, also holds the position of CEO, with all the powers vested upon him by Board of Directors' resolution of 28 April 2010. He is therefore responsible for the Issuer's management. In the opinion of the Board of Directors, the overlapping of the two offices is justified by the Company and Group organization structure and by the peculiar nature of the activities the company carries out, which is essentially focused in the management of operating subsidiaries and in the management and co-ordination of Group companies. Considering this point, the Board of Directors believed that, in this specific case, the possible overlapping of responsibilities as Chairman and CEO do not result in any criticalities, and, also believes, on the other hand, that such circumstance may meet the need to provide a single direction of management for the operating companies belonging to the Group.

Lastly, it should be noted that the Chairman, Fabrizio Di Amato, holds direct control of the Company through Maire Gestioni S.p.A.

### **Executive Committee**

There are no executive committees at the moment.

### **Non-executive Committees**

The extraordinary Shareholders' Meeting of 26 April 2012 introduced a provision in art. 17 of the Company By-Laws envisaging the possibility to establish non-executive committees with advisory functions in order to enable the board of directors, when deemed even only useful and opportune, to establish procedures considered more suitable to ensure proper operation and flow of information in anticipation of the resolutions to be made by the same Board of Directors.

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### **Disclosure to the Board**

In the financial year of reference, the Chairman of the Board of Directors and CEO, Fabrizio Di Amato has reported to the Board regarding activities performed during the exercise of the powers attributed on, approximately, a monthly basis.

#### 4.5 OTHER EXECUTIVE DIRECTORS

The Board member Pierroberto Folgiero (appointed Board member by co-optation on 31 October 2012) should be considered executive, since he also holds the offices as General Manager of the Company and CEO of other Group companies.

#### 4.6 INDEPENDENT DIRECTORS

The Company Board of Directors includes three independent directors: Giuseppe Colaiacovo, Adolfo Guzzini e Paolo Tanoni.

With reference to Directors Giuseppe Colaiacovo and Adolfo Guzzini, the Board of Directors has ascertained, in the first meeting after their appointment, held on 28 April 2010, that they fulfilled the requisites to qualify as independent according to the application criteria defined in the Corporate Governance Code and in compliance with the criteria provided for in art. 147-ter, par. 4, of the Consolidated Finance Act, which makes also reference to the criteria set out in art. 148 of the Consolidated Finance Act.

In the meetings of 16 March 2011 and 21 March 2012, the Board has evaluated the fulfilment of the requisites of independence by Directors Giuseppe Colaiacovo and Adolfo Guzzini, and following to the verifications conducted, has resolved that they may qualify as independent pursuant to art. 147-ter, par. 4, of the Consolidated Finance Act and art. 3 of the Corporate Governance Code and, specifically, with reference to the application criteria 3.C. 1 and 3. C. 2.

With reference to Director Paolo Tanoni, the Board of 31 October 2012, immediately after his appointment by co-optation (pursuant to art. 2386, par. 1, of the Italian Civil Code), has ascertained that he fulfilled the requisites to qualify as independent according to the application criteria defined in the Corporate Governance Code and in compliance with the criteria provided for in art. 147-ter, par. 4, of the Consolidated Finance Act, which makes also reference to the criteria set out in art. 148 of the Consolidated Finance Act.

In the Board meeting of 21 March 2013, the Board has verified again the fulfilment of the requisites of independence by Directors Giuseppe Colaiacovo, Adolfo Guzzini and Paolo Tanoni, and, following to the verifications conducted, has resolved that they may qualify as independent pursuant to art. 147-ter, par. 4, of the Consolidated Finance Act and art. 3 of the Corporate Governance Code and, specifically, with reference to the application criteria 3.C. 1 and the following.



During said meeting, the Board of Statutory Auditors has positively assessed the proper application of the verification criteria and procedures adopted by the Board to verify the fulfilment of the requisites of independence by its members and the relevant outcome was reported in the Statutory Auditors' report to the Shareholders' Meeting pursuant to art. 2429 of the Italian civil code.

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In 2012 the Independent Directors did not hold any meetings, because the Board met on an almost monthly basis (13 meetings) and the Independent Directors received exhaustive documentation on the Issuer's management, thus being in a position to provide their independent and critical contribution.

#### **4.7 LEAD INDEPENDENT DIRECTOR**

In compliance with the recommendations contained in the Corporate Governance Code, the Board of Directors of 28 April 2010 appointed the Independent Director Giuseppe Colaiacovo Lead Independent Director for the period up to approval of the Company's Financial Statements as at 31 December 2012.

In the meeting of 20 December 2012 the Board of Directors, pursuant to the new criteria of the Corporate Governance Code, extended the functions of the Lead Independent Director, who has acquired the role of point of reference for the co-ordination of the requests and contributions of non-executive directors and, in particular, of independent directors, by also collaborating with the Board Chairman in order to ensure complete and prompt information flow to the shareholders.

In 2012, the Lead Independent Director participated in all the meetings of the Board of Directors and of the Remuneration Committee as Chairman of the same committee and in all the meetings of the Control and Risk Committee as a member of the same committee, having access to all information regarding the Company and the Group.

### **5. PROCESSING OF CORPORATE INFORMATION**

The Board of Directors of 10 July 2007 approved a specific "Internal regulation for the management of privileged information". On 15 December 2010, the Board of Directors

amended the Regulation in order to achieve better co-ordination between the provisions of the same and adapt certain provisions to CONSOB resolution No. 16850 of 1 April 2009.

The "Internal regulation for the management of privileged information" is broken down into three parts:

1. Identification of relevant subjects and disclosure of transactions carried out by them, also through intermediaries, regarding Company stocks or other related financial instruments ("*Insider dealing procedure*").
2. Processing of privileged information.
3. Regulations and procedures for keeping and updating records regarding individuals having access to privileged information.

The Regulation aims at governing the obligations that the subjects and Relevant Persons in the Company are bound to observe in relation to the management of privileged information relating to the Company and its subsidiaries, as well as the precautionary measures to be taken and the disclosure obligations the Company is bound to comply with vis-à-vis the market.

The first part regulates the disclosure obligations regarding transactions of stocks carried out by the so-called Relevant Persons.

The second part regulates the procedures and methods for the external disclosure of documents and information relating to the Company and its subsidiaries, with particular reference to privileged information, in accordance with CONSOB and Borsa Italiana recommendations.

The third part regulates the updating of the register of the so-called insiders.

The Regulation is available on the Issuer's website under section "Governance – Corporate Documents".

## **6. BOARD OF DIRECTORS' INTERNAL COMMITTEES**

**(pursuant to art. 123 *bis*, par. 2, letter d), of the Consolidated Finance Act)**

The Board of Directors has established a Remuneration Committee and a Control and Risk Committee, both with proactive and advisory functions, in accordance with the provisions of art. 4 of the 2006 Corporate Governance Code.

As at the date of this Report, the Issuer has not established any committees other than those envisaged in the Corporate Governance Code, except for those specified in Section 17 below (*Additional corporate governance practices*).





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## 7. APPOINTMENTS COMMITTEE

To date, the Board of Directors has expressed no intention to establish an Appointments Committee, considering that the existing slate-based voting mechanism guarantees a transparent procedure of appointment of directors and the appointment of at least one director from the minority slate.

## 8. REMUNERATION COMMITTEE

In accordance with the provisions of Principle 6 of the Corporate Governance Code, Maire Tecnimont S.p.A. Board of Directors has established a Remuneration Committee.

### **Composition and operation of the Remuneration Committee (pursuant to art. 123 *bis*, par. 2, letter d) of the Consolidated Finance Act)**

In the financial year ended as at 31 December 2012 the Remuneration Committee met three times: on 20 March, 31 July and 20 December 2012. The meetings of the Remuneration Committee lasted 60 minutes on average and were regularly minuted.

Three Remuneration Committee meetings are scheduled for 2013, one of which was held on 20 March 2013.

For further information on the composition and operation of the Remuneration Committee, reference should be made to Table 2 attached hereto.

In the financial year ended as at 31 December 2012, the composition of the Remuneration Committee was compliant with the indications contained in the Corporate Governance Code, establishing that the Committee should be composed by no less than three members, if the Board of Directors is composed of eight members or more (art. 4 of Application Criterion 4.C.1), independent directors or, in alternative, non-executive directors, the majority of whom independent, among whom to appoint a Chairman (art. 6 of Principle 6.P.3).

On 30 September 2011 the Company Board of Directors approved the Remuneration Committee Regulation, that regulates the operation of the Committee and, in particular, its establishment, composition and duration (including the replacement of members falling from office), identifies its functions, and regulates the Committee meetings calling and holding. The Remuneration Committee Regulation was modified by the Board of Directors of 20 December 2012 to make it consistent with the provisions of the latest updated version of the Corporate Governance Code of December 2011.

The Board of Directors of 10 September 2007 resolved to establish a Remuneration Committee with efficacy as of the date of release, by Borsa Italiana S.p.A., of the procedure regarding the trading of Maire Tecnimont shares on the Mercato Telematico Azionario (Telematic Stock Market) on 26 November 2007.

The current Committee was appointed by the Board of Directors on 28 April 2010. The Board of Directors of 30 September 2011 resolved to increase from three to four the members of the Remuneration Committee. The Board of Directors of 16 February 2012 resolved to appoint Giuseppe Colaiacovo Committee Chairman, replacing the non-independent director Stefano Fiorini.

On 17 July 2012, Director Luigi Gubitosi submitted his resignation from the office of Director. On 14 November 2012, the Board of Directors appointed the independent Director Paolo Tanoni Committee as member. As at 31 December 2012 the Remuneration Committee was composed as follows: Giuseppe Colaiacovo, as Chairman of the Remuneration Committee, Stefano Fiorini, Adolfo Guzzini and Paolo Tanoni. All Committee members are non-executive directors and Guzzini, Colaiacovo and Tanoni qualify as Independent Directors. The Board recognises that all Remuneration Committee members, considering the relevant professional profile, have an adequate knowledge and expertise in financial matters or remuneration policies.

As envisaged in the Remuneration Committee Regulation, no director takes part in the Remuneration Committee meetings when proposals are submitted in relation to the remuneration to Board directors.

All Committee members have actively participated in the meetings, and at the invitation of the committee itself, the Head of Human Resources, Organisation and ICT Mr. Franco Ghiringhelli, also participated.

The Remuneration Committee Regulation, amended on 20 December 2012, envisages for all Statutory Auditors the possibility to participate in the Committee meetings.

The Remuneration Committee operates with the support of the Company's Human Resources, Organisation and ICT.

### **Functions of the Remuneration Committee**

In compliance with art. 6 of the Corporate Governance Code and as envisaged by art. 3 of the Remuneration Committee Regulation, the Remuneration Committee has the following tasks:



- 
- formulate proposals to the Board of Directors for the implementation of policies regarding the remuneration of executive directors and executives with strategic responsibilities;
  - formulate proposals to the Board of Directors for the implementation of policies regarding the remuneration of all Group's top managers, including money and shared-based incentive on the short and long term;
  - periodically assess the appropriateness, general consistency and concrete application of the policy for the remuneration of the executive directors and executives with strategic responsibilities, availing itself, in this latter context, of the information provided by the Company CEO;
  - submit proposals to the Board of Directors and express opinions regarding the remuneration of the executive directors and other directors holding special offices and also concerning the determination of the performance targets correlated to the variable component of their remuneration;
  - monitor the application of the decisions adopted by the Board by also specifically verifying the actual attainment of the performance targets;
  - examine in advance the annual remuneration report that listed companies are bound to draft, making it available to the public before the annual Shareholders' Meeting pursuant to art. 2364, par. 2, of the Italian Civil Code, consistently with the applicable law provisions.

In addition, the Remuneration Committee reports to the Shareholders during the annual Shareholders' Meeting on the criteria adopted in the performance of its tasks pursuant to art. 2364, par. 2, of the Italian Civil Code.

In the meeting of 20 March 2013, the Committee has also preliminarily reviewed the annual remuneration Report pursuant to art. 123-ter of the Consolidated Finance Act that listed companies shall prepare and make available to the public before the annual shareholders' meeting as per art. 2364, paragraph 2, of the civil code, in compliance with currently applicable regulatory provisions.

Maire Tecnimont Board in the meeting of 21 March 2013 approved the Remuneration Policy Report pursuant to art. 123 ter of the Consolidated Finance Act, Section One of which will be submitted for approval, by non-binding vote, to the next Company Shareholders' Meeting called for 30 April 2013 on first call and 14 May 2013 on second call.

In the performance of its functions, the Remuneration Committee has had access to the information and corporate functions that were necessary in order to accomplish its tasks relying, in particular, on the support of Human Resources, Organisation and ICT.

As envisaged in art. 6 of the Remuneration Committee Regulation, the Remuneration Committee may avail itself on external consultants for the performance of its tasks.

After having verified the absolute independence of the selected company, Maire Tecnimont availed itself of the remuneration-related advisory services provided by Towers Watson, leading company in intercompany remuneration surveys by number of companies and monitored managerial positions and by advisory activities and certification of corporate compensation systems.

No specific financial resources have been allocated to the Remuneration Committee since the same Committee avails itself - as above mentioned for the performance of its tasks - of the Issuer's means and corporate structures and may avail itself of external consultants, the expenses of which are paid for by the Company up to a maximum amount from time to time established by the Company.

## 9. DIRECTORS' REMUNERATION

### **Incentive mechanisms for the Internal Control Officer and of the executive responsible for the drafting of the corporate accounting documents**

The fixed remuneration envisaged for the position of the executive responsible for the drafting of the corporate accounting documents, as at the date of this Report, Marco Andreasi, Maire Tecnimont CFO amounts to Euro 50,000, as unanimously resolved by Maire Tecnimont Board of Directors on 30 September 2011, with the favourable opinion of the Board of Statutory Auditors.

The person in charge of Internal Control, Mario Ruzza, holding office since 16 February 2012 until revocation, was paid an annual fixed remuneration considered adequate and consistent with the tasks attributed.

For the functions of executive responsible for the drafting of the corporate accounting documents and the person in charge of Internal Control no incentive schemes are envisaged.

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### **Remuneration of non-executive directors**

Remuneration of non-executive Directors is not correlated to the attainment of financial targets by the Issuer; in fact, a variable remuneration component is not envisaged, which is linked to the performance of the Company and the Group.

In compliance with art. 6 of Borsa Italiana Corporate Governance Code, Directors not covering particular offices are paid an annual fixed remuneration and the reimbursement of the expenses borne for the accomplishment of the activities, thus fully fulfilling the requirements provided for in the afore mentioned article.

The non-variable remuneration component was considered adequate to successfully manage the Company and is proportionate to the commitment required also in consideration of the possible appointment to one or more Committees. Non-executive Directors are not included in the share-based incentive plans, as the other Directors and/or top managers of the Company. As at the date of this Report, there is no plan envisaged for them.

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### **Indemnity to Directors in the case of resignation, dismissal or termination following to a take-over bid (pursuant to art. 123 *bis*, par. 1, letter i), of the Consolidated Finance Act)**

As at the date of this report, there are no agreements in place between the Issuer and the Directors envisaging compensation in the case of resignation or dismissal/removal without cause or in the case in which the labour relationship is terminated following to a take-over bid.

Currently, there are no agreements in place between the Issuer and Directors envisaging the allocation or maintenance of non-monetary benefits in favour of subjects that have terminated their office nor the stipulation of consulting contracts for a period subsequent to the termination of the employment relationship.

There are currently no agreements envisaged between Maire Tecnimont Group and Executives and other managers, regulating relations in case of termination of office or termination of the labour contract, subject to, in any case, law obligations and/or contractual provisions.

As at the date of this report, there are no agreements in place between the Issuer and Directors envisaging compensation for non-competition clauses.

## **10. CONTROL AND RISK COMMITTEE**

In accordance with the provisions of Principle 7 of the Corporate Governance Code, Maire Tecnimont S.p.A. Board of Directors has established an Internal Control Committee, re-named

Control and Risk Committee on 20 December 2012 by the Board of Directors. On 20 December 2012 the Board of Directors also amended the Control and Risk Committee Regulation to adopt the amendments made to the Corporate Governance Code of listed companies in December 2011.

The new Control and Risk Committee Regulation envisages a larger number of functions attributed to the Committee and the presence of all Statutory Auditors in the Committee meetings.

**Composition and operation of the Control and Risk Committee (pursuant to art. 123 *bis*, par. 2, letter d) of the Consolidated Finance Act)**

In the financial year ended as at 31 December 2012, the Control and Risk Committee met nine times: on 16 February, 21 March, 9 May, 12 July, 31 July, 6 September, 16 October, 13 November and 18 December 2012. The meetings of the Control and Risk Committee lasted 2 hours and 7 minutes on average and were regularly minuted.

Eight Control and Risk Committee meetings are scheduled for 2013, one of which was held on 20 March 2013.

For further information on the composition and operation of the Control and Risk Committee, reference should be made to Table 2 attached hereto.

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The Board of Directors of 10 September 2007 resolved to establish an Internal Control Committee with efficacy as of the date of release, by Borsa Italiana S.p.A., of the procedure regarding the trading of Maire Tecnimont shares on the Mercato Telematico Azionario (Telematic Stock Market) on 26 November 2007.

The current Committee was appointed by the Board of Directors on 28 April 2010. The Board of Directors of 30 September 2011 resolved to increase from three to four the number of the members of the Control and Risk Committee, appointing member and Chairman of the Committee the independent director Luigi Gubitosi, who submitted his resignation from the office of Director on 17 July 2012.

On 14 November 2012, the Board of Directors appointed the independent Director Paolo Tanoni Committee as member and Chairman of the Committee. The Control and Risk Committee is therefore currently composed of Paolo Tanoni as Committee Chairman, Giuseppe Colaiacovo, Stefano Fiorini and Adolfo Guzzini.

All members of the committee are non-executive directors, and Paolo Tanoni, Adolfo Guzzini and Giuseppe Colaiacovo qualified as Independent Directors. The Board recognises that all



Control and Risk Committee members, considering the relevant professional profile, have an adequate knowledge and expertise in accounting and financial matters.

In the financial year ended as at 31 December 2012, the composition of the Control and Risk Committee was compliant with the indications contained in the Corporate Governance Code, establishing that the Committee should be composed by no less than three members, if the Board of Directors is composed of eight members or more (art. 4 of Application Criterion 4.C.1), independent directors or, in alternative, non-executive, the majority of whom independent, among whom to appoint a Chairman (art. 7 of Principle 7.P.4).

The members of the Board of Statutory Auditors, the executive responsible for the drafting of corporate accounting documents, the representatives of the independent auditing firm and the person in charge of the Internal Control and, in general, based on the items included in the agenda to discuss, the executives of the Issuer and those of the Group companies responsible for the company functions as well as external consultants attended the meetings of the Control and Risk Committee.

### **Functions attributed to the Control and Risk Committee**

Based on the recommendations contained in the Corporate Governance Code and in compliance with art. 3 of the Control and Risk Committee Regulation, the Control and Risk Committee shall:

- a) assist the Board in the fulfilment of the tasks entrusted to it by the Corporate Governance Code in the matter of internal control and risk management, i.e.:
  - (i) definition of the guidelines to be used for the internal control system and risk management, so that the main risks regarding the Company and its subsidiaries are properly identified and also adequately measured, managed and monitored, determining the level of compatibility of such risks with a business management consistent with the identified strategic objectives;
  - (ii) periodic assessment, at least once in a year, of the adequacy of the internal control and risk management system against the company characteristics and its risk profile as well as of its efficacy;
  - (iii) approval, at least once in a year, of the working plan prepared by the head of Internal Control, after having heard the opinion of the Statutory Auditors and the Director in charge of internal control and risk management;
  - iv) description of the key elements of the internal control and risk management system in the corporate governance report, also for the purpose of providing an opinion in relation to its adequacy;

- (v) evaluation, after having heard the Statutory Auditors, of the results presented by the legal auditor in any letter of suggestions and in the report regarding key issues that have emerged upon legal auditing.
- b) express to the Board of Directors its opinion on the appointment, revocation and remuneration of the Internal Control function and on the adequacy of the resources attributed to the same function for the performance of the relevant tasks;
- c) in collaboration with the executive responsible for the drafting of the corporate accounting documents and the auditors, assess the proper application of accounting principles and their uniformity for the purposes of preparing the consolidated financial statements;
- d) express opinions on specific aspects relating to the identification of the Company's main risks;
- e) receive, at least half-yearly, the valuations and reports of the Supervisory Body on the operation of and compliance with the organisation, management and control model adopted by the Company pursuant to Legislative Decree 231/2001;
- f) examine the periodic reports drafted by the Internal Control function concerning the evaluation of the internal control and risk management system as well as those having particular relevance;
- g) monitor the autonomy, the adequacy, efficacy and efficiency of the Internal Control function;
- h) may ask the Internal Control function to perform audits on specific operating areas, giving concurrent communication to the Chief Statutory Auditor;
- i) report to the Board, at least half-yearly, upon approval of the annual report and the half-year report, on the activities performed – acknowledging the activity carried out by the Supervisory Body and the Internal Control - and on the suitability of the internal control and risk management system.

In 2012 the Control and Risk Committee examined the periodical reports with special focus, together with the Executive responsible for drafting the corporate accounting documents and with the independent auditors, on the correct use of the accounting principles adopted and their consistency for the purposes of drafting the consolidated financial statements. It analysed the performance of some contracts, particularly those who have experienced critical profiles, and Group financial planning in the short/medium term. It acknowledged the 2012-2017 Business Plan and the 2012-2017 Financial Plan.

Every six months it examined the 2012 Audit Plan and the periodic reports by the person in charge of Internal Control and received the reports from the Supervisory Body on the operation and compliance with the organisation, management and control model adopted by the Company pursuant to Italian Legislative Decree N.231/2001. Every six months it





supported the Board in evaluating the adequacy, efficacy and proper operation of the internal control system and communicated to the Board, on the occasion of the approval of the Annual Report and Half-Year Report, the activities performed, acknowledging the activity carried out by the Supervisory Body and Internal Control.

In the performance of its functions, the Control and Risk Committee has access to the information and corporate functions that are necessary in order to accomplish its tasks.

As envisaged in art. 6 of the Control and Risk Committee Regulation, the Committee may avail itself on external consultants for the performance of its tasks.

No specific financial resources have been allocated to the Control and Risk Committee since the same Committee avails itself - as above mentioned for the performance of its tasks - of the Issuer's means and corporate structures and may avail itself of external consultants, the expenses of which are paid for by the Company up to a maximum amount from time to time established by the Company.

## **11. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

The Board defines the guidelines of the internal control and risk management system, considered as a group of processes aimed at monitoring the efficiency of corporate operations, the reliability of the financial information, the adherence to laws and regulations and the protection of company assets.

The Board (i) follows the prevention and management of corporate risks inherent to the Issuer and the group headed by the Issuer through the definition of control system guidelines adequate to ensure that such risks are properly identified, as well as adequately measured, monitored, managed and assessed, also in relation to the protection of company assets and to healthy and correct enterprise management; (ii) periodically verifies, at least on an annual basis, the adequacy, effectiveness and effective operation of the internal control and risk management system.

In exercising such functions, the Board avails itself of the collaboration of the Director responsible for the internal control and risk management system - identified in the person of the CEO, Fabrizio Di Amato - and for the Control and Risk Committee; it also takes into consideration the organisation and management models adopted by the Issuer and the Group pursuant to Legislative Decree 231/2001.

On the proposal of the Director responsible for the internal control and risk management system and after hearing the opinion of the Control and Risk Committee, the Board appointed the Person in Charge of Internal Control, making sure that the same is provided with adequate means to perform his functions, also from the point of view of the operating structure and the internal organisation procedures for access to the information required to perform his task.

The Company Internal Control and Risk Management System is based on a set of procedures including Group Standards, Procedures and Operating Instructions, on responsibilities separation, on a complex system of traceability of the transactions implemented, on a detailed system of assignment of powers and authority, a detailed expenditure regulation, a structured management control system, a broad range of audits provided for by law 262/2005, a stringent application of the Code of Ethics of the Company and of the Model 231 pursuant to Law 231/2001.

The Group adopts a risk management system integrated with the Internal Control and Risk Management system in order to properly ensure reliability, accuracy and timeliness of financial information. In fact, the Group management is convinced that the risk management cannot be considered separately from the internal control and risk management system as both are elements of the same system and only in this way it is possible to ensure an accurate, reliable and timely financial information.

In particular, to manage financial information-related risks, the Group adopted a specific control system the details and operating methods of which are reported in the paragraph below.

### **System for the management of risks associated with financial disclosures**

The system for the management of risks associated with financial disclosures adopted by Maire Tecnimont Group is based on two different types of audits: "specific" and "pervasive" audits.

Specific audits mean a set of activities, both manual and automated, aimed at preventing, identifying and correcting errors and irregularities that occur during the performance of operating activities. Pervasive audits are "structural" audits of the Internal Control System, mainly attributable to general audits performed on IT systems (General Computer Control) for the purpose of monitoring their correct operation.

With a view to improving the efficiency of the system and the relevant sustainability over time, specific audits were broken down into standard and key controls, intended as essential controls, for the purpose of prevention of false representations in the financial statements and upon which to concentrate the monitoring activities carried out by the Financial Controls and Procedures office.



In order to ensure ongoing monitoring on the correct performance of the specific audits and on the adequacy of the relevant pattern, the Group implemented a specific software performing a two-tier control: ongoing monitoring activities carried out by the Control Owner and, subsequently, reviewed by the Process Owner; and separate evaluations on Key Controls assigned to the Financial Controls and Procedures office (Test of Execution). The outcome of the monitoring activities is subject to annual reporting (Track and Toe Report), sent by the Financial Controls and Procedures office to the manager in charge, who, based on the outcomes of the report above mentioned, resolves upon and implements remediations. Based on the outcomes deriving from the monitoring activities and the Test of Execution carried out on Key Controls, the manager in charge releases a formal declaration of conformity of the Internal Control System ensuring proper financial disclosures, also at the consolidated level.

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During the financial year, the Control and Risk Committee provided the Board of Directors with regular updates on the Committee's operation, on the outcomes of the controls carried out and on the operation of the internal control and risk management system, highlighting that the latter was essentially congruent in relation to the Issuer's size and operating and organizational structure.

On 21 March 2012, 1 August 2012 and 21 March 2013 the Board, acknowledging the reports made by the Control and Risk Committee and also based on the report made by the person in charge of Internal Control and the Supervisory Body, gave an opinion of essential congruity, efficacy and effective operation of the internal control system.

### **11.1 DIRECTOR IN CHARGE OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

As mentioned above, as a result of the appointment of the new Board of Directors, on 28 April 2010 the Board (in compliance with 2006 Corporate Governance Code) has appointed the Chairman and CEO, Fabrizio Di Amato, as Director for the internal control and risk management system.

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The Executive Director in charge of overseeing the operation of the internal control system:

- has supervised the identification of the major corporate risks (strategic, operating, financial and compliance), taking into account the characteristics of the activities conducted by the Issuer and their subsidiaries, and has subjected them to periodic examination by the Board;

- has initiated the directions defined by the Board, managing the planning, implementation and management of the internal control and risk management system, continuously verifying the overall suitability, efficacy and efficiency;
- has overseen the adaptation of said system to the dynamics of the operating conditions and the legislative and regulatory situation.

The Board of Directors of 16 February 2012 also assigned the tasks listed here below to the executive Director in charge of overseeing the internal control system, as envisaged by the Corporate Governance Code, i.e.: (i) the possibility of asking Internal Control to carry out audits on specific operating areas and on the compliance with the rules and internal procedures for the performance of corporate operations, giving concurrent communication to the Board Chairman, the Chairman of the control and risk committee and the Chief Statutory Auditor; (ii) promptly inform the Control and Risk Committee (or the Board of Directors) in relation to issues and criticalities that have emerged during the performance of activities or of which he has come to know so that the committee (or the board) may undertake the necessary initiatives.

## **11.2 HEAD OF INTERNAL CONTROL**

On 10 September 2007, Maire Tecnimont S.p.A. Board of Directors has appointed an internal Control Officer, effective from the date of issue of the provision for the commencement of trading Company shares on the Telematic Stock Exchange.

In compliance with the provisions of the Corporate Governance Code, with a view to replacing the Internal Control Officer position, on 16 February 2012 the Board of Directors has appointed Head of Internal Control for Maire Tecnimont S.p.A. and the Group Mario Ruzza, who directly reports to the Board of Directors.

During the year, the Head of Internal Control carried out all the activities listed in detail in the Internal Control Report for 2012. In particular, the Head of Internal Control participated in the project for reviewing and updating the Group's Code of Ethics and Organizational Models pursuant to Italian Legislative Decree 231/01 and supported the Group's Supervisory Body; more in general, he carried out audits and controls regarding compliance with the Code of Ethics for the issue/update of corporate procedures and standards.

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### **11.3 ORGANISATIONAL MODEL (as per Legislative Decree 231/2001)**

Pursuant to and in compliance with Italian Legislative Decree N.231/2001, on 4 February the Company approved and adopted an updated version of the Organizational and Management Model ("Model") by resolution of the Board of Directors.

The Model represents the fruit of the updating process of the Organizational Models that has involved both the Company and the sister companies established under Italian law, collaborating together in order to adjust the Models to the organizational and operating changes occurred in each company, as well as to the regulatory evolutions that have modified from time to time the list of crimes that may result in the Company's administrative liability.

The Company's Model includes first of all the Code of Ethics that describes the key values followed by the Company and the Group in performing their own activities. Such document has been recently revised and updated on the request of the Supervisory Body and the new version has been adopted by resolution of the Company Board on 20 December 2012.

Similarly to that of other Group companies, Maire Tecnimont's Model includes a section containing general information followed by a brief illustration of the regulatory framework regarding the responsibility of the entity and, subsequently, the goals, the Model's inspiring principles as well as the activities underlying the risks of committing any of the predicate offences. The list of the predicate crimes as per Italian Legislative Decree n.231/2001 is an integral part of the Model.

In line with Legislative Decree 231/2001 provisions, the Organisational Model regulates the structure, the operation and the duties of the Supervisory Body, the entity entrusted with the task to oversee the operation of the Model and compliance therewith and its update.

The Model also envisages the disciplinary system, that is applicable every time the measures and the provisions indicated in the Model are not complied with. The Model includes specific provisions regarding the Company personnel education and training activities relating to the Model contents, as well as the Group's orientation principles in the matter of administrative responsibility.

The Model consists also of a second special section including, with reference to each area at risk for the relevant predicate offences pursuant to Leg.Decree 231/2001, the relevant Protocol that provides the guidelines to abide by in order to mitigate the risk of crime commission.

The Company's Supervisory Body includes the following members: Umberto Tracanella (Chairman), Luciana Rovelli and Mario Ruzza, appointed by Board resolution on 9 February 2011. The mandate given to the Supervisory Body shall come to expiry on the same date of

the Shareholders' Meeting called for the approval of the financial statements at 31 December 2012.

In addition to the Company, also the majority of the Italian Sister Companies have implemented the updated version of the Organizational Model.

Also some operating companies controlled by the Italian Sister Companies have implemented an Organizational Model and have appointed a mainly monocratic Supervisory Body.

#### **11.4 INDEPENDENT AUDITORS**

In compliance with the applicable regulatory provisions, on 10 July 2007 the Company ordinary Shareholders' Meeting - on the recommendation of the Board of Statutory Auditors - resolved to assign the auditing of the accounts for the business years 2007-2015 to the auditors Deloitte & Touche S.p.A.

#### **11.5 EXECUTIVE IN CHARGE OF DRAFTING THE COMPANY ACCOUNTS**

In compliance with the provisions of art. 154-bis of the Consolidated Finance Act and in accordance with the relevant appointment methods envisaged in art. 23 of the Company By-Laws, on 29 July 2011 the Board of Directors of the Issuer appointed, starting from 1 October 2011, Marco Andreasi, CFO of Maire Tecnimont, as Executive in charge of the preparation of the company accounts, in replacement of Mr. Massimo Sebastiani in office until 30 September 2011.

Art. 23 of the Issuer's By-Laws envisages that the Executive in charge of preparation of the company accounts be appointed by the Board of Directors, following compulsory consultation with the Board of Statutory Auditors. Should the Board of Directors deviate from said opinion, it must justify its decision. Furthermore, in accordance with the Company By-Laws the Executive in charge of preparing the company accounts must have an experience of at least three years in administration, finance and control and must fulfil the honesty requirements envisaged for directors.

The Executive in charge of preparing the company accounts, as Company CFO, has access to the resources provided for said role.

On 6 August 2008, the Board of Directors of the Issuer has approved the "Regulation of the Executive in charge of preparing the company accounts", which identifies the duties,



responsibilities and powers associated with said role, the duration, reasons for withdrawal and removal, the resources available in addition to the relationships with corporate bodies, other corporate functions and subsidiaries.

Furthermore, at the time of appointment, the Board has vested the Executive in charge of preparation of the company accounts with all the powers and means necessary to exercise the tasks assigned to him.

## **12. Directors' interests and related-party transactions**

In compliance with CONSOB instructions in Regulation 17221/2010 of 12 March 2010, outlining provisions in relation to transactions with related parties, on 12 November 2010 the Board of Directors of the Company has adopted a new internal procedure for the Management of Transactions with Related Parties with prior opinion in favour of the two independent directors holding office at that time. Said Procedure came into force on 1 January 2011.

Further to the appointment of two new Independent Directors in addition to those previously appointed, the Board of Directors at the meeting of 16 February 2012 has made some amendments to the Procedure with the purpose to take into account the creation of the Related-Party Transaction Committee, composed exclusively of 3 independent directors, in the persons of Luigi Gubitosi (Chairman), Giuseppe Colaiacovo and Adolfo Guzzini, who have been assigned the functions and tasks envisaged by Consob Regulation 17221/2010.

The amendments have been approved with the favourable opinion of said Committee.

Following the resignation of Director Luigi Gubitosi, the Board of Directors appointed Director Paolo Tanoni Chairman of the Related-Party Committee.

The Procedure is applied in relation to Transactions with Related Parties (the concept of which is described in the relevant definitions of the Regulation 17221/2010, expressly referred to by the Procedure) implemented directly by the Company or through its subsidiaries.

Specifically, the Procedure identifies the rules applicable to two categories of Transactions with Related Parties: (i) Highly Significant Transactions with Related Parties (identified based on the criteria indicated in the Regulation 17221/2010) and (ii) Less Significant Transactions with Related Parties (the concept of which is identified in the Regulation 17221/2010), envisaging specific provisions in relation to the initiation and approval of the same.

In compliance with the provisions of art. 8 (Procedures for highly significant related-party transactions for companies adopting traditional and one-tier administration and control

systems) of the Regulation 17221/2010, Highly Significant Transactions may only be approved by the Board of Directors of the Company, and the involvement of the Related-Party Committee is also envisaged. In particular, the Related-Party Committee shall express its justified (binding) opinion on the Company's interest in the execution of each Highly Significant Transaction as well as on the substantial fairness and convenience of the relevant conditions. Pursuant to art. 3, paragraph 6, should the Related-Party Committee express an opinion against the implementation of Highly Significant Transaction, such transaction shall not be approved by the Board of Directors and, consequently, shall not be implemented.

On the other hand, with regard to Less Significant Transactions, these may be approved by the body (appointed body, Board of Directors, Shareholders' Meeting) qualified by law or by the company by-laws to adopt the relevant decision. It is also envisaged that prior to approval of the transaction, the Related-Party Committee expresses a justified (non-binding) opinion on the Company's interest in the transaction completion as well as on the substantial fairness and convenience of the conditions envisaged.

Should Less Significant Transactions be approved despite the negative opinion of the Related-Party Committee, the circumstances should be advertised, within fifteen days from the closure of each quarter, in a statement containing an indication of the Less Significant Transactions approved in the quarter of reference along with the negative opinion expressed by the Related-Party Committee, that shall be attached to such document.

Each quarter, specific subsequent disclosure obligations requirements are envisaged for the appointed body vis-à-vis the Board of Directors and the Board of Statutory Auditors in relation to both Less Significant and Highly Significant Transactions.

It is also envisaged that the Board of Directors has the right to adopt framework resolutions regarding numerous very similar transactions in relation to (i) transactions involving the supply of property, and (ii) the delivery of services, including consultancy services, in compliance with the provisions envisaged in art. 12 of Regulation 17221/2010.

The Procedure envisages certain exemptions from its application, identified on the basis of the provisions of Regulation 17221/2010, including:

- shareholders' meeting resolutions regarding fees payable to Board members and resolutions regarding the remuneration of Directors covering particular offices (as per art. 2389, paragraph 3, of the civil code and art. 19 of the company by-laws);
- Small Value Transactions (as defined in the Procedure);





- Ordinary Transactions completed under Conditions Equivalent to Market Conditions or Standard Conditions (as defined in the Procedure based on the provisions of Regulation 17221/2010);
- shareholders' meeting resolutions relating to fees payable to Statutory Auditors (as per art. 2402 of the civil code);
- Transactions with Related Parties with or between subsidiaries, also jointly, in addition to those with affiliated companies, if there are no Significant Interests in the subsidiaries or affiliated counterparties (as defined in the Procedure).

It is hereby specified that the Procedure envisages, both with reference to the approval of Highly Significant Transactions and with reference to Less Significant Transactions (falling under the Board of Directors' competence), that the Directors shall be informed about any interest (even indirect) of the members of the corporate bodies in such transactions. The Less Significant Transactions falling under the competence of the CEO who is holding an interest, even on behalf of third parties, shall remain under the Board's competence. Moreover, if in relation to a Highly Significant Transaction or a Less Significant Transaction any of the Related-Party Committee member may not be qualified as "Non-Related Director" (as defined in the Procedure) with respect to any given transaction, the functions pertaining to the Related-Party Committee are performed by the two other members of the Related-Party Committee, who shall adopt a unanimous decision. In the event that two members of the Related-Party Committee may not be qualified as "Non-Related Directors" (as defined in the Procedure) with respect to the transaction in question, the functions pertaining to the Related-Party Committee shall be performed by the non-related member of the Related-Party Committee.

The Company Procedure for Managing Transactions with Related Parties may be consulted on the Issuer's website under section "Governance – Corporate Documents".

Over the course of the financial year, there have been no significant transactions with related parties.

### **13. Appointment of Statutory Auditors**

The Board of Statutory Auditors is appointed by the Ordinary Shareholders' Meeting.

The mechanism for the appointment of the Statutory Auditors is regulated by art. 21 of the company by-laws in compliance with the provisions of art. 148 of the Consolidated Finance Act and the relevant implementing provisions as per articles 144-quinquies and the following of the Issuer's Regulation, which: (i) made compulsory and regulated the slate-based voting

mechanism for the appointment of Statutory Auditors; (ii) ruled that the Chief Statutory Auditor shall be appointed among the Statutory Auditors elected by the minorities and (iii) identified limits to the maximum number of offices held by the Statutory Auditors. Art. 21 of Maire Tecnimont S.p.A. by-laws envisages that Statutory Auditors be appointed based on slates consisting of two sections: one for candidates for the role of Standing Auditor, the other for candidates for the role of Substitute Auditor, where candidates are listed by means of a progressive number. Slates may be presented by shareholders who, either individually or together with other shareholders, represent at least 2% (two per cent) of shares with voting rights in the Ordinary Shareholders Meeting, or another shareholding cap required in the regulations issued by CONSOB. In this respect, it should be noted that such shareholding cap determined by CONSOB for the Issuer, pursuant to art. 144-quater of the Issuers Regulation, as stated in resolution No. 18452 of 30 January 2013, is equal to 2.5%.

The slates, signed by the presenters, should be deposited with the company at least twenty five days prior to the date established for the Shareholders' Meeting, along with: (i) information relating to the identities of the shareholders presenting them, indicating the overall shares held and certification attesting to the ownership of said shareholding (it being understood that, in compliance with the provisions of art. 147-ter, paragraph 1-bis, of the Consolidated Finance Act, said certification may also be produced after the slate has been deposited, provided it is within the deadline envisaged for publication of the same); (ii) declarations by means of which the individual candidates accept their nomination and certify, on their own responsibility, that there are no grounds for incompatibility and that they are in possession of the requirements envisaged in the current regulations; (iii) a curriculum vitae relating to the personal and professional characteristics of the candidates, indicating their administration and control roles in other companies; and (iv) a declaration from the shareholders other than those holding, even jointly, a controlling or relative majority stake, certifying the absence of any relationship as envisaged in art. 144-quinquies of the Issuers' Regulations.

The Company By-Laws envisage that one Standing Auditor and one Substitute Auditor be drawn from the minority slate (to be understood as the slate, after the majority slate, that achieved the highest number of votes from those presented by shareholders that are unrelated, not even indirectly, with the shareholders that presented or voted the majority slate).

For the purposes of appointing Auditors, art. 21 envisages that two Standing Auditors and one Substitute Auditor be drawn from the majority slate (understood as the slate achieving the majority of votes) based on the progressive order with which they are listed in the relevant



section of the slate, and that the remaining Standing Auditor and the remaining Substitute Auditor be drawn from the minority slate, again in progressive order.

The individual indicated in first place on the minority slate is appointed as Chief Statutory Auditor.

In the case where more than one slate has obtained the same number of votes, the Company By-Laws envisage there being a new ballot between said slates voted by all shareholders in the general meeting, with the candidates on the slate obtaining a simple majority being elected.

Similarly, identifying specific provisions where clarification may be obtained from the company by-laws, art. 21 regulates situations envisaging the replacement of an Auditor (envisaging that in this case, a substitute auditor from the same slate, where available, shall take office until the next shareholder's meeting) and the integration of the Board of Statutory Auditors (ruling that in this case the Shareholders' Meeting shall adopt a resolution thereupon with a legal majority).

A provision was also introduced ruling that should lists of candidates for the appointment of the Board of Statutory Auditors not be submitted, the Shareholders' Meeting shall proceed with the appointment based on the ordinary law provisions and without list voting.

In relation to the adjustment of the Company By-Laws to Italian Law N.120/2011 in the matter of balanced proportion between genders, similar provisions to those for the appointment of Board Directors were introduced for the appointment of the Board of Statutory Auditors.

## **14. Statutory Auditors**

### **(pursuant to art. 123 *bis*, par. 2, letter d), of the Consolidated Finance Act)**

Art. 20 of the Company By-Laws envisages that the Board of Statutory Auditors shall be composed of 3 (three) standing auditors and 2 (two) substitute auditors, in possession of the requirements envisaged in the current provisions.

Auditors remain in office for three financial years until the Shareholders' Meeting called to approve the financial statements relating to the third year of their office term.

In compliance with the legal and regulatory provisions governing said matter, the appointment of Statutory Auditors depends on their compliance with the maximum number of offices held, without prejudice to their duty to inform CONSOB and to resign from one or more offices where said limits have been exceeded.

The Board of Statutory Auditors in office at 31 December 2012 has been appointed by the ordinary Shareholders' Meeting of 28 April 2010 and shall remain in office until the Shareholders' Meeting called to approve the financial statements at 31 December 2012. All standing and substitute statutory auditors have been elected from the majority slate (presented by Maire Gestioni S.p.A.), the only slate presented. Said slate has obtained a favourable vote from 206,538,407 shares, equal to 99.749% of the shares present at the Shareholders' Meeting.

With regard to information relating to the composition of the Board of Statutory Auditors, reference should be made to Table 3 attached to this Report.

In compliance with the provisions of art. 144-decies of the Issuer's Regulation, the personal and professional characteristics of each Statutory Auditor are indicated in Annex "B" hereto.

As of 31 December 2012 there have been no changes to the composition of the Board of Statutory Auditors.

Over the course of the financial year closed at 31 December 2012, the Board of Statutory Auditors has met on 9 occasions, with meetings lasting one hour and fifty-two minutes.

The Board of Statutory Auditors has scheduled for the year 2013 8 meetings, of which one has been already held on 4 March 2013.

The Board of Statutory Auditors has verified the independence of its members on 28 April 2010, following the Shareholders' Meeting that appointed it, in accordance with the criteria adopted by art. 148, paragraph 3, of the Consolidated Finance Act, and by art. 10, Application Criterion 8.C.1, of the Corporate Governance Code. On 21 March 2013 the Board of Statutory Auditors has ascertained the continuing independence of its members by applying all the criteria envisaged by art. 148, paragraph 3, of the Consolidated Finance Act and by the Corporate Governance Code.

On 17 September 2008, the Board of Directors of the Company has adopted the provision whereby any Statutory Auditor who, acting on his own behalf or on behalf of any third party, has an interest in any given company transaction, must immediately and comprehensively inform the other Statutory Auditors and the Chairman of the Board of Directors regarding the nature, timing, origin and the extent of his interest.



In performing its activities, the Board of Statutory Auditors has regularly coordinated with the Internal Control function and with the Control and Risk Committee. Co-ordination occurred through a steady flow of information between the bodies.

The Board did not consider opportune to evaluate the hypothesis of attributing to the Board of Statutory Auditors the functions of the Supervisory Body pursuant to Italian Legislative Decree N. 231/01 since, among others, an extensive process to review the Company's and the Group's Organizational Models is currently underway. The Company considers useful that a specific body be responsible for its monitoring and implementation.

## **15. Relations with the Shareholders**

The Company believes that it is in its own specific interest, in addition to a duty vis-à-vis the market, to establish an ongoing dialogue, founded on a mutual understanding of each other's roles, with the majority of shareholders as well as with institutional investors; a dialogue in any case destined to be conducted in compliance with the procedure for the disclosure of corporate documents and information.

The Company has established a specific section in its website, easily identifiable and accessible, for publishing information concerning the Issuer, likely to be of specific interest to shareholders.

The Company Board appointed in the meeting of 6 December 2011 Cristina Girelli as Investor Relator, who left the Group in November 2012. The function of an Investor Relator was kept in order to ensure a correct, continuous and comprehensive communication, being understood that the communication of documents and, in general, any disclosure concerning the Company shall take place in compliance with the Internal Regulation for the Management of Privileged Information.

## **16. Shareholders' Meetings**

### **(pursuant to art. 123 *bis*, par. 2, letter c), of the Consolidated Finance Act)**

With regard to Shareholder's Meeting operation, art. 9 of the Company By-Laws envisages that the Shareholders' Meeting shall be called, pursuant to and in accordance with the law, at the company registered office or elsewhere provided that it is in Italy, by means of notices containing the information envisaged by the currently applicable legal and regulatory provisions.

In any case, ordinary shareholder's meetings shall be convened within 120 (one hundred and twenty) days from the closure of the financial year or within 180 (one hundred and eighty) days, in the cases provided for by law.

The Company By-Laws do not envisage any particular meeting or resolution passing quorum. In this regard, it should be noted that art. 11 of the Company's By-Laws refers to the legally-prescribed meeting and resolution-passing quorum.

The Shareholder's Meeting is qualified to pass resolutions on all matters indicated by law. It is worth noting that art. 15 of the By-Laws attributes to the Board the competence to adopt resolutions concerning: i) the creation and suppression of branches; (ii) which directors, in addition to those indicated in the By-Laws, represent the company; (iii) the reduction of the share capital in case of any shareholder's withdrawal; (iv) the adjustment of the Company By-Laws to regulatory provisions; (v) the transfer of the registered office to another municipality in Italy; (vi) merger resolutions in the cases envisaged by articles 2505 and 2505-bis of the Italian Civil Code, as well as spin-off resolutions in the cases in which such regulations apply. The attribution to the managing body of competences that are reserved to the Shareholders' Meeting by law, as per this article, shall not cancel the main competence of the Shareholders' Meeting, which maintains its resolving power in the matter.

Pursuant to article 10 of the Issuer's By-Laws, entitlement to meeting attendance and exercise of voting right is certified by communication to the Company, made by an intermediary acting on behalf of the subject claiming the right to vote, based on evidence relating to the closure of the business day on the seventh open trading day prior to the date scheduled for the meeting. In particular, art. 10 envisages that: *"All those with the right to vote may attend the meeting. Entitlement to meeting attendance and exercise of voting right is certified by communication to the Company, made by an intermediary acting on behalf of the subject claiming the right to vote, based on evidence relating to the closure of the business day on the seventh open trading day prior to the date scheduled for the meeting on first call. In accordance with art.10, communication by the intermediary should be received by the Company by the end of the third open trading day prior to the date scheduled for the meeting on first call, or within the deadline prescribed by the currently applicable legal and regulatory provisions. Entitlement to attendance and voting is in any case valid if communications are received by the company within the aforementioned deadlines, provided that it is before the start of the specific meeting.*

*Those entitled to attend the Shareholders' Meeting may be represented by proxy, within the scope of and in accordance with the law. Shareholders may notify the Company of the proxy*



*attending the Shareholders' Meeting by sending the proxy documentation to the email address indicated in meeting call notice.*

*The performance of the ordinary and extraordinary Shareholders' Meeting is regulated by the Shareholders' Meeting's Regulation approved by the ordinary Shareholders' Meeting."*

The extraordinary Shareholders' Meeting of 26 April 2012 resolved to eliminate the provision which established the possibility of holding Shareholders' Meetings with interventions from more than one locations by means of audio and/or video connections, as well as that relating to the exercise of the voting right by mail.

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On 4 July 2007, the ordinary Shareholders' Meeting of Maire Tecnimont S.p.A. approved a Meeting Regulation with the aim of governing the ordered and functional performance of the shareholders' meetings. The Shareholders' Meeting held on 27 April 2011 resolved to make certain amendments to said Regulation as a consequence of the amendments made to the Company By-Laws following to Legislative Decree 27/2010 coming into force.

The Maire Tecnimont S.p.A. Shareholder's Meeting Regulation may be consulted on the Issuer's website under section "Governance – Shareholders' Meeting Documents".

In order to guarantee each shareholder the right to voice their opinion on the items under discussion, in compliance with the provisions of art. 9, Application criterion 9.C.3, of the Corporate Governance Code, art. 16 of the Company Shareholder's Meeting Regulation rules that shareholders concerned should file the request to the Chairman by means of a raised hand or in writing, depending on which method has been established, after the item to which the question refers has been read from the agenda. In the case where a raised hand is used, the Chairman gives the floor to the individuals who raised their hand first or proceeds in the order established by the same if it has not been possible to establish the order precisely; if, on the other hand, written requests are used, applicants are given the floor in alphabetical order.

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Through the Chairman and CEO, the Board has reported to the Shareholder's Meeting on the activities conducted and scheduled and has always attempted to provide shareholders with the correct information so that they may be able to make informed decisions regarding meeting business.

Over the course of the financial year, there have been no significant changes in the Issuer's ownership structure.

In 2012 Issuer's capitalization changed significantly (-59.2%).

In fact, the Issuer's capitalization went from Euro 319,758,750 at 31 December 2011 (when Maire Tecnimont stock price was equal to Euro 0.9915 per share) to Euro 130,451,250 at 31 December 2012 (the stock price was equal to Euro 0.4045 per share).

In the course of 2012, on 28 November 2012, the stock price was Euro 0.3349 per share and capitalization reached the minimum value of Euro 108,005,250.

## **17. Further Corporate Governance practices**

### **(pursuant to art. 123 *bis*, par. 2, letter a), of the Consolidated Finance Act)**

Regarding the additional corporate governance practices with respect to those indicated in the previous sections and actually applied by Maire Tecnimont S.p.A., the Issuer has in place a Coordination Committee and has also set up a Related-Party Committee (as better specified in Section 12).

The Coordination Committee is composed of some top management members of Maire Tecnimont Group and provides consultancy and support to the Issuer's Chairman and CEO in the decision-making process in a number of matters of specific interest and also of general interest for the various companies of the Group, including: processing and development of decisions with impact on the Group; co-ordination and integration activities between companies (approval of Group projects and Standards, analysis of subsidiary company business plans and of the commercial initiatives according to the limits defined by the Activation Level Matrixes).

The Related-Party Committee is exclusively composed by independent directors and carries out the functions and tasks envisaged by Consob Regulation n.17221/2010. The principles and application criteria envisaged by the Corporate Governance Code apply to this committee.

## **18. Changes after the closure of the financial year of reference**

No changes were applied to Maire Tecnimont S.p.A.'s Corporate Governance Code as at closing.

It should be noted that on 4 February 2013, the Company's Board resolved upon the exercise of the derogation of the preparation of the Information Documents pursuant to art. 70 (mergers, spin-offs and capital increases through contributions in kind) and art. 71 (significant acquisitions and transfers) of Consob Issuer's Regulation n. 11971/1999 and subsequent amendments and integrations.





**Table 1: Information on ownership structure**

| Company's share capital |               |                    |  |   |
|-------------------------|---------------|--------------------|--|---|
|                         | No. of shares | % of share capital | Listed (list markets) / non-listed                           | Rights and Duties                             |
| Ordinary Shares         | 322.500.000   | 100                | Listed on MTA organized and managed by Borsa Italiana S.p.A. | Rights and Duties pursuant to law and by-laws |

| Declarer                 | Direct shareholder       | % share of ordinary capital | % share on voting capital |
|--------------------------|--------------------------|-----------------------------|---------------------------|
| Di Amato Fabrizio        | Maire Gestioni S.p.A.    | 63,178%                     | 63,178%                   |
| G.L. Investimenti S.r.l. | G.L. Investimenti S.r.l. | 2,006%                      | 2,006%                    |

**Table 2: Structure of the Board of Directors and Committees**

| <b>Board of Directors</b>   |                      |                       |                                   |                      |             |                 |                         |                        |               |                              | <b>Control and Risk Committee</b> |           | <b>Remuneration Committee</b> |           |
|---|----------------------|-----------------------|-----------------------------------|----------------------|-------------|-----------------|-------------------------|------------------------|---------------|------------------------------|-----------------------------------|-----------|-------------------------------|-----------|
| <b>Office</b>   | <b>Members</b>       | <b>In office from</b> | <b>In office to</b>               | <b>Slate (M/m) *</b> | <b>Exec</b> | <b>Non Exec</b> | <b>Indep. from Code</b> | <b>Indep. from TUF</b> | <b>(%) **</b> | <b>No. other offices ***</b> | <b>****</b>                       | <b>**</b> | <b>****</b>                   | <b>**</b> |
| Chairman / CEO  | Di Amato Fabrizio    | 28.04.2010            | Approv. Statement 31.12.2012      | M                    | X           |                 | NA                      |                        | 100           | 3                            |                                   |           |                               |           |
| Director  | Colaiacono Giuseppe  | 28.04.2010            | Approv. Statement 31.12.2012      | M                    |             | X               | X                       | X                      | 100           | 14                           | X                                 | 78        | X                             | 100       |
| Director  | Fiorini Stefano      | 28.04.2010            | Approv. Statement 31.12.2012      | M                    |             | X               |                         |                        | 100           | 12                           | X                                 | 100       | X                             | 100       |
| Director <sup>(1)</sup>   | Folgiero Pierroberto | 31.10.2012            | Until next shareholder s' meeting | M                    | X           |                 |                         |                        | 100           | 5                            |                                   |           |                               |           |
| Director  | Guzzini Adolfo       | 28.04.2010            | Approv. Statement 31.12.2012      | M                    |             | X               | X                       | X                      | 92            | 15                           | X                                 | 100       | X                             | 66        |
| Director  | Malagò Giovanni      | 28.04.2010            | Approv. Statement 31.12.2012      | M                    |             | X               | X                       | X                      | 77            | 5                            |                                   |           |                               |           |
| Director  | Poli Roberto         | 28.04.2010            | Approv. Statement 31.12.2012      | M                    |             | X               |                         |                        | 85            | 6                            |                                   |           |                               |           |
| Director <sup>(1)</sup>   | Tanoni Paolo         | 31.10.2012            | Until next shareholder s' meeting | M                    |             | X               | X                       | X                      | 100           | 10                           | X                                 | 100       | X                             | 100       |
| <b>Directors withdrawn/removed during the financial year</b>                  |                      |                       |                                   |                      |             |                 |                         |                        |               |                              |                                   |           |                               |           |
| Director  | Corradini Carlo      | 01.08.2012            | 31.10.2012                        | M                    |             | X               |                         |                        | 75            |                              |                                   |           |                               |           |
| Director  | Gubitosi Luigi       | 30.09.2011            | 17.07.2012                        | M                    |             | X               |                         |                        | 83            |                              | X                                 | 75        | X                             | 100       |
| Director  | Jansz Just           | 30.09.2011            | 10.11.2012                        | M                    |             | X               |                         |                        | 82            |                              |                                   |           |                               |           |
| Director  | Signori Saverio      | 28.04.2010            | 26.10.2012                        | M                    |             | X               |                         |                        | 0             |                              |                                   |           |                               |           |
| <b>Quorum required for presentation of slates during final nomination: 2%</b> |                      |                       |                                   |                      |             |                 |                         |                        |               |                              |                                   |           |                               |           |
| <b>No. of meetings held during financial year:</b>                            |                      |                       |                                   | <b>BoD: 13</b>       |             |                 |                         | <b>CRC: 9</b>          |               |                              | <b>RC: 3</b>                      |           |                               |           |

(\*) The initial "M" indicates the Director has been elected from the majority slate. The initial "m" indicates the Director has been elected from the minority slate.

(\*\*) The columns marked with this symbol indicate directors' attendance rate at Board, Control and Risk Committee, and Remuneration Committee meetings, respectively.

(\*\*\*) Number of offices as director or statutory auditor held by the Board members in Joint stock companies (including Italian companies with stock listed on Italian or other EU regulated markets and companies issuing public financial instruments pursuant to article 116 of the Italian Legislative Decree 58/1998), Partnerships limited by shares and Limited liability companies. The list of such companies, with reference to each Board member, is attached hereto as Annex A.1.

(\*\*\*\*) In the column marked with this symbol it is indicated that the Board member is a Committee member.

<sup>(1)</sup> Appointed by co-optation pursuant to art. 2386, paragraph 1, of Italian Civil Code.



**Table 3: Structure of the Board of Statutory Auditors**

| Office  | Members            | In office from | In office to                   | Lista (M/m) | Indep. from Code | (%) ** | No. other offices *** |
|---|--------------------|----------------|--------------------------------|-------------|------------------|--------|-----------------------|
| Chairman  | Loli Giorgio       | 28.04.2010     | Approv. bilancio al 31.12.2012 | M           | X                | 100    | 13                    |
| Statutory Auditor   | Marrocco Andrea    | 28.04.2010     | Approv. bilancio al 31.12.2012 | M           | X                | 100    | 22                    |
| Statutory Auditor   | Scagnelli Giovanni | 28.04.2010     | Approv. bilancio al 31.12.2012 | M           | X                | 100    | 6                     |
| Alternate Auditor   | Bonelli Andrea     | 28.04.2010     | Approv. bilancio al 31.12.2012 | M           | X                | -      | 18                    |
| Alternate Auditor   | Longobardi Luca    | 28.04.2010     | Approv. bilancio al 31.12.2012 | M           | X                | -      | 6                     |
| <b>Auditors withdrawn/removed during the financial year</b>                   |                    |                |                                |             |                  |        |                       |
| N/A   | N/A                | N/A            | N/A                            | N/A         | N/A              | N/A    | N/A                   |
| <b>Quorum required for presentation of slates during final nomination: 2%</b> |                    |                |                                |             |                  |        |                       |
| <b>No. of meetings held during financial year: 9</b>                          |                    |                |                                |             |                  |        |                       |

(\*) The initial "M" indicates the Statutory Auditor has been elected from the majority slate. The initial "m" indicates the Statutory Auditor has been elected from the minority slate.

(\*\*) The column marked with this symbol indicates statutory auditors' attendance rate at the Board of Statutory Auditors' meetings.

(\*\*\*) Number of director or auditor offices held by the Statutory Auditors, that are relevant pursuant to art. 148-bis of the Consolidated Finance Act. Pursuant to art. 144-quinquiesdecies of the Issuers' Regulation, the complete list of offices is attached to the report on the supervisory activity, drafted by the statutory auditors pursuant to art. 153, paragraph 1, of the Consolidated Finance Act.

**ANNEX A**

***CURRICULA VITAE OF MAIRE TECNIMONT S.P.A. BOARD MEMBERS***



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### **FABRIZIO DI AMATO**

Born in 1963 and holding a degree in Political Science from University of Rome "La Sapienza", he began his career as an *entrepreneur* when he was 19 year-old, founding his first company with three employees and two million lire share capital. He created the Maire Tecnimont Group over thirty years, through a gradual process of internal growth and acquisitions.

In the first twenty years he lays the foundations for the development of an engineering group of medium size operating on the Italian market. In 2004 he purchases Fiat Engineering (later Maire Engineering), a company ten times larger than the size of his companies at that time.

So, the Maire Group turned into a general contractor, with main activities in the power and infrastructure sectors.

At the end of 2005 Fabrizio Di Amato completes the second most import acquisition of his *entrepreneur* career, by purchasing Tecnimont from Edison. He expands the Group activities to Oil & Gas and Petrochemicals, relying on a consolidated network of companies and subsidiaries worldwide. Maire Tecnimont Group, of which he is the majority shareholder, results from the combination of two of the leading Italian engineering and contracting companies (Fiat Engineering and Tecnimont).

In 2009 and in 2010 the growth continues with the acquisitions of Stamicarbon and Technip KTI (today Tecnimont KT), increasing the Group technological component.

Fabrizio Di Amato has been actively involved in the Italian engineering sector, and has fostered the idea of a unitary engineering and contracting representative through Federprogetti (Federazione dell'Impiantistica Italiana), of which is was founder and chairman.

He is also a member of the Council of UNINDUSTRIA (Business and Industrial Association of Rome, Frosinone, Rieti and Viterbo), and a member of Assonime Council.

### **GIUSEPPE COLAIACOVO**

He was born in Gubbio on 13 February 1966. After obtaining a degree in economics and banking from the University of Siena, he was awarded an Executive MBA EP80 from the University of California (UCLA). Enrolled in the register of chartered accountants, he is an official accounts auditor. A contract professor of economic education at the University of Perugia since April 2001, from 1994 to the present he has been a director and chairman of the board of directors in numerous companies. He has been director at Snam Rete Gas, Fineco Bank S.p.A. and MCC Mediocredito Centrale S.p.A. (part of Unicredit Bank Grou). He is currently deputy chairman of Colacem (Financo Group), Colabeton and Misano World Circuit. He is managing director of Gold Holding, Goldlake Group and of CAT Colacem Tunisia. He is chairman of GDS-Sirci and Wavemax. He is also vice-president of Confindustria Assafrica e Mediterraneo.

### **STEFANO FIORINI**

Born in Rome on 31 October 1962. He obtained a high school diploma in accountancy and business and then later an ordinary degree in legal studies from the University of Camerino. An employment consultant since 1988, in 1994 he entered the roll of chartered accountants in 1995, he also entered the roll of institutional accounts auditors at the Ministry of Justice. Since 2000 he has been on the role of business technical consultants at the Civil and Penal Court of Rome. He is specialized in corporate restructuring and in the mergers and acquisitions sector. He gained significant experience in tax litigation, court expert appraisals and in bankruptcy proceedings and has administered several companies operating in the property, airport and mineral water extraction and marketing sectors. He has held the position of statutory auditor in numerous companies.

He was awarded the diploma for participation in the Master in International Accounting Principles (IAS/IFRS).

### **PIRROBERTO FOLGIERO**

Born in 1972 in Rome, he graduated from L.U.I.S.S University in 1995, majoring in Economics Studies. Registered Chartered Accountant since 1996, in 2003 he attended the Executive Education Program in General Management at INSEAD, in Fontainebleau, Paris. He started his career at Agip Petroli (Administration Finance & Control area) and Ernst & Young as Experienced Assistant, later working for PricewaterhouseCoopers as Corporate Finance Manager. In 2000 he joined Wind Telecomunicazioni S.p.A., covering positions in Administration Finance and Control area and in 2006 serving as Corporate Development Director. In June 2008 he joined Tirrenia di Navigazione S.p.A. as Chief Financial Officer and General Manager contributing to the privatization process of the State owned company. He joined Maire Tecnimont Group in September 2010 as Chief Financial Officer of Tecnimont KT S.p.A.. In June 2011 he took up his current position of Managing Director of Tecnimont KT S.p.A. and, also, that of Chief Financial Officer of Tecnimont Civil Costruction S.p.A. from April 2011 to May 2012. From April 2012, he is also member of the Board of Directors of Tecnimont S.p.A.. In May 2012 he was appointed as Chief Operating Officer of Maire Tecnimont as well as Managing Director of Tecnimont S.p.A.. On 31 October 2012 he was appointed member of the Board of Directors of Maire Tecnimont S.p.A.. From November 2012 he is appointed ad interim Business Development President.



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## **ADOLFO GUZZINI**

He was born in Recanati on 12 February 1941. Together with his brother Giannunzio, in 1963, he took over Harvey Creazioni, a new family business, dedicated to the production of enamelled copper decorative objects and decor lighting, and transformed it into the modern Guzzini illuminazione S.p.A., an international leader in the lighting technology sector, of which he is Chairman. He also holds the following positions in other companies: managing director of Fratelli Guzzini S.p.A., sole director of Green Energy 6 S.r.l., Chairman, managing director and shareholder of Fimag S.p.A., a family business holding company directly controlling F.lli Guzzini S.p.A., Teuco Guzzini S.p.A., iGuzzini Illuminazione S.p.A. and Green Energy 6 S.r.l. with single shareholder. He is Chairman of INARCH (National Institute of Architecture), Honorary Chairman of ISTAO, Ancona (*Istituto Adriano Olivetti di studi per la gestione dell'economia e delle aziende*), Council member of the Federation of Italian Industry (Confindustria) and Managing Board member of ASSIL (National Association of Manufacturers Lighting) and of AIDI (Italian Association On Lighting).

In the past, he was Regional Chairman of Marche Confindustria (from 1998 to 2002) and Director of the Macerata Branch of Banca d'Italia. In 2004 he was awarded the title "Cavaliere del Lavoro" and in 2007 an honorary degree in international economics.

## **GIOVANNI MALAGÒ**

He was born in Rome on 13 March 1959. He obtained a degree in economics and business studies.

He is the Managing Director and shareholder of Sa.Mo.Car. S.p.A. Group, Ferrari and Maserati representative for Lazio, Campania, Tuscany and Sardinia (the largest and longest established partner of both brands since 1956). He sold the BMW and MINI car and motorcycle branch of the company to BMWAG, renting the premises owned by Samocar Group.

He is the Italian advisor to HSBC (since 2007) and Director of GL Investimenti (since 2008). Since 2006 he is a member of the Board of Directors of Maire Tecnimont S.p.A.. And is involved in numerous charity and social organizations: since 2002 he is organizer and director of the association "Amici dell'Ospedale Bambino Gesù - ONLUS", Director of AIL – Italian Leukemia Association, of the Auditorium-Parco della Musica di Roma (since 2003) and also of the Rome Music Foundation. He is also involved in sport as Chairman of the Aniene Rowing Circle (since 1997), the first in Italy to be awarded the "Collare d'Oro". He is currently Chairman of C.O.N.I.. In 2002 he was awarded the Gold Star for sporting merit. Since 2008 he has been a member of the Italian National Olympic Academy.

## **ROBERTO POLI**

Born in Pistoia on 28 June 1938. He obtained a degree in economics and business studies. A lecturer in Corporate finance at Università Cattolica del Sacro Cuore in Milan from 1966 to 1998, he is the founder and chairman of Poli e Associati, consultants operating in corporate finance, extraordinary transactions, acquisitions and corporate restructuring. He has been a consultant in extraordinary financial transactions for several of the largest Italian industrial groups over the past 20 years. He is currently a Board Member in the following companies: Mondadori S.p.A., Fininvest S.p.A., COESIA S.p.A. and Ospedale San Raffaele S.r.l..

He has been Chairman of Eni S.p.A. from 2002 to 2011. In the past he was statutory auditor and director in major companies and institutes, like I.R.I., Banca Commerciale and Fondazione Cariplo. He has been Chairman of Rizzoli-Corriere della Sera S.p.A. and Publitalia S.p.A..

He was awarded the title "Cavaliere del Lavoro" for services to industry by the President of the Republic of Italy in 2008.

## **PAOLO TANONI**

Born 1957. He has more than 25 years of experience in Business and Industrial Law, Company Contracts and International Private-Business Law. He is experienced in litigation proceedings involving Brands, Patents and Models and corporate law. Paolo Tanoni has been Partner of Studio Legale Tributario associated to Ernst & Young Law, and National and World Chairman of the "Merger & Acquisition" Division and General Counsel.





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## **ANNEX A.1**

### **LIST OF OFFICES HELD BY MAIRE TECNIMONT S.P.A. BOARD MEMBERS**

| Name                        | Company                               | Office            |
|-----------------------------|---------------------------------------|-------------------|
| <b>DI AMATO Fabrizio</b>    | Maire Gestioni S.p.A.                 | Sole Director     |
|                             | Maire Investments S.p.A.              | Chairman          |
|                             | Perennius Capital Partners SGR S.p.A. | Director          |
| <b>COLAIACOVO Giuseppe</b>  | FC Gold S.a.p.a.                      | General Partner   |
|                             | Gold Holding S.r.l.                   | Chairman          |
|                             | Sirci Gresintex S.p.A.                | Chairman          |
|                             | GDS S.r.l.                            | Chairman          |
|                             | Rigel Impianti S.r.l.                 | Director          |
|                             | Goldlake Italia S.p.A.                | Managing Director |
|                             | Goldlake IP S.r.l.                    | Chairman          |
|                             | Wavemax S.p.A.                        | Chairman          |
|                             | Axon Finance S.r.l.                   | Director          |
|                             | Colacem S.p.A.                        | Vice Chairman     |
|                             | Santa Monica S.p.A.                   | Director          |
|                             | Tourist S.p.A.                        | Director          |
|                             | Les Ciments Artificiels Tunisiens SA  | Director          |
|                             | Colabeton S.p.A.                      | Director          |
| <b>FIORINI Stefano</b>      | Maire Gestioni S.p.A.                 | Director          |
|                             | Maire Investments S.p.A.              | Director          |
|                             | Esperia Aviation Services S.p.A.      | Director          |
|                             | GEF Aviation S.r.l.                   | Director          |
|                             | MDG Real Estate S.r.l.                | Director          |
|                             | Finprema S.p.A.                       | Director          |
|                             | SC Real Estate S.r.l.                 | Sole Director     |
|                             | Elfa Investimenti S.r.l.              | Sole Director     |
|                             | I Daini S.r.l.                        | Sole Director     |
|                             | STI S.r.l.                            | Sole Director     |
|                             | Maire Services S.r.l.                 | Sole Director     |
|                             | Prima Investimenti S.r.l.             | Sole Director     |
| <b>FOLGIERO Pierroberto</b> | Tecnimont S.p.A. (*)                  | Managing Director |
|                             | Tecnimont KT S.p.A. (*)               | Managing Director |
|                             | KT Immobiliare S.r.l. (*)             | Director          |



|                        |  |                                |
|------------------------|--|--------------------------------|
|                        | KT Iberia S.L. (*)                       | Director                       |
|                        | Tecnimont ICB Private Ltd. (*)           | Director                       |
| <b>GUZZINI Adolfo</b>  | Fimag S.p.A.                             | Chairman and Managing Director |
|                        | iGuzzini Illuminazione S.p.A.            | Chairman                       |
|                        | Orlandi S.r.l.                           | Chairman                       |
|                        | iGuzzini illuminazione Deutschland GmbH  | Director                       |
|                        | iGuzzini illuminazione Benelux AS        | Director                       |
|                        | iGuzzini Lighting North America Inc.     | Chairman                       |
|                        | iGuzzini Lighting USA, Ltd.              | Chairman                       |
|                        | iGuzzini Finland Baltic OY               | Chairman                       |
|                        | Fratelli Guzzini S.p.A.                  | Managing Director              |
|                        | Guzzini Fratelli Deutschland GmbH        | Director                       |
|                        | Fratelli Guzzini USA Inc.                | Chairman                       |
|                        | Green Energy 6 S.r.l. a Socio Unico      | Sole Director                  |
|                        | Esco Green Energy 6 S.r.l. a Socio Unico | Sole Director                  |
|                        | Morica 101 S.r.l. Società agricola       | Sole Director                  |
|                        | La Valle 101 S.r.l.                      | Sole Director                  |
| <b>MALAGÒ Giovanni</b> | Sa.Mo.Car. S.p.A.                        | Managing Director              |
|                        | Samofin S.r.l.                           | Chairman                       |
|                        | Moma Line S.r.l.                         | Chairman                       |
|                        | Moma Italia S.r.l.                       | Sole Director                  |
|                        | G.L. Investimenti S.r.l.                 | Director                       |
| <b>POLI Roberto</b>    | Poli e Associati S.r.l.                  | Chairman                       |
|                        | Fimita S.r.l.                            | Director                       |
|                        | Fininvest S.p.A.                         | Director                       |
|                        | Arnoldo Mondadori Editore S.p.A.         | Director                       |
|                        | Coesia S.p.A.                            | Director                       |
|                        | Ospedale San Raffaele S.r.l.             | Director                       |
| <b>TANONI Paolo</b>    | Ariston Thermo S.p.A.                    | Director                       |
|                        | New Energy Development Holding S.r.l.    | Director                       |
|                        | La Fonte S.p.A.                          | Statutory Auditor              |

|  |  |                                   |
|--|--|-----------------------------------|
|  | Perennius Capital Partners<br>SGR S.p.A. | Director                          |
|  | Alberto Aspesi & C. S.p.A.               | Director                          |
|  | Immobiliare Topone S.r.l.                | Director                          |
|  | Ethica Corporate Finance<br>S.p.A.       | Director                          |
|  | Arcadia S.r.l.                           | Director                          |
|  | Echidna S.p.A.                           | Chairman and Managing<br>Director |
|  | Compar S.p.A.                            | Statutory Auditor                 |

(\*) Company belonging to the Group headed by Maire Tecnimont S.p.A.



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## **ANNEX A.2**

### **LIST OF OFFICES HELD BY MAIRE TECNIMONT S.P.A. PAST BOARD MEMBERS**

| Name                   | Company                                      | Office        |
|------------------------|--|---------------|
| <b>CORRADINI Carlo</b> | Banknord SIM S.p.A.                          | Director      |
|                        | Fondamenta SGR S.p.A.                        | Vice Chairman |
|                        | Fine Sounds S.p.A.                           | Director      |
|                        | SIT La Precisa S.p.A.                        | Director      |
|                        | Corradini & C. S.r.l.                        | Sole Director |
| <b>GUBITOSI Luigi</b>  | -  | -             |
| <b>JANSZ Just</b>      | Synthomer plc (già Yule Catto & Co. plc)     | Director      |
|                        | Expertise Beyond Borders BV                  | Director      |
|                        | J & O Management Holdings BV                 | Director      |
| <b>SIGNORI Saverio</b> | Immobiliare Arca S.r.l.                      | Sole Director |
|                        | Liquigas Italiana S.r.l.                     | Sole Director |
|                        | Edilmagliana S.r.l. in liquidazione          | Liquidator    |
|                        | Meti S.r.l. in liquidazione                  | Liquidator    |
|                        | Magea S.r.l. In liquidazione                 | Liquidator    |
|                        | Ente Fiuggi S.p.A. in liquidazione           | Liquidator    |
|                        | Bognanco S.r.l. in liquidazione              | Liquidator    |
|                        | Idrominerale Romana Bognanco in liquidazione | Liquidator    |
|                        | Ciappazzi S.r.l. in liquidazione             | Liquidator    |
|                        | Sorgenti S.r.l. in liquidazione              | Liquidator    |
|                        | Villa Stuart S.r.l. in liquidazione          | Liquidator    |



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## **ANNEX B**

### ***CURRICULA VITAE* OF MAIRE TECNIMONT S.P.A. STATUTORY AUDITORS**

## **GIORGIO LOLI**

Born in Livorno on 23 August 1939. He graduated in economics and business studies from the University of Bologna in 1963. He has been a chartered accountant since 1968 and is a registered legal accounts auditor. He was in professional practice from 1964 to 1972 at Peat, Marwick, Mitchell & Co. (now KPMG S.p.A.), auditors and corporate consultants, at the Milan office and at the Newark, NJ, USA office for a year, where he became partner in 1972. He left the partnership on 30 September 1998 and established his own firm where, on 1 October 1998, he opened as a chartered accountant, providing support to businesses and families of entrepreneurs, in governance, administration and control. He has provided consultancy and Italian business acquisition support for foreign groups and foreign companies on behalf of Italian groups, in addition to support for businesses and groups preparing for stock exchange listing. He has held important positions in numerous companies: among the various roles, he is chairman of the board of statutory auditors at Coesia S.p.A. and GD S.p.A., he has been chairman of the External Audit Committee at the International Monetary Fund and of the board of statutory auditors at Unicredit S.p.A.. He has also been a contract professor of business economics at Bocconi University in Milan and among others has taken part in the Aletti Commission for commercial business reform in 1980, the Ministry of Industry commission for the definition of Accounting Principles for State-Owned Businesses in 1981 and various Commissions on behalf of the National Council of Chartered Accountants.

## **ANDREA MARROCCO**

He was born in Rome on 10 March 1966. He obtained a degree in economics and business studies from University of Rome "La Sapienza". He is in the roll of chartered accountants of Rome. Since September 2001 he has been working with Studio Signori – Chartered Accountants Firm, in Rome and Milan. He is in the roll of Institutional Auditors at the Ministry of Justice. He operates in corporate, finance and tax consultancy. He is also specialized in tax consultancy and tax litigation and has worked for major national and multinational companies. Between 1998 and 2004 he provided consultancy on various corporate transactions, such as the creation of Maire Tecnimont Group and the restructuring of Cecchi Gori Group. He has provided advice and administrative consultancy to the multinational Nalco Group, tax consultancy to Forte Group, and support with tax litigation for Fioroni Group, Perugia. In 2008 he obtained a Master degree in International Accounting Principles (IAS/IFRS). In 2012 he was appointed as liquidator for some companies of Italtroli Group.





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### **GIOVANNI SCAGNELLI**

He was born in Turin on 7 October 1947. He graduated in economics and business studies in 1971 and was enrolled in the register of chartered accountants in Turin in 1974 where he practiced, first in his own firm and then in the professional association "L.S. Lexjus Sinacta – Law and Accountancy" with branches in Bari, Bologna, Cagliari, Brescia, Florence, Lecco, Milan, Padua and Rome. In the roll of auditors since 1979 he also provides Business Technical Consultancy, being registered with the Civil and Criminal Court of Turin since 1976.

He is specialized in corporate law, with administration and consultancy positions in institutions and companies; he is also involved with supervisory bodies pursuant to Leg. Decree 231/2001, on the Board of Statutory Auditors (including "Automotive Lighting Italia S.p.A." and Sistemi Sospensioni S.p.A." FIAT Group S.p.A./Magneti Marelli) and an Auditor (including "University Institute for European Studies", "Carlo Alberto College Foundation – Centre for Economics- Finance Research and Education" and "International University College of Turin").

He is an expert in company evaluations and extraordinary transactions, has been collaborating with the courts since 1976, including bankruptcy court, and has been a consultant with the state prosecutors office in Turin, holding the roles of court expert.

He has recently conducted important business evaluations for contributions and transfers of businesses implemented by FIAT Group S.p.A..

### **ANDREA BONELLI**

He was born in Rome on 9 September 1967. He obtained a degree in economics and business studies from University of Rome "La Sapienza". He has been in the roll of chartered accountants of Rome since 1996, he also an institutional auditor with the Ministry of Justice. He was awarded a Master's in business tax law and is completing an EMIAS Masters in International Accounting Principles at Luiss Guido Carli University in Rome. He is a University and seminar teacher and reader in economics of financial intermediaries in the Faculty of Law at Libera Università Maria Santissima Assunta. He is a member of the scientific committee of the Rome Academy of Accountancy of Giorgio Giulio Maria and Member of the Scientific Committee of the Institute for Corporate Governance. He publishes articles in "Quotidiano on line", in the magazine "Corriere Tributario" published by Ipsoa and in the newspaper "Il Sole 24 Ore", in the matter of financial reports, accounting principles, corporate governance systems and corporate restructuring. He has gained many years of significant experience in auditing and accounts organization, corporate management consultancy, in addition to professional activities as chartered accountant, where he has specialized in auditing and business mergers and acquisitions. He has conducted consultancy and auditing services for important industrial groups and companies, such as Edison Group, Cecchi Gori Group, FIAT Group, Sanità S.p.A. Group and Poste Italiane S.p.A..

**LUCA LONGOBARDI**

He was born in Vico Equense (NA) on 3 June 1976. He was awarded a degree in legal-economics from LUISS Guido Carli in Rome. He is in the roll of chartered accountants of Milan and is a registered legal accounts auditor. In 2006, after obtaining the professional qualification, he studied for a Master in Taxation at Luiss Guido Carli; in 2009 he studied for a Master in International Accounting Principles (IAS/IFRS) organized by the Luiss Business School. After collaborating from 2003 to 2010 with some tax law firms in Rome, since 2011 he has been collaborating with tax law firm Maisto e Associati of Milan. He is a member of the study Commission "National tax law" established at the ODCEC in Milan and he teaches the Master in Taxation at Luiss Business School. He is statutory auditor in several companies.



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## **ANNEX B.1**

### **LIST OF OFFICES HELD BY MAIRE TECNIMONT S.P.A. STATUTORY AUDITORS**

| Name                   | Company  | Office  |
|------------------------|--|---|
| <b>LOLI Giorgio</b>    | A & C S.p.A.                                     | Chairman of the Board of Statutory Auditors       |
|                        | Coesia S.p.A.                                    | Chairman of the Board of Statutory Auditors       |
|                        | Decal S.p.A.                                     | Chairman of the Board of Statutory Auditors       |
|                        | Finprema S.p.A.                                  | Chairman of the Board of Statutory Auditors       |
|                        | Fondiarria Sai S.p.A.                            | Statutory Auditor                                 |
|                        | G. D. S.p.A.                                     | Chairman of the Board of Statutory Auditors       |
|                        | Isoil Impianti S.p.A.                            | Chairman of the Board of Statutory Auditors       |
|                        | Isoil Industria S.p.A.                           | Statutory Auditor                                 |
|                        | Milano Assicurazioni S.p.A.                      | Statutory Auditor                                 |
|                        | Residenziale Immobiliare 2001 S.p.A.             | Chairman of the Board of Statutory Auditors       |
|                        | Sasib S.p.A.                                     | Chairman of the Board of Statutory Auditors       |
|                        | Polaroid S.r.l.                                  | Chairman of the Board of Statutory Auditors       |
|                        | Verde Moscova Soc. Coop.                         | Statutory Auditor                                 |
| <b>MARROCCO Andrea</b> | Tecnimont S.p.A. (*)                             | Chairman of the Board of Statutory Auditors       |
|                        | Studio Geotecnico Italiano S.r.l. (*)            | Statutory Auditor                                 |
|                        | Protecma S.r.l. (*)                              | Chairman of the Board of Statutory Auditors       |
|                        | San Tommaso S.r.l.                               | Chairman of the Board of Statutory Auditors       |
|                        | Tecnimont Civil Construction S.p.A. (*)          | Statutory Auditor                                 |
|                        | Met NewEn S.p.A. (*)                             | Chairman of the Board of Statutory Auditors       |
|                        | BiOlevano S.r.l. (*)                             | Chairman of the Board of Statutory Auditors acale |
|                        | Cefalù 20 S.c. a r.l. (*)                        | Statutory Auditor                                 |
|                        | Birillo 2007 S.c. a r.l. (*)                     | Chairman of the Board of Statutory Auditors       |
|                        | Tecnimont KT S.p.A. (*)                          | Chairman of the Board of Statutory Auditors       |
|                        | Esperia Aviation Services S.p.A.                 | Chairman of the Board of Statutory Auditors       |
|                        | Maire Gestioni S.p.A.                            | Statutory Auditor                                 |
|                        | M.S.T. Manutenzioni & Servizi Tecnici S.r.l. (*) | Chairman of the Board of Statutory Auditors       |
|                        | Lotto 5A S.c. a r.l. (*)                         | Chairman of the Board of Statutory Auditors       |



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|                           | Residence Villa Pamphili S.r.l. in liquidazione            | Liquidator                                  |
|                           | VAL.MAR. S.r.l. in liquidazione                            | Liquidator                                  |
|                           | SO.INV. S.r.l. in liquidazione                             | Liquidator                                  |
|                           | Immobiliare Fabriano Calabro S.r.l. in liquidazione        | Liquidator                                  |
|                           | Compagnia di Partecipazioni S.r.l. in liquidazione         | Liquidator                                  |
|                           | Grandi Appalti Meridionali S.r.l. in liquidazione          | Liquidator                                  |
|                           | Roma International Football Service S.r.l. in liquidazione | Liquidator                                  |
|                           | S.D.S. II servizi dello sport S.r.l. in liquidazione       | Liquidator                                  |
| <b>SCAGNELLI Giovanni</b> | Sinacta S.r.l.   | Director                                    |
|                           | LS Lexjus Sinacta S.r.l.                                   | Director                                    |
|                           | Met Newen S.p.A. (*)                                       | Statutory Auditor                           |
|                           | Sistemi Sospensione S.p.A.                                 | Statutory Auditor                           |
|                           | Automotive Lighting Italia S.p.A.                          | Statutory Auditor                           |
|                           | C.V.B. S.r.l.  | Statutory Auditor                           |
| <b>BONELLI Andrea</b>     | Tecnimont S.p.A. (*)                                       | Statutory Auditor                           |
|                           | Tecnimont Civil Construction S.p.A. (*)                    | Chairman of the Board of Statutory Auditors |
|                           | Met NewEn S.p.A. (*)                                       | Statutory Auditor                           |
|                           | BiOlevano S.r.l. (*)                                       | Statutory Auditor                           |
|                           | Maire Investments S.p.A.                                   | Statutory Auditor                           |
|                           | Cefalù 20 S.c. a r.l. (*)                                  | Statutory Auditor                           |
|                           | Penta Domus S.p.A. (*)                                     | Statutory Auditor                           |
|                           | Birillo 2007 S.c. a r.l. (*)                               | Statutory Auditor                           |
|                           | M.S.T. Manutenzioni & Servizi Tecnici S.r.l. (*)           | Statutory Auditor                           |
|                           | Protecma S.r.l. (*)  | Statutory Auditor                           |
|                           | Tecnimont KT S.p.A. (*)                                    | Statutory Auditor                           |
|                           | MGR Verduno 2005 S.p.A. (*)                                | Statutory Auditor                           |
|                           | Esperia Aviation Services S.p.A.                           | Statutory Auditor                           |
|                           | TCT S.r.l.   | Chairman of the Board of Statutory Auditors |
|                           | Pares S.r.l.   | Chairman of the Board of Statutory Auditors |

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|                        | Beeweeb S.p.A.                                   | Chairman of the Board of Statutory Auditors |
|                        | Inprendo Advisory S.p.A.                         | Statutory Auditor                           |
|                        | Roma 2000 S.r.l.                                 | Statutory Auditor                           |
| <b>LONGOBARDI Luca</b> | BiOlevano S.r.l. (*)                             | Statutory Auditor                           |
|                        | Birillo 2007 S.c. a r.l. (*)                     | Statutory Auditor                           |
|                        | Trust Risk Group S.p.A.                          | Statutory Auditor                           |
|                        | Maire Gestioni S.p.A.                            | Statutory Auditor                           |
|                        | M.S.T. Manutenzioni & Servizi Tecnici S.r.l. (*) | Statutory Auditor                           |
|                        | Maire Investments S.p.A.                         | Statutory Auditor                           |

(\*) Company belonging to the Group headed by Maire Tecnimont S.p.A.