



fincantieri

compensation report

pursuant to Article 123-ter of Legislative Decree no. 58 dated 24 February 1998 (Consolidated Financial Act – TUF) and pursuant to Article 84-quarter of CONSOB Resolution no. 111971, dated 14 May 1999 (“Issuers’ Regulation”)

Approved by the Board of Directors
of FINCANTIERI S.p.A. on 13 March 2015

FINCANTIERI
The sea ahead

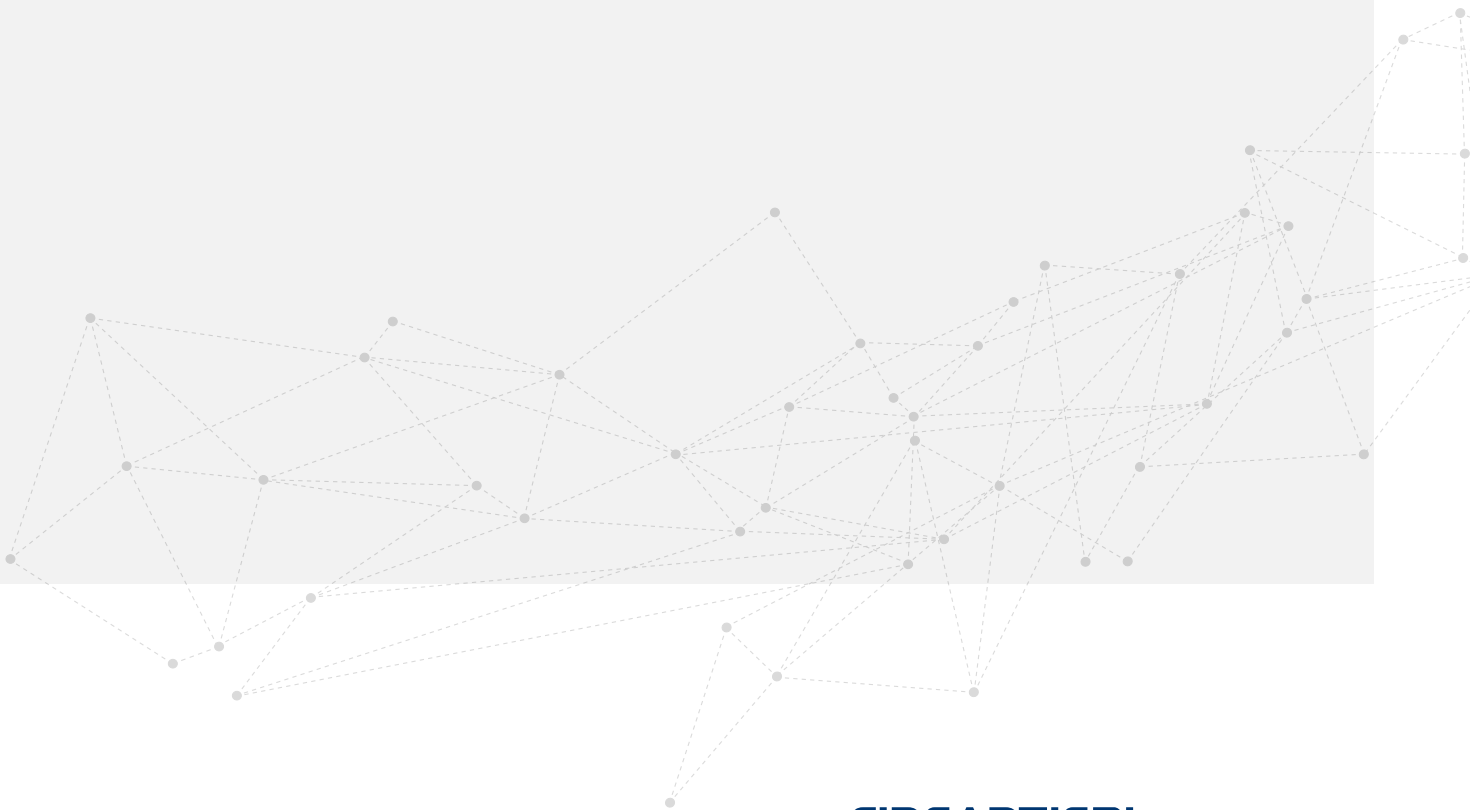


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Glossary

Fincantieri or Company

Fincantieri S.p.A.

Corporate Governance Code or Code

The Corporate Governance Code for listed companies, last approved in July 2014 by the Corporate Governance Committee established by Borsa Italiana S.p.A., ABI, Ania, Assonime, Confindustria and Assogestioni

Compensation Committee or Committee

The Compensation Committee established by Fincantieri's Board of Directors in accordance with the Code

Board of Directors or Board

Fincantieri's Board of Directors

General Managers

The General Manager and the Chief Operating Officer

Key Executives¹

The following Executives:

Deputy General Manager and Chief Financial Officer²

Chief Financial Officer

Deputy Chief Operating Officer

SEVP Business Development

SEVP Merchant Ships Business Unit

SEVP Naval Vessels Business Unit

SEVP Mega Yachts Business Unit

SEVP Ship Repair and Conversion Business Unit

SVP Marine Systems and Components Business Unit

SVP After Sales Business Unit

SEVP Institutional and Industrial Relations

SEVP Marketing Communication and Media Relations

SVP Human Resources, Organization and General Affairs

General Counsel

Chief Information Officer

VP Research & Innovation

1. The Key Executives who have also been identified as Executives with Strategic Responsibilities as defined in Schedule 1 to Consob Regulation No. 17221 of 12 March 2010 (see the Prospectus), are highlighted in bold.

2. The employment relationship with the Executive who held such position was terminated in 2014; the position has not been held since that time.

SVP Procurement
SVP Quality and Performance Improvement
SVP Engineering System Development
SVP Oil & Gas Business / Offshore

Group

Fincantieri and the companies controlled by Fincantieri within the meaning set forth in art. 93 of the TUF

Compensation Policy or Policy

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

Prospectus

The Prospectus for the initial Italian Public Offering and the listing of ordinary shares for trading on the Italian Electronic Stock Market, organized and managed by Borsa Italiana S.p.A.

Committee Rules

The functioning rules of the Compensation Committee

Issuers' Regulation

The Regulation issued by Consob through resolution no. 11971 dated 14 May 1999 on the matter of issuers, as subsequently amended and supplemented

Compensation Report or Report

This Compensation Report drafted pursuant to art. 123-ter of the TUF and art. 84-quater of the Issuers' Regulation

TUF

Legislative Decree No. 58, dated 24 February 1998, as subsequently amended and supplemented

Disclaimer

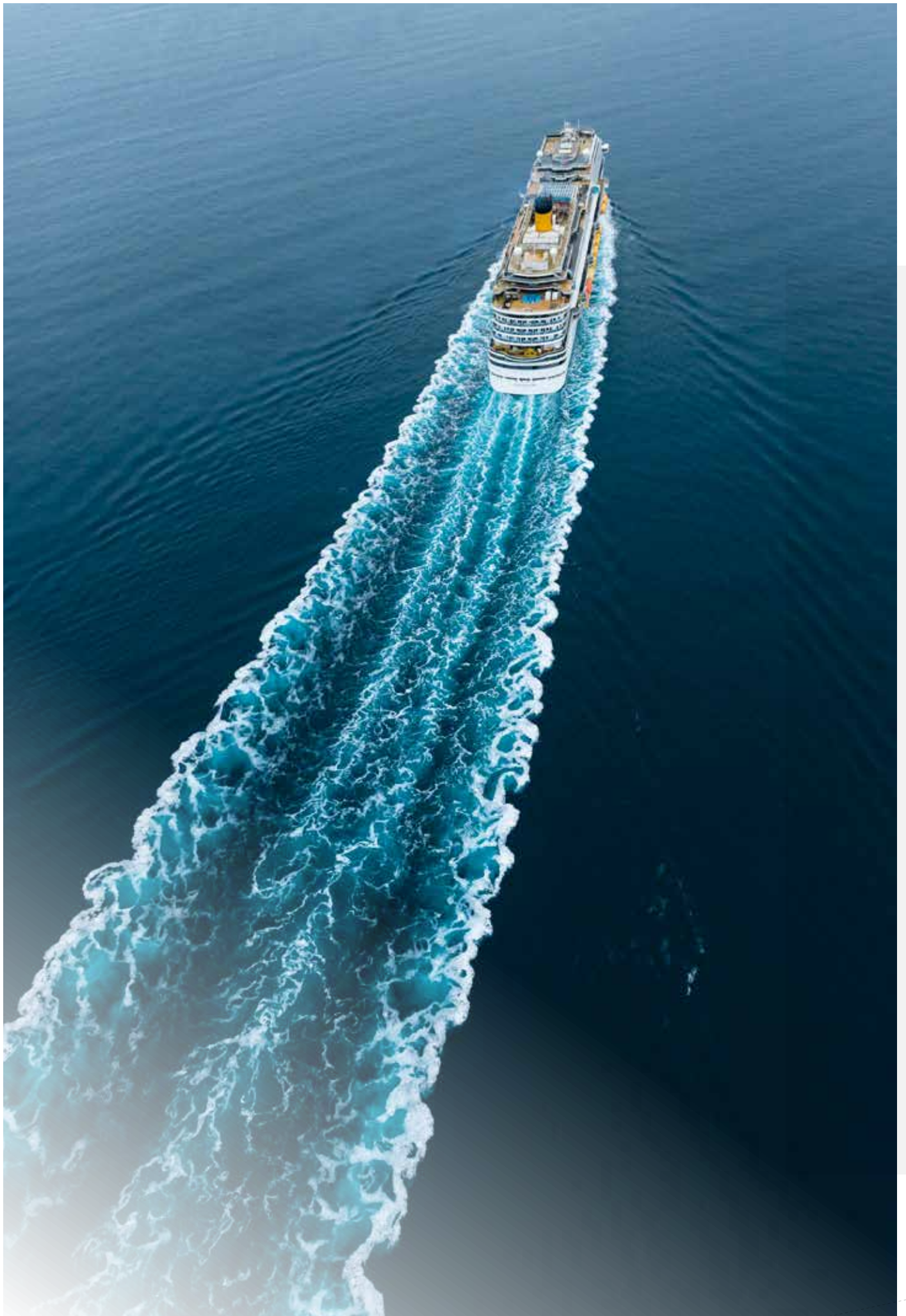
This Report has been translated into English solely for the convenience of the international reader.

In the event of conflict or inconsistency between the terms used in the Italian version of the Report and the English version, the Italian version shall prevail, as the Italian version constitutes the sole official document.



compensation report

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letter of the chairman of the board of directors and of the chairman of the compensation committee

Dear Shareholders,

we are pleased to present Fincantieri's Compensation Report, describing the Compensation Policy for the financial year 2015 and the compensation paid during the financial year 2014 to members of the Board of Directors, the General Manager, the Chief Operating Officer and the Key Executives (including the Executives with Strategic Responsibilities) of the Company.

The Compensation Report and the Policy for the financial year 2015 described therein have been approved by the Board of Directors on 13 March 2015, upon proposal of the Compensation Committee.

For this reason we decided to present it jointly to you Shareholders and the other stakeholders.

As you already know, the year 2014 has been a crucial year for the history and the corporate development of your Company, whose shares, starting from July 2014, are listed on the Italian Electronic Stock Market, organized and managed by Borsa Italiana S.p.A. Such event has had, and will have increasingly in the future, a significant impact on the compensation policy of the top management and in particular on the remuneration structure for executive Directors, General Managers and Executives with Strategic Responsibilities.

Following the listing, the Compensation Committee, with the support of the competent corporate functions, has therefore started an analysis and assessment of the Compensation Policy of the Company, in order to align it with the recommendations set forth in the Corporate Governance Code for listed companies and with the best practices on the subject.

This activity aims to design, in a limited period of time, a Compensation Policy which aligns the interests of executive Directors, General Managers and Executives with Strategic Responsibilities with the main goal of value creation for you Shareholders in a medium/long-term. The above analysis and assessment inevitably took in consideration the recent Company's listing and the consequent need to proceed with a rigorous but gradual adjustment of the main features of the Company compensation structure with respect to the recommendations of the Corporate Governance Code for listed companies.

As you will see from the Report, the main change proposed by the Compensation Committee and approved by the Board of Directors, with respect to the Compensation Policy in force before the listing, is that during 2015 the variable compensation of executive Directors, General Managers and Key Executives – at the moment limited to a short-term component under a “MBO” plan – is supplemented by a medium/long-term component through the approval of cash incentive plans linked to long-term objectives.

In line with the applicable best practices, the new Compensation Policy – which we submit for your assessment – provides for a maximum limit to the variable component – as well as clawback clauses that allow the Company to claim back the variable remuneration, in whole or in part, if this was paid on the basis of data which subsequently proved to be manifestly misstated.

Furthermore, the Compensation Committee has already met in order to start structuring a medium/long-term incentive plan for the Executive teams (LTI Project), upon consultation with the corporate bodies and with the support of an expert consultancy firm. The Compensation Committee and the entire Board of Directors have thoroughly reviewed a possible remuneration structure linked to the Company’s results and in particular have focused on giving a clear and detailed presentation to you Shareholders.

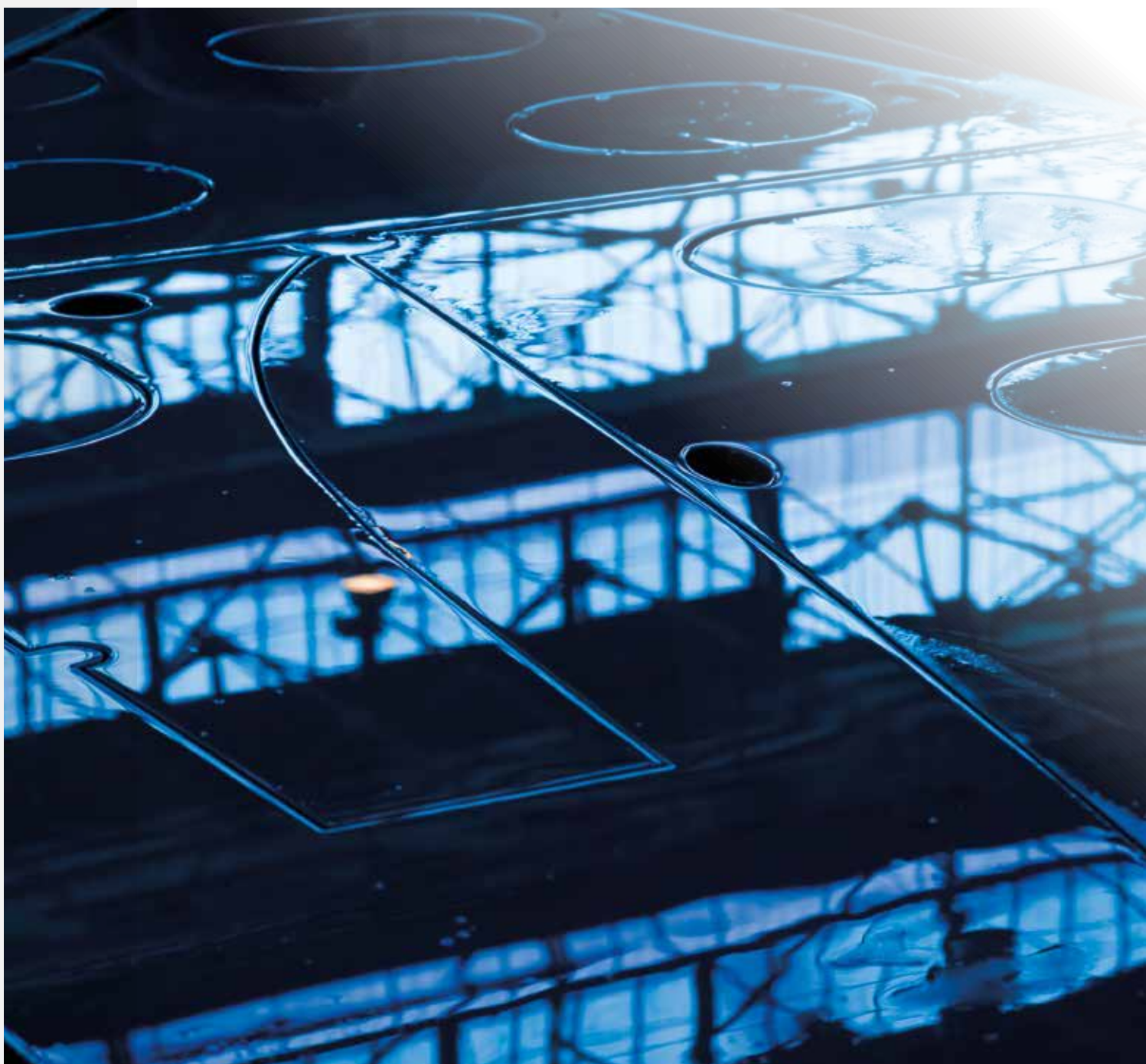
We take this opportunity to thank you in advance for your vote and the suggestions you will give us at the next Shareholders’ Meeting and we confirm, on behalf of all the Directors, our best efforts on these issues for 2015.



Simone Anichini
The Chairman
of the Compensation Committee



Vincenzo Petrone
The Chairman
of the Board of Directors





section I

Compensation Policy

Introduction

Fincantieri, a company listed on Milan Stock Exchange Market since 3 July 2014, in compliance with applicable legal and regulatory requirements, through this Report describes in the first section the Policy adopted on the compensation of the Board of Directors, of the General Managers and the Key Executives and provides in the second section a detailed disclosure on compensation paid to the above mentioned individuals and to the regular Statutory Auditors in the financial year 2014. The Company, taking into account its newly-listed status, intends to define a Compensation Policy gradually more in line with the market practices of listed companies and the recommendations of the Corporate Governance Code.

1. Procedures for the adoption and implementation of the Compensation Policy

1.1 BODIES AND PERSONS INVOLVED IN THE PREPARATION, APPROVAL AND IMPLEMENTATION OF THE POLICY

The Compensation Policy is approved on an annual basis by the Board of Directors upon proposal of the Compensation Committee.

Pursuant to Article 123-ter, paragraph 6, of Legislative Decree No. 58 dated 24 February 1998, this Policy is submitted to the ordinary Shareholders' Meeting called in accordance with art. 2364, second paragraph, of the Italian Civil Code for a non-binding vote.

In accordance with the recommendations set forth in the Corporate Governance Code and the provisions of the Compensation Committee Rules, the adequacy, overall consistency and effective application of the Compensation Policy for Chairman, Chief Executive Officer, General Managers and Key Executives are reviewed periodically by the Compensation Committee.

The corporate body in charge of the proper implementation of the Compensation Policy is the Board of Directors, with support from the Compensation Committee.

The verification as to the achievement of the performance targets and the consequent determination of the compensation due to the General Managers and Key Executives is carried out following the approval of the consolidated financial statement and by way of verification by the Chief Executive Officer.

1.2 COMPENSATION COMMITTEE: COMPOSITION, FUNCTIONING PROCEDURES AND TASKS

In line with the provisions of the Compensation Committee Rules, such Committee is composed of three non-executive Directors, the majority of whom must be independent. At least one member of the Compensation Committee must have adequate expertise and experience in the areas of finance or compensation policies, which is assessed by the Board of Directors at the time of appointment. As of the date of this document, the Committee is composed of the Directors Paolo Scudieri (independent), Simone Anichini (independent) and Anna Molinotti³, each of them having the adequate expertise in financial matters and remuneration policies. The role of Chairman of the Committee is performed by Director Simone Anichini.

In accordance with the Committee Rules, the Committee meets periodically, as often as necessary to perform its work. The meetings are called by the Chairman of the Committee or whenever a request is made by at least two of its members in order to discuss a specific matter deemed by them to be particularly important.

The Committee is effectively held with attendance of a majority of its members in office and decides with an absolute majority vote on the part of those in attendance. In the event of a tie, the Chairman of the Committee has the casting vote.

The Committee meeting may also be attended by the Chairman of the Board of Directors, the Chief Executive Officer and the Chairman of the Board of Statutory Auditors or a permanent Statutory Auditor designated by the latter. The meetings may also be attended by other Statutory Auditors and, at the Committee's invitation, other persons, including other members of the Board or employees of the Company, in order to provide information and express assessments concerning their respective areas of expertise with reference to individual items on the agenda.

In any case, no Director attends meetings of the Committee in which proposals on his/her own compensation are made to the Board.

The Compensation Committee performs proposing and consulting functions in its relationship with the Board. In particular, the Committee:

- submits to the Board of Directors proposals on the Compensation Policy for executive Directors, General Managers and Key Executives, availing itself of the information provided by the Chief Executive Officer, which may also make reference to market practices on the matter of compensation policies;
- on a periodic basis, assesses the adequacy, overall consistency and effective application of the Policy on the remuneration of executive Directors, General Managers and Key Executives, including through a report by the Chief Executive Officer;
- submits proposals or expresses opinions to the Board on the remuneration of the Chief Executive Officer, the Chairman and the other Directors who hold particular roles, as well as on the setting of performance targets linked to the variable component of such compensation;
- monitors the application of the decisions made by the Board on the matters referred to in the foregoing point and in particular assesses the actual achievement of performance targets.

The Committee reports to the Board on the work performed, at least once every six months. With regard to the procedures to be followed in exercising its functions, it also reports to the Shareholders' Meeting called to approve the annual financial statements through the Chairman of the Committee or another member designated by him/her.

³ Until 13 February 2015, the Committee was composed of Directors Andrea Mangoni (independent), Simone Anichini (independent) and Anna Molinotti. The role of Chairman has held by the Director Andrea Mangoni.

In performing its tasks, the Committee ensures appropriate functional and operating connections with the competent corporate functions. The Committee is entitled to access the information and the corporate units deemed necessary in order to perform its tasks.

1.3 INDEPENDENT EXPERTS INVOLVED IN THE PREPARATION OF THE COMPENSATION POLICY AND INDICATIONS ON THE USE, AS A BENCHMARK, OF OTHER COMPANIES' COMPENSATION POLICIES

In preparing the Compensation Policy, reference was made to benchmarks and compensation surveys elaborated by primary consultancy firms, in order to align the Policy with market practices followed by listed companies.

1.4 COMPENSATION POLICY 2015: APPROVAL PROCESS

The Compensation Committee, in exercising its responsibilities, has defined the structure and the contents of the Compensation Policy for the purposes of preparing this Report, in different meetings and in accordance with the recommendations in the Corporate Governance Code. In particular, after having defined in previous sessions the key subjects of the Report, the Compensation Committee has closely examined the drafts during the sessions held on 19 February and 27 February 2015, putting forward a proposal to be discussed and approved by the Board of Directors at the meetings of 27 February and 13 March 2015.

2. Characteristics of the Compensation Policy

2.1 THE AIMS PURSUED THROUGH THE COMPENSATION POLICY, ITS UNDERLYING PRINCIPLES AND CHANGES WITH RESPECT TO THE POLICY ADOPTED WITH REFERENCE TO YEAR 2014

The Company's Compensation Policy is aimed at attracting, motivating and retaining managers endowed with outstanding professional skills, who are capable of successfully managing the Company. In pursuing such aims, the Company intends to refer to market practices on the matter of compensation policies, in order to ensure an adequate level of competitiveness on the labor market. The Compensation Policy applied to the Chief Executive Officer, the Chairman, the General Managers and the Key Executives aims at fostering their performance within the Company and the achievement of strategic objectives, as well as at reinforcing the retention of the management through the payment of a fixed component of compensation coupled with variable compensation mechanisms linked to the achievement of certain individual and Group-wide performance targets. Non-executive Directors' compensation is based upon their responsibilities and the commitment asked to each of them, also taking into account their membership in one or more Committees. In any case, non-executive Directors' compensation is not linked to the results achieved by the Company. In line with what was disclosed to the market on publication of the Prospectus, the Company has commenced activities with a view to aligning the Compensation Policy to the market practices

followed by listed companies (such as, for example, incentive tools linked to the achievement of medium/long-term targets and so-called clawback clauses – see the following paragraph).

2.2 STRUCTURE OF THE COMPENSATION: FIXED COMPONENTS AND VARIABLE COMPONENTS; PERFORMANCE TARGETS ON THE BASIS OF WHICH THE VARIABLE COMPONENTS ARE ASSIGNED AND INFORMATION ON THE LINK BETWEEN CHANGES IN RESULTS AND CHANGES IN COMPENSATION

In line with the recommendations set forth in the Corporate Governance Code and for the purposes described in paragraph 2.1 above, the Policy provides that the **fixed component** of the compensation consists of the following:

- for the Chief Executive Officer:
 - the compensation approved by the ordinary Shareholders' Meeting for his/her position as member of the Board of Directors;
 - the compensation approved by the Board of Directors, in accordance with art. 2389, paragraph 3, of the Italian Civil Code, upon the Compensation Committee's proposal, after receiving the Board of Statutory Auditors' opinion, for his/her position as Chief Executive Officer;
- for the Chairman of the Board of Directors:
 - the compensation approved by the ordinary Shareholders' Meeting for the Chairman;
 - the compensation approved by the Board of Directors, in accordance with art. 2389, paragraph 3, of the Italian Civil Code, upon the Compensation Committee's proposal, after receiving the Board of Statutory Auditors' opinion, on the basis of the breadth and nature of specific mandates assigned;
- for Directors who, even without specific powers granted by the Board of Directors, may be qualified as executive according to the Corporate Governance Code on account of management roles held within the Company: the compensation approved by resolution by the ordinary Shareholders' Meeting for the position of member of the Board of Directors;
- for non-executive Directors: the compensation approved by resolution by the ordinary Shareholders' Meeting and any amounts related to membership in internal Committees within the Board of Directors;
- for General Managers and Key Executives, the gross annual compensation provided under the individual employment contract entered into, in accordance with the provisions of the applicable national collective bargaining agreement and other applicable provisions.

The **variable component** of compensation consists of the following:

- for the Chief Executive Officer: a short-term incentive system based upon annual targets ("MBO"), including both quantitative economic-financial targets (such as, for example, *Earnings Before Interests and Taxes* - EBIT, *Earnings Before Interest, Taxes, Depreciation and Amortization Margin* – EBITDA Margin, *Free Operating Cash Flow* - FOCF and the value of orders acquired), and qualitative targets linked to the achievement of specific results. The maximum amount is defined in the form of a fixed sum set by the Board of Directors, at the Compensation Committee's proposal and paid following a specific resolution on the achievement of the pre-established annual targets.
- for the Chairman: a short-term incentive system based upon annual targets ("MBO"), including both quantitative economic-financial targets (such as, for example, *Earnings Before Interests*

and Taxes - EBIT, *Earnings Before Interest, Taxes, Depreciation and Amortization Margin* – EBITDA Margin, *Free Operating Cash Flow* - FOCF and the value of orders acquired), and qualitative targets linked to the achievement of specific results. The maximum amount is defined in the form of a fixed sum set by the Board of Directors, at the Compensation Committee's proposal and paid following a specific resolution on the achievement of the pre-established annual targets.

- for General Managers and Key Executives: a short-term incentive system based upon annual targets (“MBO”), including both quantitative economic-financial targets (such as, for example, *Earnings Before Interests and Taxes* – EBIT, *Free Operating Cash Flow* – FOCF and the Sustainability in terms of Safety), and individual targets taking into account the position held (such as, for example, the value of orders acquired, the achievement of certain levels of Business Unit EBIT and the reduction in costs, or specific quantitative-qualitative targets). In any case, the maximum amount may not exceed 50% of Gross Annual Salary.

For General Managers and Key Executives, as well as for all other Executives eligible to participate in the “MBO” system, the payment of the incentive based upon annual targets is, in any case, subject to the achievement of a threshold connected to an objective defined year by year according to Company priorities.

If such threshold is not achieved, no short-term variable payout will be due.

Without prejudice to the foregoing, already in 2015, in line with market practices for listed companies, the Company initiated the analysis to complete the variable component of the compensation of the Chief Executive Officer, the Chairman, the General Managers and the Key Executives, by adopting a medium/long-term cash incentive plan, subject to the achievement of quantitative and qualitative targets.

Such analyses have been completed for the Chief Executive Officer, who was assigned a medium-term incentive linked to qualitative indicators.

The payout of the above-mentioned medium/long-term incentive will be cashed out at the end of the reference period of the Plan, after that the achievement of the specific performance conditions provided for has been verified.

This medium/long-term form of incentive may also be extended to a selected number of other Executives, on the basis of their roles and responsibilities and according to the medium/long-term incentive guidelines.

The variable incentive plans (“MBO” and medium/long-term incentive) must also provide for limits on the maximum amount of the incentive, such that the fixed component and the variable component of the compensation are adequately balanced on the basis of the Company's strategic objectives and risk management policy, also taking into account the business segment in which it applies and the characteristics of the business operations actually performed.

In any case, without prejudice to the periodic assessments on market-based compensation benchmarks, the variable component of compensation may not exceed 150% of the fixed annual compensation.

Without prejudice to the foregoing, the Compensation Policy provides that, with regard to the variable components (both short and medium/long-term), starting from year 2015, the Chief Executive Officer, the Chairman, the General Managers, the Key Executives, as well as other Executives eligible to participate in the variable incentive system, will be subject to contractual clauses that allow the Company to claim back the variable remuneration, in whole or in part, if this was paid on the basis of data which subsequently proved to be manifestly misstated, by the competent corporate functions within a period not shorter than two years from the payout (referred to as “clawback clauses”).

2.3 NON-MONETARY BENEFITS

The Chief Executive Officer, the Chairman, the General Managers and the Key Executives are granted the use of a company car and fuel for business and personal use and in some cases, accommodation for long-term stays as an alternative to a hotel where deemed economically advantageous, in accordance with the practice followed by the Company for other Executives.

2.4 CRITERIA USED TO ASSESS THE PERFORMANCE TARGETS UNDERLYING THE ASSIGNMENT OF VARIABLE COMPONENTS OF COMPENSATION AND INFORMATION AIMED AT SHOWING THE CONSISTENCY OF THE COMPENSATION POLICY WITH THE PURSUIT OF THE COMPANY'S LONG-TERM INTERESTS AND WITH THE RISK MANAGEMENT POLICY

The performance targets provided under the Compensation Policy for the payment of the variable component of compensation are identified on the basis of the specific business operations performed by the Company and the related risks.

In particular, as regards the short-term incentive plan, the definition of the target levels underlying the annual targets is generally linked to the achievement of pre-established performance economic-financial targets set forth in the Budget. The comparison between final data and the targets assigned determines the amount of the variable component of compensation to be paid out.

On the other hand, as regards to the medium/long-term incentive plan that the Company intends to put in place, the underlying targets will be aimed at the creation of value for shareholders over a medium/long-term period.

2.5 DEFERRED PAYMENT SYSTEMS, WITH AN INDICATION OF THE PERIODS OF DEFERRAL AND CRITERIA USED TO DETERMINE SUCH PERIODS AND EX-POST CORRECTION MECHANISMS

As of the date of this Report, within its incentive schemes, the Company has not made any provisions for deferred payment systems.

As already described in paragraph 2.2 above, the Compensation Policy provides that, with regard to the variable components assigned (both short and medium/long-term), starting from year 2015, the Chief Executive Officer, the Chairman, the General Managers, the Key Executives, as well as other Executives eligible to participate in the variable incentive system, will be subject to contractual clauses that allow the Company to claim back the variable remuneration, in whole or in part, if this was paid on the basis of data which subsequently proved to be manifestly misstated, by the competent corporate functions within a period not shorter than two years from the payout (referred to as "clawback clauses").

2.6 POLICY ON PAY IN THE EVENT OF TERMINATION OF OFFICE OR EMPLOYMENT RELATIONSHIP AND ON-COMPETITION AGREEMENT

The rules on severance indemnities in the event of termination of the office or employment relationship is governed by the national collective bargaining agreement for Executives in companies producing goods and services, and may also be governed through the execution of specific agreements with individuals. In any case, any specific agreements in such regard shall not entitle the payment of an amount exceeding 36 gross monthly installments for certain situations. Furthermore, with regard to the members of the Board of Directors, the General Managers and the Key Executives, the Company reserves the right to enter, from time to time and according to art. 2125 of the Italian Civil Code, into non-competition agreements, providing for the payment of a compensation proportionate to the duration and scope of the obligations arising from the agreement itself.

2.7 INFORMATION ON INSURANCE, HEALTHCARE AND PENSION COVERAGE OTHER THAN MANDATORY COVERAGE

The Chairman and the Chief Executive Officer benefit from special insurance cover. Supplementary insurance cover, supplementary pension plan and complementary health plan, in addition to the provisions of the applicable national collective bargaining agreement (CCNL) applied to the Group's Executives is also envisaged for the General Managers and Key Executives, as it is for all of the Company's other Executives.

2.8 COMPENSATION POLICY FOLLOWED WITH REFERENCE TO: (I) INDEPENDENT DIRECTORS, (II) PARTICIPATION IN COMMITTEES AND (III) THE PERFORMANCE OF PARTICULAR MANDATES

The compensation of the independent Directors is the same as that described in paragraph 2.2 above with reference to the non-executive Directors.

As regards to the compensation of the Directors who take part in internal Committees within the Board of Directors, the Policy – as already indicated in paragraph 2.2 above – provides that they receive, for participation in each Committee, additional compensation determined by the Board of Directors, upon the Compensation Committee's proposal.

section II

Remuneration received in the year 2014 by the members of the Board of Directors and the Board of Statutory Auditors, the General Managers and the Key Executives/Executives with Strategic Responsibilities

With reference to the financial year 2014, this section of the Report describes: (i) the remuneration due to those persons who held, during all or part of said year – the position of Director, Statutory Auditor and/or General Manager as well as (ii) at an aggregate level, the remuneration due to Key Executives/Executives with Strategic Responsibilities.

First Part

Items composing remuneration

This part details the components of remuneration due to persons who held the position of member of the Board of Directors, member of Board of Statutory Auditors or General Manager as well as Key Executives/Executives with Strategic Responsibilities for the year 2014.

These items are shown in the Tables set in the second part of the present Section.

1. Board of Directors

1.1 CHAIRMAN OF THE BOARD OF DIRECTORS

During the course of 2014, Mr. Vincenzo Petrone held the position of Chairman of Board of Directors. Mr. Petrone's pay for 2014 is as follows:

- fixed component⁴: Euro 201,843, of which:
 - Euro 40,000, to be paid over the course of 2015, as remuneration determined by the ordinary Shareholder's Meeting held on 27 June 2013, for the position of member of the Board of Directors;
 - Euro 161,843⁵, as remuneration approved by resolution by the Board of Directors, pursuant to art. 2389, paragraph 3, of the Italian Civil Code, on the Compensation Committee's proposal, as well as subject to the Board of Statutory Auditors' opinion, for the responsibilities vested in him;

4. In addition, over the course of 2014, the Board of Directors resolved, at the Compensation Committee's proposal, after receiving the Board of Statutory Auditors' opinion, to pay a lump-sum amount of € 80,000, as compensation for the activities actually performed, in addition to the legal representation, over the period prior to the grant of mandates by the Board, and specifically from the appointment at the Shareholders' Meeting held on 27 June 2013 until the Board of Directors' meeting held on 6 February 2014 [the amount for the period 1.1.2014 – 5.2.2014 is equal to Euro 13,156].

5. Of which Euro 16,663 to be paid over the course of year 2015.

- variable component (MBO plan): over the course of 2014, no short-term variable incentive was paid.
With reference to the MBO plan 2014, the maximum amount disbursable was set at Euro 68,000 and any incentive to be disbursed will be set over the course of 2015;
 - Non-monetary benefits: the Chairman of Board of Directors is granted the use of a company car and fuel for a total value of Euro 2,433, in accordance with tax regulations.
- No severance provisions were determined for the event of termination of the office.

1.2 CHIEF EXECUTIVE OFFICER

Over the course of year 2014, Mr. Giuseppe Bono held the position of Chief Executive Officer. Mr. Bono's pay for 2014 is as follows:

- fixed component⁶: Euro 733,225, of which:
 - Euro 27,000, to be paid over the course of 2015, as remuneration determined by the ordinary Shareholders' Meeting held on 27 June 2013, for the position of member of the Board of Directors;
 - Euro 706,225⁷, as remuneration approved by resolution by the Board of Directors, pursuant to art. 2389, paragraph 3, of the Italian Civil Code, on the Compensation Committee's proposal, as well as subject to the Board of Statutory Auditors' opinion, for the position of Chief Executive Officer;
- variable component (MBO plan): Euro 180,000. The assessment of the achievement of the targets provided by the short-term incentive plan for 2013 was carried out on the basis of the consolidated financial statements for 2013, by the Board of Directors, with support from the Compensation Committee.
With reference to the MBO plan for 2014, the achievement of the objectives assigned will be assessed, after the approval of the consolidated financial statements for 2014, by the Board of Directors, with support from the Compensation Committee and any incentive accrued will be paid in 2015. The maximum amount disbursable for the MBO plan 2014 was set at Euro 450,000;
- Non-monetary benefits: the Chief Executive Officer is granted the use of a company car and fuel for a total value of Euro 2,489, in accordance with tax regulations.

No severance provisions were determined for the event of termination of the office.

1.3 OTHER MEMBERS OF THE BOARD OF DIRECTORS

Over the course of year 2014, in addition to the Directors Vincenzo Petrone and Giuseppe Bono, the following Directors were members of the Board of Directors:

- for the period from 1 January 2014 until 31 December 2014: Andrea Mangoni and Anna Molinotti, appointed by the Shareholders' Meeting held on 27 June 2013;
- for the period from 28 May 2014 until 31 December 2014: Leone Pattofatto, co-opted by the Board of Directors' Meeting held on 26 May 2014 to replace resigning Director Giovanni Masini and later confirmed by the Shareholders' Meeting held on 28 May 2014;

6. The overall amount of Singaporean Dollars 525,000 (Euro 325,395 according to average exchange rate in 2014 – SGD/EUR = 0,6198) paid by Vard Group AS and Vard Holdings Limited with reference to 2014 for the office of Chairman of BoD held in the two companies and for the specific mandates assigned, are transferred to Fincantieri.

7. Of which 271,475 to be paid over the course of year 2015.

- for the period from 3 July 2014 until 31 December 2014: Simone Anichini, Massimiliano Cesare, Paola Santarelli and Paolo Scudieri, appointed by the Shareholders' Meeting held on 28 May 2014, with effect from the state date of trading of the Company's shares on the Italian Electronic Stock Market, managed by Borsa Italiana S.p.A.
- for the period from 1 January 2014 until 14 May 2014: Giovanni Masini, appointed by the Shareholders' Meeting held on 27 June 2013.

The remuneration of the above-mentioned members of the Board of Directors, all of whom are non-executive, is composed solely of a fixed component that will be disbursed over the course of 2015. In particular:

- Director Simone Anichini, remuneration for 2014 was Euro 35,929, of which:
 - Euro 13,463 as remuneration set by the Shareholders' Meeting held on 28 May 2014, granted *pro rata temporis*, for the position of member of the Board of Directors;
 - Euro 22,466 as remuneration *pro rata temporis* for the position of member of the Compensation Committee;
- Director Massimiliano Cesare, remuneration for 2014 was Euro 35,929, of which:
 - Euro 13,463 as remuneration set by the Shareholders' Meeting held on 28 May 2014, granted *pro rata temporis*, for the position of member of the Board of Directors;
 - Euro 22,466 as remuneration *pro rata temporis* for the position of Chairman of Control and Risk Committee;
- Director Andrea Mangoni, remuneration for 2014 was Euro 44,940, of which:
 - Euro 27,000 as remuneration set by the Shareholders' Meeting held on 27 June 2013, for the position of member of the Board of Directors;
 - Euro 17,940 as remuneration granted *pro rata temporis* for the position of member first and Chairman then of the Compensation Committee;
- Director Anna Molinotti remuneration for 2014 was Euro 40,447, of which:
 - Euro 27,000 as remuneration set by the Shareholders' Meeting held on 27 June 2013, for the position of member of the Board of Directors;
 - Euro 13,447 as remuneration granted *pro rata temporis* for the position of Chairman first and member then of the Compensation Committee;
- Director Leone Pattofatto, remuneration for 2014 was Euro 34,099, of which:
 - Euro 16,126 as remuneration set by the Shareholders' Meeting held on 27 June 2013 and as remuneration set by the Shareholders' Meeting held on 28 May 2014, granted *pro rata temporis*, for the position of member of the Board of Directors;
 - Euro 17,973 as remuneration *pro rata temporis* for the position of member of Nomination Committee and member of Control and Risk Committee;
- Director Paolo Scudieri, remuneration for 2014 was Euro 22,449, of which:
 - Euro 13,463 as remuneration set by the Shareholders' Meeting held on 28 May 2014, granted *pro rata temporis*, for the position of member of the Board of Directors;
 - Euro 8,986 as remuneration *pro rata temporis* for the position of member of Control and Risk Committee;
- Director Giovanni Masini, remuneration for 2014 was Euro 12,886, of which:
 - Euro 9,912 as remuneration set by the Shareholders' Meeting held on 27 June 2013, for the position of member of the Board of Directors;
 - Euro 2,974 as remuneration granted *pro rata temporis* for the position of member of the Compensation Committee.
- Director Paola Santarelli, remuneration for 2014, granted *pro rata temporis*, was Euro 13,463, set by the Shareholders' Meeting held on 28 May 2014.

No severance provisions were determined for the event of termination of the office.

1.4 MEMBERS OF THE COMMITTEES ESTABLISHED WITHIN THE BOARD OF DIRECTORS

As above-mentioned, the members of the Control and Risk Committee, of the Nomination Committee and of the Compensation Committee receive an additional fee, that is set by the Board of Directors, subject to the Compensation Committee's proposal, equal to Euro 30,000 for the Chairmen and equal to Euro 20,000 for the other permanent members.

The above paragraph illustrates the remuneration that concerns the financial year 2014 and that have been assigned to the Chairmen and members of Committees.

2. Board of Statutory Auditors

The current Board of Statutory Auditors was appointed by the Shareholders' Meeting held on 28 May 2014 and is composed of the permanent Statutory Auditors Gianluca Ferrero (Chairman), Alessandro Michelotti and Fioranna Vittoria Negri.

The Board of Statutory Auditors had been previously composed of the permanent Statutory Auditors Luigi Orlando (Chairman), Giovanna D'Onofrio and Mauro D'Amico.

The remuneration approved by resolution of above-mentioned Shareholders' Meeting held on 28 May 2014 for the members of the Board of Statutory Auditors, is Euro 37,000 per year for the Chairman and Euro 26,000 per year for the permanent Statutory Auditors.

On the basis of the foregoing, with reference to 2014 the remuneration of the members of the Board of Statutory Auditors, *pro rata temporis*, is Euro 22,099 for the Chairman and Euro 15,529 for the permanent Statutory Auditors; such amounts will be paid over the course of year 2015.

With regard to the Board of Statutory Auditors previously in office, remuneration for 2014 is equal to Euro 14,901 for the Chairman and Euro 10,471 for the permanent Statutory Auditors; such amounts will also be paid over the course of 2015.

3. General Managers

The remuneration of the General Manager, Mr. Vitaliano Pappaianni, for 2014, is as follows:

- fixed component: Euro 290,000, as Gross Annual Salary;
- variable component (MBO plan): Euro 126,150. The assessment of the achievement of the targets provided by the short-term incentive plan for 2013 was carried out on the basis of the approval of the consolidated financial statement 2013 and through a verification by the Chief Executive Officer.

With reference to the MBO plan for 2014, the incentive accrued will be paid over the course of 2015.

The maximum incentive payable for the MBO for 2014 was set at Euro 126,150.

Payment of the short-term incentive is, in any case, subject to exceeding the threshold linked to the achievement of a strategic target set by the Board of Directors.

For the financial year 2014, payment of the incentive was conditional upon achievement of the target related to the EBITDA Margin or, in other words, the ratio between the Group's EBITDA and Revenues of the year in question (2014).

The failure to achieve such threshold would give rise to the cancellation of the entire short-term variable incentive.

- Non-monetary benefits: the General Manager is granted the use of a company car and fuel, supplementary insurance cover, supplementary pension plan and complementary health plan in addition to the provisions of the applicable national collective bargaining agreement for a total value of Euro 5,846, in accordance with tax regulations.

A specific agreement was stipulated with the General Manager concerning the event of termination of his employment relationship.

Such agreement determines the disbursement of severance indemnity equal to 36 months gross salary in the event of dismissal without cause, resignation with cause, or termination on mutual consent of the employment relationship.

The remuneration of the Chief Operating Officer, Mr. Engineer Enrico Buschi, for 2014, is as follows:

- fixed component: Euro 209,756, as Gross Annual Salary;
- variable component (MBO plan): Euro 87,678. The assessment of the achievement of the targets provided by the short-term incentive plan for 2013 was carried out on the basis of the approval of the consolidated financial statement 2013 and through a verification by the Chief Executive Officer.

With reference to the MBO plan for 2014, the incentive accrued will be paid over the course of year 2015.

The maximum incentive disbursable for the MBO plan for 2014 was set at Euro 91,244.

Payment of the short-term incentive is, in any case, subject to exceeding the threshold linked to the achievement of a strategic target set by the Board of Directors.

For the financial year 2014, payment of the incentive was conditional upon achievement of the target related to the EBITDA Margin or, in other words, the ratio between the Group's EBITDA and Revenues of the year in question (year 2014).

The failure to achieve such threshold would give rise to the cancellation of the entire short-term variable incentive.

- Non-monetary benefits: the Chief Operating Officer is granted the use of a company car and fuel for a total value, of Euro 2,083, in accordance with tax regulations.

No severance provisions were determined for the event of termination of the office.

4. Key Executives/Executives with Strategic Responsibilities

The remuneration packages of the Key Executives are shown at an aggregate level and, within such figure, the remuneration packages of the Executives with Strategic Responsibilities are specified, again in aggregate terms since none of the Executives with Strategic Responsibilities has received total compensation exceeding the highest overall compensation received by the members of the Board of Directors and of the Board of Statutory Auditors.

A description of each of the items that compose the Key Executives' compensation, is set forth below, in aggregate form, with details for the Executives with Strategic Responsibilities, over the course of 2014:

- fixed component: Euro 3,213,285, as gross annual compensation (of which 1,854,938 refers to Executives with Strategic Responsibilities).

-
- variable component (MBO plan): Euro 1,177,643 (of which 680,929 refers to Executives with Strategic Responsibilities). The assessment of the achievement of the targets provided by the short-term incentive plan for 2013 was carried out on the basis of the approval of the consolidated financial statement 2013 and through a verification by the Chief Executive Officer.

With reference to the MBO plan for 2014, the incentive accrued will be paid over the course of 2015.

The maximum incentive disburseable for the MBO plan for 2014 was set at Euro 1,284,640 (of which 722,670 refers to Executives with Strategic Responsibilities).

Payment of the short-term incentive is, in any case, subject to exceeding the threshold linked to the achievement of a strategic target set by the Board of Directors.

For the financial year 2014, the condition enabling the disbursement of the incentive was identified as the achievement of the target related to the EBITDA Margin or, in other words, the ratio between the Group's EBITDA and Revenues of the year in question (2014).

The failure to achieve such threshold would give rise to the cancellation of the entire short-term variable incentive.

- Non-monetary benefits: they include the use of a company car and fuel, supplementary insurance cover, supplementary pension plan and complementary health plan in addition to the applicable national collective bargaining agreement for a total value of Euro 132,471 (of which 56,415 refers to Executives with Strategic Responsibilities), in accordance with tax regulations.

A specific agreement was stipulated with one of the Executives with Strategic Responsibilities concerning the event of termination of his employment relationship.

Such agreement determines the disbursement of severance indemnity equal to 36 months gross salary in the event of dismissal without cause, resignation with cause, or termination on mutual consent of the employment relationship.

5. Agreements in the event of termination

As described in the foregoing paragraphs, specific agreements are in place with the General Manager and with one of the Executives with Strategic Responsibilities which establish severance indemnities in the event of early termination of the employment relationship, equal to 36 months gross pay in the event of dismissal without cause, resignation with cause, or termination on mutual consent of the employment relationship.

Second Part Tables

With reference to the financial year 2014, the following Tables show (i) the remuneration due to the members of the Board of Directors and of the Board of Statutory Auditors, to General Managers as well as (ii) at an aggregate level, the remuneration due to Key Executives/Executives with Strategic Responsibilities.

Trieste, 13 March 2015

On behalf of the Board of Directors
The Chairman
Vincenzo Petrone

Table 1

TABLE ON REMUNERATION PAID TO THE MEMBERS OF THE BOARD OF DIRECTORS AND OF THE BOARD OF STATUTORY AUDITORS, THE GENERAL MANAGERS AND THE KEY EXECUTIVES/EXECUTIVES WITH STRATEGIC RESPONSIBILITIES OVER THE COURSE OF YEAR 2014

First Name Last Name	Position held	Period for which office was held	Office expiry	Fixed Remuneration	Remuneration for participation in Committees	Variable Non-equity Remuneration			Other fees	Total	Fair Value remune- ration	Severance indemnity for end of office or termination of employment relationship	
						Bonuses and other incentives	Profit Sharing	Non-mone- tary benefits					
Data expressed in Euro													
Vincenzo Petrone	Chairman BoD	01.01.2014- 31.12.2014	Sh. Meeting called to approve financial statement for 2015	Remuneration from Fincantieri	201,843 ¹	-	-	-	2,433	-	204,276	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	
				Total	201,843	-	-	-	2,433	-	204,276	-	-
Giuseppe Bono	CEO	01.01.2014- 31.12.2014	Sh. Meeting called to approve financial statement for 2015	Remuneration from Fincantieri	733,225 ²	-	180,000 ³	-	2,489	-	915,714	-	-
				Remuneration from subsidiaries and affiliates	- ⁴	-	-	-	-	-	-	-	
				Total	733,225	-	180,000	-	2,489	-	915,714	-	-
Simone Anichini	Director Chairman NC Member CC	03.07.2014- 31.12.2014 ⁵	Sh. Meeting called to approve financial statement for 2015	Remuneration from Fincantieri	13,463 ⁶	22,466 ⁶	-	-	-	-	35,929	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	
				Total	13,463	22,466	-	-	-	-	35,929	-	-

First Name Last Name	Position held	Period for which office was held	Office expiry		Fixed Remuneration	Remuneration for participation in Committees	Variable Non-equity Remuneration			Other fees	Total	Fair Value remune- ration	Severance indemnity for end of office or termination of employment relationship
							Bonuses and other incentives	Profit Sharing	Non-mone- tary benefits				
Data expressed in Euro													
Massimiliano Cesare	Director Chairman CRC Member NC	03.07.2014- 31.12.2014 ⁷	Sh. Meeting called to approve financial statement for 2015	Remuneration from Fincantieri	13,463 ⁶	22,466 ⁶	-	-	-	-	35,929	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	13,463	22,466	-	-	-	-	35,929	-	-
Andrea Mangoni	Director Member/ Chairman/ CC	01.01.2014- 31.12.2014 ⁸	Sh. Meeting called to approve financial statement for 2015	Remuneration from Fincantieri	27,000 ⁶	17,940 ⁶	-	-	-	-	44,940	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	27,000	17,940	-	-	-	-	44,940	-	-
Anna Molinotti	Director Chairman/ Member CC	01.01.2014- 31.12.2014 ⁹	Sh. Meeting called to approve financial statement for 2015	Remuneration from Fincantieri	27,000 ⁶	13,447 ⁶	-	-	-	-	40,447	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	27,000	13,447	-	-	-	-	40,447	-	-
Leone Pattofatto	Director Member CRC and NC	28.05.2014- 31.12.2014 ¹⁰	Sh. Meeting called to approve financial statement for 2015	Remuneration from Fincantieri	16,126 ⁶	17,973 ⁶	-	-	-	-	34,099	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	16,126	17,973	-	-	-	-	34,099	-	-
Paola Santarelli	Director	03.07.2014- 31.12.2014	Sh. Meeting called to approve financial statement for 2015	Remuneration from Fincantieri	13,463 ⁶	-	-	-	-	-	13,463	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	13,463	-	-	-	-	-	13,463	-	-
Paolo Scudieri	Director Member CRC	03.07.2014- 31.12.2014 ¹¹	Sh. Meeting called to approve financial statement for 2015	Remuneration from Fincantieri	13,463 ⁶	8,986 ⁶	-	-	-	-	22,449	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	13,463	8,986	-	-	-	-	22,449	-	-

First Name Last Name	Position held	Period for which office was held	Office expiry	Fixed Remuneration	Remuneration for participation in Committees	Variable Non-equity Remuneration				Total	Fair Value remune- ration	Severance indemnity for end of office or termination of employment relationship	
						Bonuses and other incentives	Profit Sharing	Non-mone- tary benefits	Other fees				
Data expressed in Euro													
Giovanni Masini	Director Member CC ¹²	01.01.2014- 14.05.2014	Role ended on 14.05.2014	Remuneration from Fincantieri	9,912 ⁶	2,974 ⁶	-	-	-	-	12,886	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	9,912	2,974	-	-	-	-	12,886	-	-
Gianluca Ferrero	Chairman Board of Statutory Auditors	28.05.2014- 31.12.2014	Sh. Meeting called to approve financial statement for 2016	Remuneration from Fincantieri	22,099 ⁶	-	-	-	-	-	22,099	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	22,099	-	-	-	-	-	22,099	-	-
Alessandro Michelotti	Permanent Statutory Auditor	28.05.2014- 31.12.2014	Sh. Meeting called to approve financial statement for 2016	Remuneration from Fincantieri	15,529 ⁶	-	-	-	-	-	15,529	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	15,529	-	-	-	-	-	15,529	-	-
Fioranna Vittoria Negri	Permanent Statutory Auditor	28.05.2014- 31.12.2014	Sh. Meeting called to approve financial statement for 2016	Remuneration from Fincantieri	15,529 ⁶	-	-	-	-	-	15,529	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	15,529	-	-	-	-	-	15,529	-	-
Luigi Orlando	Chairman Board of Statutory Auditors	01.01.2014- 27.05.2014	Role ended on 27.05.2014	Remuneration from Fincantieri	14,901 ⁶	-	-	-	-	-	14,901	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	14,901	-	-	-	-	-	14,901	-	-
Giovanna D'Onofrio	Permanent Statutory Auditor	01.01.2014- 27.05.2014	Role ended on 27.05.2014	Remuneration from Fincantieri	10,471 ⁶	-	-	-	-	-	10,471	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	10,471	-	-	-	-	-	10,471	-	-
Mauro D'Amico	Permanent Statutory Auditor	01.01.2014- 27.05.2014	Role ended on 27.05.2014	Remuneration from Fincantieri	10,471 ⁶	-	-	-	-	-	10,471	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	10,471	-	-	-	-	-	10,471	-	-

First Name Last Name	Position held	Period for which office was held	Office expiry	Fixed Remuneration	Remuneration for participation in Committees	Variable Non-equity Remuneration			Other fees	Total	Fair Value remune- ration	Severance indemnity for end of office or termination of employment relationship	
						Bonuses and other incentives	Profit Sharing	Non-mone- tary benefits					
Data expressed in Euro													
Vitaliano Pappaiani	General Manager	01.01.2014- 31.12.2014	- ¹³	Remuneration from Fincantieri	290,000	-	126,150 ¹⁴	-	5,846	-	421,996	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	290,000	-	126,150	-	5,846	-	421,996	-	-
Enrico Buschi	Chief Operating Officer	01.01.2014- 31.12.2014	- ¹³	Remuneration from Fincantieri	209,756	-	87,678 ¹⁵	-	2,083	-	299,517	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	209,756	-	87,678	-	2,083	-	299,517	-	-
Key Executives ¹⁶	-	01.01.2014- 31.12.2014 ¹⁷	-	Remuneration from Fincantieri	3,213,285 ¹⁸	-	1,177,643 ¹⁹	-	132,471 ²⁰	-	4,523,399 ²¹	-	-
				Remuneration from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	3,213,285	-	1,177,643	-	132,471	-	4,523,399	-	-

¹ The Chairman's fixed compensation is comprised of (i) Euro 40,000, to be disbursed over the course of 2015, as compensation for his role as member of the Board of Directors and (ii) Euro 161,843 (of which Euro 16,663 to be paid over the course of year 2015) as compensation approved by resolution by the Board of Directors, in accordance with art. 2389, paragraph 3, of the Italian Civil Code at the Compensation Committee's proposal, after receiving the Board of Statutory Auditors' opinion, on account of the breadth and nature of the specific mandates granted. In addition, over the course of 2014, the Board of Directors approved by resolution, at the Compensation Committee's proposal, after receiving the Board of Statutory Auditors' opinion, the payment of a lump-sum amount of € 80,000, as compensation for the activities actually performed, in addition to legal representation, over the period prior to the Board's grant of mandates, and in particular starting from his appointment at the Shareholders' Meeting held on 27 June 2013 until the Board of Directors' meeting held on 6 February 2014 (the portion accrued in 2014, for the period 1.1.2014 – 5.2.2014, amounts to Euro 13,156).

² The Chief Executive Officer's fixed compensation is comprised of (i) Euro 27,000, to be disbursed over the course of 2015, as compensation for his role as member of the Board of Directors and (ii) Euro 706,225 (of which Euro 271,475 to be paid over the course of year 2015) as compensation approved by resolution by the Board of Directors, in accordance with art. 2389, paragraph 3, of the Italian Civil Code at the Compensation Committee's proposal, after receiving the Board of Statutory Auditors' opinion, for his role as Chief Executive Officer.

³ The amount refers to the MBO Plan for 2013, which incentive was paid over the course of 2014; with reference to the MBO Plan for 2014, the achievement of results will be assessed following the approval of the consolidated financial statement for year 2014 by the Board of Directors, with support from the Compensation Committee and any incentive accrued, the maximum amount of which has been set at Euro 450,000, will be paid over the course of year 2015.

⁴ The overall amount of Singaporean Dollars 525,000 [Euro 325,395 according to average exchange rate in 2014 – SGD/EUR = 0,6198] paid by Vard Group AS and Vard Holdings Limited with reference to 2014 for the office of Chairman of BoD held in the two companies and for the specific mandates assigned, are transferred to Fincantieri.

⁵ The roles of Chairman of the Nomination Committee and member of the Compensation Committee have been held since 21 July 2014.

⁶ The amount will be disbursed over the course of year 2015.

⁷ The roles of Chairman of the Control and Risk Committee and member of the Nomination Committee have been held since 21 July 2014.

⁸ The role of Chairman of the Compensation Committee has been held since 21 July 2014.

⁹ The role of member of the Compensation Committee has been held from 1 January to 21 July 2014.

¹⁰ The roles as member of the Control and Risk Committee and Nomination Committee have been held since 21 July 2014.

¹¹ The role as member of the Control and Risk Committee has been held since 21 July 2014.

¹² The role of member of the Compensation Committee has been held from 1 January to 14 May 2014.

¹³ The Board of Directors approved by resolution on 13 February 2015 to combine the General Manager and the Chief Operating Officer's positions to form a single General Manager's Office. The Board, at Chief Executive Officer Giuseppe Bonò's proposal, also appointed as General Manager Mr. Andrea Mangoni, who has been a Director of the Company since June 2013, who will take on such role by the end of March 2015.

¹⁴ Variable incentive disbursed in 2014 and referring to targets under the MBO Plan for 2013; with reference to the MBO Plan for 2014, any incentive accrued will be paid over the course of 2015 and may amount to a maximum of Euro 126,150.

¹⁵ Variable incentive disbursed in 2014 and referring to targets under the MBO Plan for 2013; with reference to the MBO Plan for 2014, any incentive accrued will be paid over the course of 2015 and may amount to a maximum of Euro 91,244.

¹⁶ This category includes Executives with Strategic Responsibilities, as already identified in accordance with Schedule 1 of Consob Regulation No. 17221 dated 12 March 2010 (see Offering Circular); the compensation related to the Head of Engineering System Development and the Head of Oil & Gas Business/Offshore are not included since such positions are held by Executives with Strategic Responsibilities who do not receive additional compensation for the dual role.

¹⁷ The employment relationship with one of the Executives with Strategic Responsibilities was terminated in 2014; the related compensation was calculated on a pro-rata basis for the period in which such role was held (*pro rata temporis*).

¹⁸ Of which Euro 1,854,938 regards the Executives with Strategic Responsibilities.

¹⁹ Of which Euro 680,929 regards the Executives with Strategic Responsibilities.

²⁰ Of which Euro 56,415 regards the Executives with Strategic Responsibilities.

²¹ Of which Euro 2,592,282 regards the Executives with Strategic Responsibilities.

Table 2

TABLES ON MONETARY INCENTIVE PLANS IN FAVOR OF THE CHIEF EXECUTIVE OFFICER, GENERAL MANAGERS AND KEY EXECUTIVES/EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

First Name Last Name	Position held		Plan	Bonuses for the year (Euro)			Bonuses for past years (Euro)			Other bonuses (Euro)
				Payable/paid	Deferred	Deferral period	No longer payable	Payable/paid	Still deferred	
Vincenzo Petrone	Chairman BoD	Remuneration from Fincantieri	Not assigned in 2013	-	-	-	-	-	-	-
			MBO 2014	68,000 ²²	-.23	-	-	-	-	-
		Remuneration from subsidiaries and affiliates		-	-	-	-	-	-	-
		Total		68,000	-	-	-	-	-	-
Giuseppe Bono	CEO	Remuneration from Fincantieri	MBO 2013	-	-	-	-	180,000 ²⁴	-	-
			MBO 2014	450,000 ²²	-.23	-	-	-	-	-
		Remuneration from subsidiaries and affiliates		-	-	-	-	-	-	-
		Total		450,000	-	-	-	180,000	-	-
Vitaliano Pappaiani	General Manager	Remuneration from Fincantieri	MBO 2013	-	-	-	-	126,150 ²⁴	-	-
			MBO 2014	126,150 ²²	-.23	-	-	-	-	-
		Remuneration from subsidiaries and affiliates		-	-	-	-	-	-	-
		Total		126,150	-	-	-	126,150	-	-
Enrico Buschi	Chief Operating Officer	Remuneration from Fincantieri	MBO 2013	-	-	-	-	87,678 ²⁴	-	-
			MBO 2014	91,244 ²²	-.23	-	-	-	-	-
		Remuneration from subsidiaries and affiliates		-	-	-	-	-	-	-
		Total		91,244	-	-	-	87,678	-	-
Key Executives		Remuneration from Fincantieri	MBO 2013	-	-	-	-	1,177,643 ²⁵	-	-
			MBO 2014	1,284,640 ²⁶	-.23	-	-	-	-	-
		Remuneration from subsidiaries and affiliates		-	-	-	-	-	-	-
		Total		1,284,640	-	-	-	1,177,643	-	-

²²The amounts refers to the maximum amount disbursable under the MBO Plan for 2014.

²³With reference to the MBO Plan for 2014, any incentive to be disbursed will be determined over the course of 2015.

²⁴The monetary incentive refers to the amount disbursed in 2014 on the basis of targets under the MBO Plan for 2013; with reference to the MBO Plan for 2014, any incentive accrued will be paid over the course of 2015.

²⁵Of which Euro 680,929 refers to Executives with Strategic Responsibilities

²⁶The amount refers to the maximum amount disbursable under the MBO Plan 2014 (of which Euro 722,670 refers to Executives with Strategic Responsibilities).

section III

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

The following Table is drafted in accordance with art. 84-*quater*, paragraph 4, Issuers Regulation and Model No. 7-*ter* of Schedule 3A to the Issuers Regulation. The Table indicates the shareholdings held by the members of the Board of Directors and the Board of Statutory Auditors, the General Managers as well as, on an aggregate basis, the Executives with Strategic Responsibilities of Fincantieri and its subsidiaries²⁷.

First Name Last Name	Position held	Period for which office was held	Investee Company	N. shares held at the end of year 2013	N. shares purchased	N. shares sold	N. shares held at the end of year 2014
Vincenzo Petrone	Chairman BoD	01.01.2014- 31.12.2014	-	-	-	-	-
Giuseppe Bono	CEO	01.01.2014- 31.12.2014	Fincantieri S.p.A	-	80,000	-	80,000
Simone Anichini	Director	03.07.2014- 31.12.2014	-	-	-	-	-
Massimiliano Cesare	Director	03.07.2014- 31.12.2014	-	-	-	-	-
Andrea Mangoni	Director	01.01.2014- 31.12.2014	-	-	-	-	-
Anna Molinotti	Director	01.01.2014- 31.12.2014	-	-	-	-	-
Leone Pattofatto	Director	28.05.2014- 31.12.2014	-	-	-	-	-
Paola Santarelli	Director	03.07.2014- 31.12.2014	-	-	-	-	-
Paolo Scudieri	Director	03.07.2014- 31.12.2014	-	-	-	-	-
Gianluca Ferrero	Chairman Board of Statutory Auditors	28.05.2014- 31.12.2014	-	-	-	-	-
Alessandro Michelotti	Permanent Statutory Auditor	28.05.2014- 31.12.2014	-	-	-	-	-
Fioranna Vittoria Negri	Permanent Statutory Auditor	28.05.2014- 31.12.2014	-	-	-	-	-
Vitaliano Pappaiani	General Manager	01.01.2014- 31.12.2014	Fincantieri S.p.A	-	10,000	-	10,000
Enrico Buschi	Chief Operating Officer	01.01.2014- 31.12.2014	Fincantieri S.p.A	-	4,000	-	4,000
Executives with Strategic Responsibilities	-	01.01.2014- 31.12.2014	Fincantieri S.p.A	-	126,000	-	126,000

²⁷ The information about individuals terminated before the Company's listing are not reported here. Please note that, pursuant to art. 84-*quater*, paragraph 4, Issuers Regulation, in the Compensation Report must indicate "shareholdings held, in companies with listed shares and in companies controlled by the same, by the members of the management and control bodies, the General Managers and the other Executives with Strategic Responsibilities, as well as their spouses who are not legally separated and minor children, whether directly or through subsidiaries, trust companies or agents, as set forth in the shareholders' ledger or on the basis of notifications received or other information received from the same members of the management and control bodies, the General Managers and the Executives with Strategic Responsibilities".

Under Model No. 7-*ter* of Schedule 3A to the Issuers Regulation, the disclosure covers all persons who, over the course of year of reference, held roles as members of the management and control bodies, as General Manager or as Executives with Strategic Responsibilities, even for a portion of the year. In this regard, the legal title of possession and manner of possession are also indicated.

FINCANTIERI

Parent Company

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

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www.fincantieri.com

Share capital Euro 862,980,725.70

Trieste Company Registry and Tax No. 00397130584

VAT No. 00629440322

Company subject to direction and coordination by Fintecna S.p.A. until 3 July 2014

graphic design & photocomposition

Sintesi/HUB - Trieste

printed by

Grafiche Manzanesi - Manzano (UD)



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