



REMUNERATION REPORT

pursuant to Article 123-*ter* of Legislative Decree no. 58 of February 1998 (Italian Consolidated Financial Law - TUF)
and pursuant to Article 84-*quater* of CONSOB Resolution no. 111971 of 14 May 1999 ("Issuers' Regulation")
Approved by the Board of Directors on 25th Febbraio 2019



FINCANTIERI
The sea ahead



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GLOSSARY

Directors

Members of the Board of Directors.

Executive Directors

The Directors vested with particular duties by the Board of Directors, specifically the Chairman and Chief Executive Officer.

Claw-back clauses

Contractual agreements that permit the Company to request restitution, in whole or in part, of variable components of remuneration paid (or to retain sums that are the subject of deferment) that were calculated based on information that is later revealed to be manifestly erroneous or false, or in cases of fraud or wilfully wrongful or negligent conduct to the detriment of the Company, on the condition that the satisfaction of the above requirements is verified based on information ascertained by proven methods by the competent corporate Departments within three years from payment of the cash incentive (or from the allocation of the incentive that was covered by the deferment).

Corporate Governance Code or Code

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

Remuneration Committee or Committee

The Remuneration Committee set up by the Fincantieri Board of Directors under the Code.

Board of Directors or Board

Fincantieri's Board of Directors.

General Managers ¹

The General Managers of Fincantieri.

Key Executives ²

The following executives of Fincantieri, who hold organisational positions of significant impact with regard to achieving the company's objectives:

- **Deputy General Manager ³**
- **SEVP Merchant Ships**
- **SEVP Naval Vessels**
- **SEVP Services**
- **SEVP Offshore**
- **Chief Financial Officer**
- **SEVP Business Development**
- **SEVP Operations and Strategic Planning**
- SVP Accommodations & Entertainment
- SVP Infrastructure
- SVP Systems and Mechanical Components
- SVP Naval Services
- SVP Marketing and Communication and Media Relations
- SVP Human Resources and Industrial Relations
- General Counsel
- Chief Information Officer
- SVP Procurement
- SVP Italian Naval Vessels
- SVP Foreign Naval Vessels
- SVP Group Participations
- SVP Merchant Ships Operations
- SVP Monfalcone Plant
- SVP Marghera Plant
- SVP Integrated Military Shipyard

Executives with Strategic Responsibilities

"Those parties who have the power and the responsibility, whether directly or indirectly, for the planning, management and control of the Company's activities, including Directors (executive or otherwise) of the Company".

EBITDA

Profit gross of taxable interest, taxes, depreciation and amortisation on tangible and intangible assets.

EBITDA Margin

The ratio between EBITDA and the Group revenue in the reference period.

FTSE Italia All Share Modified

FTSE Italia All Share index, the value of which is published daily by Borsa Italiana, adjusted by excluding companies mainly offering banking, asset management or insurance services.

Fincantieri

FINCANTIERI S.p.A.

Group

Fincantieri and the Companies controlled by the same under Article 93 of the Italian Consolidated Law on Finance (TUF).

Sustainability index

The means to measure the achievement of the sustainability objectives that the Company has determined combined and/or set in addition to those of the economic and financial performance, in order to align itself with the European best practices and the expectations of the financial community in terms of sustainable development.

MBO

Management by Objectives, i.e., the short term variable component of remuneration consisting of an annual bonus in cash to be paid on the basis of the achievement of fixed annual objectives.

Target objective

Standard level of achieving the objective that entitles one to obtain 100% of the incentive (without prejudice to other multipliers or discretionary parameters).

International Peer Group

Panel of companies listed on the international stock exchanges and indicated as a reference parameter in the Information Document on the LTI Plans.

2016-2018 Performance Share Plan or 2016-2018 LTI Plan or 2016-2018 Plan

The medium-long term variable incentive scheme that provides for the free allocation to beneficiaries of rights to acquire a pre-set quota of Fincantieri's ordinary shares with no par value, upon achieving specific performance objectives, approved by the Shareholders' Meeting on 19 May 2017.

2019-2021 Performance Share Plan or 2019-2021 LTI Plan or 2019-2021 Plan

The medium-long term variable incentive scheme that provides for the free allocation to beneficiaries of rights to acquire a pre-set quota of Fincantieri's ordinary shares with no par value, upon achieving specific performance objectives, approved by the Shareholders' Meeting on 11 May 2018.

LTI Plans or Plans

Collectively, the 2016-2018 Performance Share Plan and the 2019-2021 Performance Share Plan.

Remuneration Policy or Policy

The Remuneration Policy approved by the Board of Directors as described at Section I of this Report.

Committee Regulations

The Remuneration Committee Regulations.

Issuers' Regulations

The Regulations issued by Consob with Resolution No. 11971 of 14 May 1999 on Issuers, as amended.

Remuneration Report or Report

This Remuneration Report, prepared pursuant to Article 123-ter of the Italian Consolidated Law on Finance (TUF).

Company

FINCANTIERI S.p.A.

¹ On 22 January 2019, the Board of Directors resolved to appoint a second General Manager who will assist the General Manager appointed earlier on 26 September 2016.

² The Key Executives who are also identified as Executives with Strategic Responsibilities pursuant to Annex 1 of CONSOB Regulation No. 17221 of 12 March 2010, are shown in bold.

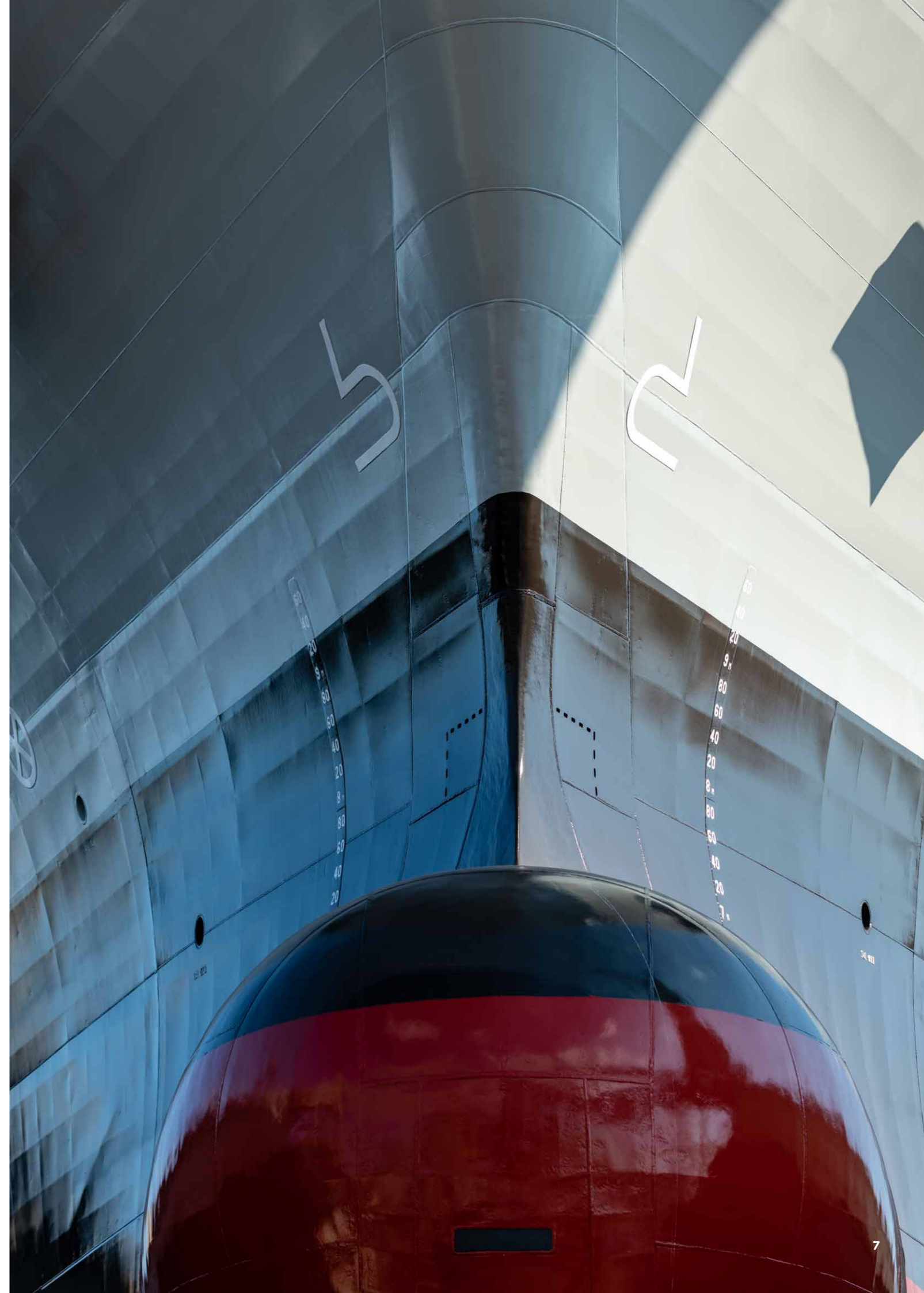
³ Until 21 January 2019.

TSR - Total Shareholder Return

The return for an investor that is calculated considering both the variations in the price of the share during a given period, and the dividends distributed in the same period, assuming that such dividends are immediately reinvested in the same Company's shares.

TUF - The Italian Consolidated Law on Finance

Legislative Decree No. 58 of 24 February 1998 (as amended), containing the "Consolidated text of the provisions on the subject of financial intermediation".



LETTER FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS AND FROM THE CHAIRMAN OF THE SHAREHOLDERS' REMUNERATION COMMITTEE

Dear Shareholders,

The Remuneration Report that we submit to you illustrates Fincantieri's Remuneration Policy for the 2019 financial year and the remunerations paid to Directors, Statutory Auditors, the General Manager, Executives with Strategic Responsibilities and Key Executives of the Company in the 2018 financial year. This document laid down in line with the governance model adopted by the Company, with the recommendations of the Corporate Governance Code, as well as with the best practices that normally apply, was approved by the Board of Directors on 25 February 2019 on the Remuneration Committee's proposal.

The aim of Fincantieri's Remuneration Policy is to attract, motivate and retain the most adequate resources to successfully manage the Company, favouring retention capacity, encouraging the achievement of strategic objectives in order to align top management interests with the primary objective of creating sustainable value for the shareholders over the medium-long term.

In this regard, in the three financial years throughout which the policy was in force, the Remuneration Committee, with the expert contribution of the Company's Human Resources and Industrial Relations Department, seamlessly and consistently advocated a Remuneration Policy for the Company organised along three important lines:

1. favouring the variable remuneration component of its management with respect to the fixed component and, in this context, the long-term average component rather than the short term one;
2. constantly monitoring the Company's management remuneration components by promoting a targeted and progressive action plan to realign and readjust management remuneration arrangements in accordance with the relevant market;
3. promoting and supporting issues related to sustainability, in line with the growing expectations of the financial community in relation to sustainable development, consolidating its reputation vis-à-vis its stakeholders.

Regarding the first point, the Company, in line with best market practices and starting in 2016, has pursued the goal of increasingly favouring the variable remuneration component of its management compared to the fixed component by effectively combining the STI (Short Term Incentives) Plan and the LTI (Long Term Incentives) Plan, consistent with Group's performance trends and with shareholder returns.

In accordance with the provisions of the Corporate Governance Code, as well as the best practices for listed companies, on 10 November 2016, Fincantieri approved a medium-long term Incentive Plan (2016-2018 Performance Share) hinging on Fincantieri's shares, intended for its management, which had recorded a more consistent pay-mix balance from the start. In keeping with the abovementioned 2016-2018 LTI Plan, the Shareholders' Meeting held on 11 May 2018 approved a new medium-long term incentive Plan (2019-2021 Performance Share Plan).

The new LTI Plan, in keeping with the previous plan, pursues the following objectives:

- improving the alignment of the beneficiaries' interests with those of the shareholders, connecting management remuneration to specific performance objectives spread over multiple years, the

achievement of which is closely tied to improving the Company's performance and increasing its value over the long term;

- supporting the retention capacity of key resources, by aligning the Company's Remuneration Policy with best market practices, which typically provide medium-long term incentives;
- ensuring a better and more consistent pay-mix balance for the variable component of the remuneration packages of the Chief Executive Officer, the General Manager, Executives with Strategic Responsibilities and other Key Executives.

The 2019-2021 Plan, in line with the above, provides for a vesting period, a lock-up period and the application of claw-back clauses.

As for the remuneration components, in view of the evidence derived from updating the assessment as to weighing managerial positions and the related benchmark with the relevant market, conducted in the first half of 2017, the Company continued in 2018, in keeping with the previous financial year, to implement the plan to adjust remuneration arrangements for Key Executives, as well as for other managers, so that these are accurately positioned in the relevant market. Implementing the actions proposed by the Company has thus allowed to register a significant increase (from 18% noted in 2017 to 62% today) in the number of Key Executives receiving remunerations that are around the market median.

Finally, in view of the increasing expectations of the financial community on sustainable development, and in line with the Sustainability Plan approved in December 2018, Fincantieri not only introduced the already consolidated economic and financial performance objectives (EBITDA) tied to share performance (Total Shareholder Return) to the abovementioned 2019-2021 LTI Plan, but also a Sustainability objective allowing individuals to focus their awareness and efforts on strategic objectives, even if not strictly economic.

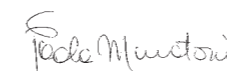
Furthermore, Fincantieri has also confirmed its awareness and effort towards these topics by including certain objectives in the short term reward system (MBO Plan) tied to sustainability, including those on quality, safety, respect for the environment and anti-corruption.

Esteemed Shareholders, given the above, the Remuneration Policy that we submit for your approval confirms the following distinctive elements; the pursuit of a balanced pay mix in relation to the management remuneration package, and the variable component's connection to clear, pre-set and measurable performance objectives, also in terms of sustainability, in line with the market's best practices on remuneration. Accordingly, we believe that the Remuneration Policy is consistent with its pursued purposes, namely attracting, retaining and adequately remunerating the Company's key resources, so as to ensure the creation of value for the shareholders over the medium-long term.

We take this opportunity to thank you in advance for the support that you are called upon to express at this time.

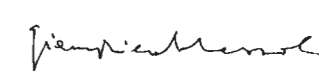
Paola Muratorio

THE CHAIRMAN OF THE
REMUNERATION COMMITTEE



Giampiero Massolo

THE CHAIRMAN OF THE
BOARD DIRECTORS



INTRODUCTION

This Report, prepared in compliance with the laws currently in force and the Corporate Governance Code and taking account of the recent recommendations of the Italian Committee for Corporate Governance on the topic of remuneration⁴, was approved by the Board of Directors' Meeting of 25 February 2019 on a proposal by the Remuneration Committee.

In compliance with the provisions of Article 123-ter of the Italian Consolidated Law on Finance, this Report is divided into two sections:

- the **first section** illustrates the Policy adopted by Fincantieri on the remuneration of the members of the Board of Directors, the General Managers, the Executives with Strategic Responsibilities and other Key Executives with reference to the 2019 financial year, and until the approval of a new Remuneration Policy; in accordance with the provisions of Article 123-ter of the Italian Consolidated Law on Finance, this section is subject to the advisory vote of the Shareholders' Meeting called to approve the financial statements as of 31 December 2018;
- the **second section** provides detailed information on the remuneration payable to the aforementioned subjects and the statutory auditors for the 2018 financial year.

This Report is made available to the public at Fincantieri company headquarters (1, Via Genova - in Trieste) and on the Company's website (www.fincantieri.com), and on the authorised storage platform called eMarket STORAGE (www.emarketstorage.com).

SECTION I

1. Remuneration Policy of the members of the Board of Directors, the General Managers and the Executives with Strategic Responsibilities.

1.1. Procedures for adopting and implementing the Remuneration Policy

1.1.1. Bodies and parties involved in preparing, approving and implementing the Policy

Fincantieri's Remuneration Policy is approved annually by the Board of Directors on the Remuneration Committee's proposal.

This Policy's purpose is to: (i) attract, motivate and retain the most suitable resources to successfully manage the company; (ii) stimulate the achievement of strategic objectives; (iii) align the interests of top management with the primary objective of the creation of sustainable shareholder value in the medium-long term; and (iv) promote the Company's mission and its corporate values.

The corporate board responsible for the correct implementation of the Remuneration Policy is the Board of Directors, being supported by the Remuneration Committee, which provides proposals and consultancy on the matter and that periodically evaluates the adequacy, overall consistency and the actual implementation of the Remuneration Policy of the parties concerned in compliance with the recommendations of the Corporate Governance Code and the provisions of the Remuneration Committee's Regulations. The management of the Remuneration Policy of the General Managers, Executives with Strategic Responsibilities and other Key Executives is entrusted to the Chief Executive Officer who, with the assistance of the Human Resources and Industrial Relations Directorate of the Company, constantly monitors the adequacy, overall consistency, and the actual implementation of the Policy itself.

The verification of the level of achievement of the quantitative and qualitative performance objectives, and the consequent determination of the sums of money due to the individuals concerned, shall be performed after the approval of the financial statements, following verification by the Chief Executive Officer.

1.2. Remuneration Committee: composition, method of functioning, duties and activities performed

The composition, appointment, duties and operating procedures of the Remuneration Committee are governed by special Regulations approved by the Board of Directors.

In line with the provisions of these Regulations, the Committee is composed of three non-executive Directors, the majority of whom are independent, namely the Directors Paola Muratorio (independent) with the office of Chairman, Donatella Treu (independent) and Fabrizio Palermo, appointed by the Board of Directors on 8 June 2016 following the renewal of the entire Board by the Shareholders' Meeting held on 19 May 2016.

All members possess adequate knowledge and experience in finance or Remuneration Policy matters.

In accordance with its Regulations, the Remuneration Committee meets periodically with the frequency necessary to perform its tasks. Meetings are called by the Committee Chairman, or when a request is made by at least two of its members, to discuss specific matters that are considered particularly relevant.

The Committee is quorate when the majority of the members in office are present and decide by absolute majority vote of those in attendance. In the event of a tie, the Chairman of the Committee holds the deciding vote. The following individuals may also attend the Committee meetings: Chairman of the Board of Directors, Chief Executive Officer and Chairman of the Board of Statutory Auditors

(or any other standing auditor appointed by them). Other standing auditors, however, may also attend the meetings and, upon invitation of the Committee itself, other parties as well may attend, including other Board members or top management of the Company, to provide information and express evaluations on matters falling within their remits with reference to the individual items on the agenda of the meetings. More specifically, as a general rule, the SVP of the Human Resources and Industrial Relations Directorate should attend. No Director shall take part in Committee meetings where proposals are submitted to the Board of Directors concerning their own remuneration. In accordance with the Corporate Governance Code and its own Regulations, the Remuneration Committee carries out the following advisory duties and makes the following proposals in relation to remuneration:

- submits proposals to the Board of Directors on the Remuneration Policy of Directors, Executives with Strategic Responsibilities and Key Executives, using, with respect to those executives, the information provided by the Chief Executive Officer, which may refer to market practices on Remuneration Policies;
- periodically assesses the adequacy, overall consistency and due application of the adopted Policy;
- submits proposals and expresses opinions to the Board of Directors on the remuneration of executive directors and other directors who hold particular positions, as well as on setting performance objectives related to the variable component of such remuneration;
- monitors the application of the decisions taken by the Board on matters on which it has submitted proposals and expressed opinions, in particular the evaluation of the actual achievement of the performance objectives.

In carrying out these functions and for the purposes of performing its duties, the

⁴ Letter of the Chairman of the Italian Committee for Corporate Governance and the Chairmen of the governing bodies of listed Italian companies dated 21 December 2018.

Committee shall prepare and submit to the Board of Directors proposals for medium-long term incentive schemes for top management, including any share-based compensation plans, and is in charge of monitoring their application. Among its functions, it also reports to the Shareholders' Meeting called to approve the financial statements for the relevant year, either through the Committee Chairman or another designated member. The Committee is also in charge of the duties concerning Related Party Transactions in the case of resolutions concerning remuneration.

In the performance of its duties, the Committee shall ensure suitable functional and operational communications with the competent corporate departments.

The Committee: (i) may access information and is assisted by the corporate departments necessary to perform its duties; (ii) in order to fulfil its duties, it may access, through the structures of the Company, external consultants, provided that they are adequately bound to the necessary confidentiality; and (iii) if it considers it necessary, it may prepare an annual budget for its own tasks to be proposed to the Board of Directors.

In 2018, the Remuneration Committee held 5 meetings, within the scope of which it:

- i. concluded the investigation on the 2019-2021 Performance Share Plan approved by the Shareholders' Meeting held on 11 June 2018;
- ii. with reference to the short term variable component of the remuneration of the Chairman and the Chief Executive Officer, reported the business performances and other objectives related to the MBO for 2017 and established the performance objectives concerning the MBO for 2018;
- iii. with reference to the medium-long term variable component of remuneration, verified the consistency of the identification of the recipients of the 3rd cycle of the 2016-2018 Performance Share Plan, establishing

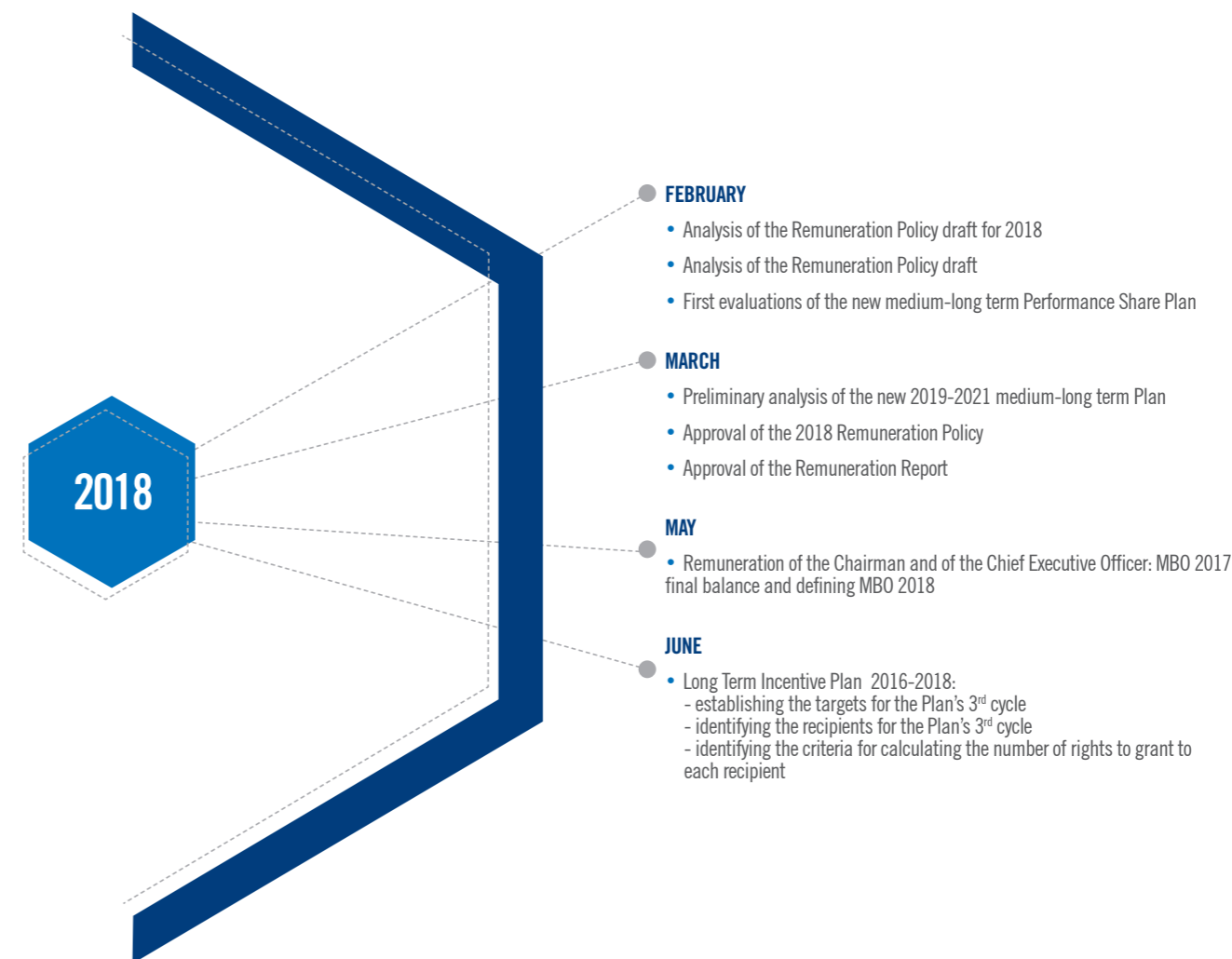
objectives and the relevant identification of the criteria for calculating the number of rights to grant to each of them;

iv. verified the overall adequacy of the Remuneration Policy adopted in the 2018 financial year;

v. drafted the contents of this Remuneration Policy to be approved by the Board of Directors and the advisory vote of the Shareholders' Meeting called to approve the financial statements for the 2018 financial year.

In early 2019, the Committee therefore prepared a proposal for the Remuneration Policy that will be submitted to the approval of the Board of Directors and to the advisory vote of the Shareholders' Meeting called to approve the financial statements for the 2018 financial year and expressed its opinion on this Report. In the following page it is illustrated the cycle of tasks performed by the Committee in 2018:

SIGNIFICANT EVENTS IN 2018



1.3. Independent experts involved in preparing the Remuneration Policy and information on using, as reference, the Remuneration Policies of other companies

This 2019 Policy, in line with the 2018 Policy, in consideration of the benchmark analysis conducted by Willis Towers Watson, intends to align the Policy itself with the most common market practices for listed companies to gradually adjust wages that seemed irregular to meet market levels. Again, with the assistance of Willis Towers Watson, the Company also developed the 2019-2021 Performance Share Plan, approved by the Shareholders' Meeting held on 11 May 2018, in keeping with the 2016-2018

Performance Share Plan approved by the Shareholders' Meeting held on 19 May 2017 (see below).

2. Characteristics of the Remuneration Policy

2.1. Goals pursued by the Remuneration Policy, basic principles and changes with respect to the Policy adopted for the 2018 financial year

The Company's Remuneration Policy is defined in compliance with the Company's governance model and with the recommendations of the Corporate Governance Code, to promote the Company's mission and its corporate values, to attract, motivate and retain management with high-level professional skills, capable of guiding

the Company to success and profitability. Its purpose is also to align the interests of that same management with the primary objective of creating value for the Company's shareholders over the medium-long term, ensuring that remuneration is based on the results effectively achieved.

To this end, the Company examines market practices of Remuneration Policies, thus ensuring an adequate level of its competitiveness in the labour market. In 2018, in keeping with the previous year, the Company continued with implementing the plan to adjust the remunerations of Key Executives and those of other managers to correctly position them with the relevant market, also in view of the evidence that materialised from the update of the assessment of weighing managerial positions, made with the assistance of Willis Towers Watson during the first quarter of 2017.

The abovementioned adjustment plan therefore permitted, also during the 2018 financial year, to mitigate, where appropriate, the irregularities between the remuneration positioning of Fincantieri's Key Executives and the relevant market; in fact, as a result of the actions undertaken in 2018, the percentage of Key Executives registered an increase that meets the market median, which from 39% for the 2017 financial year stands at 62% in 2018. The Remuneration Policy applied to the Chief Executive Officer, to the Chairman, to the General Managers, to the Executives with Strategic Responsibilities and to other Key Executives therefore aims to encourage their performance within the Company and achieve the strategic objectives of the same, fostering the loyalty of management by granting an appropriate fixed remuneration component and by adopting variable remuneration systems linked to achieving certain individual and Group performance objectives.

With this in mind, the Remuneration Policy and the 2019-2021 LTI Plan, approved by

the Shareholders' Meeting held on 11 June 2018 in keeping with the 2016-2018 LTI Plan, confirm Fincantieri's intent to encourage its management through effective remuneration instruments, able to attract, motivate and retain the Company's top management and key resources, by increasingly favouring the variable component of remuneration rather than the fixed one, thus aligning management's interests with those of the shareholders in the medium-long term. Moreover, in view of the increasing expectations of the financial community on sustainable development, the abovementioned 2019-2021 LTI Plan not only provides the financial and economic performance objectives linked to stock performance, but also a sustainability index.

To strengthen the link between remuneration and the medium-long term interests of the Company, the Remuneration Policy envisages that:

- i. the fixed and the variable components are appropriately balanced and, with respect to the latter, the short term and the medium-long term variable components;
- ii. the fixed component is suitable to compensate the concerned party's performance if the variable component is not disbursed due to the failure to achieve the performance objectives;
- iii. a significant portion of the remuneration of those concerned is based on the three-year incentive plans;
- iv. the remuneration relating to these plans is granted upon achievement of the performance objectives, which are also based on a three-year cycle;
- v. these objectives are predetermined, measurable and indicative of the Company's operational efficiency, as well as its capacity to remunerate the invested capital and create value for the shareholders over the medium-long term;

vi. the Company may request restitution, in whole or in part, of variable components of the remuneration paid (or retain sums that are the subject to deferment) that were calculated based on information that later proves to be manifestly erroneous (the claw-back).

The Remuneration Policy applied to the parties above is thus oriented toward valorising sustainable performance and the achievement of the Company's strategic priorities. In accordance with the provisions of the Corporate Governance Code, the remuneration of non-executive directors is commensurate with the commitment requested from each of these, also taking account of their participation in one or more Committees of the Board of Directors and does not foresee any variable components.

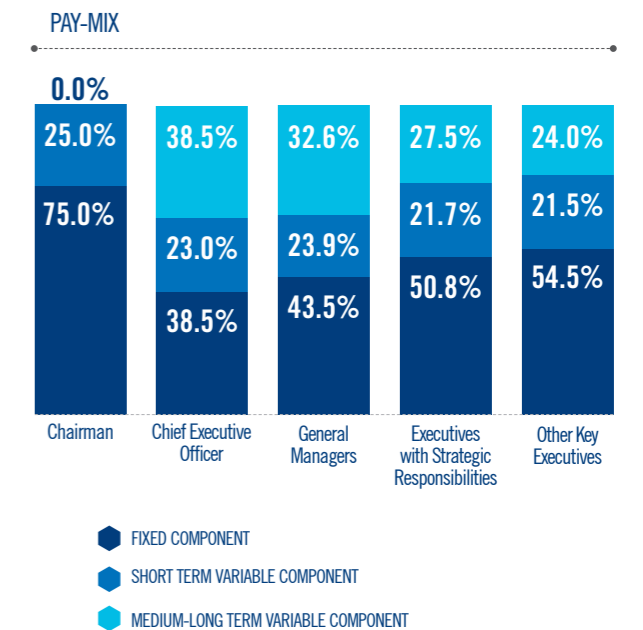
2.2. Significant amendments to the Remuneration Policy in the 2019 financial year compared to 2018

The Remuneration Policy for the 2019 financial year does not foresee significant changes compared to 2018, with the exception of the introduction of the 2019-2021 LTI Plan approved by the Shareholders' Meeting held on 11 March 2018. It should be noted, also, that on 22 January 2019, the Board of Directors resolved to appoint a second General Manager who will assist the General Manager appointed earlier on 26 September 2016.

2.3. Remuneration structure: fixed components and variable components; performance objectives based on which variable components are assigned, and information on the connection between changes in performances and changes in remuneration

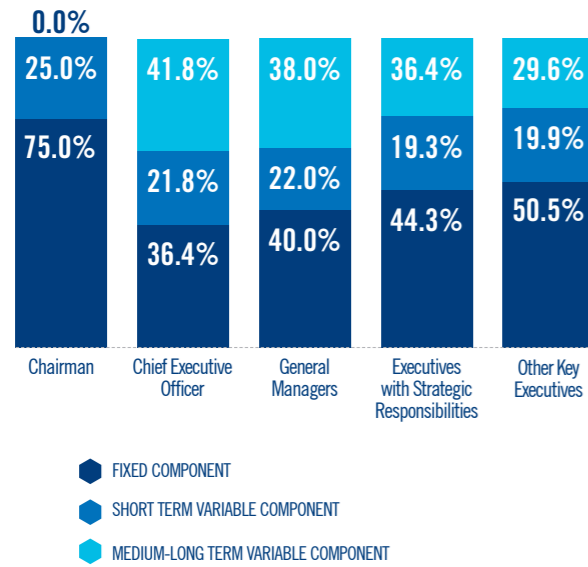
The remuneration of the Chief Executive Officer, the Chairman, the General Managers, of Executives with Strategic Responsibilities and of other Key Executives is established

in such a way as to align their interests with the pursuit of the primary objective of value creation for the shareholders over the medium-long term. In addition, as emphasised in the chart below, following the introduction of the medium-long term variable component referred to in the 2016-2018 LTI Plan, the pay-mix demonstrates an increase in the variable component. The pay-mix, therefore, is balanced on the basis of the Company's strategic objectives and risk management policy, taking account of the industry in which it operates and the characteristics of the business it performs. For the roles of greater responsibility, the variable components are emphasised as compared to the fixed component, in line with the best market practices:



Also, if one were to consider the pay-mix resulting from the introduction of the 2019-2021 LTI Plan, the medium term variable component becomes even more predominant, as represented in the following page:

PAY-MIX 2019-2021 LTI PLAN



In the above charts, the values of the variable components were calculated as follows:

- the short term variable component: the annual values that can be obtained upon achieving the target are shown;
- the medium-long term variable component: the first chart shows the value of the incentive in terms of number of shares that can be obtained when all target objectives are met in the third three-year cycle of the 2016-2018 LTI Plan while, in the second chart, the value of the incentive in terms of number of shares that can be obtained when all target objectives are met in the first three-year cycle of the 2019-2021 LTI Plan. The abovementioned incentives were quantified considering the value of the shares when granted, assuming that the beneficiaries participate in all three cycles of each Plan as well as the fact that they remain in the same even after the end of the abovementioned three cycles of each Plan.



In view of the above, the abovementioned persons are recipients of a salary package structured as follows:

TYPE OF REMUNERATION	PURPOSE	POSITIONS INVOLVED
Fixed remuneration	Remunerates the role and more specifically the responsibilities assigned to the recipients, taking account, among other things, of the experience, quality of contribution made to achieving the business results and level of excellence with respect to the assigned duties.	<ul style="list-style-type: none"> • Chairman • Chief Executive Officer • Non-executive Directors • General Managers • Executives with Strategic Responsibilities • Other Key Executives
Short term variable remuneration (annual MBO)	Remunerates results achieved in the short term and is aimed at expressing the industrial plan strategies into a series of annual, individual and group objectives, capable of decisively influencing the performances of the executives involved.	<ul style="list-style-type: none"> • Chairman • Chief Executive Officer • General Managers • Executives with Strategic Responsibilities • Other Key Executives
Medium-long term variable remuneration (Performance Share Plan)	Remunerates results achieved in the medium-long term and is aimed at improving the alignment of interests of the recipients with those of the shareholders and supporting the retention capabilities for key resources.	<p>The beneficiaries are individually identified at the discretion of the Board of Directors, on the advice of the Remuneration Committee, among the following persons:</p> <ul style="list-style-type: none"> • Chief Executive Officer and, according to the Chief Executive Officer's indications, the following persons: • General Managers • Executives with Strategic Responsibilities • Other Key Executives

2.3.1. Fixed component

The fixed salary component is commensurate to the role, the commitment required and the connected responsibilities. It is sufficient to remunerate the services performed, including in the event of no payment or only partial payment of the variable components, where envisaged. This is determined taking account of the level of experience of the individual party, of the professional contribution that the same brings to the achieving business results, as well as the level of excellence with respect to the duties assigned. The fixed component is also such as to ensure a suitably competitive position with respect to the level of salary paid by the market for the specific position.

In line with the recommendations of the Corporate Governance Code and with the purposes described in paragraph 2.1 above, under the Policy the fixed component of the remuneration is made up of:

- for the **Chief Executive Officer:**
 - the salary resolved by the Shareholders' Meeting for the office of member of the Board of Directors under Article 2389(1) of the Italian Civil Code;
 - the salary resolved by the Board of Directors under Article 2389(3) of the Italian Civil Code, on proposal from the Remuneration Committee and in accordance with the opinion of the Board of Statutory Auditors, for the role of Chief Executive Officer;
- For the **Chairman of the Board of Directors:**
 - the salary resolved by the Shareholders' Meeting for the office of Chairman under Article 2389(1) of the Italian Civil Code;
 - the salary resolved by the Board of Directors under Article 2389(3) of the Italian Civil Code, on proposal from the Remuneration Committee and in accordance with the opinion of the Board of Statutory Auditors, in consideration of the breadth and nature of the specific duties which may be assigned;
- for **non-executive Directors:**

- the salary resolved by the Shareholders' Meeting for the office of member of the Board of Directors under Article 2389(1) of the Italian Civil Code;
- the amounts resolved by the Board of Directors, in accordance with the opinion of the Board of Statutory Auditors, and payable to the Chairman and the members of the internal committees of the Board of Directors;

- for the **General Managers, Executives with Strategic Responsibilities** and for other **Key Executives:**

- the gross annual salary provided according to their individual contract, in compliance with the provisions of the applicable collective laws. Furthermore, the abovementioned executives receive allowances for travelling either nationally or abroad, in line with the provisions under the applicable National Collective Bargaining Agreements and company level contracts.

2.3.2. Variable component

The variable component is intended to remunerate management for the results achieved over the short and medium-long term. The direct relationship between results achieved and payment of the incentives allows, on the one hand, to take into account the results of the Company and the Group while, on the other, to strengthen the merit-based system, differentiating the contribution of each person and at the same time motivating the human resources.

The pay mix relative to the variable part of the remuneration consists of:

- a short term component, based on short term variable incentive plans on an annual basis (MBO); and
- a medium-long term component, based on the share plans (the LTI Plans).

The variable remuneration utilises different incentive programmes and instruments, depending on the resources involved and the timescale taken into consideration, to mitigate the management's assumption of risks and to incentivise the creation of sustainable shareholder value over the medium-long term.

Beneficiaries of the short term variable remuneration are: Chief Executive Officer, Chairman, General Managers, Executives with Strategic Responsibilities and other Key Executives.

The recipients of the medium-long term remuneration are individually identified at the discretion of the Board of Directors, in accordance with the opinion of the Remuneration Committee, to the extent applicable, in the case of the Chairman and the Chief Executive Officer, and based on the indications of the Chief Executive Officer in relation to the General Managers, other Executives with Strategic Responsibilities, other Key Executives and other key resources identified with the purposes of incentivising and retaining, as provided for in the regulations of the LTI Plans.

- **Short term component**

The use of a short term variable incentive Plan on an annual basis (MBO) intends to spell out the industrial plan's strategies in a series of annual objectives. The MBO can decisively influence the performance of the executives involved. The objectives, identified in line with the industrial plan, are predetermined and measurable and are assigned annually by way of plans discussed with the individual recipients.

Based on the achievement level of their own targets, the executives involved receive a bonus consisting in a predefined percentage of their base salary, which, in accordance with the MBO group to which they belong, ranges from a minimum of 35% for the achievement of the targets (which can be increased up to 38.2% in the case of over performance) to a maximum of 50% for achieving the target (which may be increased up to 54% in

case of over performance).

The short term incentive of the Chief Executive Officer is 60% of the annual fixed component, relative to the target and in any case not exceeding 65% in the event of over performance.

The Chairman's short term incentive is established as a fixed figure by the Board of Directors, on the Remuneration Committee's proposal.

The percentage of MBO of the General Manager is equal to 55% of the base salary for achieving the targets, which may be increased up to 59.25% in the event of over performance.

The MBO is subject to claw-back clauses.

- **Medium-long term component**

Without prejudice to what is specified in paragraph 2.1 of this Report, the Remuneration Policy also provides for a medium-long term variable component (LTI Plans) aimed at achieving the following objectives:

- improving alignment of the beneficiaries' interests with those of the shareholders, linking the management's remuneration to specific multi-year performance objectives whose attainment is strictly connected to improving the Company's performance, the value growth over the medium-long term, as well as combining the company's economic and financial performance with sustainability objectives;
- supporting the Company's capability to retain key resources, aligning the Company's Remuneration Policy with best market practices, which typically provide medium-long term incentive instruments.

More specifically, this component provides for the free allocation, to each of the beneficiaries identified, as provided for in the regulations governing the LTI Plans, of the rights to acquire free Company shares with no par value at the end of a certain performance period and subject to:

- achieving the performance objectives; and
- the other conditions laid down in the regulations governing the LTI Plans.

In particular, the 2016-2018 LTI Plan is characterised by the following elements:

- it is based on granting the beneficiaries Fincantieri shares with no par value based on the achievement of specific performance objectives;
- it consists of three cycles, each of which lasts three years;
- a three-year performance period is foreseen for each of the three cycles (2016-2018 for the 1st cycle, 2017-2019 for the 2nd cycle, 2018-2020 for the 3rd cycle);
- it provides for a vesting period of approximately three years;
- there are economic and financial performance targets (such as EBITDA) as well as targets connected to share performance (such as the TSR with respect to either the Modified FTSE Italia All Share index, or to an international Peer Group), which establishes the allocation of the shares to each beneficiary at the end of the performance period, subject to compliance with all the other conditions provided for in the Plan regulations. These objectives are identified by the Board of Directors, in accordance with the opinion of the Remuneration Committee;
- a lock-up period is envisaged during which period, subject to derogations authorised by the Board of Directors in accordance with the opinion of the Remuneration Committee, the beneficiaries who are members of the Board of Directors, the General Managers or the Executives with Strategic Responsibilities are obliged to hold and not to dispose of in any way any portion of the shares granted under the Plan (equal to 20% of the shares allocated according to the Plan minus any shares potentially necessary to pay the tax charges deriving from the delivery of such shares) for a period of three years (in the case of permanent employment contracts) or until the end of their term of office or contract

(in the case of administrative or fixed-term employment relationships);

- a limit is envisaged (known as 'cap') for the maximum value of the shares that may be granted under the Plan to each beneficiary, obtained by multiplying the number of shares which may be granted on the allocation date based on the level of achievement of the performance objectives, by the quadruple of their market price at the date of the free assignment of the relevant rights.

The performance period of the first cycle (2016-2018) of the abovementioned Plan ended on 31 December 2018. By and no later than 31 July, the Board of Directors will be called, in accordance with the Remuneration Committee, on the Chief Executive Officer's proposal, to report on business performances and on the other objectives of the 2016-2018 LTI Plan and to establish the number of shares to be allocated to each beneficiary of the same in relation to the extent of achieving the objectives and to the incentive percentage granted to each.

In continuity with the abovementioned 2016-2018 LTI Plan, the 2019-2021 LTI Plan, approved by the Shareholders' Meeting held on 11 May 2018, essentially follows the same pattern of the previous one and is characterised by the following elements:

- it is based on granting the beneficiaries Fincantieri shares with no par value based on the achievement of specific performance targets;
- it consists of three cycles, each of which lasts three years;
- a three-year performance period is foreseen for each of the three cycles (2019-2021 for the 1st cycle, 2020-2022 for the 2nd cycle, 2021-2023 for the 3rd cycle);
- it provides for a vesting period of approximately three years;
- there are economic and financial performance targets (such as EBITDA) as well

as targets connected to share performance (such as the TSR with respect to either the Modified FTSE Italia All Share index, or to an international Peer Group) or linked to a sustainability index (such as obtaining a certain rating from international rating agencies), which establish the allocation of the shares to each beneficiary at the end of the performance period, subject to compliance with all the other conditions provided for in the Plan regulations. These objectives are identified by the Board of Directors, in accordance with the opinion of the Remuneration Committee;

- there is a lock-up period during which, subject to derogations authorised by the Board of Directors on the advice of the Remuneration Committee, the beneficiaries who are members of the Board of Directors, the General Managers or the Executives with Strategic Responsibilities are obliged to hold and not to dispose of in any way any portion of the shares granted under the Plan (equal to 20% of the shares allocated according to the Plan minus any shares potentially necessary to pay the tax charges deriving from the delivery of such shares) for a maximum period of two years (in the case of permanent employment contracts) or until the end of their term of office or contract (in the case of administrative or fixed-term employment relationships).

• Pay-mix with variable components

Based on the foregoing, as regards the variable components of the remuneration, the pay mix for the Chief Executive Officer, Chairman, General Manager, Executives with Strategic Responsibilities and Key Executives is made up of:

- for the **Chief Executive Officer:**
 - an MBO Plan with both annual quantitative targets, financial and economic (such as the EBITDA Margin or the value of purchase orders), as well as qualitative targets linked to achieving specific results. The percentage

target was defined by the Board of Directors, on the proposal from the Remuneration Committee and on the advice of the Board of Statutory Auditors, in the amount of 60% of the annual fixed component, which can be increased up to 65% in the event of over performance. The incentive accrued is distributed after the Board of Directors has verified, in accordance with the opinion of the Remuneration Committee, the attainment of the pre-set objectives, following approval of the consolidated financial statements for the financial year in question and in compliance with the provisions of the relative Plan.

- the 2016-2018 LTI Plan with financial and economic multi-year objectives connected to share performance. At the time of the assignment of the rights to acquire free shares of the Company under the 2016-2018 LTI Plan, the number of those rights amounts to 100% of the fixed remuneration component, which can be increased up to 130% for over performance. The value of the rights assigned is subject to the above cap. The incentive accrued is granted and distributed after the Board of Directors has verified, in accordance with the opinion of the Remuneration Committee, the achievement of the pre-set objectives, following verification of the consolidated financial statements for the financial year in question for each cycle of the Plan, as well as the existence of all other conditions laid down in the 2016-2018 LTI Plan's regulations, and is therefore disbursed in accordance with those same regulations.

- The 2019-2021 LTI Plan with multi-year economic and financial objectives is linked to the share's performance and to a sustainability index. The granting of the number of rights to receive the Company's shares for free, with respect to the 2019-2021 LTI Plan, amounting to 115% of the remuneration's fixed component for target performance and that can be increased to 172.5% for over performance, will be subject to subsequent approval by

the Board of Directors. The incentive accrued is granted after the Board of Directors has verified, in accordance with the opinion of the Remuneration Committee, the attainment of the pre-set objectives, following approval of the financial statements for the last relevant financial year for each cycle of the plan, as well as the existence of all the other conditions laid down in the 2019-2021 LTI Plan's regulations and is therefore distributed in compliance with the provisions of the regulations themselves.

• for the **Chairman:**

– a short term variable incentive plan with as many quantitative, financial and economic (such as the EBITDA Margin or the value of purchase orders) annual objectives (MBO), as there are qualitative and quantitative objectives tied to achieving specific results. The amount is established as a fixed amount by the Board of Directors, following a proposal by the Remuneration Committee and on the advice of the Board of Statutory Auditors, and paid following a specific resolution in relation to achieving pre-set annual targets.

• for **General Managers, Executives with Strategic Responsibilities** and other **Key Executives:**

– an MBO plan with annual targets of both quantitative, of a financial and economic nature as well as qualitative, for both the Company and the individual, which take into consideration the role held (such as the value of purchase orders, curbing certain structure costs, or specific qualitative and quantitative objectives). The target amount of the short term variable component of the remuneration (MBO) of the General Managers amounts to 55% of the fixed remuneration component, which may be increased up to 59.25% for over performance. The maximum target amount of the short term variable component of the remuneration (MBO) of Executives with Strategic Responsibilities and of other Key Executives, depending on the MBO range they fall into, varies from a minimum of

35% to a maximum of 50% of the base salary; in the case of over performance, depending on the MBO to which they fall into, those percentages will vary from a minimum of 38.2% to a maximum of 54%.

The incentive accrued is assigned and disbursed following verification by the Chief Executive Officer of the degree of attainment of the pre-set objectives, following approval of the consolidated financial statements relating to the financial year in question, and is therefore distributed in compliance with the relative Plan.

– The 2016-2018 LTI Plan with multi-year objectives, whether financial and economic, as well as linked to share performance. The incentive accrued is paid after the Board of Directors, within its scope of competence and in accordance with the opinion of the Remuneration Committee, has verified the achievement of the pre-set objectives, following the approval of the consolidated financial statements concerning the last financial year for each cycle of the Plan, as well as the existence of all other conditions laid down in the Plan's rules, and is therefore disbursed in accordance with those same rules. Within the limits of the cap referred to in the Plan, the amount of the incentive is equal to the following percentage of the fixed remuneration component linked to the bracket's range in which the recipient falls, established by the Board of Directors, in accordance with the opinion of the Remuneration Committee and on the Chief Executive Officer's proposal, based on the impact of its role on the Company's results:

- for the **General Managers:** 75% when target objectives are met, increasing up to 97.5% in the event of over performance;
- for the **Executives with Strategic Responsibilities** and other **Key Executives:** varies depending on the bracket's range in which the recipient falls from a minimum of 33% to a maximum of 60% when target

objectives are met; in the event of over performance, such percentages will increase, depending on the bracket's range in which the recipient falls, from a minimum of 43% to a maximum of 78%.

– The 2019-2021 LTI Plan with multi-year economic and financial objectives is linked to the share's performance and to a sustainability index. The granting of the number of rights to receive the Company's shares for free, with respect to 2019-2021 LTI Plan, will be subsequently approved by the Board of Directors, on the advice of, to the extent applicable, the Remuneration Committee, on the Chief Executive Officer's recommendation, in view of the position held by the beneficiary. The incentive accrued is granted after the Board of Directors has verified, on the advice of the Remuneration Committee, the achievement of the pre-set objectives, following approval of the financial statements for the last relevant financial year for each cycle of the plan, as well as the existence of all the other conditions laid down in the 2019-2021 LTI Plan's rules and is therefore distributed in compliance with the provisions of the rules themselves. The amount of the incentive is equal to the following percentage of the fixed remuneration component linked to the bracket's range in which the recipient falls, established by the Board of Directors, in accordance with the opinion of the Remuneration Committee and on the Chief Executive Officer's proposal, based on the impact of its role on the Company's performance:

- for the **General Managers:** 95% when target objectives are met, increasing up to 142.5% in the event of over performance;
- for the **Executives with Strategic Responsibilities** and other **Key Executives** varies depending on the bracket's range in which the recipient falls from a minimum of 33% to a maximum of 85% when target objectives are met; in the event of over

performance, such percentages will increase, depending on the bracket's range in which the recipient falls, from a minimum of 49.5% to a maximum of 127.5%.

For every aspect of the details, reference is made to the contents of the Information Documents for the 2016-2018 LTI Plan and for the 2019-2021 LTI Plan drawn up under Article 114-bis of the Italian Consolidated Law on Finance and Article 84-bis of the Issuers' Regulation, published by the Company.

• **Extraordinary Remuneration**

In exceptional and extraordinary circumstances with respect to the Remuneration Policy, and with the view of attracting key market figures or motivating and retaining the best human resources, the Company may pay sums of money in terms of a one-off, entry bonus, retention bonus or success fee at the executive recruitment stage, or at any other time when the need may arise, to an extent that is in keeping with the most widespread market practices.

Where intended for the Chairman or Chief Executive Officer, those extraordinary salary components are subject to resolution by the Board of Directors, on proposal of the Remuneration Committee. For General Managers, Executives with Strategic Responsibilities and other Key Executives, the issuance is remitted to the exclusive evaluation of the Chief Executive Officer.

On the Remuneration Committee's proposal, the Board of Directors also has the power, within its competence, to resolve on the payment of any exceptional bonuses in connection with extraordinary transactions and/or results (such as for example, acquisitions, mergers, or divestments) having a significant impact on the Company, and as such are unlikely to be adequately recompensed within the ordinary variable remuneration systems.

The foregoing was also recently recommended by the Italian Committee for Corporate Governance.

2.3.3. Non-monetary benefits

The Chief Executive Officer, the Chairman, the General Managers, other Executives with Strategic Responsibilities, and other Key Executives are given the use of a company car for both business and private use with the relative fuel. Also, where appropriate, they are granted use of an apartment for longer stays as an alternative to hotel accommodation, limited in time, however, according to cost effectiveness.

2.3.4. Criteria used for evaluation of performance targets at the basis of the assignment of variable salary components and information aimed at highlighting the coherence of the Remuneration Policy with the pursuit of the Company's long-term interests and risk management policy

The performance targets provided by the Remuneration Policy for the disbursement of the variable salary component are identified by taking account of the specific activities conducted by the Company and of their connected risk profiles. More specifically, the payment of the variable component of the short term incentive Plan is normally tied to the attainment of pre-set financial and economic performance objectives related to the annual budget.

The comparison of the final balance figures with the assigned objectives determines the amount of the variable component of the payable remuneration.

The payment of what is envisaged, however, regarding the medium-long term variable component, is aimed at creating value for all the shareholders over the medium-long term. It is therefore usually connected to achieving pre-set financial and economic performance objectives referred to in the industrial plan and/or to the stages thereof or based on share performance and/ or the financial return for the shareholders over the medium-long term.

The 2019-2021 Plan provides for a sustainability index in addition to the economic and financial objectives linked to the performance of the stock.

2.3.5. Deferred payment systems, with indication of the deferment periods and criteria used for determination of those periods and ex post correction mechanisms

For the medium-long term variable component, there is envisaged a vesting period of approximately three-years and a lock-up period, unless the Board of Directors, in accordance with the opinion of the Remuneration Committee, grants exceptions as indicated in paragraph 2.3.2. above. Claw-back clauses are provided in relation to all variable remuneration components.

2.3.6. Policy relating to salary packages in the event of the end of term of office or termination of employment

The salary packages offered in the event of the end of office term or the termination of the employment contract is regulated by the current National Collective Bargaining Agreement for executives of companies that produce goods or services, as well as being left to the stipulation of specific agreements with the individual parties involved. In any event, such agreements may not provide for the payment of an indemnity which may not exceed an amount equivalent to 36 gross monthly salaries, including the instalment of the thirteenth month of the annual salary.

Under Article 2125 of the Italian Civil Code, specific compensation may also be provided for those cases in which there is the need to conclude non-competition agreements with the members of the Board of Directors, General Managers, Executives with Strategic Responsibilities and other Key Executives.

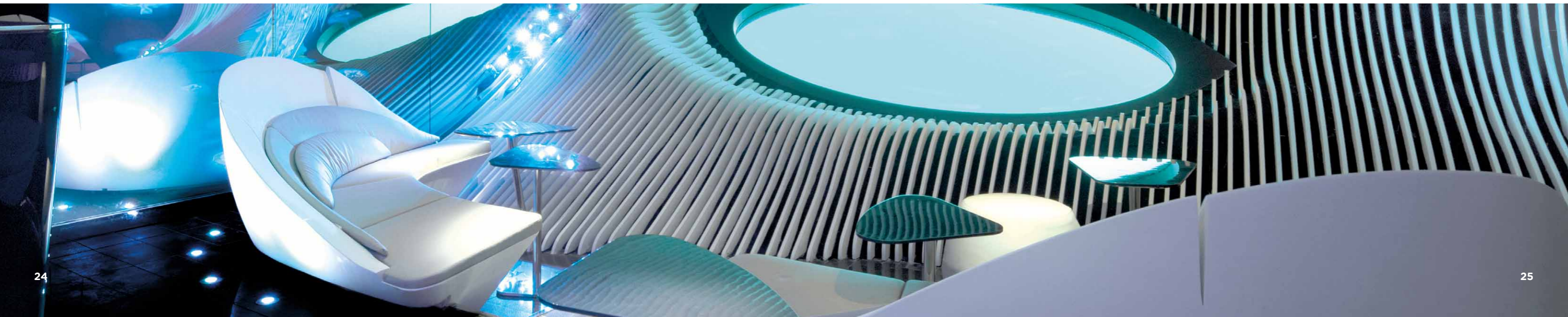
2.3.7. Information on insurance, social security or pension coverage, other than those that are mandatory

The Chairman and Chief Executive Officer are provided with determinate insurance covers. General Managers, Executives with Strategic Responsibilities and other Key Executives, as well as for the other Company executives, supplementary insurance, welfare and pension benefits are provided which are more generous

than those established by the National Collective Bargaining Agreement which applies to the executives of the Group.

2.3.8. Remuneration Policy followed regarding: (i) the independent Directors, (ii) participation in Committees and (iii) performing specific assignments

The remuneration of the independent Directors is the same as that described in paragraph 2.3.1. herein in relation to non-executive Directors. For Directors participating in the Board of Directors' internal Committees, under the Remuneration Policy, they shall receive, for their participation in each Committee, additional remuneration established by the Board of Directors, after the Remuneration Committee's proposal, as stated in paragraph 2.3.1. above.



SECTION II

Remuneration received in the financial year 2018 by the members of the Board of Directors and Board of Statutory Auditors, the General Manager, as well as Key Executives/Executives with Strategic Responsibilities

First Part Items making up the remuneration

Where the 2018 financial year is concerned, this part of Section II of the Report sets out: (i) the salaries payable to individuals who held the roles of Director, Statutory Auditor or General Manager during that year or for part thereof, by name, and (ii) the aggregate salaries payable to Key Executives /Executives with Strategic Responsibilities. These items are also shown in summary in the tables in the Second Part of this Section.

1. Board of Directors

1.1. The Chairman of the Board of Directors

For the entire 2018 financial year, Ambassador Giampiero Massolo held the office of Chairman of the Board of Directors, and his remuneration for the 2018 financial year (from 1 January to 31 December 2018) was comprised as follows:

- Fixed component: EUR 300,000, per annum, of which:
 - EUR 40,000 per annum, as resolved by the Shareholders' Meeting held on 19 May 2016 for the office of Chairman of the Board of Directors, under Article 2389(1) of the Italian Civil Code; the abovementioned amount will be paid in 2019;
 - EUR 260,000 per annum, as resolved by the Board of Directors held on 20 July 2016, under Article 2389(3) of the Italian Civil Code, on the Remuneration Committee's proposal and having consulted the Board of

Statutory Auditors, given the breadth and characteristics of the specific delegations assigned; this amount was paid in 2018.

- Short term variable component:
 - 2018 MBO Plan: as established by the Board of Directors on 20 July 2016 and subsequently confirmed on 7 May 2018, in accordance with the Remuneration Committee's proposal and the opinion of the Board of Statutory Auditors, the short term variable component is EUR 100,000, subject to adjustment up to a maximum of EUR 120,000 in the event of over performance; in 2019, the Board of Directors will verify that the objectives were achieved and establish the actual incentive, on the Remuneration Committee's proposal, on the basis of the records of the financial statements and specific reporting. Any amounts due will be paid in 2019.

Ambassador Massolo's remuneration for the 2018 financial year is as follows:

- Fixed component: EUR 300,000, of which:
 - EUR 40,000 as part of the remuneration for the 2018 financial year as resolved by the Shareholders' Meeting held on 19 May 2016 for the office of Chairman of the Board of Directors, under Article 2389(1) of the Italian Civil Code;
 - EUR 260,000, as remuneration for the 2018 financial year, as resolved by the Board of Directors on 20 July 2016, under Article 2389(3) of the Italian Civil Code, on the Remuneration Committee's proposal and having consulted the Board of Statutory Auditors, given the breadth and characteristics of the specific delegations assigned.
- Short term variable component:
 - 2017 MBO Plan: as established by the Board of Directors on 20 July 1996 in accordance with the Remuneration Committee's proposal and the opinion of the Board of Statutory Auditors, the short term variable component

was established in the amount of EUR 100,000, subject to adjustment up to a maximum of EUR 120,000 in the event of over performance; in accordance with the Remuneration Committee's proposal, the meeting of the Board of Directors held on 7 May 2018 established that the specific target conditions had been met in full, together with the partial achievement of the specific over performance conditions; as a result, it established the amount of the economic impact of the incentive in an amount equal to EUR 115,000.

- Non-monetary benefits: provision of a company car for business and private use plus fuel, supplementary health package, insurance and further minor benefits, for the total amount of EUR 2,092.32, established on the basis of taxable income criteria. No payments are made where the appointment is terminated.

1.2. Chief Executive Officer

For the entire 2018 financial year, Mr Giuseppe Bono held the office of Chief Executive Officer. Mr Bono's remuneration for the 2018 financial year (from 1 January to 31 December 2018) was comprised as follows:

- Fixed component: EUR 950,000 per annum, of which:
 - EUR 27,000 as remuneration, resolved by the Shareholders' Meeting on 19 May 2016 for the office of member of the Board of Directors, under Article 2389(1) of the Italian Civil Code, which will be paid in 2019;
 - EUR 923,000 per annum, as the remuneration resolved by the Board of Directors on 20 July 2016, under Article 2389(3) of the Italian Civil Code, on the Remuneration Committee's proposal and on the opinion of the Board of Statutory Auditors, for the office of Chief Executive Officer.
- Short term variable component:
 - 2018 MBO Plan: as established by the Board of Directors on 20 July 2016 and

subsequently confirmed on 7 May 2018, on the Remuneration Committee's proposal and in accordance with the opinion of the Board of Statutory Auditors, the short term variable component is EUR 570,000 where targets are achieved, with an adjustment up to a maximum of EUR 617,500 in the event of over performance. The Board of Directors establishes whether target objectives have been achieved and the actual incentive, in the course of 2019, in accordance with the Remuneration Committee's proposal, on the basis of the records of the 2018 consolidated financial statements and specific cost reporting. Any amount due will be paid in 2019.

- Medium-long term variable component:
 - 2016-2018 LTI Plan: on 19 May 2017, the Shareholders' Meeting approved the 2016-2018 LTI Plan proposed by the Board of Directors; with reference to the third cycle (2018-2020) of the abovementioned Plan; on 22 June 2018, the Board of Directors, in accordance with the Remuneration Committee's proposal and the opinion of the Board of Statutory Auditors, established that 707,530 rights to receive ordinary shares in Fincantieri would be allocated free of charge if all target objectives were met and subject to the conditions imposed by the Regulations that govern the Plan. In the event of over performance, the number of rights may be increased up to a maximum of 30%. Any allocation in relation to the third cycle will take place in 2021.

Remuneration effectively paid to Mr Bono during the 2018 financial year is:

- Fixed component⁵: an amount equal to EUR 950,000, of which:
 - EUR 27,000 as remuneration for the 2017 financial year as resolved by the Shareholders' Meeting on 19 May 2016 for the office of member of the Board of Directors, under Article 2389(1) of the Italian Civil Code;
 - EUR 923,000 as remuneration for the

⁵ Mr Bono's remuneration as Chairman of VARD Group AS (1 January - 29 September 2016) equal to SGD 243,750 (EUR 163,333 at the average exchange rate as of 22 February 2016 - SGD/EUR = 0.67008) will be paid and transferred by the Chief Executive Officer to Fincantieri in full in 2018. Note also that the remuneration referred to above in this footnote and any remuneration in relation to other subsidiaries and affiliated companies are not included in the total of EUR 950,000, having these been transferred to Fincantieri.

2018 financial year, as resolved by the Board of Directors on 20 July 2016, under Article 2389(3) of the Italian Civil Code, in accordance with the Remuneration Committee's proposal and the opinion of the Board of Statutory Auditors, for the office of Chief Executive Officer.

- Short term variable component:
 - 2017 MBO Plan: as established by the Board of Directors on 20 July 2016 in accordance with the proposal of the Remuneration Committee's proposal and the opinion of the Board of Statutory Auditors, the short term variable component was established in the amount of EUR 570,000, subject to adjustment up to a maximum of EUR 617,500 in the event of over performance; on the Remuneration Committee's proposal, the meeting of the Board of Directors held on 7 May 2018 established that the specific over performance conditions had been met in full, consequently determining payment of the amount of EUR 617,500 in 2018.
 - Non-monetary benefits: provision of a company car for business and private use plus fuel, supplementary health package, insurance and further minor benefits, in the total amount of EUR 2,062.20, established on the basis of taxable income criteria.
 - Apartment: when in Trieste, Mr Bono uses an apartment rather than a hotel, for reasons of cost effectiveness.
- No payments are due in relation to cease of office.

1.3. Other members of the Board of Directors

The Board of Directors, appointed by the Shareholders' Meeting on 19 May 2016 for the 2016-2018 three-year period, was in office for the entire 2018 financial year. In addition to Directors Ambassador Giampiero Massolo and Mr Giuseppe Bono, the following are members of the Board of Directors:

- Gianfranco Agostinetti (Architect) (independent), Simone Anichini (independent), Massimiliano Cesare (Lawyer) (independent), Nicoletta Giadrossi (independent), Paola Muratorio (Architect) (independent), Fabrizio Palermo (not independent) and Donatella Treu (independent).

On 8 June 2016, the Board of Directors appointed the Advisory Committees and its members and established their remuneration. Subsequently, on 21 June 2016, the Board of Directors resolved, in accordance with the opinion of the Board of Statutory Auditors, the remuneration to be paid to the Director Gianfranco Agostinetti, amounting to EUR 2,000 for each meeting of the Internal Control and Risk Management Committee as the Committee for Transactions with Related Parties to which the same is called to participate as an independent member to replace Mr Fabrizio Palermo, in the event that the Committee should analyse Transactions of Major Relevance.

More specifically, for the entire 2018 financial year, the abovementioned Board committees are comprised as follows:

- Internal Control and Risk Committee, comprised by Massimiliano Cesare (Lawyer) (Chairman), Nicoletta Giadrossi and Fabrizio Palermo. This Committee also operates as the Committee for Transactions with Related Parties; when analysing Transactions of Major Relevance, Mr Palermo is replaced by the independent director Gianfranco Agostinetti (Architect);
- Remuneration Committee, comprised by Paola Muratorio (Architect) (Chairman), Donatella Treu and Fabrizio Palermo;
- Appointments Committee, comprised by Donatella Treu (Chairman), Simone Anichini and Fabrizio Palermo;
- Sustainability Committee, comprised by Gianfranco Agostinetti (Architect) (Chairman), Simone Anichini, Nicoletta Giadrossi and

Massimiliano Cesare (Lawyer).

The remunerations resolved for the abovementioned members of the Board of Directors are made up of a fixed part alone, which will be paid during the course of the 2019 financial. More specifically:

- Director Gianfranco Agostinetti's remuneration for the 2018 financial year was EUR 59,000 per annum, of which:
 - EUR 27,000 as remuneration resolved by the Shareholders' Meeting on 19 May 2016 for the office of member of the Board of Directors;
 - EUR 2,000 as remuneration for participation in the meetings of the Internal Control and Risk Committee, in his capacity as an independent member of the Committee for Transactions with Related Parties, replacing Fabrizio Palermo where the Committee is required to analyse Transactions of Major Relevance;
 - EUR 30,000 as remuneration for the office of Chairman of the Sustainability Committee.
- Director Simone Anichini's remuneration for the 2018 financial year was EUR 67,000 per annum, of which:
 - EUR 27,000 as remuneration resolved by the Shareholders' Meeting on 19 May 2016 for the office of member of the Board of Directors;
 - EUR 20,000 as remuneration for the office of member of the Appointments Committee;
 - EUR 20,000 as remuneration for the office of member of the Sustainability Committee.
- Director Massimiliano Cesare's remuneration for the 2018 financial year was EUR 77,000 per annum of which:
 - EUR 27,000 as the remuneration resolved by the Shareholders' Meeting on 19 May 2016 for the office of member of the Board of Directors;
 - EUR 30,000 as remuneration for the office of Chairman of the Internal Control and Risk Committee;
 - EUR 20,000 as remuneration for the office of member of the Sustainability Committee.

- Director Nicoletta Giadrossi's remuneration for the 2018 financial year was EUR 67,000 per annum of which:
 - EUR 27,000 as remuneration resolved by the Shareholders' Meeting on 19 May 2016 for the office of member of the Board of Directors;
 - EUR 20,000 as remuneration for the office of Chairman of the Internal Control and Risk Committee;
 - EUR 20,000 as remuneration for the office of member of the Sustainability Committee.
 - Director Paola Muratorio's remuneration for the 2018 financial year was EUR 57,000 per annum of which:
 - EUR 27,000 as remuneration resolved by the Shareholders' Meeting on 19 May 2016 for the office of member of the Board of Directors;
 - EUR 30,000 as remuneration for the office of Chairman of the Remuneration Committee.
 - Director Fabrizio Palermo's remuneration for the 2018 financial year was EUR 87,000 per annum of which:
 - EUR 27,000 as remuneration resolved by the Shareholders' Meeting on 19 May 2016 for the office of member of the Board of Directors;
 - EUR 20,000 as remuneration for the office of member of the Remuneration Committee;
 - EUR 20,000 as remuneration for the office of member of the Appointments Committee;
 - EUR 20,000 as remuneration for the office of member of the Internal Control and Risk Committee.
 - Director Donatella Treu's remuneration for the 2018 financial year was EUR 77,000 per annum, of which:
 - EUR 27,000 as remuneration resolved by the Shareholders' Meeting on 19 May 2016 for the office of member of the Board of Directors;
 - EUR 30,000 as remuneration for the office of Chairman of the Appointments Committee;
 - EUR 20,000 as remuneration for the office of member of the Remuneration Committee.
- No payments are due in relation to cease of office.

1.4. Members of the Board of Directors' Internal Committees

As mentioned previously, the members of the Internal Control and Risk Committee, the Appointments Committee, the Remuneration Committee and the Sustainability Committee receive an additional remuneration established by the Board of Directors on the Remuneration Committee's proposal, in the amount of EUR 30,000 for the office of Chairman and EUR 20,000 for other standing members. The remunerations in 2018 for those holding the office of Chairman and for the members of the Committees are set out in the previous paragraph.

2. Board of Statutory Auditors

The Board of Statutory Auditors currently in office was appointed by the Shareholders' Meeting held on 19 May 2017 and is made up of the standing auditors Gianluca Ferrero (Chairman), Fioranna Vittoria Negri and Roberto Spada. The Shareholders' Meeting resolved to remunerate the members of the Board of Statutory Auditors as follows:

- EUR 37,000 per annum for the Chairman; and
- EUR 26,000 per annum for each standing auditor.

The abovementioned amounts relating to the 2017 financial year were paid in 2018; the amounts pertaining to the 2018 financial year will be paid in the 2019 financial year.

3. General Management Department

For the entire 2018 financial year, the office of General Manager of the Company was held by Alberto Maestrini (Engineer). Mr. Maestrini's remuneration is comprised as follows:

- Fixed component: EUR 360,350.30, referring

to the entire 2018 financial year, was paid in 2018.

- Short term variable component:
 - 2017 MBO Plan: EUR 132,338.34 was disbursed for the 2017 financial year. The Chief Executive Officer verified that the target objectives set by the 2017 Plan were met on the basis of the consolidated financial statements for 2017 and on specific cost reporting. The incentive payment was conditioned by exceeding the access threshold tied to achieving the strategic objective, as established by the Board of Directors, and consisting in achieving the target objective relevant to the EBITDA Margin, i.e. the ratio between EBITDA and Group Revenues in the financial year in question (2017) of no less than 90% of the amount specified in the 2017 Budget.
 - 2018 MBO Plan: the maximum amount for the 2018 financial year is EUR 181,595 if all objectives set are met in full, and if the access threshold tied to achieving the strategic objective is exceeded. For the 2018 financial year, the incentive was paid where the target objective relevant to the EBITDA Margin was achieved, i.e. the ratio between EBITDA and Group Revenues in the financial year in question (2018) of no less than 90% of the amount specified in the 2018 Budget approved by the Company's Board of Directors for 2018, in order to ensure a direct link between payment of the incentive and the business's results. Any incentive due will be paid in 2019.
- Medium-long term variable component:
 - 2016-2018 LTI Plan: on 19 May 2017, the Shareholders' Meeting approved the 2016-2018 LTI Plan proposed by the Board of Directors; with reference to the third cycle (2018-2020) of the abovementioned Plan; on 22 June 2018, the Board of Directors, on the opinion of the Remuneration Committee, as appropriate, and on the Chief Executive Officer's proposal, provided for the allocation, free of charge, of

204,857 rights to receive ordinary shares in Fincantieri where all target objectives were met and subject to the conditions imposed by the Regulations that govern the Plan. In the event of over performance, the number of rights may be increased up to a maximum of 30%. Any allocation for the third cycle will take place in 2021.

- Non-monetary benefits: provision of a company car for business and private use plus fuel, supplementary health package, insurance and further minor benefits, in the total amount of EUR 26,853.94, established on the basis of taxable income criteria.

4. Key Executives/Executives with Strategic Responsibilities

In 2018, new hires/dismissals and arrivals/departures at a managerial level in terms of the various roles for the financial year in question (during the year or part thereof) resulted in the aggregate presence of 23 Key Executives, 9 of which are Executives with Strategic Responsibilities.

Key Executives' remunerations are indicated at an aggregate level, and within each group, the aggregate remunerations for Executives with Strategic Responsibilities are specified therein, as none of the Executives with Strategic Responsibilities had received a remuneration greater overall than the highest aggregate remuneration received by members of the Board of Directors, the Board of Statutory Auditors and by the General Manager. Set out below, in aggregate form, is a description of each of the items that make up the remuneration paid to Key Executives, with details for Executives with Strategic Responsibilities, in the 2018 financial year:

- Fixed component: EUR 4,809,687.70 as gross annual remuneration, of which EUR 1,850,648.02 for Executives with Strategic Responsibilities; these amounts were paid in 2018.

- Short term variable component:
 - 2017 MBO Plan: a total amount of EUR 1,509,699.37 was disbursed for the 2017 financial year (out of which EUR 601,325.89 for Executives with Strategic Responsibilities). The Chief Executive Officer verified that the objectives set by the 2017 MBO Plan were met on the basis of the consolidated financial statements for 2017 and on specific cost reporting. The incentive payment was conditioned by exceeding the access threshold tied to achieving the strategic objective, as established by the Board of Directors, and consisting in achieving the target objective relevant to the EBITDA Margin, i.e. the ratio between EBITDA and Group Revenues in the financial year in question (2017) of no less than 90% of the amount specified in the 2017 Budget. Failure to reach this threshold would have led to the cancellation of the entire incentive.
 - 2018 MBO Plan: any incentive accrued will be paid in 2019, subject to the achievement of all objectives set. Without prejudice to the above, payment of the short term incentive will in any event be subject to exceeding an access threshold tied to attaining a strategic objective being achieved. For the 2018 financial year, that involved meeting a target that related to the EBITDA Margin, i.e. the ratio between EBITDA and Group Revenues in the financial year in question (2018) of no less than 90% of the amount specified in the 2018 Budget approved by the Company's Board of Directors for the financial year 2018, in order to ensure a direct link between payment of the incentive and business performance. The maximum MBO amount payable in 2019 is EUR 1,681,702.90 of which EUR 713,539.35 relate to Executives with Strategic Responsibilities.
 - 2016-2018 LTI Plan: on 19 May 2017, the Shareholders' Meeting approved the 2016-2018 LTI Plan proposed by the Board of Directors; with reference to the third cycle (2018-2020) of the abovementioned Plan, on 22 June 2018, the Board of Directors, on the opinion of the

Remuneration Committee, as appropriate, and on the Chief Executive Officer's proposal, established that 1,640,654 rights to receive ordinary shares in Fincantieri (of which 752,910 for Executives with Strategic Responsibilities) would be allocated free of charge if all target objectives were met and subject to the conditions imposed by the Regulations that govern the Plan. In the event of over performance, the number of rights may be increased up to a maximum of 30%.

Any allocation in relation to the second cycle will take place in 2021.

- Extraordinary Remuneration: no amount will be disbursed in 2018 for Extraordinary Remuneration.
- Non-monetary benefits: these include provision of a company car for business and private use plus fuel, the use in certain cases of an apartment for longer stays of a limited

duration, supplementary insurance cover, welfare and pension benefits that exceed the provisions of the relevant National Collective Bargaining Agreement in force, in the overall amount (on the basis of taxable income criteria) of EUR 430,107.79 (out of which EUR 173,102.95 for Executives with Strategic Responsibilities).

5. Agreements for payment of indemnities in the event of early termination of employment

Under a specific agreement in place with the current General Manager, an indemnity is payable where the employment is terminated early; the indemnity comprises 36 gross monthly salaries, inclusive of the thirteenth month salary bonus, in the event of unfair dismissal, resignation with cause and termination of employment by mutual consent.

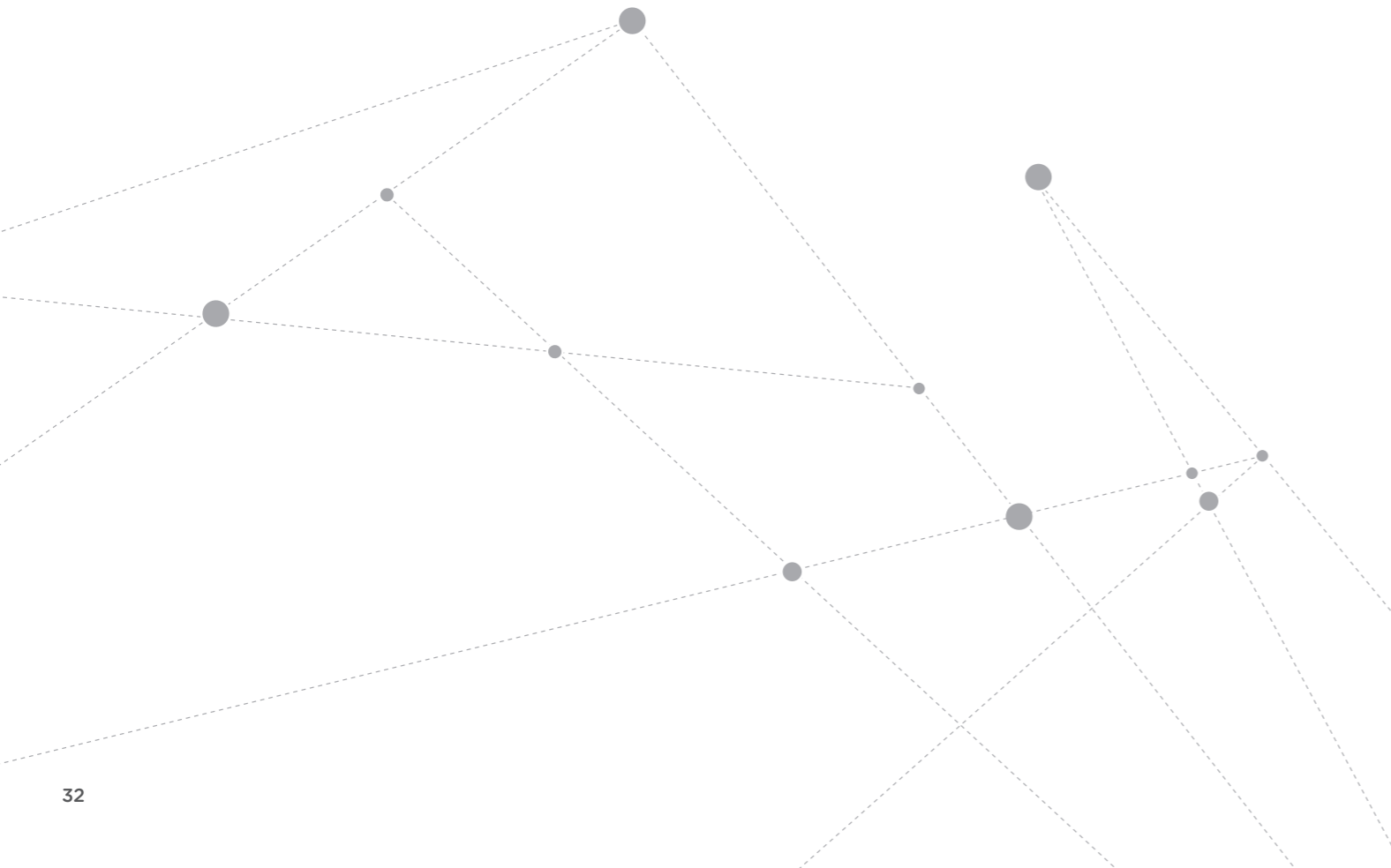


TABLE 2

Table on monetary incentive plans for the Chairman, the Chief Executive Officer, the General Manager and Key Executives/ Executives with Strategic Responsibilities

The remunerations listed in this Table reflect the maximum amount payable; their potential payment during the 2019 financial year and the amount thereof shall be subject to the evaluation by the corporate bodies concerned of achieving the underlying objectives.

Data expressed in EUR		BONUS FOR THE YEAR				BONUSES FROM PREVIOUS YEARS		OTHER BONUSES	
NAME AND SURNAME	OFFICE	PLAN	DISTRIBUTABLE/ DISTRIBUTED	DEFERRED	REFERENCE PERIOD	NO LONGER DISTRIBUTABLE	DISTRIBUTABLE/ DISTRIBUTED	STILL DEFERRED	
Giampiero Massolo	Chairman BoD	Fincantieri Remunerations	2017 MBO	-	-	-	115,000.00 ²³	-	-
		Remunerations from controlled and associated companies	2018 MBO	120,000.00 ²⁴	-	-	-	-	-
			-	-	-	-	-	-	-
		Total	-	120,000.00	-	-	-	115,000.00	-
Giuseppe Bono	CEO	Fincantieri Remunerations	2017 MBO	-	-	-	617,500.00 ²⁵	-	-
		Remunerations from controlled and associated companies	2018 MBO	617,500.00 ²⁶	-	-	-	-	-
			-	-	-	-	-	-	-
		Total	-	617,500.00	-	-	-	617,500.00	-
Alberto Maestrini	General Manager	Fincantieri Remunerations	2017 MBO	-	-	-	132,338.34 ²⁷	-	-
		Remunerations from controlled and associated companies	2018 MBO	181,595.00 ²⁸	-	-	-	-	-
			-	-	-	-	-	-	-
		Total	-	181,595.00	-	-	-	132,338.34	-
Key Executives	-	Fincantieri Remunerations	2017 MBO	-	-	-	1,509,699.37 ²⁹	-	-
		Remunerations from controlled and associated companies	2018 MBO	1,681,702.90 ³⁰	-	-	-	-	-
			-	-	-	-	-	-	-
		Total	-	1,681,702.90	-	-	-	1,509,699.37	-

²³ The amount refers to the 2017 MBO Plan and was disbursed in 2018.
²⁴ The amount refers to the 2018 MBO Plan and amounts to EUR 100,000.00, with adjustment up to a maximum of EUR 120,000.00 in the event of over performance; the amount will potentially be paid in 2019, after verifying the achievement of the assigned performance objectives.
²⁵ The amount refers to the 2017 MBO Plan and was disbursed in 2018.
²⁶ The amount refers to the 2018 MBO Plan and amounts to EUR 570,000.00, with adjustment up to a maximum of EUR 617,500.00 in the event of over performance; the amount will potentially be paid in 2019, after verifying the achievement of the assigned performance objectives.
²⁷ The amount refers to the 2017 MBO Plan and was disbursed in 2018.
²⁸ The amount refers to the 2018 MBO Plan and amounts to EUR 168,712.00 with adjustment up to EUR 181,595.00 in the event of over performance; the amount will potentially be paid in 2019, after verifying the achievement of the assigned performance objectives.
²⁹ The amount refers to the 2017 MBO Plan and was disbursed in 2018; the amount Eur 601,325.89 refers to Executives with Strategic Responsibilities.
³⁰ The amount refers to the 2018 MBO Plan and will potentially be paid in 2019, after verifying the achievement of the assigned performance objectives. EUR 713,539.35 of this amount refers to Executives with Strategic Responsibilities.

SECTION III

Information on the shareholding of members of the Board of Directors, of the Board of Statutory Auditors, the General Manager and Executives with Strategic Responsibilities

The table below is drafted under Article 84-*quater*, paragraph 4, of the Issuers' Regulations and of Schedule No. 7-*ter* of Annex 3A to the Issuers' Regulations. This table includes the list, by name, of the shareholdings held by members of the Board of Directors and of the Board of Statutory Auditors, by the General Manager and, in aggregate form, by Executives with Strategic Responsibilities in Fincantieri and in its controlled companies³¹.

NAME AND SURNAME	OFFICE	PERIOD IN OFFICE	PARTICIPATED SUBSIDIARIES	NO. OF SHARES HELD AT THE END OF THE 2017 FINANCIAL YEAR	NO. OF SHARES PURCHASED	NO. OF SHARES SOLD	NO. OF SHARES HELD AT THE END OF THE 2018 FINANCIAL YEAR
Giampiero Massolo	Chairman BoD	01.01.2018 31.12.2018	-	-	-	-	-
Giuseppe Bono	CEO	01.01.2018 31.12.2018	Fincantieri	84,000	-	-	84,000
Simone Anichini	Director	01.01.2018 31.12.2018	-	-	-	-	-
Massimiliano Cesare	Director	01.01.2018 31.12.2018	-	-	-	-	-
Gianfranco Agostinetti	Director	01.01.2018 31.12.2018	-	-	-	-	-
Nicoletta Giadrossi	Director	01.01.2018 31.12.2018	-	-	-	-	-
Paola Muratorio	Director	01.01.2018 31.12.2018	-	-	-	-	-
Fabrizio Palermo	Director	01.01.2018 31.12.2018	-	-	-	-	-
Donatella Treu	Director	01.01.2018 31.12.2018	-	-	-	-	-
Gianluca Ferrero	Chairman Board of Statutory Auditors	01.01.2018 31.12.2018	-	-	-	-	-
Roberto Spada	Standing Auditor	01.01.2018 31.12.2018	-	-	-	-	-
Fioranna Vittoria Negri	Standing Auditor	01.01.2018 31.12.2018	-	-	-	-	-
Alberto Maestrini	General Manager	01.01.2018 31.12.2018	Fincantieri	11,000	-	-	11,000
Executives with Strategic Responsibilities	-	01.01.2018 31.12.2018	Fincantieri	57,200³²	-	-	56,200³³

³¹ No information on persons who resigned from office prior to admission of the Company's shares to trading is reported. Note that, under Article 84-*quater*, paragraph 4, of the Issuers' Regulations, the Remuneration Report includes "the shareholdings held in companies with listed shares and in the companies controlled thereby, by members of the governing and control bodies, by General Managers and by other Executives with Strategic Responsibilities as well as by spouses who are not legally separated and by under-age children, directly or through controlled companies, trustee companies or through an intermediary, as resulting from the shareholders' book, from communications received and from other information acquired by the same members of the governing and control bodies, from General Managers and Executives with Strategic Responsibilities".
Under Schedule No. 7-*ter* of Annex 3A to the Issuers' Regulations, this includes all persons who during the reference year held the offices of members of governing and control bodies, of General Manager or of Executives with Strategic Responsibilities even for a fraction of a year. Accordingly, the certificate of ownership and the procedures thereof are also specified.
³² The abovementioned number corresponds to the total shares held on 31 December 2017 by Executives with Strategic Responsibilities identified for the 2018 financial year.
³³ The difference in the number of shares held on 31 December 2018 compared to 31 December 2017 is due to alternating several Executives in the role of Executive with Strategic Responsibilities during the year under review.

TABLE 3A

Incentive plans based on financial instruments, other than stock options, for Members of the Board of Directors, the General Manager and other Executives with Strategic Responsibilities

Name and Surname/Office	2016-2018 LTI PLAN ³⁴	Financial instruments allocated in previous financial years and not vested during the financial year		Financial instruments allocated during the financial year					Financial instruments vested during the year and non-assignable	Financial instruments vested during the year and assignable	Financial instruments relating to the financial year
		Number and type of financial instruments ³⁵	Vesting Period	Number and type of financial instruments	Fair value on granting date ³⁶	Vesting Period	Granting date	Market price when granted ³⁷	Number and type of financial instruments	Number and type of financial instruments	Value on accrual date
Remuneration of CEO in Fincantieri	10 November 2016 (1 st cycle 2016-2018)	2,237,927 shares	Approximately 3 years	-	-	-	-	-	-	-	1,688,292
	10 November 2016 (2 nd cycle 2017-2019)	915,486 shares	Approximately 3 years	-	-	-	-	-	-	-	806,543
	10 November 2016 (3 rd cycle 2018-2020)	-	-	707,530	1.09961	Approximately 3 years	22.06.2018 ³⁸	1.3427	-	-	778,007
Remuneration of General Manager in Fincantieri	10 November 2016 (1 st cycle 2016-2018)	432,988 shares	Approximately 3 years	-	-	-	-	-	-	-	326,646
	10 November 2016 (2 nd cycle 2017-2019)	220,491 shares	Approximately 3 years	-	-	-	-	-	-	-	194,253
	10 November 2016 (3 rd cycle 2018-2020)	-	-	204,857	1.09961	Approximately 3 years	22.06.2018 ³⁸	1.3427	-	-	225,263
Remuneration of KE + ESR in Fincantieri	10 November 2016 (1 st cycle 2016-2018)	2,429,514 shares	Approximately 3 years	-	-	-	-	-	-	-	1,832,825 ³⁹
	10 November 2016 (2 nd cycle 2017-2019)	1,840,298 shares	Approximately 3 years	-	-	-	-	-	-	-	1,621,303 ⁴⁰
	10 November 2016 (3 rd cycle 2018-2020)	-	-	1,640,654 ⁴¹	1.09961	Approximately 3 years	22.06.2018 ³⁸	1.3427	-	-	1,804,079 ⁴²
Total	-	-	-	-	0.7544	-	-	-	-	-	3,847,764
	-	-	-	-	0.8810	-	-	-	-	-	2,622,098
	-	-	-	-	1.09961	-	-	-	-	-	2,807,349

³⁴ The Plan's approval date by the Board of Directors, subsequently approved by the Shareholders' Meeting called on 19 April 2017 to approve the financial statements as at 31 December 2017, on a proposal from the Board of Directors itself.

³⁵ The shares listed correspond to the number that can be attributed based on the target. Note that the shares indicated in the tables attached to the Information Document for the LTI Plans are the maximum number of shares granted.

³⁶ The fair value for the 2016-2018 LTI Plan, first cycle 2016-2018, corresponding to the maximum incentive that can be granted if all performance conditions are met in full, was calculated on the basis of the weighted unit value of the following parameters: 30% of the reference book value for TSR (EUR 0.1293) and 70% of the reference book value for EBITDA (EUR 0.6251); the fair value for the second cycle (2017-2019) of the same 2016-2018 Plan, corresponding to the maximum incentive that can be granted where all performance conditions are met in full, was calculated on the basis of the weighted unit value of the following parameters: 30% of the reference book for TSR (EUR 0.146) and 70% of the reference book value for EBITDA (EUR 0.735); the fair value for the third cycle (2018-2020) of the same 2016-2018 Plan, corresponding to the maximum incentive that can be granted where all performance conditions are met in full, was calculated on the basis of the weighted unit value of the following parameters: 30% of the reference book value for TSR (EUR 0.18261) and 70% of the reference book value for EBITDA (EUR 0.917).

³⁷ This is the weighted average market price of the shares in the five trading days preceding the dates when the Board of Directors resolved on the Plan's first cycle (2016-2018) at the meeting held on 15 December 2016, on the Plan's second cycle at the meeting held on 25 July 2017, and on the Plan's third cycle at the meeting held on 22 June 2018.

³⁸ Date on which the Board of Directors approved the number of rights to assign to the recipients of the 2016-2018 Plan with respect to its third cycle (2018-2020).

³⁹ Of which EUR 777,617 for Executives with Strategic Responsibilities.

⁴⁰ Of which EUR 730,905 for Executives with Strategic Responsibilities.

⁴¹ Of which EUR 752,910 for Executives with Strategic Responsibilities.

⁴² Of which EUR 827,907 for Executives with Strategic Responsibilities.



FINCANTIERI

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FINCANTIERI
The sea ahead

