

2015 COMMUNICATION ON PROGRESS



STATEMENT OF CONTINUED SUPPORT

Our Group keeps dedicating its efforts to protect human rights, respect labour and the environment, and fight against corruption. This is our duty as a responsible corporate citizen and this is the key to sustain business solidity in the long term and to protect value for our stakeholders.

We have demonstrated a specific commitment on that, by signing the United Nations Global Compact in 2011 and since then Maire Tecnimont Group pledged its support to the ten principles behind it.

It is a clear engagement to public accountability and transparency that we renew every year through the Communication on Progress document, which summaries our actions in fulfilling the UN principles in our everyday work at any level and in each of our locations, both permanent as offices or engineering centres, and temporary as construction sites.

Also this year Maire Tecnimont Group confirms and renews its responsibility to report on progress on a periodical basis.

Attached to this Statement the 2015 Communication on Progress (COP) is included.

Pierroberto Folgiero

Chief Executive Officer

A handwritten signature in black ink, appearing to be 'P. Folgiero', with a stylized flourish at the end.

MAIRE TECNIMONT GROUP IN BRIEF

Maire Tecnimont is an industrial engineering group of more than 8,000 professionals operating worldwide in 30 countries with 45 operative companies, listed in the Milan Stock Exchange since 2007.

The complexity of our multinational and multicultural nature drives us every day to actively commit on issues related to human rights respect, environment protection and transparency enhancement.

Social accountability system and the HSE Management System keep staying at the base of the everyday business activity along with a structured corporate governance system aimed at ensuring the respect of ethical principles in the conduct of its business.

In 2015 the Group became founder of Global Compact Network Italy, so deepening the awareness and sensitivity on the UNGC ten principles. This, along with the participation in thematic working groups, made possible to take part to the debate on UNGC ten principles, by sharing experiences and finding practical solutions to embed more and more the principles in the everyday business activity.

SUSTAINABILITY POLICY

Our way of doing business is deeply connected with the corporate values embedded in the DNA of our Group. The actions we implement for our stakeholders and for the environment we work in are the visible expression of those values, and talking about sustainability implies talking about our values. That is why we strive for making sustainability drivers a reality in our everyday work.

We work to keep a fair and constant communication with the public and to guarantee a proper governance and management system to safeguard value for all our stakeholders. We are committed to providing a risk management system to reduce volatility and ensure for stakeholders the reliability of all our activities. We made local content dynamization our main way of operating in both established and developing markets, ensuring not only a durable and profitable presence worldwide but also business and personal development opportunities at a local level in the markets in which we operate.

Approaching our everyday work in this way is our responsibility and has become the framework on which our business rests.



Principle 1:
Businesses should support and respect the protection of internationally proclaimed human rights

Maire Tecnimont Group, in accordance and compliance with United Nations' Universal Declaration of Human Rights, recognizes and promotes among its employees and business partners the respect for the individual, for his dignity and his values as a fundamental principle of its own identity and of its own conduct. So any form of intolerance, violence, harassment and discrimination (be it based on sex, race, nationality, age, political opinions, religion, sexual orientation, health conditions, socio-economic conditions) is disowned.

Principle 2:
make sure that they are not complicit in human rights abuses
Assessment, Policy and Goals.

Our Code of Ethics executes this basic principle. It is the main tool to which a greater visibility and knowledge is given in order to make our position towards human rights clear to each of our stakeholders, both internal and external. A copy of our Code of Ethics is provided to the newly hired resources as well as to our suppliers and is always available on our Corporate website.

Moreover, at an internal level, ad hoc training and dissemination activities have been carried out and have been developed through the internal communication tools to enhance the awareness of the employees on the specific issues of the standard. Specific channels to enable the sending of reports and/or suggestions have been implemented. Along with dedicated mail boxes to the SA8000 Management Team and Worker Representatives, the Group developed more structured ways to access those channels to ensure the anonymity of the senders of reports. In the Corporate website, a special section has been created to enable both internal and external stakeholders to report notifications about possible deviations from the company's policies and/or the requirements of SA8000 standard.

Principle 3:
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Maire Tecnimont Group is committed to giving the same job opportunities to all the employees, collaborators as well as those applying to join its ranks and ensuring a system of personnel selection, management and development based solely on the criteria of merit and free from favouritisms, facilitations and discriminations of any kind.

In addition, Maire Tecnimont Group is committed in promoting the freedom of association to all its employees and in ensuring their right of bargaining supported by worker's association, in order to assure the abolition of all the form of forced and compulsory labour.

Principle 4:
the elimination of all forms of forced and compulsory labour

The health of our employees and the safety of their workplace are crucial issues to ensure the performances of our business. In order to keep high level of health and safety, so safeguarding the Group's most important asset, an HSE Management System is in place at each permanent workplace and each construction site. Aiming at enhancing the awareness of its employees on the HSE

Principle 5:
the effective abolition of child labour

Principle 6:
the elimination of discrimination in respect of employment and occupation
Assessment, Policy and Goals

Principle 7:
Businesses should support a precautionary approach to environmental challenges

Principle 8:
Undertake initiatives to promote greater environmental responsibility

Principle 9:
Encourage the development and diffusion of environmentally friendly technologies
Assessment, Policy and Goals

issues and a deeper knowledge on the HSE Management System, throughout 2015 dedicated training activity on Health and Safety have been planned and implemented. A preventive safety campaign for workers and staff at construction sites are constantly carried out, dedicated in particular to employees involved in working at height and in specific operations (safe use of ladders, scaffolding works, manual handling, lock out/tag out procedure).

As tangible results of a widespread safety culture, in the year 2015 important safety targets in terms of man-hours worked without LTI (Lost Time Injury) have been reached:- NAGRP/AGRP project site (14,612,874 hours without LTI) - LLDPE/HDPE Dahej project site (14,821,216 hours without LTI) - Sadara HP LDPE project site (13,275,163 hours without LTI).

HSE policy and Management System is the main reference in approaching the environmental issues. It enables the implementation, control and monitoring of the applicable or required preventive and corrective actions, ensuring a cultural sensitivity to the customs and traditions of local participants in the on-going improvement process. Periodical updates to incorporate the experiences learned through project development and internal verification are implemented at Group Level. Specific initiatives are defined at construction site and offices.

In addition to the already on-going waste recycling performed at the offices location, in order to further raise the awareness through the personnel about the importance of the environmental impact produced by everyday office activity, tailored communications are sent on a monthly basis to inform each employee about paper consumption and CO₂ emission related to the printing activity. In the same communications, some hints and suggestions are provided on how to reduce the environmental footprint of each one. In this way, the Group aims at making the employees more responsible for the positive effect of small measures on the resizing of the entire Group's impact in the environment. Moreover, the Group promotes the use of public transportation among its employees facilitating the purchasing of season tickets and giving the opportunity to access reduced fares for the local transportation. In such way, we aim to reduce indirect effects on the pollution increase by sustaining a less impacting mobility model.

Our commitment in environment protection is also aimed at promoting more sustainable technology solutions. In particular, as a player in the EPC contracting and Technology & Licensing our Group can provide its clients with lower-energy and lower-emission processes as well as with technologies capable to recover the sulphur produced and reduce the CO₂ emitted during the industrial production activity of Oil & Gas plants. Thanks to the long-lasting relationship with research institutes and Universities has been also possible to develop environmentally sustainable technologies in CO₂ recovery and in fertilizers. In particular, the

CO₂-to-Olefins project aims to produce light olefins from CO₂ by recovering carbon dioxide through catalytic processes using renewable energy sources. In the last years, research agreements have been signed for the developing of environmentally sustainable technologies in the gas treatment and acid gas removal and in fertilizers sectors, being these parts of the core business of the Group.

Principle 10:
Businesses should work against corruption in all its forms, including extortion and bribery

Maire Tecnimont Group assigns primary importance to the fight against bribery and corruption and to the respect of ethical principles in the conduct of its business, and has consistently developed and updated the appropriate corporate governance tools (the Code of Ethics and the Organisation, Management and Control Model ("Model") required by the Italian Legislative Decree 231/2001 which extends to legal persons the responsibility for crimes committed in Italy and abroad by individuals who work for the company).

The Code of Ethics, issued by the parent company, has been adopted in its entirety by all the Group's subsidiaries, both in Italy and abroad. On the other hand, the Model sets out the corporate activities, of each Italian company which have adopted it, that are potentially susceptible to the crimes defined by the Italian Legislative Decree 231/2001. The Model regulates, through specific Protocols, those activities which are potentially subjected to the commission of crimes governed by Legislative Decree 231/2001. In particular, the Protocols contain a set of controls and mandatory conduct rules and principles deemed suitable to govern and mitigate the identified risk profile of those activities and to ensure compliance with the law. Moreover, the Model sets forth specific disciplinary rules to be applied in case of breach of its provisions in order to create a strong deterrent in breaking them.

Group's ethical culture is also defined by its corporate standards and procedures (constantly subject to update), appropriate contractual clauses to oblige the third parties to comply with the provisions laid down by the ethical and conduct principles adopted by all the Group's subsidiaries via the Code of Ethics, the delineation of different roles and responsibilities, the separation of tasks, and targeted audits. These tools underpin the daily application of the principles expressed in the Code of Ethics and the Model.

Group's Internal Audit and Supervisory Body of each Italian company are the reference points for, respectively, the interpretation of the Code of Ethics and the Model.

The update activity of the Code of Ethics as well as of the Model, of each Italian company which have adopted it, is considered of extreme relevance to ensure adequacy and suitability of such document to prevent the commission of crimes

specified in the Legislative Decree 231/2001. The Models are updated on the basis of an optimization Project with an integrated "risk-based" approach (so called "Project 231"). This Project 231 shall be considered in the wake of the path of the Company and the Maire Tecnimont Group with increasingly greater attention to "risk culture" fine tuning organizational structures and operational tools to correctly identify, and properly measure, monitor and manage risks. The roles and responsibilities of corporate bodies and of the functions involved in the internal control and risk management system have been clearly distinguished in order to avoid duplication of controls and of competence and enhance a strict coordination between the subjects involved. We have also carried out Group audits, with specific focus on those activities/areas subject to potential bribery or corrupt behaviours, strengthening our compliance program. Those audits have identified, as the case may be, enhancements which should be implemented to improve the existing Internal Control Systems and to supervise the Group company risks which permeate the corporate activities.



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**.

We welcome feedback on its contents.

www.mairetecnimont.com

A handwritten signature or set of initials in black ink, located in the bottom right corner of the page.