

CHICAGO BRIDGE & IRON CO N V  
Form DEF 14A  
March 27, 2015

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Chicago Bridge & Iron Company N.V.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - 1) Title of each class of securities to which transaction applies:
  - 2) Aggregate number of securities to which transaction applies:
  - 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
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  - 1) Amount Previously Paid:
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  - 3) Filing Party:
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CHICAGO BRIDGE & IRON COMPANY N.V.

Prinses Beatrixlaan 35

2595 AK THE HAGUE, THE NETHERLANDS

NOTICE OF AND AGENDA FOR ANNUAL GENERAL MEETING  
OF SHAREHOLDERS TO BE HELD MAY 6, 2015

To the Shareholders of:

CHICAGO BRIDGE & IRON COMPANY N.V.

You are hereby notified that the Annual General Meeting of Shareholders (the "Annual Meeting") of Chicago Bridge & Iron Company N.V. ("CB&I", "CBI", the "Company" or "we") will be held at the InterContinental Amstel Amsterdam, Professor Tulpplein 1, 1018 GX Amsterdam, The Netherlands, at 2:00 p.m., local time, on Wednesday, May 6, 2015, for the following purposes:

1. To elect three members of our Supervisory Board to serve until the Annual Meeting of Shareholders in 2018. Our Supervisory Board recommends the election of Philip K. Asherman, L. Richard Flury and W. Craig Kissel to fill these positions;
2. To approve, by non-binding vote, the compensation of the Company's named executive officers;
3. To authorize the preparation of our Dutch statutory annual accounts and the annual report of our Management Board in the English language, to discuss our annual report of the Management Board for the year ended December 31, 2014 and to adopt our Dutch statutory annual accounts for the year ended December 31, 2014;
4. To approve the final dividend for the year ended December 31, 2014 in an amount of \$.28 per share, which has previously been paid out to shareholders in the form of interim dividends;
5. To discharge the sole member of our Management Board from liability in respect of the exercise of its duties during the year ended December 31, 2014;
6. To discharge the members of our Supervisory Board from liability in respect of the exercise of their duties during the year ended December 31, 2014;
7. To appoint Ernst & Young LLP as our independent registered public accounting firm, who will audit our accounts for the year ending December 31, 2015;
8. To approve the extension of the authority of our Management Board, acting with the approval of our Supervisory Board, to repurchase up to 10% of our issued share capital until November 6, 2016 on the open market, through privately negotiated transactions or in one or more self tender offers for a price per share not less than the nominal value of a share and not higher than 110% of the most recent available (as of the time of repurchase) price of a share on any securities exchange where our shares are traded;
9. To approve the extension of the authority of our Supervisory Board to issue shares and/or grant rights to acquire our shares (including options to subscribe for shares), never to exceed the number of authorized but unissued shares, and to limit or exclude the preemptive rights of shareholders with respect to the issuance of shares and/or the grant of rights to acquire shares, until May 6, 2020;
10. To approve the Amended and Restated Chicago Bridge & Iron Company Incentive Compensation Program;
11. To discuss our dividend policy.

Our Dutch statutory annual accounts and the annual report of the Management Board, our Annual Report on Form 10-K, the charters of each of our Audit, Nominating, Organization and Compensation, Corporate Governance and Strategic Initiatives Committees, our Corporate Governance Guidelines and our Code of Ethics can be accessed through our website, [www.cbi.com](http://www.cbi.com), and, along with directions to attend the Annual Meeting, may be obtained free of charge by request to our principal executive offices at Prinses Beatrixlaan 35, 2595 AK The Hague, The Netherlands, and at our administrative offices c/o CB&I, 2103 Research Forest Drive, The Woodlands, TX 77380-2624, Attn: Investor Relations. Copies of the documents listed above are also available for inspection by shareholders free of charge at our offices in The Hague listed above.

REGISTERED SHAREHOLDERS ARE REQUESTED TO VOTE PROMPTLY, AND IF VOTING BY MAIL, TO COMPLETE, SIGN, DATE AND PROMPTLY MAIL THE ENCLOSED PROXY IN THE ENCLOSED ENVELOPE. NO POSTAGE IS REQUIRED FOR MAILING IN THE UNITED STATES.

Richard E. Chandler, Jr.,  
Secretary

March 27, 2015

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be Held on May 6, 2015: The proxy statement and annual report to security holders are available on the Internet at [www.proxyvote.com](http://www.proxyvote.com).

2

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## TABLE OF CONTENTS

Proxy Statement	1
<u>Corporate Governance</u>	<u>2</u>
<u>Committees of Our Supervisory Board</u>	<u>4</u>
ITEM 1 <u>Election of Three Members of Our Supervisory Board to Serve until 2018</u>	<u>8</u>
<u>Common Stock Ownership by Certain Persons and Management</u>	<u>12</u>
<u>Executive Compensation Discussion and Analysis</u>	<u>14</u>
<u>Determining the Form and Amount of Compensation Elements to Meet Our Compensation Objectives</u>	<u>21</u>
<u>Executive Officer Compensation Tables</u>	<u>25</u>
<u>Summary Compensation Table</u>	<u>25</u>
<u>Grants of Plan-Based Awards</u>	<u>26</u>
<u>Outstanding Equity Awards at Fiscal Year-End</u>	<u>27</u>
<u>Option Exercises and Stock Vested</u>	<u>28</u>
<u>Nonqualified Deferred Compensation</u>	<u>28</u>
<u>Potential Payments Upon Termination or Change of Control</u>	<u>29</u>
<u>Director Compensation</u>	<u>33</u>
<u>Risk Analysis</u>	<u>34</u>
ITEM 2 <u>Advisory (Non-Binding) Vote on Executive Compensation</u>	<u>34</u>
ITEM 3 <u>Adoption of Annual Accounts for 2014</u>	<u>35</u>
ITEM 4 <u>Distribution From Profits</u>	<u>35</u>
ITEM 5 <u>Discharge of the Sole Member of Our Management Board from Liability</u>	<u>36</u>
ITEM 6 <u>Discharge of the Members of Our Supervisory Board from Liability</u>	<u>36</u>
ITEM 7 <u>Appointment of our Independent Registered Public Accounting Firm</u>	<u>36</u>
ITEM 8 <u>Extension of Authority of Our Management Board to Repurchase up to 10% of our Issued Share Capital Until November 6, 2016</u>	<u>36</u>
ITEM 9 <u>Extension of Authority of Our Supervisory Board to Issue Shares, to Grant Rights to Acquire Shares and to Limit or Exclude Preemptive Rights Until May 6, 2020</u>	<u>37</u>
ITEM 10 <u>Approval of the Amended and Restated Chicago Bridge &amp; Iron Company Incentive Compensation Program</u>	<u>38</u>
ITEM 11 <u>Discussion of Dividend Policy</u>	<u>41</u>
<u>Shareholder Proposals</u>	<u>42</u>

CB&I

PROXY STATEMENT

This proxy statement, which is first being mailed or made available to holders of registered shares on or about March 27, 2015, is furnished in connection with the solicitation of proxies on behalf of CB&I, who ask you to vote promptly, and if voting by mail, to complete, sign, date and mail the enclosed proxy for use at the Annual General Meeting of Shareholders to be held at the InterContinental Amstel Amsterdam, Professor Tulpplein 1, 1018 GX Amsterdam, The Netherlands, at 2:00 p.m., local time, on Wednesday, May 6, 2015 (the "Annual Meeting"), for the purposes set forth in the foregoing notice and agenda.

We are utilizing U.S. Securities and Exchange Commission ("SEC") rules allowing companies to furnish proxy materials over the Internet. Instead of a paper copy of this proxy statement and our 2014 Annual Report, most of our shareholders are receiving a notice regarding the availability of our proxy materials. The notice includes instructions on how to access the proxy materials over the Internet. The notice also contains instructions on how each shareholder can receive a paper copy of our proxy materials, including this proxy statement, our 2014 Annual Report and a form of proxy card.

Each share entitles the holder thereof to one vote on each matter submitted to a vote at the Annual Meeting. All shares represented by proxies duly executed and received by us within the time indicated on the accompanying proxy (the "Voter Deadline") will be voted at the Annual Meeting in accordance with the terms of the proxies. If no choice is indicated on the proxy, the proxyholders will vote for the election of Messrs. Asherman, Flury and Kissel to our Supervisory Board and for all other proposals described in this proxy statement. If any other business is properly brought before the Annual Meeting under our Articles of Association or Dutch law, the proxies will be voted in accordance with the best judgment of the proxyholders. In general, only those items appearing on the agenda can be voted on at the Annual Meeting.

A shareholder may revoke a proxy by submitting a document revoking it prior to the Voter Deadline, by submitting a duly executed proxy bearing a later date prior to the Voter Deadline or by attending the Annual Meeting and voting in person (with regard to which the requirements below apply).

Only holders of record of the 108,526,411 registered shares of our share capital, par value EUR 0.01 (the "common shares" or "shares"), outstanding at the close of business on March 12, 2015 are entitled to notice of and to vote at the Annual Meeting. Shareholders must give notice in writing to the Management Board of their intention to attend the Annual Meeting prior to April 29, 2015. Admittance of shareholders and acceptance of written voting proxies shall be governed by Dutch law.

Although there is no quorum requirement under Dutch law, abstentions, directions to withhold authority to vote for a nominee to be a member of the Supervisory Board and "broker non-votes" will be considered present at the meeting but will not be counted to determine the total number of votes cast. Broker non-votes occur when nominees, such as brokers and banks holding shares on behalf of the beneficial owners, are prohibited from exercising discretionary voting authority for beneficial owners who have not provided voting instructions. If you do not give instructions to your bank, brokerage firm or other agent, the bank, brokerage firm or other agent will nevertheless be entitled to vote your common shares in its discretion on "routine matters" and may give or authorize the giving of a proxy to vote the common shares in its discretion on such matters. The appointment of independent public accountants is generally a routine matter whereas the election of directors is not considered a routine matter. For these reasons, please promptly vote in accordance with the instructions provided by your bank, brokerage firm or other agent.

We will bear the cost of soliciting proxies on the accompanying proxy card. Some of our directors, officers and regular employees may solicit proxies in person or by mail, telephone or fax, but will not receive any additional compensation for their services. We may reimburse brokers and others for their reasonable expenses in forwarding proxy solicitation materials to the beneficial owners of our shares. We have also retained The Proxy Advisory Group, LLC to assist in the solicitation of proxies and provide related advice and informational support for a service fee and the reimbursement of customary disbursements. Such fee and disbursements are not expected to exceed \$15,000 in the aggregate.

Shareholders and interested persons may communicate with the Supervisory Board or one or more directors by sending a letter addressed to the Supervisory Board or to any one or more directors in care of Richard E. Chandler, Jr., Secretary, CB&I, Prinses Beatrixlaan 35, 2595 AK The Hague, The Netherlands, in an envelope clearly marked

“Shareholder Communication.” Mr. Chandler’s office will forward such correspondence unopened to Larry D. McVay, or to another independent director, unless the envelope specifies that it should be delivered to another director.

## CORPORATE GOVERNANCE

### Certain Transactions

#### Director Independence

The Supervisory Board believes that there should be a significant majority of independent directors on the Supervisory Board and generally no more than one director who is also an employee. An independent director means a member of the Supervisory Board who, in conformity with New York Stock Exchange (“NYSE”) listing standards and the criteria set forth in Exhibit A (“Exhibit A”) to our Corporate Governance Guidelines (which comply with and in some cases are stricter than NYSE listing standards) available through our website, [www.cbi.com](http://www.cbi.com), is independent of management and free from any relationship with the Company or otherwise that, in the opinion of the Supervisory Board, would interfere with his or her exercise of independent judgment as a director. No director qualifies as independent unless the Supervisory Board affirmatively determines that the director has no material relationship with the Company (either directly or indirectly, such as an officer, director, partner or significant shareholder of an organization that has a material relationship with the Company), and discloses that determination and the basis for the determination in our annual proxy statement. As stated in Exhibit A, a director generally will be considered independent if he or she:

- has not been employed by us within the past 5 years;
- has not been affiliated with or employed by our present or former auditor within 5 years since the end of either the affiliation or the auditing relationship;
- has not been part of an “interlocking directorate” in which one of our executive officers serves on the compensation committee of another company that concurrently employs or employed the director within the last 5 years;
- has not had an immediate family member (other than a family member employed in a non-officer position) in one of the categories listed above within the past 5 years;
- is not a paid advisor or consultant to us and receives no financial benefit from any entity as a result of advice or consulting services provided to us by such entity;
- is not an officer, director, partner or significant shareholder of any of our significant customers or suppliers, or any other entity having a material commercial, industrial, banking, legal or accounting relationship with us; and
- is not an officer or director of a tax-exempt entity receiving more than 5% of its annual contributions from us.

However, in making the determination as to independence, the Supervisory Board will broadly consider all relevant facts and circumstances in evaluating any relationships that exist between a director and the Company. Such determinations, in individual cases, may warrant exceptions to the above general guidelines. Based on these guidelines, the Supervisory Board has determined that the following members of the Supervisory Board do not have a relationship with us, and that each of Messrs. Bolch, Flury, Kissel, McVay, Miller, and Underwood and Meses. Fretz and Williams are independent under the standards described above. Mr. Asherman, our Chief Executive Officer, is not independent. The Supervisory Board has also determined that all members of the Supervisory Board, except Mr. Asherman, are “independent” as that term is defined by the Code adopted by the Dutch Corporate Governance Committee on December 9, 2003 and subsequently amended and restated in October 2008 (the “Dutch Corporate Governance Code”).

#### Related Party Transactions

The Nominating Committee of the Supervisory Board is responsible for reviewing all transactions that might represent a conflict or potential conflict of interest on the part of shareholders who hold more than 10% of our shares, directors, officers and employees. The Nominating Committee will analyze such potential conflicts of interest in order to ensure compliance with the Company’s Code of Ethics and the Company’s Code of Conduct, and make recommendations to the Supervisory Board concerning the granting of waivers, if appropriate, under the Company’s Code of Ethics. Each director, officer and employee must make prompt and full disclosure of all potential conflicts of interest to the President and Chief Executive Officer, the Chief Financial Officer or the Chief Legal Officer of the Company or the Non-Executive Chairman (defined below) or the Chairman of the Audit Committee. A conflict of interest includes any shareholder who holds more than 10% of our shares, a director, officer or employee having a financial interest in any contract with us or in any organization doing business with us, or any such person receiving improper personal

benefits or loans as a result of his or her position in the Company. On an annual basis, each member of the Supervisory Board and each executive officer is obligated to complete a Director and Officer Questionnaire, which requires disclosure of any transactions with the Company in which the member of the Supervisory Board or executive officer, or any member of his or her immediate family, has a direct or indirect material interest. These obligations are set forth in writing in our Code of Ethics and the Nominating Committee charter available through our website, [www.cbi.com](http://www.cbi.com).



#### Nominations for Directors/Director Qualifications

The Nominating Committee of the Supervisory Board is also responsible for screening potential members of the Supervisory Board and recommending qualified candidates to the Supervisory Board for nomination. Although the Nominating Committee has not established any specific minimum qualifications to be met by a nominee to be a member of the Supervisory Board, it assesses a diverse number of specific factors such as independence, judgment, business experience, financial knowledge and expertise, technical skills and knowledge, knowledge of our core business, international background and experience and other particular skills to enable a Supervisory Board member to make a significant contribution to the Supervisory Board, the Company and our shareholders. Set forth in Appendix I to the Charter of the Nominating Committee (“Appendix I”), available through our website, [www.cbi.com](http://www.cbi.com), are diverse and relevant criteria and characteristics and specific experience, qualifications, attributes and skills to be considered by the Nominating Committee in identifying nominees to be a member of the Supervisory Board, including:

- holding a position as a chief executive officer or chief operating officer or running a significant division of a public company;

- knowledge of our core business, including contracting, energy, building materials (steel) and chemicals;

- knowledge of international business;

- technological expertise;

- financial adeptness, liability/equity management and human relations skills;

- outside interests;

- participation on other boards;

- education;

- ability to serve for at least five years;

- compatibility with existing Supervisory Board, management and the Company corporate culture; and

- independence, as defined in the standards set forth in our Corporate Governance Guidelines.

The Nominating Committee and the Supervisory Board prefer nominees who will contribute to a board that is diverse in terms of business training, experience across a range of industries, leadership, background and education. The Nominating Committee and the Supervisory Board consider how a specific nominee contributes to the diversity of the Supervisory Board by identifying a nominee’s experience and background and determining how such experience and background will complement the overall makeup of the Supervisory Board. The Nominating Committee identifies nominees through the use of third-party entities whose practice includes outside director searches and by conducting its own searches primarily based on personal knowledge and recommendations of other members of the Supervisory Board and our management. Nominees are evaluated by the Nominating Committee as a whole with reference to Appendix I. The Nominating Committee does not solicit director nominees but will consider and evaluate shareholder recommendations that meet the criteria set forth in Appendix I in the same manner as it evaluates other potential nominees. Recommendations should be submitted in writing and addressed to the Chairman of the Nominating Committee, c/o Richard E. Chandler, Jr., Secretary, CB&I, Prinses Beatrixlaan 35, 2595 AK The Hague, The Netherlands.

#### Board Leadership Structure and Role in Risk Oversight

The Supervisory Board requires that the Chairman of the Supervisory Board be a non-executive. The Supervisory Board separates the roles of Chief Executive Officer and Chairman of the Supervisory Board in recognition of the differences between the two roles and the commitment required by each role. Separating these positions allows our Chief Executive Officer to focus on our day-to-day business, while allowing the non-executive Chairman of the Supervisory Board (the “Non-Executive Chairman”), as an independent leader, to lead the Supervisory Board in its fundamental role of providing advice to and independent oversight of management. The Supervisory Board recognizes both the time, effort and energy that the Chief Executive Officer is required to devote to his position in the current business environment, and the commitment required of the Non-Executive Chairman to properly fulfill his role. The Supervisory Board believes this structure is appropriate for the Company not only because of the size and composition of the Supervisory Board, the scope and complexity of the Company’s operations and the responsibilities of the Supervisory Board and management, but also as a demonstration of our commitment to good corporate governance.

While the Supervisory Board is ultimately responsible for risk oversight, four Supervisory Board committees assist the Supervisory Board in fulfilling its oversight responsibilities in certain areas of risk. The Supervisory Board exercises its risk oversight authority through various processes and procedures adopted by the Supervisory Board's Audit Committee, Strategic Initiatives Committee, Corporate Governance Committee and Organization and Compensation Committee.

The Audit Committee assists the Supervisory Board in its involvement in the Company's risk management process by providing oversight for the:

- integrity of the Company's financial statements;
- Company's compliance with legal and regulatory requirements;
- Company's independent registered public accounting firm's qualifications and independence;
- performance of the Company's independent registered public accounting firm and our internal audit function; and

Company's system of disclosure and internal controls regarding finance, accounting, legal compliance and ethics. The Strategic Initiatives Committee, chaired by the Non-Executive Chairman, participates in and, in certain instances, oversees significant core activities of the Company. The Strategic Initiatives Committee deals directly with risk-related issues facing the Company when and as the Committee carries out its duties to:

- review and approve on behalf of the Supervisory Board contracts, purchase orders, subcontracts and change orders in the ordinary course of business whose price exceeds the approval authority of the Chief Executive Officer;
- review and make recommendations to the Supervisory Board with respect to matters brought to its attention by the Chief Executive Officer in the ordinary course of business that exceed his approval authority under the authority matrix adopted by the Supervisory Board; and
- review and discuss matters brought to its attention by the Chief Executive Officer that the Strategic Initiatives Committee finds appropriate.

The Corporate Governance Committee participates in identifying and participating in the management of risk factors facing the Company through its responsibility to the Supervisory Board to:

- provide perspective on economic, business and technology trends and events that could cause the Company to change the allocation of resources among its existing businesses or to enter new business, and to review the business planning process of the Company;
- review various policies and practices of management in the areas of corporate governance;
- establish and review corporate goals and objectives;
- consider the overall relationship of Supervisory Board members and the Company's management; and
- develop, review and recommend to the Supervisory Board a set of corporate governance guidelines applicable to the Company.

The Organization and Compensation Committee undertakes risk oversight of the Company's compensation programs through its responsibility to the Supervisory Board to:

- establish and review the Company's overall compensation philosophy, strategy and guidelines so that the design of the Company's compensation programs does not encourage excessive risk taking;
- establish and review annual incentive and long-term incentive compensation plans so that they do not create risks reasonably likely to have a material adverse effect on the Company; and
- establish and review corporate goals and objectives supported by the Company's compensation programs so that rewards are aligned with the interests of shareholders.

Based on information and reports received by the Supervisory Board from these committees and from regular or special Supervisory Board meetings, appropriate guidance and involvement can be directed to areas which may expose the Company to risks in operation, legal compliance, financial reporting and other aspects of the business of the Company. The Non-Executive Chairman works with the Chief Executive Officer during the strategic planning process to ensure that management strategies, plans and performance metrics are communicated to the Supervisory Board and that concerns of the Supervisory Board are addressed in the development of these plans and attends and participates in quarterly management reviews of the performance of the Company. Finally, the Non-Executive Chairman attends and participates in quarterly management meetings in which, as part of the review of the Company's overall performance, various risk issues are identified and addressed.

#### COMMITTEES OF OUR SUPERVISORY BOARD

The Supervisory Board has five standing committees to assist the Supervisory Board in the execution of its responsibilities. These committees are the Audit Committee, the Organization and Compensation Committee, the Nominating Committee, the Corporate Governance Committee, and the Strategic Initiatives Committee. Each committee is composed of a minimum of three members of the Supervisory Board (except the Corporate Governance Committee, which consists of all non-management members of the Supervisory Board) who satisfy the independence requirements required by the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the rules adopted thereunder, the listing standards of the NYSE in effect from time to time and the Dutch Corporate Governance Code.

Each committee functions under a charter adopted by the Supervisory Board that can be accessed through our website, [www.cbi.com](http://www.cbi.com), and is available in print to any shareholder who requests it.

Audit Committee

The current members of the Audit Committee are Mr. Underwood (Chairman) and Messrs. McVay and Miller and Meses. Fretz and Williams. The Supervisory Board has determined that Ms. Fretz, Mr. McVay, Mr. Miller, Mr. Underwood and Ms.

Williams are each independent as defined in the Exchange Act and under the NYSE Listed Company Manual and Mr. Underwood and Ms. Fretz and Williams meet the definition of “audit committee financial expert,” as such term is defined under the rules of the SEC, and the definition of “financial expert” as defined by the Dutch Corporate Governance Code. The Supervisory Board has also determined that Ms. Fretz and Williams and Messrs. McVay, Underwood and Miller possess the necessary level of financial literacy required to enable them to serve effectively as Audit Committee members. We maintain an Internal Audit Department to provide the Audit Committee and management with ongoing assessments of our system of internal controls. Representatives of our independent registered public accounting firm participated in Audit Committee meetings, including periodic executive sessions independent of management, to discuss auditing and financial reporting matters. The Audit Committee met seven times during 2014. Its primary duties and responsibilities include assisting the Supervisory Board in overseeing:

- the integrity of our financial statements;
- our compliance with legal and regulatory requirements;
- our independent registered public accounting firm’s qualifications and independence;
- the performance of our independent registered public accounting firm and our internal audit function; and
- our system of disclosure and internal controls regarding finance, accounting, legal compliance and ethics.

The Audit Committee has adopted policies and procedures for pre-approving all audit and permissible non-audit services performed by our independent registered public accounting firm. Under these policies, the Audit Committee pre-approves the use of audit and audit-related services in connection with the approval of the independent registered public accounting firm’s audit plan. All services detailed in the audit plan are considered pre-approved. The Audit Committee monitors the audit services engagement as necessary, but no less often than quarterly. It approves any changes in terms, conditions and fees resulting in changes in audit scope, Company structure or other items. Other audit services and non-audit services are pre-approved at the Audit Committee’s quarterly meetings. For interim pre-approval of audit and non-audit services, requests and applications are submitted to the Chief Financial Officer, who has been so designated by the Audit Committee for this purpose. The Chief Financial Officer may approve services that are consistent with the permissible services specifically pre-approved by the Audit Committee. Where the services are not specified by the pre-approval policy and the Chief Financial Officer approves the request or application, it is submitted to the Audit Committee Chairman, or appropriate designated member of the Audit Committee, for pre-approval. All such audit and non-audit services and fees are monitored by the Audit Committee at its quarterly meeting.

#### Audit Fees

For the years ended December 31, 2014 and 2013, we incurred the following fees for services rendered by our independent registered public accounting firm, Ernst & Young LLP:

Fees	2014	2013
Audit Fees (1)	\$5,381,000	\$6,151,000
Audit-Related Fees	\$—	\$—
Tax Fees (2)	\$311,000	\$202,000
All Other Fees (3)	\$2,000	\$2,000
Total	\$5,694,000	\$6,355,000

Audit Fees consist of fees and out of pocket expenses for the audit of our annual financial statements; audit of our (1) controls over financial reporting; reviews of our quarterly financial statements; statutory and regulatory audits and consents; financial accounting and reporting consultations; and other services related to SEC matters.

(2) Tax Fees consist of fees for tax consulting services, including transfer pricing documentation, tax advisory services and compliance matters.

(3) All Other Fees consist of permitted non-audit services.

All of the fees set forth in the table above were approved by the Audit Committee pursuant to its pre-approval policies and procedures described above.

The Audit Committee considered and concluded that the provision of other services was compatible with maintaining Ernst & Young LLP's independence.

The Audit Committee has established a toll-free number, (866) 235-5687, whereby interested parties may report concerns or issues regarding our accounting or auditing practices to the Audit Committee.

#### Report of the Audit Committee of the Supervisory Board

The following is the report of the Audit Committee of the Supervisory Board with respect to our audited financial statements for the year ended December 31, 2014.

The Supervisory Board has adopted a written charter for the Audit Committee.

We have reviewed and discussed with management the Company's audited financial statements as of and for the year ended December 31, 2014.

We have discussed with the Company's independent registered public accounting firm the matters required to be discussed under Auditing Standard No. 16, Communications with Audit Committees, as adopted by the U.S. Public Company Accounting Oversight Board ("PCAOB").

We have received and reviewed the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the PCAOB regarding the Company's independent registered public accounting firm's communications with the Audit Committee concerning independence, and have discussed with them their independence. The Audit Committee has also reviewed the non-audit services provided by the Company's independent registered public accounting firm as described above and considered whether the provision of those services was compatible with maintaining the Company's independent registered public accounting firm's independence.

Based on the reviews and discussions referred to above, we recommended to the Supervisory Board that the audited financial statements referred to above be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014 for filing with the SEC.

Michael L. Underwood (Chairman)

Deborah M. Fretz

Larry D. McVay

James H. Miller

Marsha C. Williams

#### Organization and Compensation Committee

The current members of the Organization and Compensation Committee are Mr. Kissel (Chairman), Messrs. Bolch and Underwood and Ms. Fretz. The Supervisory Board has determined that Messrs. Kissel, Bolch and Underwood and Ms. Fretz are each independent as defined in the Exchange Act and under the NYSE Listed Company Manual. The Organization and Compensation Committee met four times in 2014. Its primary duties and responsibilities include the following:

- establishment of compensation philosophy, strategy and guidelines for our executive officers and senior management, including review of compensation programs for excessive risk;
- administration of our long-term and short-term incentive plans;
- evaluation and approval of corporate goals and objectives relevant to the Chief Executive Officer's and named executive officers' compensation, evaluation of the Chief Executive Officer's and the named executive officers' performance in light of those goals and objectives and setting the Chief Executive Officer's and the named executive officers' compensation level based on this evaluation;
- preparation of the Organization and Compensation Committee report on executive compensation to be included in the proxy statement; and
- review succession management programs and practices for our senior management (including our Chief Executive Officer and his executive officer direct reports).

#### Organization and Compensation Committee Interlocks and Insider Participation

No member of the Organization and Compensation Committee was, during fiscal year 2014, an officer or employee of the Company or any of our subsidiaries, was formerly an officer of the Company or any of our subsidiaries or had any relationships requiring disclosure by us under Item 404 of Regulation S-K promulgated under the Exchange Act.

During fiscal year 2014, none of our executive officers served as (i) a member of the compensation committee (or other board committee performing equivalent functions) of another entity, one of whose executive officers served on the Organization and Compensation Committee, (ii) a director of another entity, one of whose executive officers served on the Organization and Compensation Committee or (iii) a member of the compensation committee (or other

board committee performing equivalent functions) of another entity, one of whose executive officers served as a director of the Company.

6

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#### Compensation Consultants

In considering the executive compensation recommendations of management and determining the compensation of the Chief Executive Officer and those officers reporting directly to him for 2014, the Organization and Compensation Committee received advice and recommendations from Pearl Meyer & Partners ("PM&P"). At the Committee's request, PM&P evaluated the Company's compensation practices and assisted in developing and implementing its executive compensation program consistent with its stated compensation philosophy. PM&P regularly reviewed the Company's total compensation pay levels and design practices and offered their comments on comparator companies, benchmarks and how the Company's compensation programs are actually succeeding in meeting the Company's business objectives. PM&P made recommendations to the Committee at its request, independently of management, on executive compensation generally and on the individual compensation of executive officers. PM&P representatives participated in selected Committee meetings, including executive sessions independent of management, to discuss executive compensation matters.

The Organization and Compensation Committee has analyzed whether the work of PM&P as a compensation consultant has raised any conflicts of interest, taking into consideration, among other things, the following factors: (i) the provision of other services to the Company by PM&P; (ii) the amount of fees from the Company paid to PM&P as a percentage of PM&P's total revenue; (iii) the policies and procedures of PM&P that are designed to prevent conflicts of interest; (iv) any business or personal relationship of the individual compensation advisors who serve the Organization and Compensation Committee with any member of the Organization and Compensation Committee; (v) any stock of the Company owned by such individual compensation advisors, and (vi) any business or personal relationship of PM&P or the individual compensation advisors employed by PM&P who serve the Organization and Compensation Committee with an executive officer of the Company. The Committee has determined, based on its analysis in light of the factors listed above, that the work of PM&P and the individual compensation advisors employed by PM&P as compensation consultants to the Company has not created any conflicts of interest.

#### Report of the Organization and Compensation Committee of the Supervisory Board

We have reviewed and discussed with management the Compensation Discussion and Analysis for the year ended December 31, 2014. Based on that review and discussion, we recommended to the Supervisory Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

W. Craig Kissel (Chairman)

James R. Bolch

Deborah M. Fretz

Michael L. Underwood

Nominating Committee

The current members of the Nominating Committee are Ms. Williams (Chairman) and Messrs. Bolch, Flury and Kissel. The Supervisory Board has determined that Ms. Williams and Messrs. Bolch, Flury and Kissel are each independent as defined in the Exchange Act and under the NYSE Listed Company Manual. The Nominating Committee met two times during 2014. Its primary duties and responsibilities include the following:

- identification, review, recommendation and assessment of nominees for election as members of the Supervisory Board and the Management Board;
- recommendation to the Supervisory Board regarding size, composition, proportion of inside directors and creation of new positions of the Supervisory Board;
- recommendation of the structure and composition of, and nominees for, the standing committees of the Supervisory Board;
- recommendation of fees to be paid to non-employee members of the Supervisory Board; and
- review of conflicts or potential conflicts of interest to ensure compliance with our Code of Ethics and our Code of Conduct and making recommendations to the Supervisory Board concerning the granting of waivers.



#### Compensation of the Members of the Supervisory Board

Under our Articles of Association, any decisions on compensation of members of our Supervisory Board are made by our general meeting of shareholders. If any changes need to be made to the compensation of members of our Supervisory Board, the Nominating Committee makes recommendations to the Supervisory Board on compensation for the members of the Supervisory Board. The Supervisory Board would then approve or modify those recommendations and propose them to the shareholders at a general meeting. In making a recommendation, the Nominating Committee receives advice and recommendations from PM&P, which serves as its director compensation consultants. PM&P evaluates our compensation practices and assists in developing our director compensation program. They review compensation for the members of the Supervisory Board annually; however, changes to director compensation might not be made every year. PM&P representatives are present at selected Nominating Committee meetings to discuss compensation of the members of the Supervisory Board.

#### Corporate Governance Committee

The current members of the Corporate Governance Committee are Messrs. McVay (Chairman), Bolch, Flury, Kissel, Miller and Underwood and Ms. Fretz and Williams. The Corporate Governance Committee met four times during 2014. Its primary duties and responsibilities include the following:

- evaluation of the performance of the Supervisory Board and management;
- review of policies and practices of management in the areas of corporate governance and corporate responsibility;
- recommendation to the Supervisory Board of policies and practices regarding the operation and performance of the Supervisory Board; and

• development, review and recommendation to the Supervisory Board of a set of corporate governance guidelines.

The Corporate Governance Committee provides an opportunity for the non-management members of the Supervisory Board to meet in regularly scheduled executive sessions for open discussion without management. The Chairman of the Corporate Governance Committee, Larry McVay, presides at these meetings. We have established a toll-free number, (866) 235-5687, whereby interested parties, including shareholders, may contact non-management directors. Calls to this number for non-management directors will be relayed directly to the Chairman of the Audit Committee who will forward it to the appropriate member.

#### Strategic Initiatives Committee

The current members of the Strategic Initiatives Committee are Messrs. Flury (Chairman), McVay and Miller. The Strategic Initiatives Committee met four times during 2014. Its primary duties and responsibilities include the following:

• provide a detailed review of actions regarding the approval authority granted by the Supervisory Board to the Chief Executive Officer; and

- review and recommend to the Supervisory Board other matters exceeding the authority granted by the Supervisory Board to the Chief Executive Officer.

#### Information Regarding Meetings

The Supervisory Board held four meetings in 2014. Each of the members of the Supervisory Board attended at least 75% of the meetings of the Supervisory Board and of each committee of which he or she was a member. We expect that each member of the Supervisory Board will attend the Annual Meeting. Last year, each of the members of the Supervisory Board attended the Annual Meeting.

#### ITEM 1 ELECTION OF THREE MEMBERS OF OUR SUPERVISORY BOARD TO SERVE UNTIL 2018

The business and general affairs of the Company and the conduct of the business of the Company by the Management Board are supervised by the Supervisory Board, the members of which are appointed by the general meeting of shareholders. Under the law of The Netherlands, a member of the Supervisory Board cannot be a member of the Management Board of the Company. Our Articles of Association provide for at least six and no more than 12 members to serve on the Supervisory Board.

Members of the Supervisory Board are generally elected to serve three-year terms, with approximately one-third of such members' terms expiring each year and two-thirds of such members' terms expiring each two years. The terms of the members of the Supervisory Board expire at the general meeting of shareholders held in the third year following

their election, but members of the Supervisory Board whose terms of office expire may be re-elected. The Supervisory Board has determined that the number of members of the Supervisory Board will be nine. The term of three members of the Supervisory Board will expire at the date of the Annual Meeting. The term of office of a member of the Supervisory Board expires automatically on the date of the annual general meeting of shareholders in the year following the year during which the director attains the age of 72.

As permitted under Dutch law and our Articles of Association, the Supervisory Board is authorized to make binding nominations of two candidates for each open position on the Supervisory Board, with the candidate receiving the greater number of votes being elected. The binding nature of the Supervisory Board's nomination may be overridden by a vote of two-thirds of the votes cast at the meeting if such two-thirds vote constitutes more than one-half of the issued share capital of the Company. In that case, shareholders would be free to cast their votes for persons other than those nominated below.

In conjunction with the normal expiration of the three-year terms of members of our Supervisory Board, three members of the Supervisory Board to be elected will serve until the general meeting of shareholders in 2018. The Supervisory Board has proposed the election of Mr. Philip K. Asherman and Luciano Reyes for the first of these open director positions, Mr. L. Richard Flury and Westley S. Stockton for the second of these open director positions and W. Craig Kissel and Stephen H. Dimlich, Jr. for the third of these open director positions.

Based on the guidelines set forth above, the Supervisory Board has determined that neither Mr. Flury nor Mr. Kissel has a material relationship with us and, if elected, each would be considered an independent member of the Supervisory Board applying the criteria outlined on page 2 under the heading Director Independence. Luciano Reyes, Westley S. Stockton and Stephen H. Dimlich, Jr. were recommended by the Chief Executive Officer, are presently our employees and, if elected, would not be considered independent members of the Supervisory Board.

The Supervisory Board is recommending the re-election of Messrs. Asherman, Flury and Kissel to the Supervisory Board on the basis of their extensive professional and financial knowledge and experience, particularly their knowledge of and experience with the Company and its business gained by them in connection with the outstanding services they have provided to the Company to date as members of the Supervisory Board.

The Following Nominations are Made for a Three-Year Term Expiring in 2018:

First Position

First Nominee

Philip K. Asherman, 64, has served as President and Chief Executive Officer and a member of the Supervisory Board since 2006. He joined CB&I in 2001 as a senior executive and was promoted to Executive Vice President that same year, reporting directly to the Chairman and Chief Executive Officer. He has more than 30 years of experience in the engineering and construction industry. Mr. Asherman serves on the Board of Directors of Arrow Electronics and the National Safety Council. Specifically, he serves as a member of the Supervisory Board because of his service as chief executive officer of a public company, knowledge of the Company's core business, knowledge of international business, human relations skills, experience of having served on the Supervisory Board, ability to serve on the Supervisory Board for five years, and compatibility with existing Supervisory Board members, management and the Company's corporate culture.

Second Nominee

Luciano Reyes, 44, has served as Vice President and Treasurer since 2006, previously holding positions of increasing responsibility in CB&I's Treasury Department since joining the Company in 1998. Prior to his service with CB&I, Mr. Reyes held financial positions with a large manufacturing corporation and with several financial institutions. Specifically, he is qualified to be a member of the Supervisory Board because of his financial adeptness and his knowledge of the Company's core business. Mr. Reyes is presently our employee and, if elected, would not be considered an independent member of the Supervisory Board.

Second Position

First Nominee

L. Richard Flury, 67, has served as Non-Executive Chairman since 2010, as a member of the Supervisory Board since 2003, and was a consultant to the Supervisory Board until his election as a Director in May 2003. He is Chairman of the Strategic Initiatives Committee and a member of the Corporate Governance Committee and the Nominating Committee. Previously, Mr. Flury served as Chief Executive Officer, Gas, Power and Renewables for BP plc from 1998 until his retirement in 2001. He served as Executive Vice President of Amoco, responsible for managing the exploration and production sector, from 1996 to 1998. Prior to that, he served in various other executive capacities with Amoco since 1988. Mr. Flury is also a director of QEP Resources and Callon Petroleum Corporation. Specifically, he serves as a member of the Supervisory Board because of his executive management of a public

company, knowledge of the energy industry, knowledge of international business, financial adeptness, experience of having served on the Supervisory Board, ability to serve on the Supervisory Board for five years, independence, and compatibility with the existing Supervisory Board members, management and the Company's corporate culture.

Second Nominee

Westley S. Stockton, 44, has served as Vice President, Corporate Controller and Chief Accounting Officer since 2008. He previously served as Vice President, Financial Operations from 2006 to 2008. Mr. Stockton, a Certified Public Accountant, has

worked for CB&I in various financial positions since 2002. Prior to joining CB&I, he worked for two large accounting firms in audit-related roles. Specifically, he is qualified to be a Supervisory Board member because of his financial and accounting expertise and knowledge of the Company's core business. Mr. Stockton is presently our employee and, if elected, would not be considered an independent member of the Supervisory Board.

Third Position

First Nominee

W. Craig Kissel, 64, has been a member of the Supervisory Board since 2009 and is Chairman of the Organization and Compensation Committee, and a member of the Corporate Governance Committee, and Nominating Committee. He worked for Trane/American Standard from 1980 until his retirement in 2008, most recently as President of Trane Commercial Systems. From 1998 to 2003, he was President of American Standard's Vehicle Control Systems business in Brussels, Belgium. Prior to that, he held various management positions at Trane, including Executive Vice President and Group Executive of Trane's North American Unitary Products business. Mr. Kissel is currently a director of Watts Water Technologies and Nelson Global Products. Specifically, he serves as a member of the Supervisory Board because of his service as a division president of a public company, knowledge of international business, technological expertise, experience of having served on the Supervisory Board, ability to serve on the Supervisory Board for five years, independence, and compatibility with existing Supervisory Board members, management and the Company's corporate culture.

Second Nominee

Stephen H. Dimlich, Jr., 52, has served as Senior Vice President, Corporate Human Resources since 2013. Prior to this role, he served as Vice President, Corporate Human Resources since 2009. Prior to joining CB&I in 2003, he was an attorney at three different law firms, primarily in the employment field. Specifically, he is qualified to be a member of the Supervisory Board because of his knowledge of the Company, education and human relations skills. Mr. Dimlich is presently our employee and, if elected, would not be considered an independent member of the Supervisory Board. OUR SUPERVISORY BOARD RECOMMENDS THAT YOU VOTE "FOR" THE ELECTION OF MESSRS. ASHERMAN, FLURY AND KISSEL.

Certain information with respect to the members of the Supervisory Board whose terms do not expire this year is as follows:

Members of the Supervisory Board to Continue in Office with Terms Expiring in 2016:

Deborah M. Fretz, 67, has been a member of the Supervisory Board since 2013 and is a member of the Audit Committee, the Organization and Compensation Committee and the Corporate Governance Committee. She served as President and Chief Executive Officer of Sunoco Logistics Partners L.P. from 2001 to 2010. Prior to this role, Ms. Fretz held various management positions at Sunoco, Inc., including General Manager and President of Sun Pipeline Company from 1991 to 1994, Senior Vice President of Logistics from 1994 to 2000 and Senior Vice President of Mid-Continent Refining, Marketing and Logistics from 2000 to 2001. Ms. Fretz served on the Board of Directors for the Federal Reserve Bank of Philadelphia, Niska Gas Storage Partners LP and GATX, a Chicago-based transportation service firm. Ms. Fretz currently serves as a director of Alpha Natural Resources, Inc., where she chairs the audit committee. Specifically, she is qualified to be a member of the Supervisory Board because she has held positions of management including chief executive officer of a public company and because of her knowledge of the energy industry, financial adeptness, experience of having served on the Supervisory Board, ability to serve on the Supervisory Board for five years, experience of serving on other boards of directors, and independence.

James H. Miller, 66, has been a member of the Supervisory Board since 2014 and is a member of the Audit Committee, the Corporate Governance Committee, and the Strategic Initiatives Committee. He served as a consultant to the Supervisory Board since April 2013. He served as Chairman of PPL Corporation from 2006 until his retirement in 2012. He also served as Chief Executive Officer of PPL from 2006 to 2011, President from 2005 to 2011 and Executive Vice President and Chief Operating Officer from 2004 to 2005. Before PPL Corporation, Mr. Miller was Executive Vice President of USEC Inc., and previously served as President of two ABB Group subsidiaries: ABB Environmental Systems and ABB Resource Recovery Systems. Mr. Miller began his career at the former Delmarva Power & Light Co. Mr. Miller currently serves as a director of Rayonier Advanced Materials, AES Corporation and Crown Holdings, where he serves on audit, nominating and compensation committees. Specifically, he is qualified to

be a Supervisory Board member because of the positions of management he has held including chairman and chief executive officer of a public company, his knowledge of the energy industry, ability to serve on the Supervisory Board for five years, experience of serving on other boards of directors, and independence.

Michael L. Underwood, 71, has served as a member of the Supervisory Board since 2007 and is Chairman of the Audit Committee and a member of the Organization and Compensation Committee and the Corporate Governance Committee. Mr. Underwood worked the majority of his 35-year career in public accounting at Arthur Andersen LLP, where he was a partner.



He moved to Deloitte & Touche LLP as a director in 2002, retiring in 2003. He is currently a director and Chairman of the audit committee of Dresser-Rand Group, Inc. Specifically, he serves as a member of the Supervisory Board because of his financial adeptness, experience with international companies and other companies in the engineering, procurement and construction and technology industries, experience of having served on the Supervisory Board, independence, and compatibility with existing Supervisory Board members, management and the Company's corporate culture.

Members of the Supervisory Board to Continue in Office with Terms Expiring in 2017:

James R. Bolch, 57, has been a member of the Supervisory Board since 2012 and is a member of the Corporate Governance Committee, the Organization and Compensation Committee and the Nominating Committee. Until July 25, 2013, he served as President and Chief Executive Officer and member of the Board of Directors of Exide Technologies (XIDE), which, on June 10, 2013, filed a voluntary petition for reorganization pursuant to U.S. federal restructuring laws. Before joining Exide in 2010, he was employed at Ingersoll Rand Company from 2005 to 2010 where he served as Senior Vice President and President of the Industrial Technologies sector. From 2003 to 2005, he was Executive Vice President of Schindler Elevator Corporation for the Service Business in North America. Previously, Mr. Bolch spent 21 years with United Technologies Corporation where he held roles in Otis Elevator, Optical Systems and UTC Power Divisions. Specifically, he is qualified to be a member of the Supervisory Board because he held a position as chief executive officer and has run significant divisions of a public company and because of his knowledge of international business, technological expertise, education, experience of having served on the Supervisory Board, ability to serve for five years, his independence, and compatibility with existing Supervisory Board members, management and the Company's corporate culture.

Larry D. McVay, 67, has been a member of the Supervisory Board since 2008 and is Chairman of the Corporate Governance Committee and a member of the Audit Committee and Strategic Initiatives Committee. Mr. McVay has served as Managing Director of Edgewater Energy LLC since 2007 and worked 39 years for Amoco, BP and TNK-BP. Mr. McVay served as the Chief Operating Officer of TNK-BP in Moscow from 2003 until his retirement from BP in 2006. From 2000 to 2003, he held the position of Technology Vice President, Operations, and Vice President of Health, Safety and Environment for BP, based in London. Previously, Mr. McVay served in numerous senior level management positions for Amoco. Mr. McVay is currently on the Board of Directors of Callon Petroleum Company and Praxair Inc. Specifically, he serves as a member of the Supervisory Board because of his services as a chief operating officer of a division of a public company, knowledge of the energy industry, knowledge of international business, technological expertise, financial adeptness, experience of having served on the Supervisory Board, ability to serve for five years, independence, and compatibility with existing Supervisory Board members, management and the Company's corporate culture.

Marsha C. Williams, 64, has served as a member of the Supervisory Board since 1997. She is Chairman of the Nominating Committee and a member of the Audit Committee and the Corporate Governance Committee. Ms. Williams served as Senior Vice President and Chief Financial Officer of Orbitz Worldwide, Inc. from 2007 through her retirement in 2010. From 2002 to 2007, she served as Executive Vice President and Chief Financial Officer of Equity Office Properties Trust. She served as Chief Administrative Officer of Crate & Barrel from 1998 to 2002, and as Treasurer of Amoco Corporation from 1993 to 1998. Ms. Williams is a director of Davis Funds and lead director of both Fifth Third Bancorp and Modine Manufacturing Company, Inc. Specifically, she serves as a member of the Supervisory Board because of her knowledge of the energy industry, knowledge of international business, financial adeptness and human relations skills, experience of having served on the Supervisory Board, ability to serve for five years, independence, and compatibility with existing Supervisory Board members, management and the Company's corporate culture.

## COMMON STOCK OWNERSHIP BY CERTAIN PERSONS AND MANAGEMENT

## Security Ownership of Certain Beneficial Owners

The following table sets forth certain information with respect to each person (including any "group" as that term is used in Section 13(d)(3) of the Exchange Act) known to us to be the beneficial owner of more than 5% of our issued common shares (based on 108,526,411 shares outstanding as of March 12, 2015).

Name and Address of Beneficial Owner	Common Stock; Euro .01 par value Amount and Nature of Beneficial Ownership	Percent of Class	
Warren E. Buffet and Berkshire Hathaway Inc. (1) 3555 Farnam Street, Omaha, NE 68131	10,701,110	9.9	%
The Vanguard Group (2) 100 Vanguard Blvd., Malvern, PA 19355	6,193,181	5.7	%

Based upon a Schedule 13G/A jointly filed with the SEC on February 17, 2015 by Warren E. Buffet ("Buffet"), Berkshire Hathaway Inc. ("BW"), National Indemnity Company, an insurance company ("NIC"), GEICO Corporation ("Geico"), Government Employees Insurance Company, an insurance company ("GEIC"), GEICO Indemnity Company, an insurance company ("Geico Indemnity"), Dexter Pension Plan, an employee benefit plan ("Dexter"), BNSF Master Retirement Trust, an employee benefit plan ("BNSF"), Scott Fetzer Company Collective Investment Trust, an employee benefit plan ("Fetzer") and Lubrizol Master Trust Pension, an employee benefit plan ("Lubrizol"). In the Schedule 13G/A, (i) Buffet reports that he has shared power to vote or direct to vote and shared power to dispose of or direct the disposition of 10,701,110 shares, (ii) BW reports that it has shared power to vote or direct to vote and shared power to dispose of or direct the disposition of 10,701,110 shares, (iii) NIC (1) reports that it has shared power to vote or direct to vote and shared power to dispose of or direct the disposition of 6,467,959 shares, (iv) Geico reports it has shared power to vote or direct to vote and shared power to dispose of or direct the disposition of 6,467,959 shares, (v) GEIC reports it has shared power to vote or direct to vote and shared power to dispose of or direct the disposition of 1,869,800 shares, (vi) Geico Indemnity reports it has shared power to vote or direct to vote and shared power to dispose of or direct the disposition of 4,598,159 shares, (vii) Dexter reports it has shared power to vote or direct to vote and shared power to dispose of or direct the disposition of 1,568 shares, (viii) BNSF reports it has shared power to vote or direct to vote and shared power to dispose of or direct the disposition of 2,973,944 shares, (ix) Fetzer reports it has shared power to vote or direct to vote and shared power to dispose of or direct the disposition of 88,559 shares, and (x) Lubrizol reports it has shared power to vote or direct to vote and shared power to dispose of or direct the disposition of 1,169,080 shares.

Based upon a Schedule 13G/A filed with the SEC on February 11, 2015 by The Vanguard Group, Inc. ("Vanguard"). In the Schedule 13G/A, Vanguard reports that (i) it has sole power to vote or direct to vote 94,018 shares, (ii) it has sole power to dispose of or direct the disposition of 6,107,756 shares, (iii) it has shared power to dispose or direct (2) the disposition of 85,425 shares, (iv) Vanguard Fiduciary Trust Company, a wholly-owned subsidiary of Vanguard, is the beneficial owner of 56,925 shares as a result of its serving as investment manager of collective trust accounts and (v) Vanguard Investments Australia, Ltd., a wholly-owned subsidiary of Vanguard, is the beneficial owner of 65,593 shares as a result of its serving as investment manager of Australian investment offerings.

## Executive Officers

Philip K. Asherman, 64, has served as President and Chief Executive Officer of CB&I since 2006. He joined CB&I in 2001 as a senior executive and was promoted to Executive Vice President that same year, reporting directly to the Chairman and Chief Executive Officer. Mr. Asherman has more than 30 years of experience in the engineering and construction industry.

Beth A. Bailey, 63, has served as Executive Vice President and Chief Administration Officer since 2009. Ms. Bailey joined CB&I in 1972, serving in positions of increasing responsibility, most recently as Executive Vice President and Chief Information Officer from 2007 to 2009.

Richard E. Chandler, Jr., 58, has served as Executive Vice President and Chief Legal Officer since March 1, 2011 and as Secretary since November 2011. Previously, he served as Senior Vice President, General Counsel and Corporate Secretary of Smith International, Inc. from 2005 to 2010 and as a partner of an international law firm from 2010 to 2011.

Daniel M. McCarthy, 64, has served as Executive Vice President since December 2011 and as operating group President, Technology since 2009. He joined CB&I through the acquisition of the Lummus business from ABB Asea Brown Boveri Ltd. (the "ABB Lummus acquisition") in 2007 and served as President, Technology from 2007 to 2009.

Patrick K. Mullen, 50, has served as Executive Vice President since February 2013, and as operating group President, Engineering, Construction and Maintenance since December 2013. He served as Executive Vice President, Corporate Development from February 2013 to December 2013. Mr. Mullen joined CB&I through the ABB Lummus acquisition in 2007 and served as Senior Vice President, Business Development for Technology from 2007 to 2013.

Edgar C. Ray, 54, has served as Executive Vice President since 2007 and as operating group President, Environmental Solutions, since February 2013. Mr. Ray previously served as Executive Vice President, Corporate Planning from 2007 to 2013. He joined CB&I in 2003, serving as Senior Vice President, Global Marketing until 2007.

James W. Sabin, Jr., 58, has served as Executive Vice President, Global Systems since December 2013. He joined CB&I through the acquisition of The Shaw Group, Inc. in 2013 and served as Senior Vice President, Global Systems from February 2013 to December 2013. Prior to the acquisition, Mr. Sabin served as a Senior Vice President, Power.

Luke V. Scorson, 59, has served as Executive Vice President and as operating group President, Fabrication Services since February 2013. Previously, he served as President of Steel Plate Structures. Mr. Scorson joined CB&I in 2001 through the acquisition of the Engineered Construction and Water Divisions of Pitt Des Moines, Inc. where he served as President of the Industrial business.

Westley S. Stockton, 44, has served as Vice President, Corporate Controller and Chief Accounting Officer since 2008. He previously served as Vice President, Financial Operations from 2006 to 2008. On March 12, 2015, Mr. Stockton assumed interim responsibility for CB&I's operational finance functions until April 1, 2015. Mr. Stockton, a Certified Public Accountant, has worked for CB&I in various financial positions since 2002. Prior to joining CB&I, he worked for two large accounting firms in audit-related roles.

## Security Ownership of Our Management

The following table sets forth certain information regarding common shares beneficially owned on March 12, 2015 by (1) each member of the Supervisory Board, (2) each nominee to be a member of the Supervisory Board, (3) each named executive officer and (4) all directors and the executive officers identified on pages 12 and 13 as a group.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership (1)	Percentage of Shares Owned	
Philip K. Asherman	766,879	*	
Ronald A. Ballschmiede (2)	275,090	*	
James R. Bolch	5,130	*	
Stephen H. Dimlich, Jr.	26,327	*	
L. Richard Flury	47,144	*	
Deborah M. Fretz	3,620	*	
W. Craig Kissel	17,475	*	
Daniel M. McCarthy	88,303	*	
Larry D. McVay	21,573	*	
James H. Miller	—	*	
Patrick K. Mullen	39,792	*	
Luciano Reyes	14,237	*	
Luke V. Scorsone	16,868	*	
Westley S. Stockton	5,056	*	
Michael L. Underwood	24,678	*	
Marsha C. Williams	48,957	*	
All directors and executive officers as a group (18)	1,557,950	1.4	%

\* Beneficially owns less than one percent of our outstanding common shares.

(1) Shares deemed beneficially owned include (i) shares held by immediate family members and (ii) shares that can be acquired through stock options exercisable through May 10, 2015.

(2) On March 12, 2015, CB&I announced Mr. Ballschmiede's retirement from his position as Executive Vice President and Chief Financial Officer.

## Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our members of the Supervisory Board, executive officers and persons who own more than 10% of our common shares to file initial reports of ownership and reports of changes in ownership of common shares (Forms 3, 4 and 5) with the SEC and the NYSE. All such persons are required by SEC regulation to furnish us with copies of all such forms that they file and we receive written representations by certain reporting persons with respect to whether a Form 5 was required. To our knowledge, based solely on our review of the copies of such reports received by us and on written representations by certain reporting persons that no reports on Forms 3, 4 or 5 were required to be filed by them, we believe that, during the year ended December 31, 2014, our Supervisory Board, executive officers and 10% shareholders complied with all Section 16(a) requirements applicable to them, other than a Form 4 that was filed untimely for a restricted stock grant to each of Messrs. Scorsone and McCarthy and the equity retainer paid in restricted stock to each of Messrs. Bolch, Flury, Kissel, McVay, Miller, and Underwood and Ms. Fretz and Williams.

## EXECUTIVE COMPENSATION

## DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis ("CD&A") is provided to assist our shareholders in understanding the compensation awarded, earned by, or paid to the Company's executive officers named in the Summary Compensation Table (the "named executive officers") during 2014. In addition, the CD&A is intended to put into perspective for our shareholders the compensation tables on pages 25 through 29 and the narrative information that accompanies them. Our shareholders should also consider this information in connection with Item 2, the Advisory (Non-Binding) Vote on Executive Compensation, discussed on pages 34 and 35 of this Proxy Statement.



Our executive compensation structure strongly emphasizes pay for performance and at-risk compensation. The major elements are:

• Base salary;

• Annual cash incentives, based on having to meet specific financial and non-financial performance targets;

• Restricted stock, which aligns our executives' interests with those of our shareholders in value creation, while also serving retention purposes; and

• Performance shares, which only have value to the extent specific financial metrics are achieved.

In 2014, 90% of the total target compensation of our Chief Executive Officer was incentive and stock based compensation, and on average was 78% for our other named executive officers. As stated under "Risk Analysis" on page 34, we believe our compensation practices mitigate against excessive risk-taking and are consistent with market practices and the interests of our shareholders.

The first part of this discussion describes the primary objectives of our compensation programs and what they are designed to reward. Following that, we describe the key elements of our compensation and why we have selected those elements of compensation. Finally, we describe how we determine the form, the amount and associated objectives of each compensation element to support our business objectives.

**Compensation Objectives, Process and Peer Group**

**Objectives.** We are committed to increasing shareholder value by profitably growing our business in the global marketplace. Our compensation policies and practices are intended to support this commitment by attracting and retaining employees who can manage this growth and rewarding them for profitably growing the Company and achieving the Company's other short and long-term business objectives. We especially want to focus our executive officers (and the others in our management team) on improving financial performance over both the short term and long term, while appropriately balancing risk.

We must compete with a wide variety of construction, engineering, heavy industrial, process technology and related firms in order to engage, develop and retain a pool of talented employees. To meet this competition, we compensate our executive officers at competitive pay levels while emphasizing performance-based compensation. Our specific objectives are to have:

• Programs that will attract new talent and retain key people at a reasonable cost to us;

• A significant focus on pay for performance;

• Equity compensation ownership requirements for top managers to motivate value creation for all shareholders;

• Incentives that emphasize our business objectives of high growth and strong execution without encouraging excessive risk-taking; and

• Compensation arrangements that can be easily understood by our employees and shareholders.

**Setting Our Executive Compensation.** The decisions on compensation parameters for our executive officers are made by the Organization and Compensation Committee. Our management, guided by the above objectives and Committee oversight, makes recommendations to the Organization and Compensation Committee on compensation for executive officers based on those parameters: base salary and the opportunity, metrics and targets of our annual cash incentive compensation and our long-term equity awards. These include recommendations by our Chief Executive Officer on the compensation of his executive officer direct reports. The Organization and Compensation Committee considers these recommendations in executive session. The Organization and Compensation Committee determines the compensation for our Chief Executive Officer.

As part of this process, the Organization and Compensation Committee regularly receives independent advice and recommendations from PM&P, which serves as the Organization and Compensation Committee's executive compensation consultant. PM&P's role is described in more detail on page 7 under "Compensation Consultants". The Organization and Compensation Committee typically reviews base salary, annual incentive compensation opportunities and long-term equity target values for executive officers for the coming year at its regularly scheduled December meeting. Using the findings and conclusions of the Company's strategic planning process together with assessment of other data, management develops its business plan for the following year. The business plan is then presented to the Supervisory Board generally at its regularly scheduled February meeting in that following year. At its contemporaneous meeting, taking into account the Company's long-term strategy and annual business plan, the Organization and Compensation Committee reviews and approves the annual incentive compensation performance

targets, as well as our long-term equity award performance targets for awards granted in that year, for executive officers. The Organization and Compensation Committee also at its regularly scheduled February meeting reviews performance against the plan provisions and associated expense implications of the annual incentive compensation amounts earned for the previous year, retaining discretion as to the final incentive compensation for subsequent approval. The Organization and Compensation Committee may set salary and grant cash incentive awards and equity awards for executive officers at other times to reflect promotions, new hires or other special circumstances.



**Our Targets and Benchmarks.** We do not target a specific mix of pay for our executive officers. We set base salary, annual incentive and long-term incentive compensation opportunities and target total compensation annually, in light of our evaluation of the competitive situation. Concurrent with that process we review pay levels for comparator company executives, and each executive officer's performance and experience. This process provides guideposts for establishing the mix of pay for our executives, in terms of short-term versus long-term compensation and in terms of cash versus equity compensation. As reflected in the following charts, long-term incentive compensation, which we typically grant in the form of equity-based awards, made up well over 50% of target total compensation for each of our named executive officers in 2014, reinforcing alignment of our executive officers with our shareholders.

We tally target total compensation (base salary plus target annual incentives plus target annual long-term incentive value) for each of our executive officers to confirm that it is appropriate for the position, and make adjustments where appropriate. We target executive officers' total compensation to be competitive relative to our comparator companies. Executive officers then have the potential through incentive compensation to earn actual total compensation at a level that can be well above or below the peer group median, depending upon performance.

According to data provided to the Committee by PM&P, target total compensation for our named executive officers for 2014 was within the market median range on average (i.e., generally within 10% of the market median). An individual executive's salary, annual incentive opportunity, and long-term incentive opportunity may be higher or lower relative to the competitive market depending on a variety of factors specific to the position or the incumbent. During 2014, the Supervisory Board approved additional special recognition long-term stock grants for Messrs. McCarthy and Scorsone which we did not include as part of their target total compensation alignment assessment process. These grants are discussed in greater detail under "Special Awards" on page 23.

We also review our benefit package and consider the practices of comparable companies for specific types of benefits. Data provided by PM&P indicates that the nature and value of the benefits we provide are competitive with those offered by our comparator companies.

**Our Comparator Companies.** Using competitive market data provided by PM&P for 2014, we compared our compensation levels for our senior management, including the named executive officers, to compensation for comparable positions at other public companies that have international business operations. A majority of these companies are our direct competitors in the engineering and construction field. Some others of these companies are similar-size manufacturing and service companies operating in the same geographic areas and competing for management employees in the same areas of expertise as we do. At companies larger than ours, we looked at the compensation provided to officers in charge of divisions or operations similar in size and business to us. PM&P's competitive market data for the comparator companies is subject to a regression analysis that adjusts that data to the size of our Company and the scope of the executives' responsibilities.

The Organization and Compensation Committee reviews and approves the selection of comparator companies based on their size, business, and presence in our geographic areas. The list of comparator companies that we use may change from year to year based on our Organization and Compensation Committee consultant's recommendations and our Organization and Compensation Committee's evaluation of those factors. For 2014, we used the following comparator companies:

AECOM Technology Corporation  
Agco Corporation  
Anadarko Petroleum Corporation  
Apache Corporation  
Baker Hughes Inc.  
Cameron International Corporation  
Cummins Inc.  
Danaher Corporation  
Dover Corporation  
Eaton Corporation  
EOG Resources Inc.  
Fluor Corporation  
FMC Technologies, Inc.

Halliburton Company  
Ingersoll-Rand Public Limited Company  
Jacobs Engineering Group Inc.  
KBR, Inc.  
Marathon Oil Corporation  
National Oilwell Varco, Inc.  
Parker-Hannifin Corporation  
Quanta Services, Inc.  
Stanley Black & Decker, Inc.  
Transocean Ltd.  
URS Corporation  
Weatherford International Ltd.

Elements of Our Compensation