

The Italian text prevails over the English translation

**SAIPEM S.p.A.**  
**ANNUAL GENERAL MEETING**  
**APRIL 29, 2020**

Resolution proposals by the Board of Directors on item 1 of the Meeting Agenda.

- 1. STATUTORY FINANCIAL STATEMENTS AT DECEMBER 31, 2019 OF SAIPEM S.P.A. RELEVANT RESOLUTIONS. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2019. REPORTS BY THE BOARD OF DIRECTORS, THE BOARD OF STATUTORY AUDITORS AND THE EXTERNAL AUDITORS. PRESENTATION OF THE CONSOLIDATED NON-FINANCIAL STATEMENT FOR THE YEAR 2019.**

“Messrs. Shareholders,

the “Annual Report at December 31, 2019” of Saipem S.p.A. (the “Company”), containing the consolidated and preliminary statutory financial statements of Saipem S.p.A., the Directors’ Report and the declaration pursuant to art. 154-bis, paragraph 5 of Legislative Decree 58/1998, will be made available to the public in accordance with the law at Saipem’s headquarters and shall be published on the website of Borsa Italiana S.p.A. ([www.borsaitaliana.it](http://www.borsaitaliana.it)), on the authorised “eMarket STORAGE” mechanism ([www.emarketstorage.com](http://www.emarketstorage.com)) and on Saipem’s website ([www.saipem.com](http://www.saipem.com)).

The Consolidated Non-Financial Statement has been published in a specific section of

the Directors' Report.

The Reports by the External Auditors and by the Board of Statutory Auditors will also be made available to the public together with the Annual Report.

Please refer to the aforementioned documents.

## **RESOLUTION PROPOSAL**

Messrs. Shareholders,

- having examined the Directors' Report prepared pursuant to art. 125-ter of Legislative Decree no. 58 dated February 24, 1998;
- having examined the Annual Report relating to the 2019 financial year, the Reports by the External Auditors and by the Board of Statutory Auditors;
- having acknowledged the Consolidated Financial Statements at December 31, 2019 and the Consolidated Non-Financial Statement relating to the 2019 financial year, prepared pursuant to Legislative Decree no. 254 dated December 30, 2016,

you are called

- to approve the Statutory Financial Statements of Saipem S.p.A. at December 31, 2019, which close with a loss of Euro 84,637,335.58”.

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Report by the Board of Directors on item 2 of the Meeting Agenda.

**2. ALLOCATION OF THE RESULT FOR THE YEAR 2019.**

“Messrs. Shareholders,

- as the Financial Statements of Saipem S.p.A. at December 31, 2019 closes with a loss of 84,637,355.58 euro and has distributable reserves from profits of previous years carried forward of 310,525,875.75, and
- as paragraph d) of art. 6, of the Articles of Association provides that “*when reserves are distributed, savings shares have the same entitlement as the other types of shares issued by the Company*”, we propose the following:

**RESOLUTION PROPOSAL**

Messrs. Shareholders,

You are called to:

- cover the loss of 84,637,335.58 euro utilizing the reserve “retained earnings (losses)”;
- to approve the distribution of an ordinary dividend of 0.01 euro per ordinary and savings share from the reserves from profits of previous years carried forward of 310,525,875.75 euro;
- to distribute to the ordinary and savings shares outstanding on the ex-coupon date,

excluding treasury shares held by the Company on that date, an ordinary dividend of 0.01 euro per share for a total amount of 9,962,532.31 euro;

- to pay the dividend on May 20, 2020, with ex-coupon no.1 for ordinary and savings shares on May 18, 2020 and record date on May 19, 2020 (date of payment of the dividend itself, pursuant to art.83-terdecies of Legislative Decree no. 58/98 and art. 2.6.6, paragraph 2, of Market Regulations of Borsa Italiana SpA) ".

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**3. APPOINTMENT OF A BOARD DIRECTOR.**

“Messrs. Shareholders,

On February 5, 2020, the Board of Directors of Saipem S.p.A., having heard the considerations of the Compensation and Nomination Committee and with the approval of the Board of Statutory Auditors, appointed by co-optation, pursuant to art. 2386, paragraph 1, of the Italian Civil Code, Alessandra Ferone as non-executive and non-independent Director, as well as member of the Audit and Risk Committee.

The appointment took place following the resignation, notified on December 23, 2019 and effective from the appointment by the Board of Directors of Saipem of a new director to replace him, of the non-executive and non-independent Director and member of the Audit and Risk Committee, Pierfrancesco Latini

Pierfrancesco Latini had been appointed by co-optation by the Board of Directors on December 5, 2018 and subsequently appointed by the Shareholders’ Meeting on April 30, 2019, at the proposal of the shareholder CDP Equity S.p.A., voted by the majority of shareholders.

The invitation to consider the candidacy of Alessandra Ferone (Chief Risk Officer of “Cassa Depositi e Prestiti S.p.A.” Group), for appropriate and independent assessment by the Board of Directors of Saipem S.p.A. in accordance with their mutual roles and any applicable regulations, was communicated by the shareholder CDP Industria S.p.A. to Saipem S.p.A. (and for information to the shareholder ENI S.p.A.) by letter received on January 30, 2020.

This communication was also made pursuant to the provisions of the shareholders' agreement signed on October 27, 2015 between ENI S.p.A. and CDP Equity S.p.A.; the latter's stake in Saipem S.p.A. has been held by CDP Industria S.p.A. since December 13, 2019 as a result of a partial demerger of CDP Equity S.p.A.

Based on the declaration provided by the new Director Alessandra Ferone, she does not meet the independence requirements and does not hold shares in the Company. Her curriculum vitae is published at [www.saipem.com](http://www.saipem.com), under the section "Governance" – "Shareholders' Meeting".

As her appointment by co-optation expires today, the Shareholders' Meeting is called to appoint a new Board Director, whose mandate shall expire concurrently with that of the current Board of Directors, i.e. on the day of the Shareholders' meeting called to approve the Financial Statements at December 31, 2020.

Voting from lists shall not apply in this instance, as it only applies upon the renewal of the entire Board of Directors; hence, the Shareholders' meeting shall resolve this appointment through a legal majority.

Candidates may be put forward for the office of Director, if they have submitted, by the date of the Shareholders' meeting, all the relevant documentation stating that they meet the requirements provided by the Articles of Association and current legislation.

### **RESOLUTION PROPOSAL**

Messrs. Shareholders,

you are called to appoint a new Board Director based on proposals put forward at the Shareholders' meeting, pursuant to art. 19 of the Articles of Association.

Shareholders putting forward candidates should ensure that there are no grounds for ineligibility and/or incompatibility, and that candidates meet the relevant requirements under the law, the Articles of Association and/or other applicable regulations. You are

also invited to provide sufficient information on the personal and professional characteristics of candidates and to supply a list of directorships and/or audit positions they may hold in other companies”.

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Report by the Board of Directors on item 4 of the Meeting Agenda.

**4. APPOINTMENT OF STATUTORY AUDITORS.**

“Messrs. Shareholders,

the mandate of the current Board of Statutory Auditors, granted by the Shareholders’ meeting of April 28, 2017, will expire at the General Shareholders’ Meeting called to approve the Financial Statements at December 31, 2019.

Pursuant to art. 27 of the Articles of Association, the Board of Statutory Auditors comprises three statutory and two alternate auditors. The Board of Statutory Auditors is appointed by the Shareholders’ Meeting from voting lists presented by the Shareholders, on which candidates are allocated a progressive number. The number of candidates must not exceed the number of members to be appointed. Candidates to the office of Statutory Auditors must meet the independence requirements set by art. 148, paragraph 3, of Legislative Decree 58/98 in addition to the integrity and professionalism requirements provided by Ministerial Decree 162 of March 30, 2000, taking into account the subject matters strictly related to the Company’s business as listed in art. 27 of the Articles of Association.

For the purposes of the aforementioned decree, the subject matters strictly related to the Company’s business are commercial law, business administration and finance, and so are the engineering, geological and mineral extraction sectors.

Statutory Auditors must respect the limits on the cumulation of offices as set by Consob in art. 144-terdecies of Regulations no. 11971 of May 14, 1999 (hereafter



“Issuers’ Regulations”).

Shareholders are also invited to consider the independence requirements set forth in art. 8 of the Corporate Governance Code, in recommendation 7 of the Corporate Governance Code (January 2020) and in the specific "*Recommendations by the Board of Statutory Auditors of Saipem S.p.A. for Shareholders on the composition of the new Board of Statutory Auditors*", prepared by the outgoing Board of Statutory Auditors and available in the section of the Company’s website ([www.saipem.com](http://www.saipem.com)) dedicated to this Shareholders' Meeting.

Lists are lodged, presented and published in compliance with the procedures regulating the appointment of Board Directors detailed in art. 19 of the Articles of Association and Consob Issuers’ Regulations. Furthermore, lists may be presented only by shareholders who, individually or jointly, hold shares amounting to at least 1% of shares with voting entitlement at the Ordinary Shareholders’ Meeting, pursuant to Consob Resolution no. 28, dated January 30, 2020.

Each shareholder may present or participate in the presentation of only one list and vote for only one list, in accordance with the procedures set out by the aforementioned provisions of law and regulations.

A shareholder may not present or vote for more than one list, not even through third parties or trust companies. Shareholders belonging to a group and shareholders who adhere to a shareholder agreement concerning the issuer's shares may not submit or vote for more than one list, not even through third parties or trust companies. A candidate may be present on only one list, under penalty of ineligibility.

It should also be noted that those who submit a "minority list" must comply with Consob’s recommendations detailed in Communication no. DEM/9017893 of February 26, 2009.

Lists shall be filed at the registered office at least twenty-five days prior to the date of

the Shareholders' Meeting (single call), and therefore by April 4, 2020, extended to April 6, 2020 (the next working day).

Pursuant to art. 144-sexies, paragraph 5, of Issuers Regulations, if at the deadline for the filing of lists, only one list, or only lists presented by Shareholders who are affiliated under the provisions of art. 144-quinquies of Issuers Regulations, have been submitted, lists may be submitted up to three days after the above deadline (i.e. until April 7, 2020). In this case, lists may be submitted by Shareholders who, severally or jointly, own at least 0.5% of the share capital.

Art. 27 of the Articles of Association contains specific provisions on the composition of the lists aimed at ensuring compliance with the rules on gender balance on company boards, pursuant to Law No. 160 of December 27, 2019.

The lists must be prepared taking into account that at least two fifths of members of the administrative body must be of the least represented gender, instead of a third prescribed by the previous regulation.

Consob, in its Communication no. 1/20 of January 30, 2020 concerning "Clarifications regarding the changes to the provisions of art. 147-ter and art.148 of Legislative Decree 58/98 (TUF) on gender balance in corporate bodies at least two fifths of the members of the administrative body made by Law No. 16 of 27 December 2019 ("Budget Law 2020")", established that, in the case of bodies comprised of three members, where the two-fifths provision is not applicable due to an arithmetic impossibility, the number can be rounded down (paragraph 3 of art. 144-undecies.1 of the Issuers' Regulation).

Lists with a number of candidates, including statutory and alternate members, equal to or more than three, should include, in the section of Statutory Auditors, at least one candidate of a different gender, since by law the number of representatives of the less-represented gender must be at least equal to two.

If two candidates are indicated in the section for alternate auditors, they must be of different genders.

Lists for the appointment of the Board of Statutory Auditors must be filed alongside the following documents:

- the identity of the Shareholders who have presented such lists and the overall percentage ownership of share capital held;
- statements of each candidate accepting their nomination;
- detailed personal and professional information for all candidates, as well as a statement by each candidate affirming that they meet the requirements established by the law and the Articles of Association and that they are in compliance with the limits on the cumulation of other positions held established by Issuers' Regulations, and all other directorships and auditor positions they may hold in other companies;
- a declaration from Shareholders other than those who, jointly or otherwise, possess a controlling or relative majority shareholding, certifying the absence of any relationships of affiliation with the latter under the current legislation and regulations.

The lists, together with the aforementioned information, are made available at the Company's registered office, on the Company's website, at Borsa Italiana and on the authorized "eMarket STORAGE" system at least twenty-one days prior to the date set for the Shareholders' Meeting on single call, i.e. by April 8, 2020.

Lists shall be divided into two sections: the first containing candidates for appointment as Statutory Auditors and the second containing candidates for appointment as Alternate Auditors. At least the first candidate in each section must feature on the register of auditors and have carried out statutory audit activities for at least three years.

Two Statutory Auditors and one Alternate Auditor shall be drawn from the list that receives the majority of votes. The other Statutory Auditor and Alternate Auditor shall be appointed using the procedures set out in art. 19, letter b) of the Articles of Association. Said procedure shall be applied separately to each section of the other lists.

Where the application of the procedure referred to above does not permit compliance with the gender-balance rules for Statutory Auditors, the points to attribute to each candidate drawn from the Statutory Auditor sections of the various lists shall be calculated by dividing the number of votes received by each list by the ordinal number of each of these candidates; the candidate of the over-represented gender with the fewest points from among the candidates drawn from all of the lists shall be replaced by a member of the least-represented gender who may be listed (with the next highest ordinal number) in the Statutory Auditors section on the same list as the candidate to be replaced or, subordinately, in the Alternate Auditor section of the same list as the candidate to be replaced (in this case, the latter shall take the position of the alternate candidate that replaces them). If this does not permit compliance with the gender-balance rules, he/she shall be replaced by a person chosen by the Shareholders' Meeting with the majority required by law, so as to ensure that the composition of the Board of Statutory Auditors complies with the law and the Articles of Association. In cases where candidates from different lists have received the same number of points, the candidate from the list from which has drawn the largest number of Statutory Auditors or, subordinately, the candidate drawn from the list receiving the fewest number of votes, or, in the event of a tied vote, the candidate who receives the fewest votes by the Shareholders' Meeting in a run-off election, shall be replaced.

The Statutory Auditors are appointed for a three-year term, their mandate ending on the date of the Shareholders' Meeting called to approve the financial statements at December 31, 2022".

**RESOLUTION PROPOSAL**

Messrs. Shareholders,

You are called to appoint the Statutory Auditors who will remain in office until the Shareholders' Meeting convened to approve the Financial Statements at December 31, 2022, by voting a list from those presented and published in compliance with the Articles of Association".

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Report by the Board of Directors on item 5 of the Meeting Agenda.

**5. APPOINTMENT OF THE CHAIRMAN OF THE BOARD OF  
STATUTORY AUDITORS.**

“Messrs. Shareholders,

Pursuant to art. 27 of the Articles of Association, the Shareholders’ Meeting appoints as Chairman of the Board of Statutory Auditors one of the Auditors elected as per the procedure detailed in art. 19 letter b) of the Articles of Association, i.e. the statutory auditor from the minority lists pursuant to paragraph 2-bis of art. 148 of Legislative Decree 58/98”.

**RESOLUTION PROPOSAL**

Messrs. Shareholders,

You are called

- to appoint as Chairman of the Board of Statutory Auditors the Statutory Auditor indicated at the top of the minority list that obtained the highest number of votes.

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Report by the Board of Directors on item 6 of the Meeting Agenda.

**6. ESTABLISHING THE REMUNERATION OF THE STATUTORY  
AUDITORS AND OF THE CHAIRMAN OF THE BOARD OF  
STATUTORY AUDITORS.**

“Messrs. Shareholders,

Pursuant to art. 2402 of the Italian Civil Code, the Shareholders’ Meeting determines the annual remuneration of the Chairman of the Board of Statutory Auditors and that of the Statutory Auditors. They are also entitled to the reimbursement of expenses incurred pertaining to their office. Currently the gross annual remuneration of the Chairman amounts to €70,000, and that of the Statutory Auditors to €50,000.

We propose that you establish their remuneration. We ask you to approve remuneration in line with the benchmark of comparable companies.

Hence, you have been called to discuss and resolve on the remuneration of the members of the Board of Statutory Auditors to be appointed by this Shareholders’ Meeting in the previous item on the agenda.

Pursuant to art. 2402 of the Italian Civil Code and art. 27.1 of the Company’s Article of Association, the Shareholders’ Meeting appoints the Statutory Auditors and determines their annual remuneration for the entire duration of their office.

It should be noted that, with regard to the remuneration of the Statutory Auditors, art. 8.C.4 of the Corporate Governance Code of listed companies ("Corporate Governance Code") recommends that "the remuneration of auditors shall be proportionate to the

commitment required from each of them, to the importance of his/her role as well as to the size and business sector of the company ".

With reference to the commitment required of the members of the Body, on the basis of the indications provided by the outgoing Board of Statutory Auditors, we inform you that the activities carried out by the Statutory Auditors during their mandate are summarised in the document "Recommendations by the Board of Statutory Auditors of Saipem S.p.A. to the Shareholders on the composition of the new Board of Statutory Auditors", prepared by the outgoing Board of Statutory Auditors and available at [www.saipem.com](http://www.saipem.com) under the section of this Shareholders' Meeting.

The Board of Directors refrains from making specific proposals on this item of the agenda and invites the Shareholders' Meeting to determine the compensation due to the members of the Board of Statutory Auditors based on the proposals presented by the Shareholders.

It is recommended that these proposals be presented by Shareholders sufficiently in advance of the date of the Shareholders' Meeting, in line with the recommendations of art. 9 of the Corporate Governance Code currently in force (July 2018).

### **RESOLUTION PROPOSAL**

Messrs. Shareholders,

You are called

- to set the annual remuneration of the Chairman of the Board of Statutory Auditors and the annual remuneration of the Statutory Auditors by voting for one of the proposals put forward at the Shareholders' Meeting".



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Report by the Board of Directors on item 7 of the Meeting Agenda.

**7. 2020 REPORT ON SAIPEM'S REMUNERATION POLICY AND PAID COMPENSATION: RESOLUTIONS RELATING TO THE FIRST SECTION PURSUANT TO ART. 123-TER, PARAGRAPH 3-TER, OF LEGISLATIVE DECREE N. 58/1998. POLICY ON REMUNERATION.**

“Messrs. Shareholders,

at the proposal of the Compensation and Nomination Committee, the Board of Directors approved the 2020 Report on Saipem's Remuneration Policy and Paid Compensation, drawn up in compliance with art. 123-ter of Legislative Decree no. 58/98 and art. 84-*quater* of Issuers' Regulations.

Pursuant to paragraph 6 of art. 123-ter of Legislative Decree no. 58/98, the first part of the Report illustrates clearly:

- the policy adopted by the Company in terms of the remuneration for members of the management bodies and senior managers with strategic responsibilities with reference to at least the following year and, without prejudice to the provisions of art. 2402 of the Italian Civil Code, for the members of the regulatory bodies;
- the general purposes pursued, the bodies involved, and the procedures used for the adoption and implementation of this policy.

The remuneration policy promotes alignment between the main objective of creating sustainable value for the Shareholders in the medium-long term and the management interests, in line with the guidelines set forth in the Company's strategic plan. Without

prejudice to the provisions of art. 123-ter, paragraph 3-ter of Legislative Decree no. 58/98, companies submit the remuneration policy referred to in paragraph 3 of the same article to the shareholders' vote with the frequency required by the duration of the policy defined pursuant to art. 123-ter, paragraph 3, letter a) of Legislative Decree no. 58/98, and, in any case, at least every three years or on the occasion of changes to the policy itself.

Companies pay out compensation only in accordance with the remuneration policy recently approved by the shareholders. In exceptional circumstances, companies may temporarily derogate from the remuneration policy, provided that the latter provides for the procedural conditions under which the derogation can be applied and specifies the elements of the policy that can be derogated. Exceptional circumstances are situations in which the derogation of the remuneration policy is necessary in order to pursue the long-term interests and sustainability of the company or to ensure its ability to remain on the market.

The resolution is binding. If the Shareholders' Meeting does not approve the remuneration policy, the Company continues to pay remuneration in compliance with the most recent remuneration policy approved by the Shareholders' Meeting or, in the absence thereof, it can continue to pay remuneration in accordance with current practices. The Company submits a new remuneration policy to the vote of the shareholders, at the latest, on the occasion of the subsequent Shareholders' Meeting provided by art. 2364, second paragraph, or the Shareholders' Meeting or art. 2364-bis, second paragraph, of the Italian Civil Code.

Please refer to the "2020 Report on Saipem's Remuneration Policy and Paid Compensation" approved by the Board of Directors, which will be made available to the public in accordance with the terms and procedures required by law and will be published on the Company's website.

## **RESOLUTION PROPOSAL**

Messrs. Shareholders,

You are called to approve the first part of the “2020 Report on Saipem’s Remuneration Policy and Paid Compensation”, approved by the Board of Directors on March 12, 2020, which illustrates the policy adopted by the Company in terms of the remuneration of members of the management bodies and senior managers with strategic responsibilities, as well as the procedures used to adopt and implement this policy”.

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Report by the Board of Directors on item 8 of the Meeting Agenda.

**8. 2020 REPORT ON SAIPEM’S REMUNERATION POLICY AND PAID  
COMPENSATION: RESOLUTIONS RELATING TO THE SECOND  
SECTION PURSUANT TO ART. 123-TER, PARAGRAPH 6, OF  
LEGISLATIVE DECREE N. 58/1998. COMPENSATION PAID.**

“Messrs. Shareholders,

at the proposal of the Compensation and Nomination Committee, the Board of Directors approved the 2020 Report on Saipem’s Remuneration Policy and Paid Compensation, drawn up in compliance with art. 123-*ter* of Legislative Decree 58/98 and art. 84-*quater* of Issuers’ Regulations.

Pursuant to paragraph 6 of art. 123-*ter* of Legislative Decree 58/98, the second part of the Report:

- clearly illustrates the compensation paid in 2019 by name for the members of the management and control bodies, and in aggregate form, for senior managers with strategic responsibilities;
- provides an adequate representation of each item making up the remuneration, including the compensation provided in the event of employment termination, highlighting its consistency with the company's remuneration policy for the relevant year;
- analytically illustrates the compensation paid in the year by the Company and by

subsidiaries or associated companies, for any reason and in any form, indicating any components of the aforementioned remuneration that are attributable to activities carried out in previous years and highlighting the compensation to be paid in one or more subsequent years for activities carried out in the relevant year, providing an estimate for those components that are not objectively quantifiable in the relevant year.

The Report includes the compensation plans required by art. 114-bis of Legislative Decree 58/98 and refers to the section of the Company's website where these documents are available.

The entity responsible for the statutory audit of the financial statements verifies that the Directors have prepared the second section of the Report.

The Shareholders' Meeting called pursuant to art. 2364, paragraph 2, or art. 2364-bis, paragraph 2, of the Italian Civil Code, resolves in favor or against the second section of the Report according to art. 123-ter, paragraph 4 of Legislative Decree no. 58/98.

The resolution is not binding.

### **RESOLUTION PROPOSAL**

Messrs. Shareholders,

You are called to express in favor of the second part of the 2020 Report on Saipem's Remuneration Policy and Paid Compensation, whose preparation pursuant to art. 123-ter, paragraph 8-bis of Legislative Decree 58/98 has been verified by the independent auditors, approved by the Board of Directors on March 12, 2020, which:

- clearly illustrates the compensation paid in 2019 by name for the members of the management and control bodies, and in aggregate form, for senior managers with

strategic responsibilities;

- provides an adequate representation of each item making up the remuneration, including the compensation provided in the event of employment termination, highlighting its consistency with the company's remuneration policy for the relevant year;

- analytically illustrates the compensation paid in the year by the Company and by subsidiaries or associated companies, for any reason and in any form, indicating any components of the aforementioned remuneration that are attributable to activities carried out in previous years and highlighting the compensation to be paid in one or more subsequent years for activities carried out in the relevant year, providing an estimate for those components that are not objectively quantifiable in the relevant year.”

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Report by the Board of Directors on item 9 of the Meeting Agenda.

**9. SHORT-TERM VARIABLE INCENTIVE PLAN 2021 – 2023,  
RELATED TO THE PERFORMANCE OVER THE FINANCIAL  
YEARS 2020-2021-2022.**

“Messrs. Shareholders,

in accordance with the recommendations of the Corporate Governance Code of Listed Companies, which Saipem adopted, on March 12, 2020, having received the favourable opinion of the Board of Statutory Auditors pursuant to paragraph 3 of art. 2389 of the Italian Civil Code, the Board of Directors of Saipem S.p.A. resolved to submit for the approval of this Shareholders' Meeting the adoption of a Short-Term Variable Incentive Plan for the three-year period 2021-2023, related to the performance over the years 2020-2021-2022 (the "Plan"), prepared at the proposal of the Compensation and Nomination Committee, made up entirely of non-executive and independent Directors.

The Short-Term Variable Incentive Plan was introduced in order to provide an incentive-based program to remunerate the performance and contribution provided by the individuals in the achievement of corporate targets for the relevant year.

The share-based component of the Plan, subject to a retention clause, is adopted with the aim of strengthening alignment with shareholders' and management's interests, introducing a mechanism that also incentivizes management's long-term retention.

The Plan provides for the payment of monetary incentives in the years 2021, 2022 and 2023 to resources that achieve their annual performance targets for the performance periods 2020, 2021 and 2022; it also provides the free award of Saipem ordinary Shares for the beneficiaries of the incentive, who have achieved their annual performance targets with the minimum score set by the Board of Directors annually, if they stay with the company for a three-year period.

No shares are allocated to the Chief Executive Officer-CEO under the Plan.

The share-based component of the Plan applies to the management of Saipem S.p.A and its subsidiaries and is considered to be of "major significance" pursuant to art. 84-bis, paragraph 2 of Issuers' Regulations, as it applies to individuals referred to in art. 114-bis of Legislative Decree 58/98, and in particular to Saipem Managers with strategic responsibilities.

The Plan does not provide for the allocation of shares to the CEO.

The incentive levels are defined, based on the role and the fixed remuneration of the individual, in accordance with the following remuneration policy principles adopted by Saipem:

- a management remuneration structure that is adequately balanced between: i) a fixed component commensurate with the powers and/or responsibilities and ii) a capped variable component aimed at anchoring the remuneration to the actual performance;
- remuneration consistent with the benchmarks for similar positions or for roles of similar responsibility and complexity, in companies comparable with Saipem;
- variable remuneration for managerial roles having greater influence on company results, with a significant weight for long-term incentive components, through a period of time of at least three years, in line with the long-term nature of the Saipem business.

The payment of annual monetary Plan incentives is subject to the achievement of: the Performance Gate, i.e. the score of the Saipem sheet (for the Corporate) or the Division



sheet (for the Divisions) depending on the Function / Division in which the beneficiary operates, and the score of the Individual Performance. The second condition is subject to obtaining the first.

The previous year preset targets for the Saipem sheet and for the Division sheets are each measured according to the 70 ÷ 130 performance scale, i.e. the weight assigned to them (below 70 points the performance of each target is considered zero).

The Performance Gate is an "on/off" condition: failure to reach a score equal to at least 70 points (on the 70-130 scale) of the Division sheet (or of the Corporate sheet for personnel belonging to the Corporate) shall result in no incentives for all Senior Managers belonging to the Division or the Corporate.

The second condition for the payout of the Incentive Plan is the achievement of an individual performance score of 70 points. The Individual Score is linked to the achievement of the individual targets set for the previous year.

Without prejudice to the abovementioned conditions for the allocation of the monetary component, the Plan also provides that an additional shares allocation is provided to the Beneficiaries of the incentive, in case they have reached the minimum performance score set by the Board of Directors annually, subject to a Retention Period predefined by the Plan regulations.

No shares are allocated to the Chief Executive Officer-CEO under the Plan.

The share-based incentive at the end of each Retention Period is defined as a percentage of the beneficiaries' fixed remuneration, depending on the nature and organizational complexity of the roles and the market references in terms of overall remuneration.

In the event of a payout, a number of shares will be awarded, at the end of the Retention Period, to all Managers with Strategic Responsibilities and to the other senior managers who have achieved their individual targets, if they stay with the company

until the end of the retention period; the value of the award will be equal to the percentage of their fixed remuneration converted into shares based on Allocation Price.

The Plan provides for three shares allocations, free of charge, subject to a Retention Period vis-à-vis the performance periods of the years 2020, 2021 and 2022, whose numbers shall vary depending on the individual awards. Shares may consist of outstanding shares to be purchased pursuant to art. 2357 and subsequent to the Italian Civil Code or treasury shares already owned by Saipem.

The Board of Directors at their meeting of March 12, 2020, resolved to propose that the Shareholders' Meeting authorize the purchase and award of treasury shares for the first allocation of the Plan (referred to in point 10 of the Shareholders' Meeting Agenda).

The decisions concerning the allocation of the Shares will be taken by the Chief Executive Officer on behalf of the Board of Directors, after hearing the opinion of the Compensation and Nomination Committee and the Board of Statutory Auditors, in compliance with current legislation.

Having ascertained that the performance targets for each year of implementation of the Plan have been achieved, a number of Shares will be assigned to the Beneficiary equal to the value of a predefined percentage of their fixed remuneration depending on the role they hold, which is calculated on the basis of the Allocation Price.

The Beneficiaries' right to receive Shares will accrue only after the Retention Period and only if they are still with the Company at the end of this period.

The conditions and aims of the Plan are detailed in the Information Document prepared in compliance with art. 114-*bis* of Legislative Decree 58/98 and art. 84-*bis* of Consob Issuers' Regulations, available together with this Report at the Company's website ([www.saipem.com](http://www.saipem.com), Governance – Shareholders' Meeting).

## **RESOLUTION PROPOSAL**

Messrs Shareholders,

You are called to approve the following resolution:

Pursuant to art. 114-*bis* of Leg. Decree 58/98, the Ordinary Shareholders' Meeting,

resolves

to approve a Short-Term Variable Incentive Plan for the three-year period 2021-2023, related to the performance over the years 2020-2021-2022, whose terms and conditions are detailed in the Information Document, made available together with this Report, and grant the Board of Directors, and on its behalf the Chairman and the CEO, acting severally (except for the CEO vis-à-vis the power as in item i), all the necessary powers to implement the Plan, using proxies if necessary. Powers include:

i) granting the annual incentive to the CEO; ii) identify Company results to calculate the performance sheets iii) approve the Regulations for each annual allocation; iv) identify Beneficiaries based on set criteria; v) set all other terms and conditions for the implementation of the Plan, in so far that it does not contrast with this resolution”.

**SAIPEM S.p.A.**  
**ANNUAL GENERAL MEETING**  
**APRIL 29, 2020**

Report by the Board of Directors on item 10 of the Meeting Agenda.

**10. AUTHORISATION TO BUY-BACK TREASURY SHARES FOR THE  
2021 ALLOCATION OF THE SHORT-TERM VARIABLE  
INCENTIVE PLAN 2021-2023, RELATED TO THE PERFORMANCE  
OVER THE FINANCIAL YEARS 2020-2021-2022.**

“Messrs Shareholders,

the Board of Directors proposes that the Short-Term Variable Incentive Plan 2021-2023, related to the performance over the years 2020-2021-2022 (hereinafter the “Plan”) be implemented through the buy-back of treasury shares of Saipem S.p.A. for the 2021 allocation, authorised by a resolution of the ordinary Shareholders’ meeting, pursuant to art. 2357 of the Italian Civil Code and art. 132 of Legislative Decree 58/98, under the terms detailed in EU Market Abuse Regulation no. 596/2014, as per Commission Regulation (UE) 2016/1052 dated March 8, 2016 and by general and sector-specific regulations, as well as art. 144-*bis* of Issuers’ Regulations.

*1. Reasons underpinning the request to authorise the buy-back of treasury shares.*

On April 29, 2020, the Shareholders’ meeting is called to approve the monetary component of the Plan, whose assignees are the CEO and all Saipem managerial resources.

The Plan was introduced in order to provide an incentive-based program to remunerate the performance and contribution provided by the individuals in the achievement of corporate targets for the relevant year.

The share-based component of the Plan, subject to a retention clause, is adopted with the aim of strengthening alignment with shareholders' and management's interests, introducing a mechanism that also incentivizes management's long-term retention.

The Plan provides for the payment of monetary incentives in the years 2021, 2022 and 2023 to resources that achieve their annual performance targets for the performance periods 2020, 2021 and 2022; it also provides the free award of Saipem ordinary Shares for the beneficiaries of the incentive identified on the basis of the additional minimum performance score set by the Board of Directors annually, if they stay with the company for a three-year period.

No shares are allocated to the Chief Executive Officer-CEO under the Plan.

The share-based component of the Plan applies to the management of Saipem S.p.A and its subsidiaries and is considered to be of "major significance" pursuant to art. 84-bis, paragraph 2 of Issuers' Regulations, as it applies to individuals referred to in art. 114-bis of Legislative Decree 58/98, and in particular to Saipem Managers with strategic responsibilities.

The Plan does not provide for the allocation of shares to the CEO.

The Plan provides that an additional shares award is provided to the Beneficiaries subject to a Retention Period predefined by the Plan regulations.

The share-based incentive at the end of each Retention Period is defined as a percentage of the beneficiaries' fixed remuneration, depending on the nature and organizational complexity of the roles and the market references in terms of overall remuneration.

The Plan provides for three share allocations, free of charge, subject to a Retention Period vis-à-vis the performance periods of the years 2020, 2021 and 2022, whose numbers shall vary depending on the individual awards. Shares may consist of outstanding shares to be purchased pursuant to art. 2357 and subsequent of the Italian

Civil Code, or treasury shares already owned by Saipem.

This authorisation is required to buy back treasury shares to cover the 2021 Plan allocation, under the terms and conditions of the Plan regulations.

More detailed information on the Plan is available at [www.saipem.com](http://www.saipem.com).

*2. Maximum number and type of shares.*

Authorisation is requested to buy-back for the 2021 allocation, in one or more tranches, up to a maximum of 3,500,000 ordinary shares of Saipem S.p.A., all without par value, corresponding to approximately 0.34% of the share capital, for a total maximum outlay of €17,200,000.

Please note that as of today the Company holds no. 22,658,285 treasury shares, equal to approximately 2,241% of the share capital.

Saipem subsidiaries do not hold any treasury shares.

*3. Information required to ascertain compliance with the provisions of art. 2357, paragraph 3, of the Italian Civil Code.*

At any time, the maximum number of treasury shares held by Saipem, including ordinary shares held by subsidiary companies, may never exceed the threshold set by current applicable legislation.

The buy-back shall occur by using the distributable profits and available reserves resulting from the latest financial statements.

The buy-back of treasury shares shall result in a decrease in net equity by posting the amount to a specific negative reserve.

For each buy-back, all necessary accounting allocations shall be made in accordance with the law and applicable accounting principles.

*4. Duration of the authorisation.*

Authorisation for the buy-back of treasury shares shall be valid for a maximum period of 18 months from the date of Shareholders' approval; the Board of Directors may

decide to buy back ordinary shares of Saipem S.p.A. in one or more tranches at any time, in compliance with the relevant regulations, as gradually as deemed to be in the best interests of the Company.

*5. Minimum and maximum buy-back price.*

The unitary price of each buy-back shall not exceed, or be less than, the reference price of shares recorded on the trading market on the day prior to the buy-back (plus or minus 5% for the maximum and minimum price respectively). Specifically, if the purchase is carried out in a regulated trading venue, the issuer may not purchase shares at a price higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the same trading venue. Transactions must comply with art. 3 of EU Regulation no. 2016/1052, which provides that, in any trading day, the buy-back may not exceed 25% of the average share purchase volume in the trading venue where the transaction is taking place.

*6. Methods for the buy-backs.*

The buy-backs of treasury shares will be carried out using the *safe harbour* provisions pursuant to (EU) Regulation no. 596/2014 (Market Abuse Regulation MAR) in compliance with the following terms and conditions.

Buy-backs shall be made as gradually as deemed to be in the interest of the Company, on the Computerized Trading Market, pursuant to art. 144-bis, paragraph 1, letter b) of Issuers' Regulations and under the terms detailed in EU Market Abuse Regulation no. 596/2014, as per Commission Regulation (UE) 2016/1052 dated March 8, 2016 and by general and sector-specific regulations, so as to ensure parity in the treatment of all Shareholders, as provided by art. 132 of Legislative Decree 58/98, and on regulated trading venues with the methods and operational procedures set forth in Borsa Italiana S.p.A. regulations, which do not provide for direct buy-back/sale combinations.

The buy-back of treasury shares will also be carried out in compliance with market practices concerning the purchase of treasury shares permitted by Consob pursuant to art. 180, paragraph 1, lett. c), of Legislative Decree 58/98 and Consob guidelines.

The buy-back of shares will take place through the granting of a specific mandate to an authorized intermediary, who will carry out the purchases in complete independence and without any influence whatsoever from Saipem S.p.A. in relation to the timing of the purchases or the conditions thereof.

The buy-back of treasury shares is not a means to reduce the share capital.

## **RESOLUTION PROPOSAL**

Messrs Shareholders,

You are called to approve the following resolution:

The Ordinary Shareholders' Meeting

Resolves

- 1) to authorise the Board of Directors, pursuant to art. 2357 of the Italian Civil Code, to buy back for the 2021 allocation of the Short-Term Variable Incentive Plan 2021-2023 related to the performance of the years 202-2021-2022, on the Computerised Trading Market – in one or more tranches within 18 months from the date of this resolution – up to a maximum of 3,500,000 Saipem ordinary shares for a total not exceeding €17,200,000, in compliance with the methods set forth in Borsa Italiana S.p.A. Regulations.

The unitary price of each buy-back shall not exceed, or be less than, the reference price of shares recorded on the computerised trading market on the day prior to the buy-back (plus or minus 5% for the maximum and minimum price respectively). Specifically, if the purchase is carried out in a regulated trading venue, the issuer may not purchase shares at a price higher than the



higher of the price of the last independent trade and the highest current independent purchase bid on the same trading venue. Transactions must comply with art. 3 of EU Regulation no. 2016/1052.

In compliance with paragraph 3 of art. 2357 of the Italian Civil Code, the number of shares to be bought back shall take into account the number of treasury shares already held by the Saipem.

- 2) to grant the Board of Directors, and on its behalf the CEO, all the necessary powers to implement this resolution, using proxies if necessary, including intermediaries authorised by law, as gradually as deemed to be in the interests of the Company, under the terms detailed in EU Market Abuse Regulation no. 596/2014, as per Commission Regulation (UE) 2016/1052 dated March 8, 2016 and by general and sector-specific regulations, and in compliance with current legislation, and with the methods detailed in art. 144-*bis*, paragraph 1, letter b) of Issuers' Regulations, taking into account the relevant buy-back market practices, ensured by Consob, in compliance with art.13 of Regulation (UE) no. 596/2014.
- 3) to grant the Board of Directors authorisation, pursuant to art. 2357-*ter* of the Italian Civil Code to:
  - use up to a maximum of 3,500,000 treasury shares, to serve the Short-Term Variable Incentive Plan for the three-year period 2021-2023, to be granted, free of charge, linked to the performance for the years 2020-2022 ("the Plan") for the 2021 allocation, to Senior Managers of Saipem and subsidiary companies who achieve their individual pre-set targets, within the coverage defined based on the score they achieved in the Saipem or Division performance sheet;
- 4) grant the Board of Directors all powers to approve the Regulations of the

Short-Term Incentive Plan and identify its beneficiaries;

- 5) grant the Chairman and the CEO, acting severally, all powers to implement this resolution, using proxies if necessary”.

**SAIPEM S.p.A.**  
**ANNUAL GENERAL MEETING**  
**APRIL 29, 2020**

Report by the Board of Directors on item 11 of the Meeting Agenda.

**11. AUTHORISATION TO BUY-BACK TREASURY SHARES FOR THE  
2020 ALLOCATION OF THE LONG-TERM INCENTIVE PLAN 2019-  
2021.**

“Messrs Shareholders,

the Board of Directors proposes that the Long-Term Incentive Plan 2019-2021 be implemented for 2020 through the buy-back of treasury shares of Saipem S.p.A. authorised by a resolution of the ordinary Shareholders’ meeting, pursuant to art. 2357 of the Italian Civil Code and art. 132 of Legislative Decree no. 58/98, under the terms detailed in EU Market Abuse Regulation no. 596/2014, in Commission Regulation (UE) 2016/1052 dated March 8, 2016 and by general and sector-specific regulations, as well as art. 144-*bis* of Issuers’ Regulations.

*1. Reasons underpinning the request to authorise the buy-back of treasury shares.*

On April 30, 2019, the Shareholders’ meeting approved the Long-Term Incentive Plan for the years 2019-2021 (hereinafter the “Plan”), whose assignees are the CEO and all Saipem managerial resources.

The plan, in line with international best practices, has the following goals:

- improve alignment of shareholders’ interests in the medium-long term with the management performance through the allocation of share-based incentives, whose grant is subject to the continuous improvement of the Total Shareholder Return

against a two Peer Group panels of competitors;

- focus the Company's *management* on achieving medium-long term business targets, based on a sustainable financial performance;
- ensure greater alignment of the overall remuneration with market practices as a tool to retain the *management*.

The Plan provides for the free allocation of ordinary shares of Saipem S.p.A. subject to the achievement of company performance targets.

The Plan provides for three annual tranches for the period 2019-2021, all subject to a three-year vesting period. Therefore, the Plan will be effective in the period from 2019 (first year of share allocation) to 2024 (last year of allocation). For the CEO and strategic resources, the Plan shall be effective until 2026 (end of the vesting period of the co-investment/retention premium).

On April 30, 2019, the Shareholders' Meeting had approved the authorization to buy-back up to a maximum of 10,500,000 Saipem ordinary shares for a maximum outlay of €60,000,000 to cover the 2019 Plan allocation of the Long-Term Incentive Plan.

This authorisation is required to buy back treasury shares to cover the 2020 Plan allocation, under the terms and regulation of the Plan itself.

More detailed information on the Plan is available at [www.saipem.com](http://www.saipem.com).

## *2. Maximum number and type of shares.*

Authorisation is requested to buy-back for the 2020 allocation, in one or more tranches, up to a maximum of 19,000,000 ordinary shares of Saipem S.p.A., all without par value, corresponding to approximately 1.88% of the share capital, for a total maximum outlay of €3,000,000.

Please note that as of today the Company holds no. 22,658,285 treasury shares, equal to approximately 2.241% of the share capital.

Saipem subsidiaries do not hold any treasury shares.

*3. Information required to ascertain compliance with the provisions of art. 2357, paragraph 3, of the Italian Civil Code.*

At any time, the maximum number of treasury shares held by Saipem, including ordinary shares held by subsidiary companies, may never exceed the threshold set by current applicable legislation.

The buy-back shall occur by using the distributable profits and available reserves resulting from the latest financial statements.

The buy-back of treasury shares shall result in a decrease in net equity by posting the amount to a specific negative reserve.

For each buy-back, all necessary accounting allocations shall be made in accordance with the law and applicable accounting principles.

*4. Duration of the authorisation.*

Authorisation for the buy-back of treasury shares shall be for a maximum period of 18 months from the date of Shareholders' approval; the Board of Directors may decide to buy back ordinary shares of Saipem S.p.A. in one or more tranches at any time, in compliance with the relevant regulations, as gradually as deemed to be in the best interests of the Company.

*5. Minimum and maximum buy-back price.*

The unitary price of each buy-back shall not exceed, or be less than, the reference price of shares recorded on the trading market on the day prior to the buy-back (plus or minus 5% for the maximum and minimum price respectively). Specifically, if the purchase is carried out in a regulated trading venue, the issuer may not purchase shares at a price higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the same trading venue. Transactions must comply with art. 3 of EU Regulation no. 2016/1052, which provides that, in any trading day, the buy-back may not exceed 25% of the average share purchase volume

in the trading venue where the transaction is taking place.

*6. Methods for the buy-backs.*

The buy-backs of treasury shares will be carried out using the *safe harbour* provisions pursuant to (EU) Regulation no. 596/2014 (Market Abuse Regulation MAR) in compliance with the following terms and conditions.

Buy-backs shall be made as gradually as deemed in the interest of the Company, on the Computerized Trading Market, pursuant to art. 144-bis, paragraph 1, letter b) of Issuers' Regulations and under the terms detailed in EU Market Abuse Regulation no. 596/2014, as per Commission Regulation (UE) 2016/1052 dated March 8, 2016 and by general and sector-specific regulations, so as to ensure parity in the treatment of all Shareholders, as provided by art. 132 of Legislative Decree 58/98, and on regulated trading venues with the methods and operational procedures set forth in Borsa Italiana S.p.A. regulations, which do not provide for direct buy-back/sale combinations.

The buy-back of treasury shares will also be carried out in compliance with market practices concerning the purchase of treasury shares permitted by Consob pursuant to art. 180, paragraph 1, lett. c), of Legislative Decree 58/98 and Consob guidelines.

The buy-back of shares will take place through the granting of a specific mandate to an authorized intermediary, who will carry out the purchases in complete independence and without any influence whatsoever from Saipem S.p.A. in relation to the timing of the purchases or the conditions thereof.

The buy-back of treasury shares is not a means to reduce the share capital.

**RESOLUTION PROPOSAL**

Messrs Shareholders,

You are called to approve the following resolution:

The Ordinary Shareholders' Meeting

resolves

- 1) to authorise the Board of Directors, pursuant to art. 2357 of the Italian Civil Code, to buy back for the 2020 allocation of the Long-Term Incentive Plan 2019-2021, on the Computerized Trading Market – in one or more tranches within 18 months from the date of this resolution – up to a maximum of 19,000,000 Saipem ordinary shares for a total not exceeding €3,000,000, in compliance with the methods set forth in the Borsa Italiana S.p.A. Regulations. The unitary price of each buy-back shall not exceed, or be less than, the reference price of shares recorded on the computerised trading market on the day prior to the buy-back (plus or minus 5% for the maximum and minimum price respectively). Specifically, if the purchase is carried out in a regulated trading venue, the issuer may not purchase shares at a price higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the same trading venue. Transactions must comply with art. 3 of EU Regulation no. 2016/1052.

In compliance with paragraph 3 of art. 2357 of the Italian Civil Code, the number of shares to be bought back shall take into account the number of treasury shares already held by the Saipem.

- 2) to grant the Board of Directors, and on its behalf the CEO, all the necessary powers to implement this resolution, using proxies if necessary, including intermediaries authorised by law, as gradually as deemed in the interests of the Company, under the terms detailed in EU Market Abuse Regulation no. 596/2014, in Commission Delegated Regulation (UE) 2016/1052 dated March 8, 2016 and by general and sector-specific regulations, and in compliance with current legislation, and with the methods detailed in art. 144-*bis*, paragraph 1, letter b) of Issuers' Regulations, taking into account the relevant buy-back

market practices, ensured by Consob, in compliance with art.13 of Regulation (UE) no. 596/2014”.

3) to grant the Board of Directors authorisation, pursuant to art. 2357-*ter* of the Italian Civil Code to:

- use up to a maximum of 19,000,000 treasury shares, to serve the 2020 allocation of the Long-term Incentive Plan 2019-2021, to be granted, free of charge, to the CEO and Senior Managers of Saipem and subsidiary companies identified by name at each annual Plan allocation among those who occupy the positions most directly responsible for business results or who are of strategic interest;

4) grant the Board of Directors all powers to approve the Regulations of the Long-Term Incentive Plan and identify its beneficiaries;

5) grant the Chairman and the CEO, acting severally, all powers to implement this resolution, using proxies if necessary”.

The Board of Directors