

Saipem

Società per Azioni
Sede Legale in San Donato Milanese
Via Martiri di Cefalonia 67
Capitale Sociale Euro 441.410.900 i.v.
Registro delle Imprese di Milano, Codice Fiscale 00825790157
Partita IVA: 00825790157
R.E.A. Milano n. 788744
Società soggetta all'attività di direzione e coordinamento dell'Eni S.p.A. .

Shareholders are called to attend the Ordinary and Extraordinary Shareholders' Meeting to be held as follows: first summons at 10 am on 28th April 2007, Saipem's 'IV° Palazzo Uffici', Via Martiri di Cefalonia 67, San Donato Milanese (MI), Italy; second summons on 30th April 2007, same time and location, to resolve on the following

AGENDA

Ordinary Part

- 1. Statutory Financial Statements at 31st December 2006, Consolidated Financial Statements, Reports by the Directors, the Board of Statutory Auditors, and the Independent Auditors; net income allocation.**
- 2. Approval of the Stock Option Scheme.**
- 3. Granting the Board of Directors authorisation, pursuant to art. 2357 of the Italian Civil Code, to buy back, over a period of 18 months from the data of Shareholders' approval, up to 2,500,000 treasury shares.**
- 4. Granting the Board of Directors authorisation, pursuant to art. 2357-ter of the Italian Civil Code, to allocate up to a maximum of 2,500,000 treasury shares to the 2007 Stock Option Scheme.**
- 5. Six-year extension (2007-2012) of the audit assignment for PricewaterhouseCoopers S.p.A.**
- 6. D&O liability insurance to cover professional risks for Directors and Statutory Auditors.**

Extraordinary Part

- 1. Amendments to articles 13, 19, 20, 21 and 27 of Articles of Association.**



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ORDINARY AND EXTRAORDINARY SHAREHOLDERS'

MEETING OF 28TH /30TH APRIL 2007

Resolution proposal by the Board of Directors on Item 1 of the Ordinary Meeting Agenda.

STATUTORY FINANCIAL STATEMENTS OF SAIPEM S.p.A. AT 31ST DECEMBER 2006, CONSOLIDATED FINANCIAL STATEMENTS, REPORTS BY THE DIRECTORS, THE STATUTORY AUDITORS AND THE INDEPENDENT AUDITORS; NET INCOME ALLOCATION.

“Messrs. Shareholders,

You are invited to approve Saipem’s Statutory Financial Statements at 31st December 2006 and the proposal to allocate the company’s net income for the year, amounting to 156,202,375 euros as follows:

- 7,810,118.75 euros to the legal reserve, equal to 5% of the 2006 net income, pursuant to art. 2430 of the Italian Civil Code;
- to the Shareholders a dividend on the shares in circulation on the ex-coupon date, exclusive of treasury shares held by the Company on that day, of 0.29 euro per ordinary share and 0.32 euro per savings share;
- retained earnings of the remaining amount after the aforementioned allocation and dividend distribution.

You are also asked to approve the proposal to pay-out dividends from 24th May 2007; ex-coupon date: 21st May 2007”.



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ORDINARY AND EXTRAORDINARY SHAREHOLDERS'

MEETING OF 28TH /30TH APRIL 2007

Report by the Board of Directors on Item 2 of the Ordinary Meeting Agenda.

APPROVAL OF THE STOCK OPTION SCHEME.

Messrs. Shareholders,

in 2007, as in previous years, the Company plans to implement the Stock Option scheme as follows:

- the Scheme applies to the Chairman and Managing Director of Saipem S.p.A., the Chairman of Saipem s.a., the Managing Director of Snamprogetti S.p.A., senior managers of Saipem S.p.A., subsidiary companies, parent company and subsidiaries of the parent company, working within the Saipem Group and directly responsible for Group results or holding strategic positions as identified by the Board of Directors based on the company's appraisal system;
- options can be exercised after three years from allocation (four years for managers resident in France) for a period of up to three years;
- the scheme will apply to approximately 100 managers of Saipem and its subsidiaries (senior management, key position holders and strategic resources);
- options exercise is subject to the employee maintaining a valid labour contract with the company or its subsidiaries.

The percentage of Stock options that may be exercised by employees is set by the Board based on the Total Shareholder Return achieved by Saipem's share versus its 6 main international competitors by market

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capitalization over the next three years;

- individual allocations are equal to gross annual salary (GAS) multiplied by “n” (where “n” is between 1.5 and 4 depending on managerial level);
- the operation involves a total of 2,500,000 ordinary shares
- stock options will be allocated by 30th September 2007.

The stock option sale price will be the higher price between the shares’ official price average recorded by the Telematic Stock Market of the Italian Stock Exchange (Borsa Italiana S.p.A.) over the month preceding the date of Stock Option allocation and the average cost of treasury shares held by the company on the day preceding the date of Stock Option allocation;

- stock granted can be disposed of without restriction.

However, option rights are personal, they cannot be disposed of or transferred;

- the Shareholders’ meeting shall grant the Board of Directors the power to implement the Stock Option scheme, identify assignees, carry out the actual allocation and approve the appropriate regulations, which detail the terms and methods of stock exercise;
- the rationale behind the adoption of this Scheme is the interest that the top-management has in the creation of value as a Shareholder and their loyalty”.

RESOLUTION PROPOSAL

“Messrs. Shareholders,

you are invited to approve the 2007 Stock Option Scheme, as per the Board of Directors’ proposal”.



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ORDINARY AND EXTRAORDINARY SHAREHOLDERS'

MEETING OF 28TH /30TH APRIL 2007

Report by the Board of Directors on Item 3 of the Ordinary Meeting Agenda.

GRANTING THE BOARD OF DIRECTORS AUTHORISATION, PURSUANT TO ART. 2357 OF THE ITALIAN CIVIL CODE, TO BUY BACK, OVER A PERIOD OF 18 MONTH FROM THE DATE OF SHAREHOLDERS' APPROVAL, UP TO 2,500,000 TREASURY SHARES.

“Messrs. Shareholders,

the Board of Directors, in order to avail itself of a flexible and efficient method to implement the Management Incentive Schemes, intends to replicate the treasury share buy-back programme of 2006, whose share allocation has been fully purchased.

The Board therefore proposes, pursuant to art. 2357 of the Italian Civil Code and art. 132 of Law Decree 58 of 24/02/98, to be granted the power to buy back, over a period of 18 months from date of Shareholders' approval, up to no. 2,500,000 treasury shares of a nominal value of 1 euro each at a price not lower than their nominal value but not higher than 5% of the reference price on the day preceding each purchase, for an overall amount not exceeding 60,000,000 euros. The maximum number of shares to be purchased is equal to 0.56% of Saipem S.p.A.'s share capital, which is within the limitation imposed by art. 2357, comma 3 of the Italian Civil Code.

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Art. 2357 of the Italian Civil Code allows for the buy-back of treasury shares, limited to the distributable income and available reserves as per the last approved Financial Statements. The Board of Directors proposes to utilise, concomitantly with the buy-back of treasury shares, the “Reserve for the buy-back of treasury shares” pursuant to art. 2357-ter of the Italian Civil Code, to be established through the allocation of retained earnings and the share premium reserve.

Shares will be purchased exclusively on the Italian Stock Market in compliance with Italian Stock Exchange Regulations, pursuant to art. 132, comma 1, Law Decree 58 of 24/02/98.

The Board of Auditors expressed an opinion in favour of the proposed operation”.

RESOLUTION PROPOSAL

“Messrs. Shareholders,
you are invited to:

- grant the Board of Directors the power to buy back, pursuant to art. 2357 second comma of the Italian Civil Code, over a period of 18 months from date of Shareholders’ approval, in compliance with current legislation, up to no. 2,500,000 treasury shares with a nominal value of 1 euro each, equal to 0.56% of Saipem S.p.A.’s share capital, at a price not lower than their nominal value but not higher than 5% of the reference price on the day preceding each purchase, for an overall amount not exceeding 60,000 euros;
- approve the utilisation of the “Reserve for the buy-back of treasury shares”, established pursuant to art. 2357-ter of the Italian Civil Code;
- vest the Chairman with all necessary powers, including the use of proxies, to carry out this motion”.



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ORDINARY AND EXTRAORDINARY SHAREHOLDERS'

MEETING OF 28TH /30TH APRIL 2007

Report by the Board of Directors on Item 4 of the Ordinary Meeting Agenda.

GRANTING THE BOARD OF DIRECTORS AUTHORISATION, PURSUANT TO ART. 2357-TER OF THE ITALIAN CIVIL CODE, TO ALLOCATE UP TO A MAXIMUM OF 2,500,000 TREASURY SHARES TO THE 2007 STOCK OPTION SCHEME.

“Messrs. Shareholders,

in recent years, the company has implemented successful incentive and loyalty schemes targeted at senior management utilising treasury shares.

In order to implement the 2007 Stock Option Scheme, the Board of Directors ask that the Shareholders Meeting grant the Board the power, pursuant to art. 2357-ter of the Italian Civil Code, to allocate treasury shares to the aforementioned Scheme.

Options will allow the assignee to purchase Saipem shares in accordance with the terms and conditions set by the Board of Directors in the appropriate Regulations.

The Board of Auditors expressed an opinion in favour of the proposed operation”.

RESOLUTION PROPOSAL

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“Messrs. Shareholders,

you are invited to:

- authorise the Board of Directors, pursuant to art. 2357-ter of the Italian Civil Code:
 - to implement the 2007 Stock Option Scheme using a maximum of 2,500,000 treasury shares; the unitary price of shares to be assigned will be the higher price between the shares’ official price average recorded by the Telematic Stock Market of the Italian Stock Exchange (Borsa Italiana S.p.A.) over the month preceding the date of Stock Option allocation and the average cost of treasury shares held by the company on the day preceding the date of Stock Option allocation to senior managers of Saipem S.p.A., subsidiary companies, parent company and subsidiaries of the parent company, working within the Saipem Group and directly responsible for Group results or holding strategic positions as identified by the Board of Directors based on the company’s appraisal system;
- vest the Board of Directors with all powers necessary to approve the Stock Option Scheme Regulations and identify assignees thereof;
- vest the Chairman with all necessary powers, including the use of proxies, to carry out this motion”.



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ORDINARY AND EXTRAORDINARY SHAREHOLDERS'

MEETING OF 28TH /30TH APRIL 2007

On Item 4 of the Ordinary Meeting Agenda:

“SIX-YEAR EXTENSION (2007-2012) OF THE AUDIT ASSIGNMENT FOR PRICEWATERHOUSECOOPERS S.P.A.”,

pursuant to art. 159 of Law 58/98, the **Board of Statutory Auditors** has put forward the following proposal to be submitted to the Shareholders' Meeting due to appoint the Independent Auditors.

PROPOSAL TO EXTEND THE AUDIT ASSIGNMENT FOR PRICEWATERHOUSECOOPERS S.P.A. FOR 6 YEARS

“Messrs. Shareholders,

the Shareholders' Meeting due to review of the Financial Statements at 31st December 2006 marks the expiry of the three-year-long assignment of PricewaterhouseCoopers S.p.A. (hereafter PwC), the independent auditors appointed by the Shareholders' Meeting of 29th April 2004. The Board of Statutory Auditors considers it appropriate to extend the current contract with PwC for a further six years from 2007-2012, since it is suits operational requirements and is not in contrast with current regulations. On 14th March 2007, the Board of Statutory Auditors has reviewed the proposed extension to the auditing plan for the Financial Statements of 2007 - 2008 – 2009 – 2010 – 2011 - 2012 and the related Consolidated Financial Statements, in compliance with art. 156 of Law 58/98, and finds this plan appropriate and complete.

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The extension of the external audit contract:

- would allow the company to forego the extra workload associated with the auditors' replacement;
- does not contrast with current legislation/regulations; Law 303 of 29th December 2006 art. 8 comma 7 provides that “contracts in place on the date of the issue of this law, whose total duration inclusive of previous renewals and extensions does not exceed nine years, can be extended, before the Annual General Shareholders' Meeting, to comply with the terms in art. 159, comma 4”.
- complies with guidelines issued by the legislator (art. 155, 156, 165 and 165 bis, comma 1 of Law 58/98) which recommends that the external auditing company of the parent company audit the consolidated financial statements, that a single external auditing company also carry out the audit of controlled companies, in order to ensure consistent opinions as well as an in-depth knowledge of the group.

The Board of Statutory Auditors, having ascertained that PwC meets the independence legal requirements and that there are not incompatibility issues, proposes a six-year extension of PwC's audit contract to carry out the audit of the Statutory and Consolidated Financial Statements, the accounts throughout the year and Saipem's interim report.

We propose that you extend PwC's contract for six years from 2007-2012 to carry out the following:

- auditing of the statutory and consolidated financial statements, in compliance with art. 159 of Law 58/98 as amended by Law 303/2006;
- auditing of the accounts, ensuring that, throughout the year, accounting procedures are fair and correct and that events are evaluated and

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accounted correctly in the books and ledgers, in compliance with art. 155 of Law 58/98;

- limited six-monthly interim review, in compliance with Consob resolutions no. 97001574 of 20th February 1997;
- auditing of the adjustments required to restate the consolidated financial statements under Italian accounting principles to US GAAP.

From a financial standpoint, PwC's quotation, which includes Saipem S.p.A. and 129 Group companies, for the years 2008-2012 amounts to a total of 4,501,738 euros per annum (58,787 man-hours). These fees appear to be fair and in line with the market, considering the complexity of the Group's business.

The quotation presented by PwC for the 2008-2012 extension of the auditing contract of Saipem S.p.A. (comprising the review of the statutory financial statements and interim reports, audits of adjustments under US GAAP) amounts to a total of 724,500 euros per annum. The breakdown is as follows:

(euros)

	2007/2012	
	M/hours	Fees
a) Audit of the statutory financial statements	4,050	283,500
b) Audit of the consolidated financial statements	4,150	290,500
c) Audit of the accounts throughout the year	780	54,600
d) Limited audit of the interim report	1,290	90,300
e) Audit of adjustments under US GAAP	80	5,600
Total	10,350	724,500

The breakdown for the single activities is as follows.

a) Saipem S.p.A.: Audit of the Statutory Financial Statements

(euros)

Category	Units	M/hrs	Mix %	Fees	
				Hourly rate	Total

Partner	2	404	10	404	78,780
Senior Manager	3	1,418	35	1,418	181,504
Senior Auditor	3	1,215	30	1,215	94,770
Assistant	3	1,013	25	1,013	50,650
Discount					-122,204
Total				4,050	283,500

b) Saipem S.p.A.: Audit of the Consolidated Financial Statements

(euros)

Category	Units	M/hrs	Mix %	Fees	
				Hourly rate	Total
Partner	2	414	10	414	80,730
Senior Manager	2	1,453	35	1,453	185,984
Senior Auditor	2	1,245	30	1,245	97,110
Assistant	2	1,038	25	1,038	51,900
Discount					-125,224
Total				4,150	290,500

c) Saipem S.p.A.: Audit of the accounts throughout the year

(euros)

Category	Units	M/hrs	Mix %	Fees	
				Hourly rate	Total
Partner	1	78	10	78	15,210
Senior Manager	1	273	35	273	34,944
Senior Auditor	2	234	30	234	18,252
Assistant	2	195	25	195	9,750
Discount					-23,556
Total				780	54,600

d) Saipem S.p.A.: Limited audit of the interim report

(euros)

Category	Units	M/hrs	Mix %	Fees	
				Hourly rate	Total
Partner	1	128	10	128	24,960
Senior Manager	2	452	35	452	57,856
Senior Auditor	2	387	30	387	30,186
Assistant	2	323	25	323	16,150
Discount					-38,852
Total				1,290	90,300



e) Saipem S.p.A.: Audit of adjustments under US GAAP

(euros)

Category	Units	M/hrs	Mix %	Fees	
				Hourly rate	Total
Partner	1	8	10	8	1,560
Senior Manager	1	28	35	28	3,584
Senior Auditor	1	24	30	24	1,872
Assistant	1	20	25	20	1,000
Discount					-2,416
Total				80	5,600

Travel and per diem expenses accrued by auditing personnel working outside the auditor's offices will be reimbursed at cost and if deemed reasonable.

The annual mandatory contribution to Consob by the Auditing Company is reimbursed at cost and is based on the amount invoiced for the audit of the Statutory and Consolidated Financial Statements..

The aforementioned fees can only be adjusted at year-end if exceptional or unforeseen circumstances have occurred since the offer was made, which resulted in increased workload and/or a change in the professional expertise required. Should the year-end balance show a lower number of hours worked or lower requirement of professional expertise than envisaged, the fees shall be reduced accordingly”.



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ORDINARY AND EXTRAORDINARY SHAREHOLDERS'

MEETING OF 28TH /30TH APRIL 2007

Report by the Board of Directors on Item 6 of the Ordinary Meeting Agenda.

D&O LIABILITY INSURANCE COVER BOARD DIRECTORS AND STATUTORY AUDITORS

“Messrs Shareholders,

the use of Directors’ and Officers’ liability insurance is all but standard practice in the United States, widespread in Europe and growing in Italy, with a large number of S&P/MIB30 companies having recourse to it. The general use of D&O policies and their consequent availability on the market has resulted in the introduction of reference contractual standards.

The increase in cases of Directors being exposed to direct personal liability, due to the constant evolution of the reference legislation and regulations suggests the introduction of a D&O policy to safeguard Directors in their decision making and assuming the responsibilities vested in them, barring cases of intentional violation of their obligations pertaining to their office and professional roles.

The Board of Directors therefore proposes that it be granted the power to underwrite a D&O policy at the terms and conditions accepted as standard practice on the insurance market. In particular, the Board proposes to extend to Board Directors and Statutory Auditors of Saipem S.p.A. the D&O policy underwritten for the Company’s senior management. The



policy shall have a liability ceiling and an annual premium of 200 million US dollars and 2 million US dollar respectively; the portion of the premium to cover Directors and Auditors amounts to approximately 10-15% of the total”.

RESOLUTION PROPOSAL

“Messrs Shareholders,

you are invited to:

- approve the underwriting of a D&O third party liability policy to cover professional risks of Board Directors and Statutory Auditors of Saipem S.p.A., at the terms described in the Report;
- grant the Chairman the power to underwrite, having recourse to proxies if required, said policy at the terms and conditions accepted as standard practice on the insurance market”.



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ORDINARY AND EXTRAORDINARY SHAREHOLDERS'

MEETING OF 28TH /30TH APRIL 2007

Report by the Board of Directors on Item 1 of the Extraordinary Meeting
Agenda.

**AMENDMENTS TO ARTICLES 13, 19, 20, 21 AND 27 OF
ARTICLES OF ASSOCIATION**

“Messrs Shareholders,

Law 58/98, as amended by Law 262/2005, provides that:

- if the Board of Directors has less than seven members, at least one of them must satisfy the independence requirements, if the Board of Directors has more than seven member, at least two must satisfy the independence requirement established by the law and the by-laws. Failure to satisfy this requirement shall result in disqualification from the position (art.147 ter).

The criteria for the composition of the Board will have to be set as well as the presentation of lists of candidates to the Directorships to ensure that the number of independent Directors meets the legal requirement. The proposed amendment to the Articles of Association, which clarifies the election process, provides that at least three Directors meet the independence requirement and that independent Directors take part, as decreed by the Board and in compliance with the Codes of Practice of listed companies adopted by the Company, in Committees set up by the Board itself to perform consultative and propositive roles on specific subjects;

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- Consob regulations set the minimum holding required for the presentation of lists of candidates (art. 147 ter). This new provision does not contemplate the option for the Board of Directors to present its own list of candidates;
- persons who perform an administrative or management role must satisfy the integrity requirements established for members of internal control bodies under the regulation issued by the Minister of Justice pursuant to Article 148.4 of this Law (art. 147 quinquies);
- the Articles of Association shall lay down the procedures for appointing a manager charged with preparing the company's financial reports, subject to the mandatory opinion of the internal control body (art. 154 bis);
- the Chairman of the Board of Statutory Auditors shall be appointed by the Shareholders' Meeting from among the auditors elected by the minority shareholders (art. 148); the election process of the Board of Statutory Auditors be clarified;
- Consob shall lay down by regulation the limits to the cumulation of management and control positions that members of the internal control bodies of listed companies may hold in public companies (art. 148 bis);
- the right to call the Shareholders' and Board of Directors' meetings may be exercised respectively by two members and one member of the Board of Statutory Auditors (art. 151);

The Board of Directors also proposes to carry out the following amendments:

- art. 13 – to state that the Company requires notification issued by approved financial brokers in order for Shareholders to attend the General Meetings. Also, the option is given to Shareholders, who



represent at least one fortieth of the share capital, to request that items be added to the meeting agenda, pursuant to art. 126 of Law 58/98;

- art. 20 – to grant the Board of Directors the power to amend the Articles of Association in order that they conform to legal requirements;
- art. 27 – to allow the Board of Statutory Auditors to meet via video or teleconference link.”

RESOLUTION PROPOSAL

“Messrs Shareholders,

you are invited to

- amend art. 13, 19, 20, 21 and 27 of Articles of Association as follows:

SAIPEM’S ARTICLES OF ASSOCIATION

CURRENT TEXT	PROPOSED TEXT
<p>Art. 13 (1st and 2nd comma) The right to attend Shareholders’ Meetings is regulated by art. 2370 of the Italian Civil Code. Entitled Shareholders may attend provided they are in possession of the certificate stating ownership of shares issued by their brokers at least two days prior to the meeting, first summons. Shareholders can delegate others in writing to represent them, pursuant to art. 2372 of the Italian Civil Code.</p>	<p>Art. 13 (1st and 2nd comma) The right to attend Shareholders’ Meetings is regulated by art. 2370 of the Italian Civil Code. Entitled Shareholders may attend provided that they are in possession, at least two working days prior to the meeting (first summons), of the relevant certificate, issued by an approved financial broker, as per art. 2370, second comma, of the Italian Civil Code. Shareholders can delegate others in writing to represent them, pursuant to art. 2372 of the Italian Civil Code. Shareholders who, solely or jointly, represent at least one fortieth of the share capital may send a written request, within five days from publication of the calling of the Shareholders’</p>

	<p>Meeting, detailing items they wish to be added to the meeting agenda. Additions are not accepted for those items that the Shareholders' Meeting is called to resolve on pursuant to the Law, and/or those that have been proposed by Board Directors based on a project or a report they have arranged. Additions allowed by the Board of Directors are published at least ten days prior to the Shareholders' Meeting, in accordance with art. 12.</p>
<p>Art. 19 The Company is managed by a Board of Directors comprising a minimum of 5 (five) and a maximum of 9 (nine) members elected by the Shareholders' Meeting, the latter sets their number and term of office at the time of their appointment. The Directors' maximum term of office is three years and expires on the date the Shareholders' meeting is convened to approve the Financial Statements for the last year of their term. However, Directors can be returned. The Shareholders' Meeting appoints the members of the Board of Directors from voting lists, which may be put forward by shareholders and/or the Board of Directors; candidates on these lists are allocated a progressive number. Should the outgoing Board of Directors put forward its own candidates list, this must be lodged with the Company at the registered headquarters and published, at least 25 days prior to the Shareholders' Meeting (first summons), in three national daily newspapers, one of which must be a financial</p>	<p>Art. 19 The Company is managed by a Board of Directors comprising a minimum of 5 (five) and a maximum of 9 (nine) members. The Shareholders' Meeting sets the number of Directors within the aforementioned parameters. The Directors' maximum term of office is three years and expires on the date that the Shareholders' meeting is convened to approve the Financial Statements for the last year of their term. However, Directors can be returned. The Shareholders' Meeting appoints the Board of Directors from voting lists, in which candidates are allocated a progressive number. Lists are put forward by Shareholders; these are lodged with the Company at the registered headquarters at least fifteen days prior to the meeting (first summons) and published pursuant to the Law and the regulations issued by Consob in matters of appointment of members of management and control bodies. Each Shareholder may present,</p>

newspapers. The lists put forward by shareholders will be lodged and published according to the same aforementioned procedures, at least 20 days prior to the Shareholders' Meeting - first summons.

Lists may be presented by shareholders who, individually or with others, are holders of shares amounting at least to 2% of ordinary shares. In order to prove legal ownership of the number of shares required to put forward voting lists, shareholders must present and/or send a copy of notifications issued by their brokers holding their shares to Company headquarters when lodging the list.

Each shareholder may present or participate in presenting only one list. Companies controlling the Shareholder or those under shared control cannot present or participate in presenting other lists (controlled companies are those identified in art. 2359, comma 1, of the Italian Civil Code). Each candidate may appear in only one list, otherwise they will be deemed ineligible. Along with each list and within the above timeframe, each candidate must file a statement accepting the nomination, as well as a declaration stating that there are no grounds for ineligibility and/or incompatibility, that they are aware of under current legal requirements and enclose their professional résumé.

Each voter may only vote from one list.

Directors are elected as follows:

(i) Two thirds of Directors to be appointed (the number will be rounded off if necessary) will be selected from the list which receives the majority of votes from the Shareholders' Meeting, in the

or participate in presenting, only one list and vote only for one list, in compliance with the Law and applicable regulations.

Each candidate may appear in one list only, otherwise they will be deemed ineligible.

Lists may be presented shareholders who, individually or with others, are holders of shares amounting to at least 2% (or another percentage set by the Law or other regulation) of ordinary shares at the Ordinary Shareholders' Meeting. In order to prove legal ownership of the number of shares required to put forward voting lists, shareholders must present and/or send, alongside the lists, a copy of notifications issued by their authorised financial brokers holding their shares to Company headquarters when lodging the list.

At least one Director if the Board comprises a maximum of seven members, or at least three Directors, if the Board comprises more than seven members, shall meet the independence requirement in compliance with current legislation applicable to Statutory Auditors of listed companies.

Lists shall only contain candidates that meet the aforementioned independence requirement.

All candidates must also meet the integrity requirements provided by current legislation.

For any list to be deemed eligible, it must be lodged along with the candidates' professional résumés, their statements accepting the nomination and

order in which they are listed;

(ii) the remaining Directors will be selected from the other lists as follows: votes obtained for each list will be successively divided by one, two, three and so on, until reaching the number of remaining Directors to be appointed. The ratios obtained will be progressively attributed to candidates of each list, in the order attributed to each candidate within that list. Candidates will be classified in decreasing order according to their respective ratio, and those who have received the higher ratios will be appointed. In the event that more than one candidate receives the same ratio, the candidate on the list with no Director yet appointed or on the list with the lowest number of Directors appointed will be elected. If these lists have yet to elect a Director, or if they have already appointed an equal number of Directors, the candidate on the list with the highest number of votes will be appointed. In case of another tie, the Shareholders' Meeting will vote again but only amongst the candidates under ballot, and the candidate who receives the majority of votes will be elected. In case of another tie, the elder candidate will be elected. To elect Directors, who for any reason have not been appointed through the above mentioned procedure, the Shareholders' Meeting will vote according to the majority procedure as provided by law. Should the number of Directors no longer reach the minimum majority requirement due to resignations or other occurrences, the remaining Directors shall cease to be in office;

their declaration that there are no grounds for ineligibility and/or incompatibility, and that they meet the integrity and/or independence requirements.

The appointed Directors undertake to inform the Company if they cease to meet the integrity and independence requirements and/or if causes for ineligibility or incompatibility arise.

The Board of Directors periodically assesses the independence and integrity of Directors and that there are no causes for ineligibility and incompatibility. Should a Director fail to meet the independence and integrity requirements that are provided by current legislation, or should causes for ineligibility and incompatibility exist, the Board of Directors shall declare the appointment void and provide for their replacement, or ask that they terminate the cause for incompatibility by a set date on pain of dismissal.

Directors shall be elected as follows:

a) seven tenths of Directors to be appointed (the number will be rounded down if necessary) will be selected from the list which receives the majority of votes from the Shareholders' Meeting, in the order in which they are listed;

b) the remaining Directors will be selected from the other lists, provided they are not in any way, not even indirectly, linked with the shareholders who have presented or voted for the list

they will immediately call a Shareholders' meeting in order to appoint a new Board of Directors.

The Shareholders' meeting may vary the number of Directors during their term in office and within the limitations imposed in this article; should the Shareholders' meeting resolve to increase the number of Directors, it will also proceed with their appointment. The term of office for Directors so appointed will cease simultaneously with the term of Directors already serving at the time of their appointment.

Should Directors become unavailable during the course of the year, the others shall attend to their replacement through resolutions approved by the Board of Statutory Auditors, provided the majority of remaining Directors has been appointed by the Shareholders' meeting. The term of office for Directors so appointed will cease at the next Shareholders' meeting.

that has obtained the majority of votes; therefore, votes obtained for each list will be successively divided by one, two, three and so on, until the number of remaining Directors to be appointed has been reached. The ratios obtained will be progressively attributed to candidates of each list, in the order attributed to each candidate within that list. Candidates will be classified in decreasing order according to their respective ratio, and those who have received the higher ratios will be appointed. In the event that more than one candidate obtains the same ratio, the candidate on the list with no Director yet appointed or on the list with the lowest number of Directors appointed will be elected. If these lists have yet to elect a Director, or if they have already appointed an equal number of Directors, the candidate on the list with the highest number of votes will be appointed. In case of another tie, the Shareholders' Meeting will vote again, but only amongst the candidates under ballot, and the candidate who receives the majority of votes will be elected.

c) should this procedure fail to appoint the minimum number of independent Directors required by the Articles of Association, the ratio of votes is calculated for each candidate from said lists, in compliance with the system detailed under letter b); candidates who meet the independence requirement and who have obtained the highest ratios will be selected from lists

as per procedure under a) and b); their number will depend on the regulations set forth in the Articles of Association. These take the place of non-independent Directors who have obtained the lowest ratios. Should the minimum number of independent Directors not be reached, the Shareholders' Meeting resolves through majority vote, as per legal requirements, the replacement of candidates who do not fulfil the independence requirement and have obtained the lowest ratio;

d) to elect Directors, who for any reason have not been appointed through the aforementioned procedure, the Shareholders' Meeting will vote according to the majority procedure as provided by law, to ensure that the composition of the Board of Directors complies with the Law and the Articles of Association. This voting procedure from lists is only applicable whenever the whole Board of Directors is replaced.

The Shareholders' meeting may vary the number of Directors during their term in office and within the limitations imposed by art. 1 of this article, and shall proceed with their appointment. The term of office for Directors so appointed will cease simultaneously with the term of Directors already serving at the time of their appointment.

Should one or more Directors become unavailable during the course of the year, the others shall attend to their replacement pursuant to art. 2386 of the Italian Civil Code. Should the

	<p>majority of Directors become unavailable, the whole Board of Directors shall resign and the Shareholders' Meeting will be called immediately by the outgoing Board in order to elect a new one.</p> <p>The Board of Directors may set up internal Committees to perform consultative and propositive roles on specific subjects.</p>
<p>Art. 20 The management of the Company is exclusively the responsibility of the Board of Directors. The Board has the power to resolve on motions concerning:</p> <ul style="list-style-type: none"> - merger by incorporation of companies whose shares or stakes are owned entirely by the Company, pursuant to art. 2505 of the Italian Civil Code; - merger by incorporation of companies whose shares or stakes are at least 90% (ninety per cent) owned by the Company, pursuant to art. 2505-bis of the Italian Civil Code; - the proportional de-merger of companies whose shares or stakes are entirely or at least 90% (ninety per cent) owned by the Company, pursuant to art. 2506-ter of the Italian Civil Code; - transfer of the Company's Headquarters within Italy; - incorporation, transfer and closure of secondary offices - share capital decreases in case of shareholder's withdrawals; - the issue of corporate bonds and other debentures, barring the issue of bonds convertible into Company's shares. 	<p>Art. 20 The management of the Company is exclusively the responsibility of the Board of Directors. The Board has the power to resolve on motions concerning:</p> <ul style="list-style-type: none"> - merger by incorporation of companies whose shares or stakes are owned entirely by the Company, pursuant to art. 2505 of the Italian Civil Code; - merger by incorporation of companies whose shares or stakes are at least 90% (ninety per cent) owned by the Company, pursuant to art. 2505-bis of the Italian Civil Code; - the proportional de-merger of companies whose shares or stakes are entirely or at least 90% (ninety per cent) owned by the Company, pursuant to art. 2506-ter of the Italian Civil Code; - transfer of the Company's Headquarters within Italy; - incorporation, transfer and closure of secondary offices - share capital decreases in case of shareholder's withdrawals; - the issue of corporate bonds and other debentures, barring the issue of bonds convertible into Company's shares.

	<p>- amendments to the Articles of Association to comply with new regulatory provisions.</p>
<p>Art. 21 The Board of Directors shall appoint the Chairman, if the Shareholders' Meeting has not done so; it shall also appoint a Secretary, who need not be a Director. The Chairman: - represents the Company; - chairs Shareholders' meetings; - calls and chairs Board of Directors' meetings, sets the agenda and coordinates its activities; - ensures that adequate information is provided to the Directors on the items on the agenda; - exercises the powers the Board of Directors has granted him. The Board of Directors may appoint up to two Vice-Chairmen and one or more Managing Directors, and delegate its powers to one or more of its members, setting the powers, limitations and methods of exercise pursuant to art. 2381 of the Italian Civil Code. The Board of Directors can also grant powers to carry out individual operations or categories of activities to employees of the Company or third parties. Directors with executive powers ensure that the Company structure, in terms of organisation, administration and accounts, is suited to the nature and size of the company. The Directors inform the Board of Directors and the Board of Statutory Auditors promptly or at least every quarter on company activities, major economic and financial transactions involving the</p>	<p>Art. 21 The Board of Directors shall appoint the Chairman, if the Shareholders' Meeting has not done so; it shall also appoint a Secretary, who need not be a Director. The Chairman: - represents the Company; - chairs Shareholders' meetings; - calls and chairs Board of Directors' meetings, sets the agenda and coordinates its activities; - ensures that adequate information is provided to the Directors on the items on the agenda; - exercises the powers the Board of Directors has granted him. The Board of Directors may appoint up to two Vice-Chairmen and one or more Managing Directors, and delegate its powers to one or more of its members, setting the powers, limitations and methods of exercise pursuant to art. 2381 of the Italian Civil Code. The Board of Directors can also grant powers to carry out individual operations or categories of activities to employees of the Company or third parties. The Board of Directors may also appoint one or more General Managers, granting them powers at the Chairman's proposal, having ascertained that they meet the integrity requirement pursuant to regulations. Failure to satisfy this requirement shall result in disqualification from the position.</p>

Company or its subsidiaries; in particular they report those operations in which they have an interest, on behalf of themselves or third parties, or those operations that are subject to the influence of the controlling party.

The Board of Directors, on the Chairman's proposal and having heard the opinion of the Board of Statutory Auditors, shall appoint a manager charged with preparing the company's financial reports.

This manager must be chosen amongst individuals who have carried out the following for at least three years:

- a) administrative and control activities in a managerial capacity at listed companies with a share capital exceeding two million euros, in Italy, in other European Union or OCSE member states; or**
- b) legal audits at the companies, under letter a) or**
- c) having had a professional position in the field of or a university professor teaching finances or accounting; or**
- d) a management position at public or private companies with financial, accounting or control responsibilities.**

The Board of Directors ensures that the manager charged with preparing the company's financial reports is granted adequate powers and has sufficient means to carry out his/her duties; the Board also ascertains that the administrative and accounting procedures are adhered to.

Directors with executive powers ensure that the Company structure, in terms of organisation, administration and accounts, is suited to the nature and size of the company. The Directors inform the Board of Directors and the Board of Statutory Auditors promptly or at least every quarter

	<p>on company activities, major economic and financial transactions involving the Company or its subsidiaries; in particular they report those operations in which they have an interest, on behalf of themselves or third parties, or those operations that are subject to the influence of the controlling party.</p>
<p>Art. 27 The General Shareholders' Meeting appoints the Statutory Auditors and determines their remuneration. The Board of Auditors comprises three statutory; two alternate auditors are also appointed. In order to be appointed, Statutory Auditors must comply with the relevant legal requirements, in particular of Ministerial Decree 162 of 30/03/2000. 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. Candidates already holding the office of statutory auditors at five listed companies not controlled by Eni S.p.A. may not be appointed as auditors, and if elected, shall forfeit their office. The Shareholders appoint the Statutory Auditors and Alternate Auditors from voting lists presented by the Shareholders, on which candidates are allocated a progressive number. Lists are put forward, lodged and published as per procedures detailed in art. 19. Lists are divided in two sections: the first concerns candidates to the</p>	<p>Art. 27 The General Shareholders' Meeting appoints the Statutory Auditors and determines their remuneration. The Board of Auditors comprises three statutory; two alternate auditors are also appointed. In order to be appointed, Statutory Auditors must meet the integrity and professionalism requirements set by the relevant regulations, in particular Ministerial Decree 162 of 30/03/2000. 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 may hold positions as members of administrative and control bodies in other companies; however, these are limited by Consob regulations. Until the new regulations come into force, candidates already holding the office of statutory auditors at five listed companies not controlled by Eni S.p.A. may not be appointed as auditors, and if elected, shall forfeit their office.</p>

post of Statutory Auditors, the second the offices of Alternate Auditor. At least the first candidate on each set of lists must have enrolled in the Register of Auditors and have practised as statutory accounts auditor for a minimum of three years.

Two statutory auditors and one alternate auditor will be selected from the list which receives the majority of votes, in the order in which they are listed. The remaining statutory auditor and alternate auditor will be selected as per the procedure detailed in art. 19, that applies to each section of all other lists. To elect auditors, who for any reason have not been appointed through the above mentioned procedure, the Shareholders' Meeting will vote according to the majority procedure as set down by law. The first candidate from the list that received the majority of votes from the Shareholders' Meeting shall be appointed Chairman of the Board of Auditors.

Should the need arise to replace an Auditor appointed from the list that received the majority of votes, this will be succeeded by the Alternate Auditor chosen from the same list; in case of replacement of an Auditor appointed from the other lists, this will be succeeded by an Alternate Auditor appointed following the procedure at art. 19.

Outgoing Auditors can be returned. The Board of Statutory Auditors convenes, at least every 90 days, by video-conference link if required, provided that all participants can be identified, they can follow, receive and transmit documents and that they can participate in the

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.

Lists are lodged, presented and published in compliance with legal requirements and Consob regulations in matters of appointment of members of management and control bodies.

Each Shareholder may present, or participate in presenting, only one list and vote only for one list, in compliance with the aforementioned legal and regulatory provisions.

Lists may be presented by voting shareholders who, at the time of the presentation of the list, individually or with others, are holders of shares amounting at least to 2% (or other percentage set by the Law or other regulation) of ordinary shares at the Ordinary Shareholders' Meeting.

In order to prove legal ownership of the number of shares required to put forward voting lists, shareholders must present and/or send, alongside the lists, a copy of notifications issued by their authorised financial brokers holding their shares to Company headquarters when lodging the list.

Each candidate may appear in only one list, otherwise they will be deemed ineligible.

Lists are divided in two sections: the first concerns candidates to the post of Statutory Auditors, the

discussion in real time.
The meeting is considered to be based where the Chairman of the Board of Statutory Auditors is attending.

second the offices of Alternate Auditor. At least the first candidate on each set of lists must have enrolled in the Register of Auditors and have practised as statutory accounts auditor for a minimum of three years.

Two statutory auditors and one alternate auditor will be selected from the list which receives the majority of votes. The remaining statutory auditor and alternate auditor will be selected as per the procedure detailed in art. 19 letter b), that applies to each section of all other lists.

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).

Outgoing Auditors can be returned.

The Board of Statutory Auditors convenes, at least every 90 days, by **video or teleconference** link if required, provided that all participants can be identified, they can follow, receive and transmit documents and that they can participate in the discussion in real time.

The meeting is considered to be based where the Chairman of the Board of Statutory Auditors is attending.

The power to call a Board of Directors' meeting may be exercised individually by each member of the Board of Statutory Auditors; the power to call a Shareholders' meeting may be exercised by at least two members of the Board of Statutory Auditors.

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- vest the Managing Director with all powers to execute this motion, also through the use of proxies and in compliance with current legislation, and to add, amend or delete as deemed necessary and/or appropriate this motion as and when required by the relevant Authorities in order to lodge it with the Italian Company's Register and to ensure approval by the Shareholders' Meeting".

The Board of Statutory Auditors expresses in favour of the amendments.