

*The Italian text prevails over the English translation.*

**SAIPEM S.p.A.**  
**ORDINARY SHAREHOLDERS' MEETING**  
**APRIL 28, 2017**

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

**1) STATUTORY FINANCIAL STATEMENTS AT DECEMBER 31,  
2016 OF SAIPEM S.P.A. RELEVANT RESOLUTIONS.  
PRESENTATION OF THE CONSOLIDATED FINANCIAL  
STATEMENTS AT DECEMBER 31, 2016. REPORTS BY THE  
BOARD OF DIRECTORS, THE STATUTORY AUDITORS AND  
THE EXTERNAL AUDITORS.**

“Messrs. Shareholders,

- a) You are invited to approve Saipem’s Statutory Financial Statements at December 31, 2016, which recorded a loss for the year of € 807,901,671.10.
- b) We propose to cover the aforementioned loss by utilizing available reserves as follows:

- Share premium reserve :	Euro 700,799,976.77
- Reserve from transactions under common control:	Euro 38,627,722.40
- Merger surplus reserve:	Euro 68,473,971.93”.

**SAIPEM S.p.A.**  
**ORDINARY SHAREHOLDERS' MEETING**  
**APRIL 28, 2017**

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

**2) APPOINTMENT OF STATUTORY AUDITORS.**

“Messrs. Shareholders,

the mandate of the current Board of Statutory Auditors, granted by the Shareholders' meeting of May 6, 2014, will expire at the General Shareholders' Meeting called to approve the 2016 Financial Statements.

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 of February 24, 1998 (“TUF”) 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 article 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 take into consideration the independence requirements set forth in art. 8 of the Corporate Governance Code.

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. 19856 of January 25, 2017.

Lists presented by Shareholders must be filed at the Company’s registered office at least twenty-five days prior to the date of the Shareholders’ Meeting (single call), i.e. by April 3, 2017.

Pursuant to Article 144-sexies, paragraph 5, of Issuers Regulations, if as of the deadline for the filing of lists, only one list, or only lists presented by Shareholders who are affiliated pursuant to the provisions of Article 144-quinquies of Issuers Regulations, have been submitted, lists may be submitted until the third day following the termination of the period indicated above (i.e. until April 6, 2017). In this case, the lists may be submitted by Shareholders who, severally or jointly, own at least 0.5% of the share capital.

Article 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. 120 of July 12, 2011. Under the law at least one-third of the Statutory Auditors to be appointed, i.e. two, must be filled by the less represented gender.

Shareholders who wish to submit a list 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 his/her nomination;
- the curriculum vitae of each candidate containing personal and professional information, as well as a statement of each candidate affirming that he/she meets the requirements established by the law and the Articles of Association and that he/she is in compliance with the limits on the number of other positions held established by Issuers Regulations, and the administration and control positions held 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, will be 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 7, 2017.

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 be entered in the register of auditors and have carried out statutory auditing activities for no less than 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 Article 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 less-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 such case, the latter shall take the position of the alternate candidate that replaces him/her). 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 membership 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 the largest number of Statutory Auditors has been drawn 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, ending, in any event, on the date of the Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2019".

### **RESOLUTION PROPOSAL**

"Messrs. Shareholders,

You are invited

to appoint the Statutory Auditors who will remain in office until the Shareholders' Meeting convened to approve the Financial Statements at December 31, 2019, by voting a list from those presented and published in compliance with the Articles of Association".

**SAIPEM S.p.A.**  
**ORDINARY SHAREHOLDERS' MEETING**  
**APRIL 28, 2017**

Report by the Board of Directors on item 3 of the Meeting Agenda.

**3) 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, from minority lists”.

**RESOLUTION PROPOSAL**

“Messrs. Shareholders,

you are invited

- to appoint as Chairman of the Board of Statutory Auditors, the Statutory Auditor holding first place on the minority list that received the most votes”.

**SAIPEM S.p.A.**  
**ORDINARY SHAREHOLDERS' MEETING**  
**APRIL 28, 2017**

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

**4) ESTABLISHING THE REMUNERATION OF STATUTORY AUDITORS AND OF THE CHAIRMAN OF THE BOARD OF STATUTORY AUDITORS.**

“Messrs. Shareholders,

Pursuant to Article 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.

The Corporate Governance Code for listed companies, which Saipem S.p.A. has adopted, recommends, in Article 8.C.3., 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."*

## **RESOLUTION PROPOSAL**

“Messrs. Shareholders,

You are invited

- 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”.

**SAIPEM S.p.A.**  
**ORDINARY SHAREHOLDERS' MEETING**  
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Reasoned opinion by the Board of Statutory Auditors on item 5 of the Meeting Agenda.

**5) ADDITIONAL FEES TO THE EXTERNAL AUDITORS.**

“Messrs. Shareholders,

The external audit firm EY S.p.A. has requested the recognition of additional fees for the following work:

(a) €280,000 relating to additional audit procedures on the Statutory and Consolidated Financial Statements of Saipem S.p.A. at December 31, 2016, concerning the in-depth study of methodologies applied to assess the recoverable value of Group cash generating units, for the purposes of the impairment test, and of analyses at the basis of Company Strategic Plan 2017-2020. This work, carried out with the support of team specialists from Ernst & Young UK, was reviewed and approved by the Board of Statutory Auditors of Saipem SpA at their meeting of March 9, 2017;

(b) €126,864 relating to additional audit procedures on the Statutory and Consolidated Financial Statements of Saipem S.p.A. at December 31, 2016, concerning the in-depth study of four relevant branches of Saipem SpA (Iraq, Sharjah, Kazakhstan, Norway) and three less relevant branches (Kuwait, Abu Dhabi and Russia Anapa). This work was

reviewed and approved by the Board of Statutory Auditors of Saipem SpA at their meeting of March 9, 2017;

(c) €10,000 relating to additional audit procedures on the Statutory and Consolidated Financial Statements of Saipem S.p.A. at December 31, 2016, concerning changes that occurred in 2015 which progressed in 2016, in terms of financial, treasury and risk management activities. This work was reviewed and approved by the Board of Statutory Auditors of Saipem SpA at their meeting of March 9, 2017;

(d) €10,200 relating to additional audit procedures on the Statutory and Consolidated Financial Statements of Saipem S.p.A. at December 31, 2016, concerning the migration to the “GRC VIRSA” database utilized by the Company since June 2016. This work was reviewed and approved by the Board of Statutory Auditors of Saipem SpA at their meeting of March 9, 2017;

(e) €110,144.40 relating to additional audit procedures on the Statutory and Consolidated Financial Statements of Saipem S.p.A. at December 31, 2016, which concerned certain foreign subsidiaries. These ongoing audit procedures on the internal control system of financial reporting related to the so-called “Fraud Risk Work Program” carried out by Reconta Ernst & Young SpA (€40,000) and by foreign companies of the EY network (€70,144.40). This work was reviewed and approved by the Board of Statutory Auditors of Saipem SpA at their meeting of March 9, 2017;

(f) €8,000 for audit procedures aimed at issuing a report on the balance sheet and consolidated financial data and related indexes

pursuant to article 189, paragraph 2 letters a) and b) of Legislative Decree no. 163 dated April 12, 2006 implementing EU directive 2004/17/CE and 2004/18/CE, enclosed to Company affidavits. This work was reviewed and approved by the Board of Statutory Auditors of Saipem SpA at their meeting of March 9, 2017;

(g) €35,245 for audit procedures performed on the financial statements of the Angola Branch (€7,845) and Albania Branch (€7,400) in compliance with local legislation. This work was reviewed and approved by the Board of Statutory Auditors of Saipem SpA at their meeting of March 9, 2017;

Furthermore, whereas:

- I) on April 27, 2016, the Board of Directors of the Company approved the adoption of a long-term programme for the issue of non-convertible bonds, the “Euro Medium Term Notes Programme” for an amount up to €2 billion;
- II) on June 27, 2016, the Board of Directors of the Company approved the implementation of the aforementioned Euro Medium Term Notes Programme for a maximum amount of €1.6 billion;
- III) on September 1, 2016, the Company successfully launched a dual tranche fixed rate bond issue with 4.5 and 7-year tenors, for a total nominal amount of Euro 1 billion. The notes were issued by Saipem Finance International B.V. under the Euro Medium Term Notes Programme”,

the external audit firm has requested the recognition of additional fees for the following non-discretionary work related to the aforementioned bond issues:

(h) €420,000 for conducting procedures in order to issue a comfort

letter / Bring-Down Letter to the Company and the Joint Arrangers and Dealers which relates to the audit of the financial data included in the Base Prospectus. This work was reviewed and approved by the Board of Statutory Auditors of Saipem SpA at their meetings of September 21 and October 20, 2016;

(i) €30,000 for auditing (I) the consolidated financial data of the Saipem Group for the period which followed the last consolidated financial statements ended June 30, 2016, as well as (II) certain accounting data of the Saipem Group included in the Prospectus Supplement, required to issue the aforementioned letters to the Company and the Joint Arrangers and Dealers. This work was reviewed and approved by the Board of Statutory Auditors of Saipem SpA at their meetings of September 21 and October 20, 2016.

The Board of Statutory Auditors found that the above mentioned financial demands submitted by the external auditors:

- are the result of professional work ongoing or completed on behalf of the company;
- are in line with the provisions of the Frame Agreement no. 1437/2010/APR-CCT-C between Eni SpA and Reconta Ernst & Young SpA dated May 10, 2010, and agreements between Saipem SpA and Reconta Ernst & Young SpA, with regard to the use of standard hourly rates by professional category and their professional mix, amounting to a total of €753,589.40 as detailed in items (a), (c), (d), (e), (f) and (g);
- are the result of specific hourly rates by professional category and their suitable professional mix vis-à-vis the work complexity, especially for extraordinary and non-discretionary audits related to

the bond issue "EMTN Programme", carried out urgently and with limited time available, by the external auditors, amounting to a total of €776,864 as detailed in items (b), (h) and (i).

The Board of Statutory Auditors proposes that the Shareholders' meeting approve the payment of additional fees to the company Reconta Ernst & Young amounting to a total of **€1,530,453.40**, relating to work not detailed under the original offer because pertaining to additional activities which could not have been foreseen at the time of the appointment.

The Board of Statutory Auditors"

**SAIPEM S.p.A.**  
**ORDINARY SHAREHOLDERS' MEETING**  
**APRIL 28, 2017**

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

**6) REMUNERATION REPORT: POLICY ON  
REMUNERATION.**

“Messrs. Shareholders,

at the proposal of the Compensation and Nomination Committee, the Board of Directors approved the Remuneration Report, drawn up in compliance with art. 123-ter of Law 58/98 and art. 84-quater of Issuers' Regulations.

Pursuant to paragraph 6 of art. 123-ter of Law 58/98, the Shareholders' meeting is called to resolve on the first part of the Remuneration Report, illustrating 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. This resolution is not binding.

Please refer to the Remuneration Report 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 express in favour of the first part of the Remuneration Report approved by the Board of Directors on March 16, 2017, 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”.

**SAIPEM S.p.A.**  
**ORDINARY SHAREHOLDERS' MEETING**  
**APRIL 28, 2017**

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

**7) AUTHORISATION TO BUY-BACK TREASURY SHARES  
FOR THE 2017 ALLOCATION OF THE LONG-TERM  
INCENTIVE PLAN 2016-2018.**

“Messrs Shareholders,

the Board of Directors proposes that the Long-Term Incentive Plan 2016-2018 be implemented 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 Leg. Decree 58/98, 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, 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, 2016, the Shareholders' meeting had approved the Long-Term Incentive Plan for the years 2016-2018 (hereinafter the “Plan”), whose assignees are the CEO and all Saipem managerial resources. The plan has the following goals:

- improve alignment with shareholders' interests in the medium-long term through the allocation of stock-based incentives, whose grant is subject to the achievement of a Total Shareholder Return target against a Peer Group panel of competitors;

- focus the Company's *management* on achieving medium-long terms business targets, based on a sustainable financial performance;
- ensure greater alignment of the remuneration package 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. (so called Performance Shares) from July 2016 in three annual tranches, all subject to a three-year vesting period. The shares shall be given to assignees after a three-year vesting period, subject to the attainment of two performance targets over the vesting period: a business target which measures the medium-long term financial performance (the Net Financial Position shall be the target of the first allocation) and a Total Shareholder Return target measured against a peer group panel of 11 major international competitors.

Within the share buy-back authorisation received by the Shareholders meeting on April 29, 2016, the Company had concluded the buy-back of treasury shares to be allocated to the Plan in 2016, having bought a total of 69,121,512 treasury shares.

This authorisation is required to buy back treasury shares to cover the 2017 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 category of shares.*

Authorisation is requested to buy-back, in one or more tranches, up to a maximum of 84,000,000 ordinary shares of Saipem S.p.A., all without par value, corresponding to 0.83% of the share capital for a total maximum outlay of €50,000,000.

Please note that as of December 31, 2016 the Company held no. 71,061,344 treasury shares, equal to 0.70% of the share capital. Saipem subsidiaries do not hold any treasury shares.

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

At any moment, 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 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.

6. *Methods for the buy-backs.*

Buy-backs shall be made 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, in Commission Delegated 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 Leg. Decree 58/98, and on regulated trading venues with the methods and operational procedures as governed by Borsa Italiana S.p.A. regulations, which do not provide for direct buy-back/sale combinations. The buy-back of treasury shares is not a means to reduce the share capital”.

## **RESOLUTION PROPOSAL**

“Messrs Shareholders,

You are invited 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 2017 Plan allocation, on the Computerized Trading Market – in one or more tranches within 18 months from the date of this resolution – up to a maximum of 84,000,000 Saipem ordinary shares for a total not exceeding €50,000,000, in compliance with the methods set forth in the Regulation of Borsa Italiana S.p.A.

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 Company, and of the reverse split operation that may take place meanwhile;

- 2) to grant the Board of Directors all the necessary powers to implement this resolution, using proxies if necessary, including intermediaries authorised by law, as gradually as deemed in the interest 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. 180, paragraph 1, letter c), of Leg. Decree 58/98, through resolution no. 16839 dated March 19, 2009".

**SAIPEM S.p.A.**  
**ORDINARY SHAREHOLDERS' MEETING**  
**APRIL 28, 2017**

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

**8) GRANTING THE BOARD OF DIRECTORS  
AUTHORISATION, PURSUANT TO ART. 2357-TER OF  
THE ITALIAN CIVIL CODE, TO USE UP TO A  
MAXIMUM OF 84,000,000 TREASURY SHARES FOR THE  
2017 ALLOCATION OF THE LONG-TERM INCENTIVE  
PLAN 2016-2018.**

“Messrs Shareholders,

in order to implement the Long-Term Incentive Plan 2016-2018, the Board of Directors proposes that the Shareholders’ meeting grant the power, pursuant to art. 2357-ter of the Italian Civil Code, authorisation to use treasury shares to serve the 2017 allocation of the aforementioned Plan”.

**RESOLUTION PROPOSAL**

“Messrs Shareholders,

you are invited to

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

- use up to a maximum of 84,000,000 treasury shares, to serve the Long-term Incentive Plan 2016-2018, taking into account the reverse split operation that may take place meanwhile, to be granted, free of charge, for the 2017 allocation, to the CEO and Senior Managers of Saipem and subsidiary companies identified by name at each annual Plan allocation from the senior managers directly responsible for business results or holding strategic positions;
- grant the Board of Directors all powers to approve the Regulations of the Long-Term Incentive Plan and identify its beneficiaries;
- grant the Chairman and the CEO all powers to implement this resolution, using proxies if necessary”.

**SAIPEM S.p.A.**  
**ORDINARY SHAREHOLDERS' MEETING**  
**APRIL 28, 2017**

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

**9) AUTHORIZING ACTS INTERRUPTING THE LIMITATION  
PERIOD OF THE LIABILITY ACTION AGAINST A  
FORMER DIRECTOR**

“Messrs Shareholders,

you are called to approve and authorise acts interrupting the limitation period (other than acts promoting legal action) against Pietro Franco Tali. We remind the meeting that Mr. Tali was a Director of the Company from June 1996 to July 1999 and from November 2000 to December 5, 2012 (when he resigned). During these periods he held the office of Managing Director and/or Chairman and Deputy Chairman. When he resigned Mr. Tali was Deputy Chairman and Managing Director.

A liability action, as per art. 2393 of the Italian Civil Code, can be brought pursuant to a resolution by the ordinary Shareholders' meeting and can be initiated within the limitation period of five years from the termination of office.

As the limitation period expires on December 5, 2017, the Board of Directors, having heard the Board of Statutory Auditors, asks the Shareholders' meeting to authorise acts interrupting this limitation period (other than acts promoting legal action). This resolution may be taken by the ordinary quorum of the absolute majority of the shareholding capital present at the meeting.

## **1. Potentially relevant events**

The Board of Directors of the Company points out that, following Mr. Tali's resignation, several legal actions and disputes were brought, which are still pending. The Board therefore advises, in the interests of the Company, to safeguard the Company's right to a future action.

The Board briefly reminds the meeting that (i) Mr. Tali is indicted for charges of international corruption and fraudulent misrepresentation in a pending penal action before the Court of Milan; (ii) several disputes and proceedings of a various nature were brought in relation to the latter penal action; and (iii) enquiries, civil proceedings and arbitrations are also pending, potentially leading to relevant actions.

For further information, please refer to the following sections under the heading "Legal Proceedings" of the Annual Report 2016 and of the Interim Financial Report at June 30, 2016: "Algeria", "Ongoing investigations - Public Prosecutor's office of Milan - Brazil", "Arbitration on Menzel Ledjmet Est project ('MLE'), Algeria", "Arbitration proceedings regarding LPG project, Algeria", "Arbitration proceedings regarding LZ2 project, Algeria", "Arbitration proceedings regarding the ARZEW project, Algeria", "Court of Cassation - Consob Resolution No. 18949 of June 18, 2014 - Actions for damages", "Dispute with Husky - Sunrise Energy Project in Canada", "Arbitration against Kharafi National Closed Ksc ("Kharafi") –Jurassic Project", "Significant Tax Disputes".

The Board of Directors points out that, in relation to the above, as well as any other fact potentially relevant to the responsibilities of Mr. Tali, as far as the Board of Directors is aware it is too early to assess whether to take a legal action; however, it is in the Company's interest to retain the right to do so.

## **2. Considerations of the Board of Directors**

The Ordinary General Meeting of Saipem S.p.A. is, by express provision of law, the body responsible<sup>1</sup> for approving a corporate liability action against Mr. Tali. The Board of Directors, having heard the Board of Statutory Auditors, deems it necessary to gain the authorisation of the Shareholders' Meeting in order to file juridical acts to interrupt this limitation period but not acts that promote legal action. This is because enquiries and other potentially relevant proceedings are still pending against Mr. Tali and it would be too early to assess whether to take liability action. However, as the five-year limitation period, provided by art. 2393, paragraph 4, of the Italian Civil Code, expires five years from the date of resignation from office, which in Mr. Tali's case was December 5, 2012, the limitation period shall expire on December 5, 2017.

As the expiry date of the five-year limitation period is imminent, the Board of Directors wishes to safeguard the Company's rights, while enquiries and proceedings are ongoing, and believes that it is in the Company's interests to file a written notice vis-à-vis Mr. Tali to interrupt the limitation period provided by art. 2393, paragraph 4, of the Italian Civil Code.

The Board of Directors, having heard the Board of Statutory Auditors, deems that the filing of acts aimed at interrupting the limitation period (other than acts promoting legal action) require the approval of the ordinary Shareholders' meeting, despite the lack of any explicit legal provisions.

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<sup>1</sup> Pursuant to art. 2393 par. 3, of the Italian Civil Code, the action for liability can be initiated according to a Board of Statutory Auditors' meeting resolution taken with the majority of two thirds of the members.

## **RESOLUTION PROPOSAL**

“Messrs Shareholders,

With regard to the above, we ask you to take the following resolution:

The Ordinary Shareholders’ Meeting, having reviewed the Report by the Board of Directors,

resolves

- to approve and authorise acts interrupting the five-year limitation period, provided by art. 2393, paragraph 4, of the Italian Civil Code, against Mr. Pietro Franco Tali, a former Director of the Company, by filing an extrajudicial notice related to any act, event or circumstance which could be deemed potentially relevant to the responsibilities of Mr. Tali; and
- to grant the Chairman and the CEO, severally, the power to implement this resolution, utilizing special proxies, if necessary.”

March 16, 2017

The Chairman

Paolo Andrea Colombo