

Corporate Governance Report

Fair practice

Saipem believes that the creation of value for its Shareholders, especially in the medium to long-term, should be attained through fair practice towards all its stakeholders, comprising, besides the Shareholders; employees, suppliers, clients, commercial and financial partners as well as the communities the Group comes into contact with.

The Board of Directors deems it important to clearly define the values that Saipem recognises and accepts, to identify the responsibilities the Company assumes both internally and externally to ensure that all Group activities are carried out in compliance with the law, in fairness, honesty, integrity, correctness and in good

faith, respecting the legitimate interests of Shareholders, employees, suppliers, clients, commercial and financial partners as well as the communities of those countries in which Saipem operates. These values are stated in the Code of Practice, which all employees are required to adhere to and whose violations are examined by the Board of Directors, upon notification from the annual Report by the Guarantor of the Code of Practice.

Corporate Governance

The Board of Directors of Saipem SpA, at their meeting of November 9, 2000, had resolved to adopt the 'Corporate Governance Code of Listed Companies'

Principles

All personnel working for Saipem, without distinction and/or exceptions, are committed to observing and enforcing the following principles, within their own function and responsibilities.

The belief of acting in Saipem's interests cannot in any way justify the adoption of practices contravening these principles.

Business ethics

Saipem's activities, anywhere in the world, are carried out in fairness, honesty and in compliance with the law.

Specifically, Saipem applies the OECD guidelines for multinational companies.

Stakeholders

Saipem is committed to respecting all the stakeholders with whom it interacts in business, as it believes that they are an important asset to the Company.

Labour protection and equal opportunities

Saipem respects the universally recognised core labour standards contained in the

Fundamental Conventions of ILO

(International Labour Organisation); it guarantees the freedom to form a union and the right of collective bargaining; it repudiates any form of forced or juvenile labour and/or discrimination. In addition, Saipem is an equal opportunity employer and guarantees its employees equal treatment based on merit.

Development of professional skills

Saipem values and promotes the development of skills and competencies of each employee in addition to team work, so that energy and creativity of the individual can realise its full potential.

Diversity

Saipem's business conduct is inspired by the respect it affords to cultures, religions, traditions, ethnic diversity and the communities in which it operates, and strives to preserve their biological, environmental, social, cultural and economic identities.

Human rights

Worldwide, Saipem is committed to supporting and respecting the principles contained in the UN Universal Declaration of Human Rights.

Cooperation

Saipem is committed to promoting the quality of life and the social and economic development of the communities in which the Group operates.

Health and safety

Saipem ensures ever-increasing health and safety standards for its employees and the communities in all areas of the world where it operates.

Environmental protection

Saipem is committed to protecting the environment and ecosystems involved in its business operations and strives to achieve the sustainability goals set by the international conventions Italy endorses.

(hereafter Code) and had updated its Corporate Governance to include the amendments made to the Code in July 2002.

At their meeting of December 14, 2006, the Board of Directors moved to adopt the recommendations of the Corporate Governance Code of Listed Companies issued by the Corporate Governance Committee of Listed Companies of Borsa Italiana SpA, revision dated March 14, 2006.

In compliance with the guidelines and recent recommendations issued by the Italian Stock Exchange, specifically the 'Annual Corporate Governance Report Guidelines' of February 12, 2003, information on Saipem's Corporate Governance system is provided hereafter.

The preparation of this Corporate Governance report has taken into account the document 'Guide for the preparation of Corporate Governance reports' issued by Assonime and Emittente Titoli SpA in March 2004.

Saipem's structure

Saipem's structure is based on the traditional model where the Board of Directors is solely responsible for the Company's management, the Board of Statutory Auditors carry out supervisory and control duties and the External Auditors are responsible for auditing the accounts.

The Board of Directors has vested the Managing Director and the Chairman with the power to represent the Company, pursuant to Article 21 of the Company's Articles of Association.

In compliance with the most widely internationally adopted Governance principles, the Board of Directors has set up internal corporate bodies, with consultative and advisory functions.

The Company is a subsidiary of Eni SpA and is therefore subject to the direction and coordination of the parent company, pursuant to Article 2497 of the Italian Civil Code.

The Board of Directors: responsibilities, powers, composition, operation, self-review, plurality of offices, independence and integrity, compensation

The Board of Directors is the central body within the Corporate Governance system of Saipem SpA and the Saipem Group. Article 20 of Articles of Association states that the management of the Company is exclusively the responsibility of the Board of Directors.

Article 2365 of the Italian Civil Code grants the Board the power, normally the responsibility of the Extraordinary Shareholders' Meeting, to resolve on motions concerning:

- merger by incorporation of companies whose shares or stakes are owned entirely by the Company, pursuant to Article 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 Article 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 Article 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;
- the adoption of new regulatory provisions into the Articles of Association.

In addition to the powers granted by Article 2381 of the Italian Civil Code, the Board of Directors is responsible for:

- reviewing and approving long-term industrial and financial strategic plans for the Company and the Group;
- resolving on the most significant economic and/or financial Company operations, and reviewing the most relevant Group industrial and financial operations, specifically, approving all operations relating to the incorporation of holding companies and branches, the purchase, transfer and sale/financial lease of land and buildings worth in excess of €2,500,000, the issue of guarantee bonds to entities other than subsidiaries.

The Board of Directors is also exclusively responsible for approving contracts for the purchase or sale of goods and services exceeding €1 billion and those whose duration is over 20 years;

- defining, based on indications provided by the relevant Committee, guidelines for the internal control system and ascertaining their adequacy, ensuring that main business risks are identified and properly managed, paying particular attention to situations of potential conflict of interests;

- reviewing and approving the guidelines supporting the Company and Group structure, assessing annually that they suit the administrative and accounting model of the Company and strategic subsidiaries;
- evaluating the general management and performance of the company, in light of the information received from the relevant bodies and periodically checking actual results against forecasts;
- reviewing and approving operations with related parties, in compliance with the criteria set by the relevant procedure approved by the Board of Directors itself;
- receiving information from Directors with executive powers at Board Meetings, at least quarterly, regarding: activities within their responsibility carried out during the year; major operations; atypical and/or unusual operations or operations with related parties;
- approving all motions put forward for approval to the Shareholders' Meetings;
- vesting Board Directors with particular powers;
- appointing General Managers and granting them powers; establishing internal committees that fulfil a propositive and consultative role; appointing the members of the Audit Committee, the Compensation Committee and the Compliance Committee;
- setting a corporate government system and regulations for the Company and the Group; adopting procedures for the management and circulation of Company information in general and sensitive information in particular;
- approving the Company's management incentive schemes and the remuneration of Directors vested with executive powers, at the proposal of the Compensation Committee;
- approving the preliminary Financial Statements, the budget, the Quarterly and Six-Monthly Reports, and preliminary results;
- at the proposal of the Chairman and subject to the approval of the Board of Statutory Auditors, appointing and revoking the appointment of the senior manager in charge of preparing the Company's financial reports, granting him adequate powers and tools;
- at the proposal of the Chairman and subject to the opinion of the Audit Committee, appointing and revoking the appointment of the Internal Audit Manager;
- approving and entering into agency agreements;
- approving all donations (main subsidiaries and subsidiaries of strategic importance as identified by

the Board of Directors are Snamprogetti SpA and Saipem sa).

Pursuant to Article 2391 of the Italian Civil Code, Directors shall inform the other Directors and the Statutory Auditors of interests they may have, on their own behalf and on behalf of third parties, in any specific Company operation.

The Board of Directors, in compliance with the recommendation contained in the new Corporate Governance Code, utilises a qualified external consultant to carry out an annual review of its size, composition and operation of the Board itself and its Committees.

This year's review, carried out with the support of Egon Zehnder International, found that, in 2007, the Board of Directors had improved further both in terms of efficiency and function.

The Board vested the Chairman with all ordinary and extraordinary powers to manage the Company, except for the undelegable powers and those of the Board itself, and granted the Managing Director the powers to manage the Company's commercial and operational activities.

The Chairman and Chief Executive Officer is ultimately responsible for the management of the Company. He chairs the Shareholders' Meeting, convenes and chairs Board of Directors' meetings, ensures the implementation of resolutions carried by the Board itself.

The Board of Directors, comprising nine Directors, was appointed by the Shareholders' Meeting on April 29, 2005 for three years, its mandate expiring at the Shareholders' Meeting called to approve the Financial Statements at December 31, 2007. The appointment of Directors occurs pursuant to Article 19 of Articles of Association, through voting from lists, so as to allow the appointment of minority interest representatives. Lists are filed at the Company's registered headquarters at least fifteen days prior to the Shareholders' meeting (first summons) and are published in compliance with current legislation and Consob regulations. Voting lists enclose a professional résumé for all candidates, their declaration accepting the nomination, stating that there are no grounds for ineligibility and/or incompatibility, and that they meet the integrity and/or independence requirements. Lists can be presented by Shareholders, who, individually or with others, hold voting shares representing at least 1% of the share

capital, as per Consob Resolution No. 16319 of January 29, 2008. Seven tenth of Directors are appointed from the list that has obtained the majority of votes (rounded down if necessary). Directors shall meet the honourability requirements prescribed by regulations, possess the professional expertise and experience to carry out their mandate efficiently and effectively and be able to dedicate sufficient time and resources to their office. Pursuant to Article 1.c.2 of the Code, information regarding offices of Directors or Auditors held by members of the Board of listed companies, financial or insurance companies or companies of considerable size is provided below under 'Offices held by Board Directors'.

Pursuant to items 1.c.2 and 1.c.3 of the Corporate Governance Code, to ensure that Directors can devote enough time to their office, the Chairman proposes the adoption of the following guideline on the number of offices Directors may hold:

- an executive Director shall not hold: (i) the office of executive Director in other listed companies, either in Italy or abroad, in financial companies, banks, insurance companies or companies with net equity in excess of €1 billion; and (ii) the office of non-executive Director or Statutory Auditor (or member of other control body) in more than three aforementioned companies;
- beside the appointment at this Company, a non-executive Director shall not hold: (i) the office of executive Director in more than one of the aforementioned companies and the office of non-executive Director or Statutory Auditor (or member of other control body) in more than three aforementioned companies; and/or (ii) the office of non-executive Director or Statutory Auditor in more than six of the aforementioned companies.

Offices held at companies of the same Group are excluded from the limit of cumulation.

Should the aforementioned limits be exceeded, Directors shall immediately inform the Board of Directors, who, after assessing the position and, in light of the Company's interests, shall invite the Director to take the relevant decisions.

The Code recommends that public companies set up a Committee for appointment proposals comprising a majority of non-executive Directors, 'specifically when the Board of Directors notices that Shareholders are finding it difficult to put forward appointment proposals'. This Committee has not been implemented since, as previously stated, lists enclose a professional résumé for all candidates.

The Board comprises the Chairman, Pietro Franco Tali, the Managing Director, Hugh James O'Donnell, and the Directors Francesco Gatti, Angelo Caridi, Jacques Yves Léost, Marco Mangiagalli, Pierantonio Nebuloni, Gesualdo Pianciamore and Ian Wybrew-Bond.

Francesco Gatti, Pierantonio Nebuloni and Gesualdo Pianciamore have been nominated from the list put forward by institutional investors coordinated by ARCA SGR SpA.

Pietro Franco Tali, Hugh James O'Donnell, Jacques Yves Léost, Marco Mangiagalli, Ian Wybrew-Bond and Angelo Caridi have been nominated from the list put forward by Eni.

The following are executive Directors: Pietro Franco Tali, Hugh James O'Donnell and Jacques Yves Léost (Chairman of Saipem sa).

Law 58 of February 24, 1998 provides that a minimum of two Directors meet the independence criteria required from Statutory Auditors of listed companies, if the Board comprises more than seven members. Article 19 of Articles of Association provides that a minimum of three Directors meet the aforementioned independence requirements if the Board comprises more than five members, boosting the number of independent Directors on the Board. Should a Director declare that he fails to meet the independence and integrity requirements, or should the Board not reach the minimum number of independent Directors as set in the Articles of Association, the Board of Directors shall declare the appointment of said Director void and provide for their replacement.

The Board of Directors, pursuant to the provisions of the Code and the provisions of Article 148, paragraph 3, of Law 58/1998, ascertains annually that the Directors comply with the independence and integrity requirements. Specifically, declarations by the interested parties confirmed as independent four non-executive Directors (Francesco Gatti, Pierantonio Nebuloni, Gesualdo Pianciamore and Ian Wybrew-Bond). They are considered independent following the evaluation carried out by the Board based on the parameters contained in Article 3 of the Corporate Governance Code and Article 148, paragraph 3, of Law 58/1998.

Directors who do not comply with the independence requirement are executive Directors Pietro Franco Tali, Hugh James O'Donnell, Jacques Yves Léost, and non-

executive Directors Marco Mangiagalli, CFO of Eni SpA and Angelo Caridi, General Manager of Eni's R&M division.

The Board of Statutory Auditors has checked the correct application of criteria and procedures adopted by the Board of Directors to ascertain the independence of its members.

The Company's Articles of Association do not specify how often the Board should meet, although Article 21 states it has to occur at least quarterly as follows: '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 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'.

In 2007, the Board of Directors met on eight occasions, their meeting lasting three hours on average; four meetings have been scheduled to take place in the first half of 2008. The general public is informed of the dates of Board Meetings when periodical statements and reports, required by current legislation, are to be approved.

The Board of Directors sets down the formalities pertaining to the calling of Board Meetings; in particular, meetings are convened by the Chairman, who also prepares the agenda for the meeting, through notices sent by mail, fax or e-mail at least five days prior to the date of the meeting; in exceptional circumstances, notice is sent at least 24 hours prior to the time of the meeting. The Articles of Association allow for meetings to be held via video-conference link. Directors and Statutory Auditors are provided in advance with documents pertaining to items to be discussed and/or resolved on at the meeting.

In 2007, an average of 90% of Board Directors and 85% of independent Directors attended Board Meetings.

Directors' remuneration is approved by the Shareholders' Meeting; the remuneration of the Chairman and the Managing Director is set by the Board of Directors at the proposal of the Compensation Committee, having previously conferred with the Statutory Auditors. Pursuant to Consob regulations, the Directors' Report in the Financial Statements, i.e. the Notes to the Financial Statements, contain the following: (i) amounts paid to the Directors, Statutory Auditors, the General Manager and senior managers

with strategic responsibilities; (ii) number of stock grants and stock options allocated to the Chairman and the Managing Director, the General Manager and senior managers with strategic responsibilities; (iii) number of shares held by the Directors, Statutory Auditors, the General Manager and senior managers with strategic responsibilities of Saipem and its controlled companies. The Shareholders' Meeting of April 29, 2005 set at €25,000 the remuneration for each Director for every year of office. Directors are also entitled to €1,000 for attending each meeting of Statutory Boards and Board Committees, in addition to reimbursement of expenses incurred.

The remuneration of the Chairman and the Managing Director, as well as that of the General Manager and senior managers with strategic responsibilities comprises a fixed component, a variable component and a long-term incentive.

The fixed remuneration of the Chairman and the Managing Director is commensurate with the powers vested in them. The fixed remuneration of the General Manager and senior managers with strategic responsibilities is based on their position and strategic responsibilities, in line with comparable positions in the market of large national and international companies, with annual adjustments based on merit (continuity of individual performance) or promotion (progression of position/responsibilities).

The variable remuneration is paid annually in cash and is linked to the achievement of specific economic, operational and/or strategic objectives and individual targets (for the single business units or departments) set the previous year.

The variable part of the Chairman's and the Managing Director's remuneration is linked to the achievement of Company objectives. The variable remuneration paid in 2007 was based on Saipem's targets for the year 2006 (profitability, cash-flow, new contracts, Saipem/Snamprogetti integration and backlog risk management), approved by the Board of Directors at the proposal of the Compensation Committee. In 2006, the Board of Directors approved, at the proposal of the Compensation Committee, a new long-term incentive system applicable to senior managers of Saipem, in order to increase management's motivation and loyalty and set a close correlation between achieved targets/Company results and incentives. The new system, to be applied from 2006 to 2008, comprises a deferred monetary incentive focused on business growth and operational efficiency (replacing

the stock grant scheme), and a stock option scheme focused on return on investment for the Shareholder, which had been approved by the Shareholders' Meeting of April 30, 2007. This policy is aimed at balancing the monetary and stock-based components of the remuneration package, as well as integrating over the long-term the Company's financial-operational performance with that of the stock. The deferred monetary incentive granted in 2007 will be paid after a three-year vesting period depending on the achievement of annual EBITDA targets (actual vs budget results) set for the years 2007-2009. Stock options allocated in 2007 will be eligible for exercise after three years based on the Total Shareholders' Return achieved by Saipem's share versus its competitors, calculated on an annual basis over the years 2007-2009. After every three-year vesting period, the results of long-term incentive schemes will be reviewed by the Compensation Committee and approved by the Board of Directors.

Offices held by Board Directors

Based on the information received, we list hereunder additional directorships or auditor posts held by Saipem's Board Directors in other listed companies, either in Italy or abroad, in financial companies, banks, insurance companies or companies of relevance (Article 1.c.2 of the Code).

ANGELO CARIDI

Board Director of Eni Trading & Shipping SpA.

FRANCESCO GATTI

Board Director of Grande Jolly SpA.

MARCO MANGIAGALLI

Board Director of Eni Trading & Shipping SpA.

GESUALDO PIANCIAMORE

Board Director of Sirefid SpA, ESG Compagnia di Riassicurazione Dublino, Associazione Azionisti Generali, Società Assicurativa La Estrella SA Madrid, Intesa San Paolo Private Banking SpA.

PIETRO FRANCO TALI

Board Director of Dockwise Ltd.

The Directors' professional résumés are posted on Saipem's website.

Board Committees

In order to carry out its responsibilities more efficiently, the Board has set up two committees: the Audit Committee, comprised exclusively of non-executive independent Board members, and the Compensation Committee, comprising a majority of independent Board members, all of whom are non-executive Directors.

All Audit Committee members are accounts and finance experts.

The Audit Committee comprises Francesco Gatti, Pierantonio Nebuloni and Gesualdo Pianciamore; the Compensation Committee comprises Marco Mangiagalli, Pierantonio Nebuloni and Francesco Gatti.

Audit Committee

The Audit Committee, in compliance with the Board resolution of November 9, 2000, fulfils a preparatory, consultative and propositive role regarding the general management of the Company. In compliance with the amendments made to the Code in July 2002, the Committee approved the 'Audit Committee Regulations' on February 25, 2003. In accordance with the Regulations, the Chairman of the Board of Statutory Auditors, or an Auditor appointed by the Chairman takes part in the Committee's activities; meetings can be attended by Saipem's Chairman. The Internal Audit Manager (being the senior manager in charge of the Internal Control System) assists the Audit Committee and carries out duties assigned as part of his/her role. The Internal Audit department, reporting to the Chairman, is responsible for the following: (i) assessing the conformity of accounting and non-accounting criteria and principles, the efficiency of administrative procedures and control systems; (ii) ensuring the implementation and updating of the risk assessment, mapping and classification systems for auditing purposes.

The Audit Committee's responsibilities are: (i) assisting the Board of Directors in the following areas: (a) setting guidelines for the internal control system; (b) periodically checking that it is adequate and operates effectively; (c) ensuring that major risks facing the Company are suitably identified and properly managed; (ii) evaluates together with the CFO and the external Auditors, the adequacy of accounting principles adopted and their consistency throughout the consolidated Financial Statements; (iii) assesses together with the external Auditors: (a) accounting principles considered 'critical' for the correct financial and economic representation of Saipem's position; (b) alternative accounting standards provided for by

the accounting principles and reviewed with the management, the consequences of the application of said alternative standards and related information in addition to the methods considered preferential by the external auditors; (c) contents of every relevant written exchange between the external auditors and the Company's management; (d) issues relating to statutory and consolidated financial statements of major Group Companies; (iv) evaluates the work programme prepared by the Internal Audit Manager and receives from the latter reports, at least quarterly, on work performed; (v) evaluates issues raised through Internal Audit reports, communications from the Board of Auditors or individual Auditors, reports and the management letter issued by the external Auditors, the annual report issued by the Guarantor of the Internal Code of Practice, inquiries and studies by third parties; (vi) assesses offers received from external auditing firms for the award of the auditing contract, the work programmes put forward and works carried out by said auditing firms, also in terms of their independence; (vii) verifies independence of the external Auditors; (viii) evaluates requests advanced by departmental managers to utilise the auditing firm appointed to audit the financial statements for non-audit service and presents proposals to the Board of Directors. The Audit Committee convened seven times during 2007 and three times in the period from January 1 to March 31, 2008. It examined the audit programmes issued by the Internal Audit Department, approving their audit plan for the year; it examined and evaluated internal audit activities; met with the Chief Financial Officer, the Chairman of the Board of Statutory Auditors, the partners of the External Auditing firm to examine the main issues pertaining to the 2006 and 2007 Financial Statements; it monitored the development of the operating model of the Internal Audit Department; acknowledged Company activities relating to Law Decree 231/2001 particularly those activities relating to compliance, training and the analysis of sensitive processes; studied in-depth the model for the risk analysis and risk management of the Saipem Group; acknowledged the Company's organisational structure and the powers of attorney and proxy systems at the basis of the Saipem Group decision making mechanism; monitored Company activities related to the implementation of accounting processes necessary to implement the new International Financial Reporting Standards (IFRS). The Audit Committee reports to the Board of Directors every six months, providing a detailed account of work

carried out and the adequacy of the internal control system.

The Board of Directors has appointed the Internal Audit Manager as the senior manager in charge of the internal control system, with the responsibilities provided by the new Corporate Governance Code.

Compensation Committee

The Compensation Committee fulfils a propositive role for the Board of Directors vis-à-vis the Executive Directors remuneration as well as: (i) stock based incentive schemes; (ii) criteria for setting the Group's top management remuneration; (iii) setting targets and assessing achievements of performance and incentive schemes.

In 2007, the Compensation Committee convened on five occasions (average member attendance stood at 83%) and carried out the following:

- it reviewed the 2007 Group performance and incentive schemes as well as results of the 2006 schemes, in view of the allocation of annual and deferred monetary incentives to Group senior managers;
- it proposed the fixed and variable remuneration of the Chairman and the Managing Director, based on 2006 results;
- it proposed the 2007 management incentive scheme allocations (stock options, annual and deferred monetary incentives).

Saipem's CFO and HR Director were invited to attend Compensation Committee meetings.

All meetings were minuted.

The Compensation Committee had full access to information and Company functions necessary to carry out its responsibilities.

Board of Statutory Auditors

The Board of Statutory Auditors, pursuant to Article 149 of Law Decree 58/1998, monitors: compliance to the Law and the Articles of Association; that management principles are correctly adhered to; the adequacy of the Company organisational structure, the internal control system and the administrative/accounting system, and the reliability of the latter to clearly reflect the Company position; the implementation of corporate governance regulations contained in the Codes of Practice issued by Stock Exchange management companies and/or professional associations, which the Company has publicly declared to adhere to; the adequacy of directions given by the Company to its subsidiaries.

The Board comprises three Statutory Auditors and two alternate Auditors, appointed by the Shareholders on April 29, 2005. The term of office for Statutory Auditors is three years and will expire at the Shareholders' Meeting called to approve the Financial Statements at December 31, 2007.

Pursuant to Article 27 of Articles of Association, Statutory Auditors are appointed from voting lists; one Statutory Auditor and one alternate Auditor are chosen from the list put forward by the minority Shareholders. Lists are filed, presented and published in compliance with legal requirements and Consob Regulations.

Pursuant to Consob Resolution No. 16319 of January 29, 2008, lists may be presented by Shareholders who, individually or with others, hold shares amounting at least to 1% of the share capital.

Pursuant to Article 27, as amended by the Shareholders' meeting on April 30, 2007 to comply with Law 262 of December 28, 2005, the Shareholders' meeting appoints the Chairman of the Board of Statutory Auditors from the minority list; this provision will be effective from the next appointment of the Board of Statutory Auditors. Lists enclose declarations by each candidate stating that they meet the integrity and independence requirements provided by law alongside their professional résumé.

The Board of Auditors comprises the Chairman Paolo Andrea Colombo, the Statutory Auditors Fabrizio Gardi and Fabio Venegoni and the alternate auditors Giulio Gamba and Luca Giovanni Caretta.

Article 27 of Articles of Association states that Statutory Auditors must be in possession of the requisites as per current legislation, in particular Decree 162/2000; in compliance with the Decree, the Articles of Association provide that the following fields are pertinent to the Company's activities: commercial law, business administration and management, the engineering and geology sectors. All Saipem's Statutory Auditors are members of the Register of Certified Auditors.

In compliance with the provision of the Corporate Governance Code aimed at ensuring that Statutory Auditors meet the independence requirements following their appointment (a similar provision applies also to Board Directors), the Board of Statutory Auditors assesses annually that all its members meet the independence requirements.

Statutory Auditors are provided in advance with documents pertaining to items to be discussed and/or resolved on at Board meetings.

The Board of Statutory Auditors ensured the independence of the external Audit Company,

ascertaining that it met all legal requirements and evaluating the nature and size of services other than accounting audits it provided to the Company and its subsidiaries directly, or through associated companies. The Board of Statutory Auditors liaised closely with the internal audit department and the Audit Committee, attending Committee meetings and inviting the Internal Audit Manager to its own meetings. Meetings of the Board of Statutory Auditors may be held via video-conference link.

The Shareholders' Meeting of April 29, 2005 set at €37,500 the annual remuneration of the Chairman of Statutory Auditors and at €25,000 that of the Auditors. They are also entitled to €1,000 for attending each meeting of Statutory bodies, in addition to reimbursement of expenses incurred.

Pursuant to Article 27 of Articles of Association, 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 SpA may not be appointed as auditors, and if elected, shall forfeit their office.

Paolo Andrea Colombo, Fabrizio Gardi and Giulio Gamba have been nominated by Eni SpA; Fabio Venegoni and Luca Giovanni Caretta have been nominated by institutional investors coordinated by Arca SGR SpA.

The Statutory Auditors' professional résumés are posted on Saipem's website.

The total number of offices held by each member of the Board of Statutory Auditors at companies listed under Book V, Title V, chapters V, VI and VII of the Italian Civil Code, is as follows:

- Paolo Andrea Colombo (Chairman)	No. 28
- Fabrizio Gardi (Statutory Auditor)	No. 31
- Fabio Venegoni (Statutory Auditor)	No. 35
- Luca Giovanni Caretta (Alternate Auditor)	No. 40
- Giulio Gamba (Alternate Auditor)	No. 17

External Auditing Company

In compliance with the law, audits of accounts are entrusted to an external auditing company registered in Consob's Roll of Auditors, appointed by the Shareholders' meeting. The current auditing company is PricewaterhouseCoopers SpA, appointed by the Shareholders' meeting of April 30, 2007, whose six-year mandate expires with the approval of the 2012 Financial Statements.

The financial statements of subsidiary companies are subject to audit; these are mostly carried out by PricewaterhouseCoopers.

With regard to the opinion on the consolidated financial statements, PricewaterhouseCoopers is responsible for the audits carried out at subsidiary companies by other external auditors, which are immaterial in terms of consolidated assets and turnover.

Senior Manager in charge of preparing the Company's financial reports

Mr Alessandro Bernini, Director of the Saipem's Administration, Finance and Control department for over ten years, is the senior manager in charge of preparing the Company's financial reports, pursuant to Article 154-bis of Law 58/1998.

He was appointed by the Board of Directors on October 29, 2007, having first ascertained that he met the professional criteria required by the Articles of Association.

Senior Manager in charge of the internal control system

The Board of Directors appointed as senior manager in charge of the internal control system, Mr Alessandro Riva, Internal Audit Manager.

The senior manager in charge of the internal control system:

- is responsible for ensuring that the internal control system is adequate, fully operational and functional at all times;
- is not responsible for any operative area and does not report to any departmental manager, including the administration and finance department;
- has direct access to all information he requires to carry out its duties;
- is entrusted with all necessary tools to carry out its duties;
- reports to the Audit Committee and the Board of Statutory Auditors.

Internal Control System

The Board of Directors, with the assistance of the senior manager in charge of the internal control system and the Internal Audit department, ensures that the internal control system is consistent with the Company's business requirements. Specifically, the Board of

Directors, with the support of the Audit Committee:

- (i) sets guidelines for the internal control system;
- (ii) evaluates, at least annually, the adequacy, efficiency and function of the internal control system;
- (iii) illustrates, in the annual corporate governance report, the pivotal elements of the internal control system, and expresses an opinion on its overall performance.

The Internal control system on Company information was set up in compliance with:

- the US Sarbanes-Oxley Act of 2002 (SOA), which Saipem must adhere to as subsidiary of a New York Stock Exchange listed company (NYSE);
- Law 58/1998, Article 154-bis applicable because Saipem is listed on the Italian Stock Exchange.

Two key principles were followed in the review of the internal control system:

- disseminate controls to all levels of the organisation, in line with the respective operational responsibilities; this approach reflects the policy stated in the Code of Practice: 'the responsibility for building an efficient internal control system rests on all levels of the organisation; therefore all Eni employees, in their respective functions, are responsible for the definition and proper functioning of internal controls';
- sustainability of controls over time, so that they become integrated and are compatible with operational requirements; all controls were reviewed in detail to identify those that are critical in mitigating risks.

To safeguard the accuracy and reliability of Company information, a number of control and procedures was set up, subdivided into two components:

- disclosure controls and procedures aimed at fulfilling all disclosures required for the consolidated and statutory financial statements, the half-year and interim reports as well as Form 20-F (Disclosure controls and procedures-DC&P);
- the internal control system which regulates the preparation of the financial statements and interim reports (Internal Control Over Financial Reporting - ICFR).

Disclosure controls and procedures aim at ensuring that Company information divulged to the market is correctly gathered, processed, collated and disclosed, in compliance with current legislation. Controls and procedures include those that are specifically designed to insure that information is gained and communicated to the management of the Issuer, specifically the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO), so that they can take conscious and prompt decisions on information to be disclosed to the market

and on its correctness/completeness in representing Company risks, management expectations and business developments. The Management is responsible for both procedures and internal controls with regard to duties of information in respect of the assessment of organisational efficiency and their effective operations. The internal control system, which is at the basis of the collation of the financial and interim statements, aims at ensuring that all financial data are correct and safeguarding the collation process of the financial statements and interim statements in order to produce information that is in compliance with generally accepted accounting principles. Its scope is therefore limited when compared to the DC&P, although its reach within the organisation is greater, requiring controls within each operational and administrative department, which issues relevant financial information. Pursuant to SOA provisions, only the internal control system that is responsible for the collation of the financial statements is audited by the management as well as the Accounting Auditors. The structure of the internal control system is set by the model adopted in the COSO Report and comprises five components (control environment, risk assessment, control activities, IT systems and information flows, monitoring activities), which, in light of their own characteristics, operate at company and process level.

Specifically, controls at entity level comprise the following:

- Company Level Controls are control tools that are applied throughout the Group or a specific sector and allow the controlling entity (Saipem) to direct, define and monitor, albeit only at high level, the layout and operations of the internal control system of subsidiaries.

Company level controls include the Code of Practice, Corporate Governance, Group guidelines, etc.;

- Entity Level Controls are control tools operating across individual companies.

Process Level Controls comprise:

- specific controls: all activities, either manual or automated, aimed at preventing, identifying and correcting errors and misrepresentations occurring during business operations; in order to improve the system's efficiency and its sustainability over time, specific controls have been subdivided into standard and key controls, the latter being critical in preventing false representations in the financial statements, on which monitoring activities are based;
- pervasive controls: structural elements of the internal control system aimed at setting the general

environment that can promote the proper execution and control of operational activities.

Main categories of pervasive controls are:

- segregation of duties, aimed at preventing that a large number of tasks and responsibilities is centred on the same person so as to enable them to commit and conceal fraud or errors; where activities are aided by IT systems, proper segregation is ensured through the allocation of correct profiles and users;
- general computer controls, comprise all checks to ensure the correct operations of IT systems (for instance access controls).

All the aforementioned controls are aimed at mitigating risks of unintentional errors, and/or of fraud that may have repercussions on the Company finances. With regard to the risk of fraud, the internal control system provides a dedicated section 'Anti-fraud Programmes and Controls' for which a specific fraud risk assessment was carried out as well as an assessment of mitigating controls both at entity and process level.

Controls are constantly monitored to ensure that their design is correct, that they are effective and to update them consistently with changes in the organisation, operational process and IT systems.

The model adopted for monitoring purposes comprises:

- ongoing monitoring activities, carried out by the manager in charge of the relevant processes/activities on a continuous basis, to ensure prompt identification of shortcomings and subsequent implementation of corrective measures;
- separate evaluations carried out by the Internal Audit Department in accordance to their own schedule, remit and targets, aimed at strengthening the assessment process carried out by the management.

Reports on all these activities on the internal control system are issued quarterly/annually; these involve all levels of the Group organisation: from department managers, who bear the main responsibility of maintaining an efficient control system, to CEOs and CFOs (Financial Managers) of individual subsidiaries; from the latter to the Divisions/main operational companies, to Saipem's CEO and CFO, who are ultimately responsible for the system's effectiveness – the CFO in his capacity as senior manager in charge of the Company's financial reporting, in compliance to Article 154-bis of Law 58/1998.

Similar reports are issued by the same persons, pursuant to Italian legislation, in the statutory and

consolidated financial statements, the half-year report, interim reports and all other financial documents; the CFO has to declare that all information provided reflects documents, accounting books and entries. The CEO and CFO report their assessment on the internal control system to the Board of Directors and the Board of Statutory Auditors, so that they can carry out their audit activities as per Italian and US legislation.

In order to standardise procedures within the Group, the aforementioned principles have been collated into one document 'Saipem's Internal Control System on Corporate Reporting - Regulations and Methods', which describes the current Group Model and details responsibilities allocated to the Management and the various levels of the organisation.

A series of Operative Guides have been issued in support of the Group Model (Guide for the identification of Key Controls, Criteria for the definition of test samples, Guide for the management of spreadsheets, etc.) and training courses organised.

Saipem's Shareholders/Information required

by Article 123-bis of Law 58/1998

- At December 31, 2007, the share capital of Saipem SpA amounted to €441,410,900; it is fully paid up

and comprises No. 441,251,800 ordinary shares, equal to 99.96% of the share capital, of the nominal value of €1 each, and No. 159,100 savings shares, equal to 0.04% of the share capital, of the nominal value of €1 each, both of which are listed on the Milan Stock Exchange. Shares cannot be divided and each share carries the entitlement to one vote. Saipem's Shareholders enjoy, and are limited by, all relevant rights afforded by law. Savings shares are convertible at par with ordinary shares; they enjoy a higher dividend than ordinary shares equal to 3% of the share nominal value. The Savings Shareholders' meeting appointed Mr Roberto Ramorini as their collective representative on October 31, 2006.

- No other financial instruments have been issued by the Company that allocate the right to subscribe newly-issued shares.
- No restrictions exist on the transfer of shares.
- No restrictions exist on voting rights.
- All Shareholders enjoy the same rights.
- No known agreements exist amongst Shareholders, as per Article 122 of Law 58/1998.
- Employees who hold Saipem's shares enjoy the same voting rights as ordinary Shareholders.
- Based on information available and notifications received pursuant to Article 120 of Law 58/1998, Shareholders owning a stake in Saipem SpA in excess of 2% are:

Shareholders	Number of shares	% of capital
Eni SpA	189,423,307	42.91
Capital Research and Management Co	23,172,485	5.25
GE Asset Management Inc	13,938,753	3.16

Based on information received from the banks who carried out dividend payments in 2006, the

Shareholders' breakdown by geographical area and size of holding is as follows:

Shareholders breakdown by geographical area based on 2006 dividend payments

Shareholders	Number of Shareholders	Number of shares	% of capital
Italy	24,989	280,664,000 (*)	63.58
Other EU member States	716	55,839,897	12.65
Americas	478	65,006,103	14.73
UK and Ireland	244	30,073,044	6.81
Other European States	105	3,611,428	0.82
Rest of the World	136	6,216,428	1.41
Total	26,668	441,410,900	100.00

(*) Includes treasury shares with no dividend entitlement.

Shareholders breakdown by size of holding (*)

Shareholders	Number of Shareholders	Number of shares	% of capital
> 10%	1	189,423,307	42.91
> 2%	1	14,835,000	3.36
1% - 2%	9	58,975,139	13.36
0.5% - 1%	8	21,801,508	4.94
0.3% - 0.5%	15	24,959,393	5.65
0.1% - 0.3%	62	46,103,442	10.45
≤ 0.1%	26,572	85,313,111	19.33
Total	26,668	441,410,900	100.00

(*) Source: Shareholder Register at the time of payment of 2007 dividend.

- The Board of Directors does not have the power to increase the share capital, pursuant to Article 2343 of the Italian Civil Code.
The Shareholders' meeting of April 30, 2007 approved the buy-back of a maximum of 2,500,000 treasury shares, pursuant to Article 2357 of the Italian Civil Code, for allocation to the 2007 Stock Option Scheme.
Shares must be bought back within an 18-month period, at a price not higher than 5% of the reference price on the day preceding each purchase, and for a maximum amount not exceeding €60 million.
The number of treasury shares held by the Company at the end of 2007 was 5,033,496.
- There are no agreements indemnifying Directors in case of dismissal/revocation of their appointment without just cause, resignation or termination following a public purchase offer.
- Procedures regulating the appointment of Board Directors are illustrated under the item 'Board of Directors'.
- Saipem SpA and its subsidiaries are subject to agreements that may become effective should there be a change of control in terms of the current main Shareholder Eni SpA (change of control clauses). Specifically, these clauses relate to:
 - **financing** currently held with third-party credit institutions or with Eni, which, at December 31, 2007, amounted to a total of €1,898 million. Should there be a change of control, Saipem may be requested to repay the loaned capital and related interests in advance of the contractual terms and conditions.
Replacing the aforementioned financing on the market and taking into account the adjustment in the risk profile of the Company, would result in an increased annual financial outlay that is estimated at approximately €3.7 million;

- **bank guarantees** amounting to a total of €2,748 million.
Should there be a change of control, Saipem may be requested to release all Eni lines currently utilised against bank guarantees.
Replacing existing lines on the market, taking into account the adjustment in the risk profile of the Company, would result in an increased annual financial outlay that is estimated at approximately €5.7 million.

Shareholders' meetings

The Shareholders' meeting represents the institutional meeting point of the Company's management and its Shareholders. At these meetings, Shareholders may ask questions pertaining to items on the agenda or the Company's management at large. The information provided shall comply with the provisions applicable to inside information.

Ordinary Shareholders' meetings are regulated by Article 2364 of the Italian Civil Code, extraordinary Shareholders' meetings by Article 2365.

Notices of Shareholders' meeting are published in various national Italian newspapers, in order to promote Shareholder attendance. The Shareholders' meeting of January 30, 2001 approved the Shareholders' meetings regulations (posted on Saipem's website) to ensure smooth and effective meetings proceedings and, specifically, to safeguard every Shareholders' right to intervene on items under discussion.

The Extraordinary Shareholders' Meeting of April 30, 2007 approved the amendments to the Company's Articles of Association in compliance with the provisions of Law 262/2005.

The right of all Shareholders to attend the General Shareholders' meeting is regulated by the provisions of Article 2370 of the Italian Civil Code.

Shareholders wishing to attend are required to contact an authorised broker and obtain the appropriate certification, pursuant to Article 2370, paragraph 2 of the Italian Civil Code, at least two working days prior to the Meeting's first summons.

Operations with related parties

Saipem, with regard to Article 11 of the Corporate Governance Code, drafted a procedure named 'Code of Practice Regulating Operations with Related Parties', which was approved by the Board of Directors on July 7, 2003. This procedure identifies related parties and details all operations carried out amongst them; it lists criteria of application, operations that require prior consent by the Board of Directors and those that are to be notified to the Board of Statutory Auditors as well as the Board of Directors.

Board Directors, General Managers and senior manager with strategic responsibilities must declare, every six months, operations they may have carried out with Saipem SpA and/or its subsidiaries, directly or through a third party, in compliance with the provisions of IAS 24. The amounts of commercial, financial or other operations with related parties are provided in the notes to the consolidated and statutory financial statements of Saipem SpA, along with a description of the most relevant types of operations, their incidence, and those operations that had an impact on the Company's assets and financial results.

This procedure is posted on the Company's website (www.saipem.eni.it).

Investor relations and data protection

Saipem has adopted a policy of information supporting a constant dialogue with institutional investors, the Shareholders and the market in order to guarantee the timely disclosure of comprehensive information on Company activities, and is limited only by the confidentiality requirements afforded to certain information. Information to investors, the market and the media takes place through press releases, periodic meetings with institutional investors, the financial community and the press, in addition to the comprehensive information made available and constantly updated on the Company website. Relations with investors and financial analysts are maintained by the Investor Relations Manager.

Information of interest is posted on Saipem's website or can be requested via email from:

investor.relations@saipem.eni.it.

Relations with Shareholders are maintained by the Head of the Secretary's Office. Information of interest to Shareholders is posted on Saipem's website or can be requested via email from:

segreteria.societaria@saipem.eni.it.

Information pertaining to periodic financial reports, relevant operations and newly-issued corporate governance procedures, is disclosed immediately to the public also via publication on the website, where all press releases and Shareholders' notices are also posted.

Saipem's commitment to providing investors and markets with financial information that is true, comprehensive, transparent, timely and non-selective is stated in the Code of Practice, which identifies the values it applies in its business operations and the relations with third parties: namely, disclosure of complete and clear information, the formal and essential legitimacy of practices by its employees at all levels, clarity and veracity of its accounting practices in compliance with current legislation and internal procedures.

On March 23, 2006, the Board of Directors updated the 'Procedure regulating Market notification of documents and information pertaining to activities of the Company and its controlled companies' (posted on Saipem's website), which was approved on December 12, 2002. This procedure – which implements the provisions contained in the 'Guide on Information to the Market' issued by 'Forum Ref' in June 2002 and the provisions of the European Directive on Market Abuse – defines the requirements to be applied to the disclosure of sensitive information to the market (materiality, clarity, homogeneity, symmetry, consistency and timeliness) and regulates the flow of information from controlled companies aimed at obtaining comprehensive and timely information for the Board of Directors and the market on events that may become sensitive information. This procedure also identifies measures to be taken in case of violation of its provisions, also in light of the penal and administrative sanctions introduced by Law 262/2005.

The Code of Practice also defines the duty of confidentiality that Group employees are required to adhere to, in compliance with data protection legislation.

Law Decree 231/2001

On March 22, 2004, the Board of Directors approved the Organisational, managerial and control model, pursuant to Law 231/2001 and established a Compliance Committee. The Model comprises a comprehensive set of procedures and control processes aimed at preventing the offenses detailed in the aforementioned Law Decree, and subsequent amendments. The Chairman is responsible for devising and implementing initial activities, updating and upgrading the Model.

The Compliance Committee is responsible for implementing their plan of actions and informs the Chairman on activities carried out. The Compliance Committee's independence is safeguarded by its position within the Company's organisation and reporting lines, pursuant to Article 6, paragraph 1, lett. b), of Law 231/2001.

In 2007 the Compliance Committee convened on eight occasions and has: promoted and monitored all initiatives aimed at Saipem SpA employees to ensure the adequate knowledge of the Model; it identified the Compliance Programme for the year and ensured that it was implemented alongside the scheduled and ad-hoc control activities; promoted and contributed to updating and upgrading the Model as necessary; coordinated and maintained communication channels to and from the Compliance Committee.

List of persons having access to inside information/Internal dealing

On March 23, 2006, the Board of Directors approved the procedure for the 'Upkeep and update of the List of persons having access to inside information', in compliance with the provisions of Article 115-bis of Law 58/1998, which states that 'Listed issuers and persons in a control relationship with them and persons acting on their behalf or for their account shall draw up, and keep regularly updated, a list of the persons who, in the exercise of their employment, profession or duties, have access to information referred to in Article 114, paragraph 1 (editor's note: inside information)'. This procedure, which contains the provisions of Chapter 1 (Lists of insiders) of Title VII of Consob Regulation No. 11971/1999 implementing the provisions on issuers of Legislative Decree 58/1998, identifies: (i) methods and terms applicable to listing

and/or cancellation of personal data relating to persons, who in the exercise of their employment, profession or duties, have regular or occasional access to inside information; (ii) notification to the interested party of their listing and/or cancellation from the List and reasons thereof. This procedure is effective from April 1, 2006.

The Board of Directors also approved the 'Procedure regulating the identification of relevant parties and operations carried out by them, directly or through third parties, involving shares of Saipem SpA or other associated financial instruments (Internal Dealing Procedure)', which replaces the Internal Dealing Code approved by the Board on December 12, 2002. This procedure complies with the provisions of Article 114 (Information to be provided to the public), paragraph 7 of Law 58/1998, according to which 'persons performing administrative, supervisory and management functions in a listed issuer and managers who have regular access to inside information referred to in paragraph 1 and the power to make managerial decisions affecting the future development and prospects of the issuer, persons who hold shares amounting to at least 10 per cent of the share capital, and any other persons who control the issuer must inform Consob and the public of transactions involving the issuer's shares or other financial instruments linked to them that they have carried out directly or through nominees. Such disclosures must also be made by the spouse, unless legally separated, dependent children, including those of the spouse, cohabitant parents and relatives by blood or affinity of the persons referred to above and in the other cases identified by Consob in a regulation implementing Commission Directive 2004/72/EC of April 29, 2004'. This procedure, which contains the provisions of Chapter II (Transactions concluded by relevant persons and persons closely associated with such persons) of Title VII of Consob Regulation No. 11971/1999 implementing the provisions on issuers of Legislative Decree 58/1998: (i) identifies relevant persons; (ii) identifies operations involving shares issued by Saipem or other associated financial instruments; (iii) sets methods and conditions of disclosure involving transactions and their notification to the public; (iv) states sanctions to be applied in case of non-compliance of the provisions stated in the procedure.

In addition to legal requirements, this procedure also lists blocking periods, i.e. periods during which relevant parties may not carry out operations.
This procedure is posted on Saipem's website.

The following tables are taken from the document 'Guidelines for the compilation of the Corporate Governance Report' issued by Assonime and Emittenti Titoli SpA in March 2004.

Structure of the Board of Directors and its Committees

Members	Board of Directors					Audit Committee		Compensation Committee	
	executives	non executives	independent	% attendance	no. of other offices	member	% attendance	member	% attendance
Chairman									
Pietro Franco Tali	X			100	-				
Managing Director									
Hugh James O'Donnell	X			100	-				
Directors									
Angelo Caridi		X		90					
Francesco Gatti ⁽¹⁾		X	X	75		X	100	X	90
Jacques Léost	X			100					
Marco Mangiagalli		X		90				X	60
Pierantonio Nebuloni ⁽¹⁾		X	X	75		X	60	X	100
Gesualdo Pianciamore ⁽¹⁾		X	X	100		X	100		
Ian Wybrew-Bond		X	X	90					
Number of meetings held in 2007				8		7		5	

(1) Appointed from the list of minority shareholders.

Board of Statutory Auditors

Members	% attendance to meetings of the Board of Statutory Auditors	% attendance to meetings of the Board of Directors	No. of other offices ⁽¹⁾
Chairman			
Paolo Andrea Colombo	100	90	5
Statutory Auditors			
Fabrizio Gardi	80	75	2
Fabio Venegoni ⁽²⁾	100	100	2
Alternate Auditors			
Luca Giovanni Caretta ⁽²⁾	-	-	
Giulio Gamba	-	-	1
Number of meetings held in 2007		10	8

(1) Number of Directorships or Auditor's posts at other listed companies.

(2) Appointed from the list of minority shareholders.

Other provisions of the Corporate Governance Code

	Yes	No
Powers and operations with related parties		
The Board of Directors has allocated the following powers:		
a) thresholds	X	
b) exercise of powers	X	
c) disclosure of information	X	
Has the Board of Directors the power to review and approve the most significant economic and financial operations (including operations with related parties)?	X	
Has the Board of Directors defined guidelines and criteria that identify operations as 'significant'?	X	
Have the aforementioned guidelines and criteria been detailed in the report?	X	
Has the Board of Directors set appropriate procedures for the review and approval of operations with related parties?	X	
Have the aforementioned procedures for the approval of operations with related parties been detailed in the report?	X	
Procedures pertaining to the most recent appointment of Directors and Statutory Auditors		
Have candidacies to the offices of Directors been filed at least ten days prior to their appointment?	X	
Did the candidacies to the offices of Directors contain sufficient information?	X	
Did the candidacies to the offices of Directors enclose a statement indicating the requirement of independence?	X	
Have candidacies to the offices of Statutory Auditors been filed at least ten days prior to their appointment?	X	
Did the candidacies to the offices of Statutory Auditors contain sufficient information?	X	
Shareholders Meetings		
Has the company approved Shareholders' Meeting's Regulations?	X	
Are these Regulations enclosed in the Report (or information as to where they can be obtained/downloaded)?	X	
Internal Audit		
Has the Company appointed the senior manager in charge of the internal control system?	X	
Do these senior managers not report to managers of operational areas?	X	
Internal Audit Department (pursuant to Article 9.3 of the Code)		Internal Audit
Investor relations		
Has the Company appointed an investor relations manager?	X	
Investor Relations Department: contact details (address/fax/email) of the Manager		Investor Relations ^(*)

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